

**State:** Arkansas **Filing Company:** Arkansas Blue Cross and Blue Shield  
**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense  
**Product Name:** Essential Blue Freedom  
**Project Name/Number:** Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

### Filing at a Glance

Company: Arkansas Blue Cross and Blue Shield  
 Product Name: Essential Blue Freedom  
 State: Arkansas  
 TOI: H15I Individual Health - Hospital/Surgical/Medical Expense  
 Sub-TOI: H15I.001 Health - Hospital/Surgical/Medical Expense  
 Filing Type: Form/Rate  
 Date Submitted: 07/30/2012  
 SERFF Tr Num: ARBB-128607245  
 SERFF Status: Closed-Approved-Closed  
 State Tr Num:  
 State Status: Approved-Closed  
 Co Tr Num: 17-279, 23-2660, EBF AG/DR 01/13, EBF REISSUE AG/DR 01/13  
 Implementation: 01/01/2013  
 Date Requested:  
 Author(s): Christi Kittler, Yvonne McNaughton, Frank Sewall, Rita Thatcher, Evelyn Laney  
 Reviewer(s): Rosalind Minor (primary)  
 Disposition Date: 07/31/2012  
 Disposition Status: Approved-Closed  
 Implementation Date: 01/01/2013

State Filing Description:

**State:** Arkansas **Filing Company:** Arkansas Blue Cross and Blue Shield  
**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical  
Expense  
**Product Name:** Essential Blue Freedom  
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## General Information

Project Name: Essential Blue Freedom Status of Filing in Domicile: Pending  
Project Number: 17-279, 23-2660, EBF AG/DR 01/13, EBF Date Approved in Domicile:  
Reissue AG/DR 01/13  
Requested Filing Mode: Review & Approval Domicile Status Comments: Arkansas is our state of domicile.  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type: Individual  
Overall Rate Impact: Filing Status Changed: 07/31/2012  
State Status Changed: 07/31/2012  
Deemer Date: Created By: Christi Kittler  
Submitted By: Christi Kittler Corresponding Filing Tracking Number:  
PPACA: Not PPACA-Related

PPACA Notes: null

### Filing Description:

Enclosed please find the above referenced forms for your review and approval if indicated. These are new forms and not intended to replace any previously approved forms.

The individual Essential Blue Freedom insurance policy (form 17-279 1-13) is a new, short-term, limited duration benefit policy that provides preferred provider organization medical benefits, subject to the terms, conditions, exclusions and limitations of the policy. As such, please review this policy as a limited benefit policy as outlined in Arkansas Insurance Department Rule and Regulation 18, Section 7, K. Limited Benefit Health Insurance Coverage. Additionally, since this policy only provides coverage for a limited duration, this policy is a HIPAA excepted policy (e.g. not subject to HIPAA, PPACA, etc.). Maternity benefits are offered through form number 23-2660 1-13 for an additional cost.

Application form numbers EBF/STB AG (01/13) and EBF/STB DR (01/13) will be used with the sale of this new product. Policyholders wishing to apply for a subsequent policy may use application form numbers EBF Reissue AG (01/13) and EBF Reissue DR (01/13). Subsequent policies will be given a new identification number and policy term.

Also enclosed is a Flesch Reading Ease score certification signed by an officer of the company as required by Arkansas Code Annotated §23-80-206(d).

By way of this letter, I certify that the submission meets the provisions of Arkansas Insurance Department Rule & Regulation 19.

I certify that the Life and Health Guaranty Association Notices required by Arkansas Insurance Department Rule & Regulation 49 is incorporated in the policy.

I further certify that the consumer information notice required by Arkansas Code Annotated §23-79-138 is incorporated in the policy attached.

## Company and Contact

### Filing Contact Information

Christi Kittler, Compliance Supervisor cmkittler@arkbluecross.com

**State:** Arkansas **Filing Company:** Arkansas Blue Cross and Blue Shield  
**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense  
**Product Name:** Essential Blue Freedom  
**Project Name/Number:** Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13  
 320 West Capitol, Ste 211 501-378-2967 [Phone]  
 Little Rock, AR 72201 501-378-2975 [FAX]

**Filing Company Information**

Arkansas Blue Cross and Blue Shield	CoCode: 83470	State of Domicile: Arkansas
601 S. Gaines Street	Group Code:	Company Type:
Little Rock, AR 72201	Group Name:	State ID Number: N/A
(501) 378-2967 ext. [Phone]	FEIN Number: 71-0226428	

**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$300.00  
 Retaliatory? No  
 Fee Explanation: \$50/form x 6 = \$300.00  
 Per Company: No

Company	Amount	Date Processed	Transaction #
Arkansas Blue Cross and Blue Shield	\$300.00	07/30/2012	61281765

**SERFF Tracking #:** ARBB-128607245      **State Tracking #:**      **Company Tracking #:** 17-279, 23-2660, EBF AG/DR 01/13, EBF RE...

**State:** Arkansas      **Filing Company:** Arkansas Blue Cross and Blue Shield  
**TOI/Sub-TOI:** H151 Individual Health - Hospital/Surgical/Medical Expense/H151.001 Health - Hospital/Surgical/Medical Expense  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	07/31/2012	07/31/2012

State: Arkansas Filing Company: Arkansas Blue Cross and Blue Shield  
 TOI/Sub-TOI: H151 Individual Health - Hospital/Surgical/Medical Expense/H151.001 Health - Hospital/Surgical/Medical Expense  
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## Disposition

Disposition Date: 07/31/2012  
 Implementation Date: 01/01/2013  
 Status: Approved-Closed  
 HHS Status: HHS Approved  
 State Review: Reviewed by Actuary  
 Comment:

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Arkansas Blue Cross and Blue Shield	New Product	%	%				%	%

## Percent Change Approved:

Minimum: % Maximum: % Weighted Average: %

**SERFF Tracking #:**

ARBB-128607245

**State Tracking #:****Company Tracking #:**17-279, 23-2660, EBF AG/DR 01/13, EBF  
RE...**State:** Arkansas**Filing Company:**

Arkansas Blue Cross and Blue Shield

**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense**Product Name:** Essential Blue Freedom**Project Name/Number:** Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	PPACA Uniform Compliance Summary	Approved-Closed	Yes
Supporting Document	Rate Summary Worksheet	Approved-Closed	Yes
Supporting Document	Consumer Disclosure Form	Approved-Closed	Yes
Form	Essential Blue Freedom Policy	Approved-Closed	Yes
Form	Maternity Benefit	Approved-Closed	Yes
Form	Direct Response Application	Approved-Closed	Yes
Form	Agent Application	Approved-Closed	Yes
Form	Agent Reissue App	Approved-Closed	Yes
Form	Direct Response Reissue	Approved-Closed	Yes
Rate	EssBlueFreedom	Approved-Closed	Yes

SERFF Tracking #:

ARBB-128607245

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## Form Schedule

### Lead Form Number: 17-279

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1	Approved-Closed 07/31/2012	17-279	POL	Essential Blue Freedom Policy	Initial:	46.000	17-279 1-13.pdf
2	Approved-Closed 07/31/2012	23-2660	CERA	Maternity Benefit	Initial:	46.000	23-2660 1-13.pdf
3	Approved-Closed 07/31/2012	EBF/STB DR (01/13)	AEF	Direct Response Application	Initial:	46.000	EBF_STB_DR_(01-13).pdf
4	Approved-Closed 07/31/2012	EBF/STB AG (01/13)	AEF	Agent Application	Initial:	46.000	EBF_STB_DR_(01-13).pdf
5	Approved-Closed 07/31/2012	EBF Reissue AG (01/13)	AEF	Agent Reissue App	Initial:	46.000	EBF_Reissue_AG_(01-13).pdf
6	Approved-Closed 07/31/2012	EBF Reissue DR (01/13)	AEF	Direct Response Reissue	Initial:	46.000	EBF_Reissue_DR_(01-13).pdf

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NOC</b>	Notice of Coverage
<b>OTH</b>	Other	<b>OUT</b>	Outline of Coverage
<b>PJK</b>	Policy Jacket	<b>POL</b>	Policy/Contract/Fraternal Certificate
<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	<b>SCH</b>	Schedule Pages



# Arkansas BlueCross BlueShield

An Independent Licensee of the Blue Cross and Blue Shield Association

**PREFERRED PROVIDER ORGANIZATION  
SHORT-TERM, LIMITED DURATION MEDICAL POLICY  
(WITH DEDUCTIBLE)**

## **ESSENTIAL BLUE FREEDOM**

### **IMPORTANT NOTICE**

**COVERED BENEFITS RECEIVED FROM A NON-PREFERRED PROVIDER, EXCEPT IN CERTAIN CIRCUMSTANCES (SEE SECTION 5.0.), ARE PAID AT A RATE LESS THAN THE SAME COVERED BENEFITS RECEIVED FROM A PREFERRED PROVIDER. (SEE YOUR SCHEDULE OF BENEFITS)**

Attached is the Schedule of Benefits, showing name of Policyholder, Policy number, type of Policy (individual or otherwise), premiums, the effective date, Benefit Period and Policy end date.

CONDITIONED UPON RESIDENCE IN ARKANSAS

**THIS POLICY CONTAINS A PREEXISTING CONDITION  
EXCLUSION**

**ARKANSAS BLUE CROSS AND BLUE SHIELD  
601 S. GAINES STREET  
LITTLE ROCK, ARKANSAS 72201**

**ARKANSAS BLUE CROSS AND BLUE SHIELD**

**PREFERRED PROVIDER ORGANIZATION  
SHORT-TERM LIMITED DURATION MEDICAL  
EXPENSE POLICY**

**OUTLINE OF COVERAGE**

READ YOUR POLICY CAREFULLY - This outline of coverage provides a very brief description of the important features of your Policy. The outline is not your Policy and only the actual Policy provisions will control. The Policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY.

LIMITED BENEFIT HEALTH COVERAGE – Policies of this category are designed to provide, to persons insured, limited coverage.

**BENEFITS**

**DEDUCTIBLE:** as indicated on your Schedule of Benefits per Policy per Covered Person, maximum of two Deductibles per Policy.

**PREFERRED PROVIDER ORGANIZATION:** Covered Benefits received from a Non-Preferred Provider, except in certain circumstances (see Section 5.0.), are paid at a rate less than the same Covered Benefits received from a Preferred Provider. (see your Schedule of Benefits)

**MAXIMUM BENEFIT:** maximum lifetime benefits of this Policy shall not exceed \$1,000,000 per Covered Person.

**COVERED SERVICES:** [PAYMENT AT (CHECK YOUR SCHEDULE OF BENEFITS FOR APPROPRIATE PERCENTAGE) ARKANSAS BLUE CROSS AND BLUE SHIELD REASONABLE CHARGE];

- Daily hospital room and board
- Miscellaneous hospital services  
(drug, lab, x-ray, etc.)
- Surgical services
- Anesthesia services
- In-hospital medical visits
- Out of hospital care

**AGE LIMITATIONS:** Dependent Children are covered in accordance with Policy guidelines. You are responsible for changes in coverage status (from individual to family or from family to individual).

**POLICY COINSURANCE MAXIMUM:** PLEASE CHECK YOUR SCHEDULE OF BENEFITS TO DETERMINE THE AMOUNT OF YOUR POLICY COINSURANCE MAXIMUM BENEFITS. REFER TO THE PROVISION OF SECTION 5.0 OF YOUR POLICY.

**SPECIAL LIMITATIONS:**

Physical & Occupational Therapy -	Maximum of 30 visits per Benefit Period per Covered Person and a maximum of 6 spinal manipulations per Benefit Period per Covered Person.
Psychiatric & Substance Abuse -	Maximum of \$1,000 per Benefit Period per Covered Person.
Durable Medical Equipment (DME)	Maximum of \$5000 per Benefit Period per Covered Person.
Ambulance -	Maximum payment of \$2500 per Benefit Period per Covered Person.
Home Health -	Maximum of forty (40) visits per Benefit Period per Covered Person.
Skilled Nursing Facility -	Thirty (30) days per Benefit Period per Covered Person.

**BENEFITS AND SERVICES NOT INCLUDED FOR:**

**Preexisting Condition Exclusion** - Treatment of preexisting conditions or diseases are not covered. This means a condition or disease which causes symptoms, before the effective date that would have caused an ordinarily prudent person to seek diagnosis, care, or treatment. This also applies to aggravations of such conditions or diseases. **There is NO credit given toward the preexisting condition exclusion period for prior health insurance unless you have a prior Essential Blue Freedom policy that has been in effect for 364 days with no lapse in coverage.**

Routine Maternity Care and Obstetrical Care, unless covered by rider – surgical and nonsurgical treatment of obesity – Injuries or diseases caused by war - dentistry, except for oral surgery (See Section 3.18.) - dental x-rays - eye refractions - eyeglasses or hearing aids unless needed because of accidental injury - cosmetic surgery unless needed because of accidental injury – Health Interventions not meeting primary coverage criteria - medical or hospital service collectible under Worker's Compensation or any law providing benefits for dependents of military personnel - services rendered in government hospitals (unless otherwise required by applicable law) - intentional self-inflicted injuries - inpatient services, including electrocardiograms, x-rays and laboratory examinations, if they could have been performed safely and adequately on an outpatient basis - services and supplies which are experimental or investigational in nature

**Conditioned upon Residence in Arkansas**

This Policy is conditioned upon your residence in Arkansas.

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**SAMPLE Schedule of Benefits**  
**Effective Date – 01/01/2013**

Identification #: [000000000]                      Coverage Type                      Contract Type                      Rate  
 [Essential Blue Freedom]                      Short-term medical                      [Subscriber & Children]                      [\$1.00]  
 Group #: [0000000]                      Premium Billing Frequency: [MONTHLY]

Member No.	Name	Date of Birth	Policy Effective Date	Policy End Date	Pre-Ex End Date
01	Jane Doe	00/00/0000	00/00/0000	00/00/0000	00/00/0000
02	John Doe	00/00/0000	00/00/0000	00/00/0000	00/00/0000
03	Jimmy Doe	00/00/0000	00/00/0000	00/00/0000	00/00/0000

Please verify the information is correct. If you have any questions or if the information on this document is incorrect, please call: [1-800-000-0000]. Claims payment determination will be based on the information noted above.

*Refer to your Insurance Policy for a full explanation of your benefits, the limitations on these benefits and the services that are not covered.*

**Benefit Period**    [364 Days]

**Policy Maximum Benefit / Covered Person**  
 Policy Benefits Maximum                      [\$1,000,000.00]  
 [No Maternity]

**Copayments**

\*Primary Care Physician Copayment:    [\$30.00]    *Only Applies to General Practice, Family Practice, Pediatrics & Internal Medicine*  
 Emergency Room Copayment              [\$200.00]  
 \*Out-of-Network Providers are subject to Out-of-Network deductible and coinsurance.

	<u>In-Network</u>	<u>Out-of-Network</u>
<b>Individual Policy Deductible:</b>	[\$1,000]	[\$2,000]
<b>Family Policy Deductible:</b>	[2 Family Members]	[2 Family Members]

<b>Individual Policy Coinsurance Maximum:</b>	[\$10,000.00]	[No Maximum]
<b>Family Policy Coinsurance Maximum:</b>	[2 Family Members]	[No Maximum]

**Coinsurance**

	<u>In-Network</u>	<u>Out-of-Network</u>
Home Health Services and Durable Medical Equipment	[20%]	[40%]
Hospital Room and Board Allowance (Average Semi-Private Room Rate)	[20%]	[40%]
Hospital, Physical Illness	[20%]	[40%]
Physical, Occupational and Speech Therapy	[20%]	[40%]
Psychiatric Conditions	[20%]	[40%]
Substance Abuse / Alcoholism	[20%]	[40%]
Other Types of Covered Expenses	[20%]	[40%]

**IF YOU RESIDE OR ARE TRAVELING OUTSIDE THE STATE OF ARKANSAS AND ARE ADMITTED TO A HOSPITAL, PLEASE CALL 1-800-451-7302 TO NOTIFY US OF YOUR ADMISSION.**

**Call Special Delivery at 1-800-742-6457** as soon as you become aware of your pregnancy in order to receive free educational materials and coupons by mail that encourage good health practices during your pregnancy. Let us help make your delivery a *Special Delivery*.

**Managed Drug Program:**

Value Formulary

Prescription Drug Benefit:

- 1<sup>st</sup> Tier Drug Copayment
- 2<sup>nd</sup> Tier Drug Copayment
- 3<sup>rd</sup> Tier Drug Copayment
- 4<sup>th</sup> Tier Discount ONLY

YES  
[\$15.00]  
[\$40.00]  
[\$70.00]

## 1.0 HOW THE COVERAGE UNDER YOUR INSURANCE PLAN WORKS

- 1.1 Through your premium payments, you have purchased a Plan of insurance benefits (“Plan”) provided by this Policy issued by Arkansas Blue Cross and Blue Shield, (“the Company”) that provides a range of coverage for medical services you may need. This Policy provides you valuable health insurance, but you should understand clearly that the Plan does NOT cover all medical services, drugs, supplies, tests or equipment (“Health Interventions” or “interventions”). A Plan covering all Health Interventions would be prohibitively expensive. For that reason, we have offered and you have purchased a more limited Plan. This Policy, together with your application and any riders or endorsements signed by the President of the Company, is the contract that describes what you have and have not purchased; in other words, what is and is not eligible for benefits under your Plan. **Accordingly, you should read this entire document carefully both now and BEFORE you obtain medical services to be sure you understand what is covered and the limitations on your coverage.**
- 1.2 The philosophy and purpose behind your Plan is that we want you to have coverage for the vast majority of medical needs or emergencies you may face, including most hospital and physician services, prescription drugs, supplies and equipment. However, in order to keep costs of your Plan within reasonable limits, we have deliberately excluded coverage of a number of specific Health Interventions, we have placed coverage limits on some other interventions, and we have established an overall standard we call the “Primary Coverage Criteria” that each and every claim for benefits must meet in order to be covered under your Plan.
- 1.3 Here is an important thing for you to clearly understand. For any Health Intervention, there are six general coverage criteria that must be met in order for that intervention to qualify for coverage under your Plan.
1. The Primary Coverage Criteria must be met.
  2. The Health Intervention must conform to specific limitations stated in your Plan.
  3. The Health Intervention must not be specifically excluded under the terms of your Plan.
  4. At the time of the intervention, you must meet the Plan’s eligibility standards.
  5. You must comply with the Plan’s Provider network and cost sharing arrangements; and
  6. You must follow the Plan’s procedures for filing claims.
- The following discussion will give you a brief description of each of these qualifications.
- 1.4 **The Primary Coverage Criteria.** The Primary Coverage Criteria apply to ALL benefits you may claim under your Plan. It does not matter what types of Health Intervention may be involved or when or where you obtain the intervention. The Primary Coverage Criteria are designed to allow Plan benefits for only those Health Interventions that are proven as safe and effective treatment. The Primary Coverage Criteria also provide benefits only for the less invasive or less risky intervention when such intervention would safely and effectively treat the medical condition; or they provide benefits for treatment in an outpatient, doctor’s office or home care setting when such treatment would be a safe and effective alternative to hospitalization. Examples of the types of Health Interventions that the Primary Coverage Criteria exclude from coverage include such things as the cost of a hospitalization for a minor cold or some other condition that could be treated outside the hospital, or the cost of some investigational drug or treatment such as herbal therapy or some forms of high dose Chemotherapy not shown to have any beneficial or curative effect on a particular cancerous condition. Finally, the Primary Coverage Criteria require that if there are two or more effective alternative Health Interventions, the Company shall limit its payment to the Allowable Charge for the most cost effective intervention. The specific coverage standards that must be met under the Primary Coverage Criteria are outlined in detail in Section 2.0 of this document.
- 1.5 **Specific Limitations in Your Plan.** Because of the high cost of some Health Interventions, as well as the difficulty in some cases of determining whether an intervention is really needed, we include coverage for such Health Interventions but place limits on the extent of coverage, either by limiting the number of Provider visits or treatments, or by specifying a dollar limit for services or treatment received during a Benefit Period or other specified time period. Examples of such limitations include a dollar limitation on coverage for Ambulance Services and Durable Medical Equipment, and a limit on the number of covered visits for home health services, physical, occupational and speech therapy. Other types of limitations include requirements that an intervention be provided in a particular location or by a Provider holding a particular type of license, or in accordance with a written treatment plan or other documentation. Common benefits and limitations are outlined in detail in Section 3.0 of this document. You will note that this document refers to Coverage Policies we have developed that may address

limitations of coverage for a particular service, treatment or drug. You may request a copy of our Coverage Policy with respect to a particular service, treatment or drug, or, if you have Internet access, you may review all our established Coverage Policies on our web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM)

- 1.6 **Specific Exclusions in Your Plan.** There are many possible reasons why we have selected a particular condition, health care Provider, Health Intervention, or service to be excluded from your Plan. Some exclusions are based on the availability of other coverage or financing for certain types of injuries. For example, injuries you receive on the job are generally covered by workers' compensation. Other exclusions are based on the need to try to keep your coverage affordable, covering basic health care service needs, but not covering every possible desired intervention. The exclusion for Cosmetic Services is an example of this type of exclusion. The plan excludes coverage of some health care Providers because we believe the Provider is not qualified or because the Provider lacks experience. For example the plan does not cover services rendered by unlicensed Providers or by Hospital residents, interns, students or fellows. Other exclusions are based on our judgment that the need for such Health Intervention is questionable in many cases, or that the services are of unknown or unproven beneficial effect. Examples of these types of exclusions include biofeedback and cranial electrotherapy stimulation devices, as well as some forms of high dose Chemotherapy and bone marrow transplantation. **Before you undergo treatment or tests, you should review the specific exclusions listed in Section 4.0 of this document. If you have any question about whether a specific exclusion applies, discuss it with your doctor(s). Call our Customer Service representatives if you need assistance.** You may also request a copy of our Coverage Policy with respect to a particular service, treatment or drug, or, if you have Internet access, you may review all our established Coverage Policies on our web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM).

1.7 **Provider Network and Cost Sharing Procedures.**

Your plan does not provide coverage for a Health Intervention unless it is provided by a Provider as defined in this Plan. See Subsection 9.72.

Your plan does not provide coverage for one hundred percent of the costs associated with covered Health Interventions. You are expected to pay an initial amount of covered Allowable Charges you incur each Benefit Period. This amount is called a "Deductible." After you have paid the Deductible, you may pay a percentage of Allowable Charges called "Coinsurance;" Once your covered Allowable Charges reach a specified amount, called "Policy Coinsurance Maximum," the Company will pay one hundred percent of covered Allowable Charges you incur until the end of the Benefit Period.

Provider networks are designed to try to hold down the costs of your Plan through discounted medical fees that the Company has negotiated with these Providers. Your Plan includes incentives in the form of lower Deductible, lower Coinsurance and a lower Policy Coinsurance Maximum to encourage you to consult and seek treatment from physicians, hospitals and other health care Providers who participate in our Provider network, called "Preferred Providers." A full explanation of the Deductible, Coinsurance and Policy Coinsurance Maximum applicable to your Plan are set out in Section 5.0 and the Schedule of Benefits.

You and your physician are always free to make any decision you believe is best for you concerning whether to receive any particular service or treatment, or whether to see any practitioner or Provider (in or out of the network). However, if you go "out-of-network" for services or treatment, your coverage will be reduced or limited to the out-of-network rate. There are exceptions to the network procedures; for example Emergency Care or if, prior to your effective date of coverage, you were engaged with a Non-Preferred Provider for a scheduled procedure and you receive PRIOR approval from the Company to continue at the Preferred Provider benefit level for the scheduled procedure. Unless one of these exceptions apply, if you want to receive the full benefit of your Plan, you should check in advance to see if the Provider is a Preferred Provider. Preferred Providers are identified in our published Provider directory, or you may call Customer Service to ask about a specific Provider, or visit our web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM)

- 1.8 **Eligibility Standards.** You must be eligible for benefits under your Plan at the time you receive a Health Intervention. Eligibility standards are set forth in Section 6.0 of this document. All premiums must be timely paid. It is important to understand the provisions of Section 6.0 that outline the circumstances under which your Policy may terminate.

- 1.9 **Claim Filing Procedures.** Your Plan provides procedures that you, your Provider or your Authorized Representative must follow in filing claims with the Company. Your failure to follow these procedures could result in significant delays in the processing of your claim, as well as potential denial of benefits.

These procedures are set out in Section 7.0. In addition, Section 7.0 explains how you can appeal a benefit determination in the event you believe that such benefit determination does not comply with the terms of the Plan.

1.10 **Plan Administration.** Certain important matters, not otherwise described in this Policy, are set out in Section 8.0. Section 9.0 is a glossary of defined terms used in the Policy.

1.11 **Membership in Arkansas Blue Cross and Blue Shield.** As the owner of this Policy, the Policyholder is a member of Arkansas Blue Cross and Blue Shield. Section 10.0 describes the meetings of members, gives notice of the Annual Meeting of members, and describes a member's voting rights.

## 2.0 PRIMARY COVERAGE CRITERIA

2.1 **Purpose and Effect of Primary Coverage Criteria.** The Primary Coverage Criteria are set out in this Section 2.0 of this document. The Primary Coverage Criteria are designed to allow Plan benefits for only those interventions that are proven as safe and effective treatment. Another goal of the Primary Coverage Criteria is to provide benefits only for the less invasive or less risky intervention when such intervention would safely and effectively treat the medical condition, or to provide benefits for treatment in an outpatient, doctor's office or home care setting when such treatment would be a safe and effective alternative to hospitalization. Finally, if there is more than one effective Health Intervention available, the Primary Coverage Criteria allow the Company to limit its payment to the Allowable Charge for the most cost-effective intervention. Regardless of anything else in this Plan, and regardless of any other communications or materials you may receive in connection with your Plan, you will not have coverage for any service, any prescription drug, any treatment, any procedure or any equipment, supplies or associated costs UNLESS the Primary Coverage Criteria set forth in this Section are met. At the same time, bear in mind that just because the Primary Coverage Criteria are met does not necessarily mean the treatment or services will be covered under your Plan. For example, a Health Intervention that meets the Primary Coverage Criteria will be excluded if the condition being treated is a Preexisting Condition excluded by the Plan. (See Subsection 4.1.1.) As explained in the preceding Section 1.0, the Primary Coverage Criteria represent one category of six general coverage criteria that must be met for coverage in all cases. The Primary Coverage Criteria are as follows:

2.2 **Elements of the Primary Coverage Criteria.**

In order to be covered, medical services, drugs, treatments, procedures, tests, equipment or supplies ("interventions") must be recommended by your treating physician and meet all of the following requirements:

1. The intervention must be a health intervention intended to treat a medical condition. A "health intervention" is an item or service delivered or undertaken primarily to diagnose, detect, treat, palliate or alleviate a medical condition or to maintain or restore functional ability of the mind or body. A "medical condition" means a disease, illness, injury, pregnancy or a biological or psychological condition that, if untreated, impairs or threatens to impair ability of the body or mind to function in a normal, healthy manner.
2. The intervention must be proven to be effective (as defined in Subsections 2.3.1.a. or 2.3.1.b, below) in treating, diagnosing, detecting, or palliating a medical condition.
3. The intervention must be the most appropriate supply or level of service, considering potential benefits and harms to the patient. The following three examples illustrate application of this standard (but are not intended to limit the scope of the standard): (i) An intervention is not appropriate, for purposes of the Primary Coverage Criteria, if it would expose the patient to more invasive procedures or greater risks when less invasive procedures or less risky interventions would be safe and effective to diagnose, detect, treat or palliate a medical condition. (ii) An intervention is not appropriate, under the Primary Coverage Criteria, if it involves hospitalization or other intensive treatment settings when the intervention could be administered safely and effectively in an outpatient or other less intensive setting, such as the home. And (iii) Maintenance Therapy is another example of this standard because under the Primary Coverage Criteria, chiropractor services or other physical therapy, speech or occupational therapy, are not considered appropriate for purposes of coverage if the frequency or duration of therapy reaches a point of maintenance where the patient remains at the same functional level and further therapy would not improve functional capacity or ambulation.

4. The Primary Coverage Criteria allows the Company to limit its coverage under the Plan to payment of the Allowable Charge for the most cost-effective intervention.

“Cost-effective” means a Health Intervention where the benefits and harms relative to the costs represents an economically efficient use of resources for patients with the medical condition being treated through the Health Intervention. For example, if the benefits and risks to the patient of two alternative interventions are comparably equal, a Health Intervention costing \$1,000 will be more cost effective than a Health Intervention costing \$10,000. “Cost-effective” shall not necessarily mean the lowest price.

- 2.3 **Primary Coverage Criteria Definitions.** The following definitions are used in describing the elements of the Primary Coverage Criteria:

1. **Effective defined**

- a. An existing intervention (one that is commonly recognized as accepted or standard treatment or which has gained widespread, substantially unchallenged use and acceptance throughout the United States) will be deemed “effective” for purposes of the Primary Coverage Criteria if the intervention is found to achieve its intended purpose and to cure, alleviate or enable diagnosis or detection of a medical condition without exposing the patient to risks that outweigh the potential benefits. This determination will be based on consideration of the following factors, in descending order of priority and weight:

- i. scientific evidence, as defined in Subsection 2.3.2, below (where available); or
- ii. if scientific evidence is not available, expert opinion(s) (whether published or furnished by private letter or report) of an Independent Medical Reviewer(s) with education, training and experience in the relevant medical field or subject area; or
- iii. if scientific evidence is not available, and if expert opinion is either unavailable for some reason or is substantially equally divided, professional standards, as defined and qualified in Subsection 2.3.3, below, may be consulted.
- iv. If neither scientific evidence, expert opinion nor professional standards show that an existing intervention will achieve its intended purpose to cure, alleviate or enable diagnosis or detection of a medical condition, then the Company in its discretion may find that such existing intervention is not effective and on that basis fails to meet the Primary Coverage Criteria.

- b. A new intervention (one that is not commonly recognized as accepted or standard treatment or which has not gained widespread, substantially unchallenged use and acceptance throughout the United States) will be deemed “effective” for purposes of the Primary Coverage Criteria if there is scientific evidence (as defined in Subsection 2.3.2, below) showing that the intervention will achieve its intended purpose and will cure, alleviate or enable diagnosis or detection of a medical condition without exposing the patient to risks that outweigh the potential benefits. Scientific evidence is deemed to exist to show that a new intervention is **not** effective if the procedure is the subject of an ongoing phase I, II, or III trial or is otherwise under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with a standard means of treatment or diagnosis. If there is a lack of scientific evidence regarding a new intervention, or if the available scientific evidence is in conflict or the subject of continuing debate, the new intervention shall be deemed “not effective,” and therefore not covered in accordance with the Primary Coverage Criteria, with one exception -- if there is a new intervention for which clinical trials have not been conducted because the disease in issue is rare or new or affects only a remote population, then the intervention may be deemed “effective” if, but only if, it meets the definition of “effective” as defined for existing interventions in Subsection 2.3.1.a, above.

2. **Scientific Evidence defined.** “Scientific Evidence,” for purposes of the Primary Coverage Criteria, shall mean only one or more of the following listed sources of relevant clinical information and evaluation:

- a. Results of randomized controlled clinical trials, as published in the authoritative medical and scientific literature that directly demonstrate a statistically significant positive effect

of an intervention on a medical condition. For purposes of this Subsection a., “authoritative medical and scientific literature” shall be such publications as are recognized by the Company, listed in its Coverage Policy or otherwise listed as authoritative medical and scientific literature on the Company’s web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM); or

b. Published reports of independent technology or pharmaceutical assessment organizations recognized as authoritative by the Company. For purposes of this Subsection b. an independent technology or pharmaceutical assessment organization shall be considered “authoritative” if it is recognized as such by the Company, listed in its Coverage Policy or otherwise listed as authoritative on the Company’s web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM).

3. **Professional Standards defined.** “Professional standards,” for purposes of applying the “effectiveness” standard of the Primary Coverage Criteria to an existing intervention, shall mean only the published clinical standards, published guidelines or published assessments of professional accreditation or certification organizations or of such accredited national professional associations as are recognized by the Company’s Medical Director as speaking authoritatively on behalf of the licensed medical professionals participating in or represented by the associations. The Company shall have full discretion whether to accept or reject the statements of any professional association or professional accreditation or certification organization as “professional standards” for purposes of this Primary Coverage Criteria. No such statements shall be regarded as eligible to be classified as “professional standards” under the Primary Coverage Criteria unless such statements specifically address effectiveness of the intervention, and conclude with substantial supporting evidence that the intervention is safe, that its benefits outweigh potential risks to the patient, and that it is more likely than not to achieve its intended purpose and to cure, alleviate or enable diagnosis or detection of a medical condition.

#### 2.4 **Application and Appeal of Primary Coverage Criteria.**

1. The following rules apply to any application of the Primary Coverage Criteria. The Company shall have full discretion in applying the Primary Coverage Criteria, and in interpreting any of its terms or phrases, or the manner in which it shall apply to a given intervention. No intervention shall be deemed to meet the Primary Coverage Criteria unless the intervention qualifies under ALL of the following rules:

a. Illegality – An intervention does not meet the Primary Coverage Criteria if it is illegal to administer or receive it under federal laws or regulations or the law or regulations of the state where administered.

b. FDA Position – An intervention does not meet the Primary Coverage Criteria if it involves any device or drug that requires approval of the U.S. Food and Drug Administration (“FDA”), and FDA approval for marketing of the drug or device for a particular medical condition has not been issued prior to your date of service. In addition, an intervention does not meet the Primary Coverage Criteria if the FDA or the U.S. Department of Health and Human Services or any agency or division thereof, through published reports or statements, or through official announcements or press releases issued by authorized spokespersons, have concluded that the intervention or a means or method of administering it is unsafe, unethical or contrary to federal laws or regulations. Neither FDA Pre-Market Approval nor FDA finding of substantial equivalency under 510(k) automatically guarantees coverage of a drug or device.

c. Proper License – An intervention does not meet the Primary Coverage Criteria if the health care professional or facility administering it does not hold the proper license, permit, accreditation or other regulatory approval required under applicable laws or regulations in order to administer the intervention.

d. Plan Exclusions, Limitations or Eligibility Standards – Even if an intervention otherwise meets the Primary Coverage Criteria, it is not covered under this Plan if the intervention is subject to a Plan exclusion or limitation, or if you fail to meet Plan eligibility requirements.

e. Position Statements of Professional Organizations – Regardless of whether an intervention meets some of the other requirements of the Primary Coverage Criteria, the intervention shall not be covered under the Plan if any national professional

association, any accrediting or certification organization, any widely-used medical compendium, or published guidelines of any national or international workgroup of scientific or medical experts have classified such intervention or its means or method of administration as “experimental” or “investigational” or as questionable or of unknown benefit. However, an intervention that fails to meet other requirements of the Primary Coverage Criteria shall not be covered under the Plan, even if any of the foregoing organizations or groups classify the intervention as not “experimental” or not “investigational,” or conclude that it is beneficial or no longer subject to question. For purposes of this Subsection e., “national professional association” or “accrediting or certifying organization,” or “national or international workgroup of scientific or medical experts” shall be such organizations or groups recognized by the Company, listed in its Coverage Policy or otherwise listed as authoritative on the Company’s web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM).

- f. Coverage Policy – With respect to certain drugs, treatments, services, tests, equipment or supplies, the Company has developed specific Coverage Policies, which have been put into writing, and are published on the Company’s web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM). If the Company has developed a specific Coverage Policy that applies to the drug, treatment, service, test, equipment or supply that you received or seek to have covered under your Plan, the Coverage Policy shall be deemed to be determinative in evaluating whether such drug, treatment, service, test, equipment or supply meets the Primary Coverage Criteria; however, the absence of a specific Coverage Policy with respect to any particular drug, treatment, service, test, equipment or supply shall not be construed to mean that such drug, treatment, service, test, equipment or supply meets the Primary Coverage Criteria.
2. You may appeal a determination by the Company that an intervention does not meet the Primary Coverage Criteria to the Appeals Coordinator. Use the procedures for appeals outlined in Sections 7.2 and 7.3.
3. Any appeal available with respect to a Primary Coverage Criteria determination shall be subject to the terms, conditions and definitions set forth in the Primary Coverage Criteria. An appeal shall also be subject to the terms, conditions and definitions set forth elsewhere in this Plan. The Appeals Coordinator or an External Review organization shall render its independent evaluation so as to comply with and achieve the intended purpose of the Primary Coverage Criteria and other provisions of this Plan.

### 3.0 BENEFITS AND SPECIFIC LIMITATIONS IN YOUR PLAN

Because of the high cost of some services or treatments, as well as the difficulty in some cases of determining whether services are really needed, we include coverage for such services or treatments but place limits on the extent of coverage, either by limiting the number of Provider visits or treatments, or by specifying a dollar limit for services or treatments received during a Benefit Period or other specified period of time. This Section 3.0 describes medical services, drugs, supplies, tests and equipment for which coverage is provided under the Plan, provided all terms, conditions, exclusions and limitations of the Plan, including the six coverage criteria, are satisfied. This Section 3.0 sets out specific limitations applicable to each covered medical service, drug, supply or equipment.

You will note references to Deductible and Coinsurance obligations. For a description of the amount of these obligations and how they may vary depending upon whether you select an in-network or out-of-network Provider, refer to Section 5.0 and the Schedule of Benefits.

3.1 **Professional Services.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for the following professional services when performed by a Physician. All Covered Services are subject to the applicable Deductible and Coinsurance specified in the Schedule of Benefits.

1. **Physician Office Visits.** Coverage is provided for the diagnosis and treatment of illness or Accidental Injury when provided in the medical office of a Physician.
2. **Physician Hospital Visits.** Coverage is provided for services of Physicians for diagnosis, treatment and consultation while the Covered Person is admitted as an inpatient in a Hospital for Covered Services.

3. **Telephone and Other Electronic Consultation.** Telephone calls or other forms of electronic consultation (e.g. e-mail, internet or video) between a Provider and a Covered Person, or between a Provider and another Provider, for consultation, medical management, or coordinating care, including reporting or obtaining tests or laboratory results, are generally not covered. See Subsection 4.4.16. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, communications made by a Physician responsible for the direct care of a Covered Person in Case Management with involved health care Providers are covered.
  4. **Surgical Services.** Coverage is provided for services of Physicians for surgery, either as an inpatient or outpatient. If coverage is provided for two (2) or more surgical operations performed during the same surgical encounter or for bilateral procedures, payment for the secondary or subsequent procedure will be made at a reduced rate. In general, overall payment for one or more procedures during the same operative setting will be no more than if the procedures had been done by one Physician. Details as to how such payments are calculated are provided to In-Network Physicians through *Provider News*.
  5. **Assistant Surgeon Services.** Not all surgeries merit coverage for an assistant surgeon. Further, the Company's payment for a covered assistant surgeon shall be limited to one Physician qualified to act as an assistant for the surgical procedure.
  6. **Standby Physicians.** Services of standby Physicians are only covered in the event such Physician is required to assist with certain high-risk deliveries specified by the Company, and only for such time as such Physician is in immediate proximity to the patient.
  7. **Abortions.** Abortions are generally not covered, see Subsection 4.3.1. Pregnancy terminations under the direction of a Physician are covered, but only when performed in a Hospital or Outpatient Hospital setting.
- 3.2 **Hospital Services.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, including applicable Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided for the following Hospital services. All Hospital services must be performed or prescribed by a Physician and provided by a Hospital.
1. **Inpatient Hospital Services.** This benefit is subject to the following specific limitations:
    - a. Payment for Hospital charges for inpatient admissions shall be limited to the lesser of the billed charge or the Allowable Charge established by the Company.
    - b. If you have a condition requiring that you be isolated from other patients, the Company will pay for an isolation unit equipped and staffed as such.
    - c. In the event services are rendered for a covered benefit during an inpatient admission to a Hospital where the admitting diagnosis was for a non-covered benefit, the Company will pay that portion of the Hospital Charge which is attributable to services rendered for the covered benefit.
    - d. The services of social workers shall be included in the basic daily room and board allowance.
    - e. Hospital admissions outside the state of Arkansas are subject to Pre-admission Notification. Please call the number listed on the Schedule of Benefits to notify the Company of the admission.
    - f. Services rendered in a Hospital in a country outside of the United States of America shall not be paid except at the sole discretion of the Company.
  2. **Outpatient Hospital Services.** Coverage is provided for services of an Outpatient Hospital, Outpatient Surgery Center or Outpatient Radiation Therapy Center. However, if you use an out of state Outpatient Surgery Center that does not contract with the local Blue Cross and Blue Shield Plan, payment for all such services, including professional fees, will be limited to the charges for all the services or \$500 whichever is less.
  3. **Hospital Services in Connection with Dental Treatment.** The Company generally does not cover dental services, See Subsection 3.19. However, subject to Prior Approval, coverage is provided for hospital services, including anesthesia services in connection with treatment for a complex dental condition provided to: (i) a Covered Person under seven (7) years of age who is determined by two (2) dentists (in separate practices) to require the dental treatment without delay; (ii) a Covered Person with a diagnosis of serious mental or physical condition; or (iii) a Covered Person, certified by his or her Physician to have a significant behavioral problem.

**Please note Prior Approval does not guarantee payment or assure coverage, it means only that the information furnished to us at the time indicates that the hospital services meet the Primary Coverage Criteria requirements set out in Subsections 2.4.1.b., e., or f. All services must still meet all other coverage terms, conditions and limitations, and coverage for these services may still be limited or denied, if, when the claims for the services are received by us, investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date the services were provided, that coverage lapsed for non-payment of premium, that Out-of-Network limitations apply, or any other basis specified in this Policy.**

- 3.3 **Ambulatory Surgery Center.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Benefit Policy and subject to the Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided for specific surgical services received at an Ambulatory Surgery Center that are performed or prescribed by a Physician. Covered services include diagnostic imaging and laboratory services required to augment a surgical service and performed on the same day as such surgical service. Ambulatory Surgery Center services in connection with treatment for a complex dental condition are provided in accordance with Subsection 3.2.3. However, if you use an out of state Ambulatory Surgery Center that does not contract with the local Blue Cross and Blue Shield Plan, payment for all such services, including professional fees, will be limited to the Allowable Charges incurred for all the services or \$500, whichever is less.
- 3.4 **Outpatient Diagnostic Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for diagnostic services and materials, including but not limited to, diagnostic imaging (e.g. x-rays, fluoroscopy, ultrasounds, radionuclide studies) electrocardiograms, electroencephalograms and laboratory tests when performed or prescribed by a Physician and subject to the Deductible and Coinsurance specified in the Schedule of Benefits.
- 3.5 **Advanced Diagnostic Imaging Services.** Computed tomography scanning (“CT SCAN”), Magnetic Resonance Angiography or Imaging (“MRI/MRA”), Nuclear Cardiology and positron emission tomography scans (“PET SCAN”) (collectively referred to as “Advanced Diagnostic Imaging”) require Prior Approval from the Company. **Please note that Prior Approval does not guarantee payment or assure coverage; it means only that the information furnished to us at the time indicates that the CT SCAN, MRI/MRA, Nuclear Cardiology or PET SCAN meets the Primary Coverage Criteria requirements set out in Subsection 2.2. and the Applications of the Primary Coverage Criteria set out in Subsections 2.4.1.b., e., or f. All services, including any advanced diagnostic imaging receiving Prior Approval, must still meet all other coverage terms, conditions, and limitations, and coverage for any advanced diagnostic imaging receiving Prior Approval may still be limited or denied if, when the claims for the advanced diagnostic imaging are received by us, investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date services were provided, that coverage lapsed for non-payment of premium, that Out-of-Network limitations apply, or any other basis specified in this Policy.**
- 3.6 **Complications of Pregnancy.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for treatment of Complications of Pregnancy when performed or prescribed by a Physician subject to the Deductible and Coinsurance amounts specified in the Schedule of Benefits. See Subsection 9.13 for the definition of Complications of Pregnancy.
- 3.7 **Therapy Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for inpatient and outpatient therapy services when performed or prescribed by a Physician. Such therapy services include physical and occupational therapy. Such therapy services shall include services provided for developmental delay, developmental speech or language disorder, developmental coordination disorder and mixed developmental disorder. Therapy services must be performed by an appropriate registered physical, occupational or speech-language therapist licensed by the appropriate State Licensing Board and must be furnished in accordance with a written treatment Plan established and certified by the treating Physician. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.
1. **Inpatient Therapy.** Coverage is provided for inpatient therapy services, including professional services, when performed or prescribed by a Physician and rendered in a Hospital. Inpatient stays for therapy are subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

2. **Outpatient Therapy.** Coverage is provided for outpatient therapy services when performed or prescribed by a Physician. Coverage for outpatient visits for physical therapy and occupational therapy is limited to an aggregate maximum of thirty (30) visits per Covered Person per Benefit Period. Outpatient spinal manipulations are limited to 6 per Covered Person per Benefit Period but do not contribute toward the thirty (30) visit maximum. See Subsection 9.53 - Outpatient Therapy Visit.
3. **Speech Therapy.** Treatment of speech, language, voice, communication and auditory processing disorder in a group setting is not a covered benefit.
4. **Cardiac and Pulmonary Rehabilitation Therapy.** Coverage for cardiac and pulmonary rehabilitation therapy is provided in accordance with Coverage Policy. However, coverage is not provided for cardiac or pulmonary rehabilitation therapy from Freestanding Facilities. Peripheral vascular disease rehabilitation therapy is not covered.
5. **Cognitive Rehabilitation.** Cognitive Rehabilitation is not covered. See Subsections 4.3.10 and 9.10.
6. **Maintenance Therapy.** Maintenance Therapy is not covered. See Subsections 4.3.43 and 9.40.
7. **Radio-Frequency Thermal Therapy.** The use of radio-frequency thermal therapy for treatment of orthopedic conditions is not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage for radio-frequency thermal therapy is provided and included in the payment for the primary procedure of the orthopedic condition.

3.8 **Psychiatric Conditions and Substance Abuse Services (Alcohol and Drug Abuse).** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Psychiatric Conditions and substance abuse services when performed or prescribed by a Physician. **The treating facility must be in a Hospital.** See Subsection 9.36. Treatment received at a Freestanding Residential Substance Abuse Treatment Center or at a Freestanding Psychiatric Residential Treatment Center is not a covered benefit. Coverage is limited to \$1,000 per Covered Person per Benefit Period. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits. (See Subsection 9.73 – Psychiatric Conditions). Coinsurance for Psychiatric Conditions and substance abuse services is not applied to Policy Coinsurance Maximum.

1. **Inpatient Psychiatric Conditions and Substance Abuse Services.** Coverage is provided for inpatient Psychiatric Conditions and substance abuse services, including professional services, when performed or prescribed by a Physician.
2. **Outpatient Psychiatric Conditions and Substance Abuse Services.** Coverage is provided for outpatient Psychiatric Conditions and substance abuse services when performed by a Physician. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits for each outpatient visit.
3. **Substance Abuse Services.** Benefits for treatment of drug addiction and alcoholism shall not exceed two (2) admissions per Covered Person per lifetime and are limited to multidisciplinary substance abuse rehabilitation units of Hospitals, in an inpatient setting.

3.9 **Emergency Care Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Emergency Care when provided in the emergency room of a Hospital. When Emergency Care is needed the Covered Person should seek care at the nearest facility. Emergency Care must be received within forty-eight (48) hours of the emergency. Emergency Care services are subject to a \$200 Copayment.

Emergency Care is subject to medical review. If, based upon the signs and symptoms presented at the time of treatment as documented by attending health care personnel, the Company determines that a visit to the emergency room fails to meet the definition of Emergency Care as set out in this Policy (See Subsection 9.28 Emergency Care), coverage shall be subject to the Deductible and Coinsurance as stated in the Schedule of Benefits.

3.10 **Durable Medical Equipment.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Durable Medical Equipment (DME) when prescribed by a Physician according to the guidelines specified below. This benefit, together with the benefit for equipment under Subsection 3.13, Diabetes Management Services, and Subsection 3.16, Home Health Services, is subject to the Deductible and Coinsurance specified in the Schedule of Benefits, and has a benefit limitation of \$5,000 per Benefit Period.

1. Durable Medical Equipment is equipment which (1) can withstand repeated use; and (2) is primarily and customarily used to serve a medical purpose; and (3) generally is not useful to a person in the absence of an illness or injury; and (4) is appropriate for use in the home. Coverage for Durable Medical Equipment and Medical Supplies is provided when the Durable Medical Equipment is provided in accordance with Coverage Policy. Examples of Durable Medical Equipment include, but are not limited to, oxygen equipment, wheelchairs and crutches.
2. Durable Medical Equipment delivery or set up charges are included in the Allowable Charge for the Durable Medical Equipment.
3. A single acquisition of eyeglasses or contact lenses within the first six months following cataract surgery is covered. With respect to such eyeglasses or contact lenses, tinting or anti-reflective coating and progressive lenses are not covered. The Allowable Charge is based on the cost for basic glasses or contact lenses. You can determine the amount of this Allowable Charge by contacting Customer Service.
4. Replacement of DME is covered only when necessitated by normal growth or when it exceeds its useful life. Maintenance and repairs resulting from misuse or abuse of DME are the responsibility of the Covered Person.
5. When it is more cost effective, the Company in its discretion will purchase rather than lease equipment. In making such purchase, the Company may deduct previous rental payments from its purchase Allowance.
6. Coverage for Medical Supplies used in connection with Durable Medical Equipment is limited to a 90-day supply per purchase.

3.11 **Medical Supplies.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, Medical Supplies (See Subsection 9.44), other than Medical Supplies that can be purchased without a prescription, are covered when prescribed by a Physician.

1. Expenses for Medical Supplies provided in a Physician's office are included in the reimbursement for the procedure or service for which the supplies are used.
2. Coverage for Medical Supplies is limited to a 31-day supply per purchase.
3. Coverage for Medical Supplies used in connection with Durable Medical Equipment, Subsection 3.10; in Home Health Services, Subsection 3.16; or for Diabetes Management Services, Subsection 3.13, is subject to the Deductible and Coinsurance specified in the Schedule of Benefits and the \$5,000 DME Benefit Period limitation.
4. Expenses for Medical Supplies provided in connection with home infusion therapy are included in the reimbursement for the procedure or service for which the supplies are used.

3.12 **Prosthetic and Orthotic Devices and Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, and subject to the Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided for prosthetic and orthotic devices, including associated services, and its repair if such device is required for treatment of a condition arising from an illness or Accidental Injury. The Company will provide you the Allowable Charge for a prosthetic device. Replacement of a prosthetic or orthotic device is covered no more frequently than once per three-year period except when necessitated by normal growth or when the age of the prosthetic or orthotic device exceeds the device's useful life. Maintenance and repair resulting from misuse or abuse of a prosthetic or orthotic device are the responsibility of the Covered Person.

Hearing aids, prosthetic devices to assist hearing or talking devices are not generally covered. See Subsection 4.3.31. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for:

1. cochlear implant (an implantable hearing device inserted into the modiolus of the cochlea and into cranial bone) and its associated speech processor up to a lifetime maximum benefit of \$30,000 per Covered Person; and
2. one auditory brain stem implant per lifetime for an individual twelve years of age and older with a diagnosis of Neurofibromatosis Type II (NF2) who has undergone or is undergoing removal of bilateral acoustic tumors; and
3. implantable osseointegrated hearing aid for patients with single-sided deafness and normal hearing in the other ear. Coverage is further limited to Covered Persons with
  - a. congenital or surgically induced malformations (e.g. atresia) of the external ear canal or middle ear;
  - b. chronic external otitis or otitis media, subject to Prior Approval;

- c. tumors of the external canal and/or tympanic cavity; and
- d. sudden, permanent, unilateral hearing loss due to trauma, idiopathic sudden hearing loss, or auditory nerve tumor.

3.13 **Diabetes Management Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, the Company will pay for one Diabetes Self-Management Training Program per lifetime per Covered Person. Such training program must be in compliance with the national standards for diabetes self-management education programs developed by the American Diabetes Association. If there is significant change in the Covered Person's symptoms or conditions which under Coverage Policy make it necessary to change the Covered Person's diabetic management process, the Company will pay for an additional Diabetes Self-Management Training Program. This benefit is payable for training in or out of the hospital that has been prescribed by a Physician.

Foot care is generally not covered, see Subsection 4.3.25. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage of foot care is provided when required for prevention of complications associated with diabetes mellitus.

Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, the Plan will cover one eye examination to screen for diabetic retinopathy per Benefit Period for Covered Persons who are diagnosed with diabetes.

If provided in Coverage Policy, the Company will pay for Durable Medical Equipment, Medical Supplies and services for the treatment of diabetes. Benefits for Durable Medical Equipment and Medical Supplies provided under this Subsection 3.13 are subject to the Deductible, Coinsurance and benefit limitation set forth in Subsection 3.10 and 3.11.

3.14 **Ambulance Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for ground, water or air Ambulance Services to the nearest hospital in the event Emergency Care is needed. (See Subsection 9.28 Emergency Care.) This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits. The payment for Ambulance Services may not exceed \$2500 per Benefit Period.

3.15 **Skilled Nursing Facility Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Skilled Nursing Facility services. This benefit is subject to the Deductible and the Coinsurance specified in the Schedule of Benefits. This Skilled Nursing Facility services benefit is subject to the following conditions:

- 1. The admission must be within seven days of release from a Hospital;
- 2. The Skilled Nursing Facility services are of a temporary nature and increase ability to function;
- 3. Custodial Care is not covered (See Subsections 4.4.7 and 9.21);
- 4. Coverage is provided for a maximum of 30 days per Covered Person per Benefit Period.

3.16 **Home Health Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, including but not limited to the exclusion of Custodial Care (see Subsections 4.4.7 and 9.21), coverage is provided for Home Health Services when Coverage Policy supports the need for in-home service and such care is prescribed or ordered by a Physician. Covered Services must be provided through and billed by a licensed home health agency. Covered Services provided in the home include services of a Registered Professional Nurse (R.N.), a Licensed Practical Nurse (L.P.N.) or a Licensed Psychiatric Technical Nurse (L.P.T.N.), provided the nurse is not related to you by blood or marriage or does not ordinarily reside in your home. Home Health visits are subject to the Deductible and Coinsurance specified in the Schedule of Benefits and are further limited to forty (40) visits per Covered Person per Benefit Period. Benefits for Durable Medical Equipment and Medical Supplies provided under this Subsection 3.16 as part of Home Health Services are subject to the Deductible, Coinsurance and benefit limitation set forth in Subsection 3.10 and 3.11 respectively. (Home infusion services are not covered by this Section 3.16, but are covered under Subsection 3.21.1.d.)

3.17 **Hospice Care.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, if the Covered Person has been diagnosed and certified by the attending Physician as having a terminal illness with a life expectancy of six months or less, and if the Company through a Case Manager gives Prior Approval, the Company will pay the Allowable Charge for Hospice Care. The services must be rendered by an entity licensed by the Arkansas Department of Health or other appropriate state licensing agency and accepted by the Company as a Provider. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

3.18 **Oral Surgery.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, the Company will pay only for the following non-dental oral surgical procedures:

1. Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of the mouth when pathological examination is required.
2. Surgical procedures required to treat an Accidental Injury (See Subsection 9.1 Accidental Injury) to jaws, cheeks, lips, tongue, roof and floor of the mouth. Injury to a tooth or teeth while eating is not considered an Accidental Injury; treatment of such injury will not be covered.
3. Excision of exostoses of jaws and hard palate.
4. External incision and drainage of cellulitis.
5. Incision of accessory sinuses, salivary glands or ducts.

3.19 **Dental Care or orthodontic services.** Dental Care and orthodontic services are not covered. However, if a Covered Person has an Accidental Injury, benefits will be provided, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, for Dental Care and x-rays necessary to correct damage to a Non-diseased Tooth or surrounding tissue caused by the Accidental Injury with the following limitations:

1. Only the Non-diseased Tooth or Teeth avulsed or extracted as a direct result of the Accidental Injury and the Non-diseased Tooth or Teeth immediately adjacent will be considered for replacement.
2. Orthodontic services are limited to the stabilization and re-alignment of the accident-involved teeth to their pre-accident position. Reimbursement for this service will be based on a per tooth allowance.
3. This benefit is limited to the first twelve (12) months immediately following the Accidental Injury. If the Covered Person is under age 15, reimbursement for Dental Care services provided after such twelve (12) month period will be provided if: (a) such reimbursement is requested within such twelve (12) month period, (b) the request for reimbursement is accompanied by a plan of treatment, (c) in the opinion of the Company, under standard dental practices the treatment could not have been provided within such twelve (12) month period and (d) coverage for the injured Covered Person is in force when the treatment is rendered.
4. Injury to teeth while eating is not considered an Accidental Injury.
5. Double abutments are not covered.
6. Any Health Intervention related to dental caries or tooth decay is not covered.
7. Removal of impacted teeth is not covered.
8. Dental implants of titanium osseointegrated fixtures or fixtures of any other material are not covered.

Pre-treatment dental services in connection with radiation treatment for cancer of the head or neck are covered.

Hospital and Ambulatory Surgery Center services and anesthesia services related to dental procedures are generally not covered. However, some services may be covered in accordance with Subsection 3.2.3.

3.20 **Reconstructive Surgery. Cosmetic Services are not covered. (See Subsections 4.4.5 and 9.17)** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, and subject to the Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided for the following reconstructive surgery procedures when prescribed or ordered by a Physician:

1. Treatment provided for the correction of defects incurred in an Accidental Injury sustained by the Covered Person
2. Surgery performed on a child for the correction of a cleft palate or cleft lip, removal of a port-wine stain or hemangioma (**only** on the face), or correction of a congenital abnormality. *In order to be covered such corrective surgery for a congenital defect must be performed when the child is 12 years of age or younger, unless, in its sole discretion the Company determines that due to the complexity of the procedure, such surgery could not be performed prior to the child's 12<sup>th</sup> birthday. Dental Care to correct congenital defects is not a covered benefit*
3. Treatment provided when it is incidental to disease or for reconstructive surgery following neoplastic (cancer) surgery.
4. In connection with a mastectomy eligible for coverage under this Policy, services for (a) reconstruction of the breast on which the surgery was performed; (b) surgery to reconstruct the other breast to produce a symmetrical appearance; and (c) prostheses and services to correct physical complications for all stages of the mastectomy, including lymphedemas.

5. Reduction mammoplasty, if such reduction mammoplasty meets Coverage Criteria is covered subject to a 50% Coinsurance.

3.21 **Medications.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for Prescription Medication. (See Subsection 9.69 Prescription Medication.) This coverage varies, depending upon the sites of service where the Medication is received by the Covered Person.

1. **Sites of Service**

- a. **Hospital or Ambulatory Surgical Center.** The benefit for Medications received from a Hospital or an Ambulatory Surgical Center is included in the Allowable Charge for the Hospital Services. See Subsections 3.2 and 3.3.
- b. **Physician's Office.** The benefit for Medications administered in a Physician's office is covered based upon the Allowable Charge for the Medication and subject to the Benefit Period Deductible and Coinsurance specified in the Schedule of Benefits. Conditions of coverage set forth in Subsections 3.21.2.a, b and c are applicable to this coverage.
- c. **Retail Pharmacy (Drug Store).** The benefit for Medications received from a licensed retail pharmacy is covered based upon the Allowable Charge for the Medication and subject to the applicable Prescription Drug Copayment specified in the Schedule of Benefits.
  - i. **Covered Medications.** Only A Medications are covered under this Subsection 3.21.1.c. B Medications are covered under Subsections 3.21.1.a, b and d. (See Subsection 9.69 for definitions of "A Medications" and "B Medications.")
  - ii. **Administration Charges.** Charges to administer or inject any Medication are not covered under this Subsection 3.21.1.c.
  - iii. **Conditions of Coverage.** Conditions of coverage set forth in Subsections 3.21.2. a, b, c, d and e are applicable to this coverage.
  - iv. **ID Card Presentation.** In order to receive benefits for a Prescription Medication under this Subsection 3.21.1.c, a Covered Person must present his or her Arkansas Blue Cross and Blue Shield ID card to a Participating Pharmacy at the time the Covered Person purchases the Prescription Medication. ("Participating Pharmacy" is defined in Subsection 9.55.) The pharmacist will electronically notify the Company's prescription benefits processor. The prescription benefits processor will electronically inform the pharmacist whether the Plan provides benefits for the Prescription Medication. If the prescription benefits processor indicates that the Plan does not provide benefits, the Covered Person may call the Pharmacy Help Line telephone number on the back of his or her ID card. If the Plan provides benefits, the pharmacist will charge the Covered Person the applicable Copayment or the discounted price for the Prescription Medication. Applicable Prescription Copayments are listed in Schedule of Benefits. The Company will only accept a post-purchase or paper claim for Prescription Medications purchased through a retail pharmacy (drug store) if such claim is submitted (1) for an Emergency Prescription, (See Subsection 9.29.), (2) for Prescription Medication purchased prior to the date the Covered Person received his or her Arkansas Blue Cross and Blue Shield ID card or (3) in accordance with Subsection 3.21.1.c.v. below.
  - v. **Claim Submission.** The presentation of a Prescription to a pharmacist in accordance with this Subsection 3.21.1.c is not a claim for benefits under the terms of the Plan. However, a Covered Person may submit a claim if, upon such a presentation, the pharmacist informs the Covered Person that, because of the provisions of the Plan, the Plan has rejected benefits for the requested Prescription Medication.
  - vi. **Non-Participating Pharmacies.** Medications purchased from a non-Participating Pharmacy, except in an emergency situation, are not covered.
  - vii. **Emergency.** When a Covered Person receives a Prescription Medication in connection with Emergency Care as defined in this Benefit Certificate (See Subsection 9.28) and is unable to obtain the Medication from a Participating Pharmacy, the Covered Person should purchase the Medication at the nearest

pharmacy and submit a prescription claim form for reimbursement. The claim payment will be limited to the Allowable Charge, less the applicable Prescription Copayment.

viii. **Medical Supplies.** Medical supplies such as, but not limited to, colostomy supplies, bandages and similar items are not generally covered under this Subsection 3.21.1.c; however, refer to Subsections 3.11 Medical Supplies and Subsection 3.21.1.d, below. Furthermore, subject to the terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided under this Subsection 3.21.1.c for insulin and syringes purchased at the same time as insulin and which are to be used for the sole purpose of injecting insulin. Syringes not meeting this standard are not covered.

ix. **Immunizations.** Immunization agents and vaccines are not covered under this Subsection 3.21.1.c. (For coverage of immunizations of children, see Subsection 3.23.4.)

x. **Durable Medical Equipment.** Durable Medical Equipment, even though such device may require a prescription, such as, but not limited to, therapeutic devices, artificial appliances, blood test glucose test meters, or similar devices, are not covered under this Subsection 3.21.1.c. Refer to Subsection 3.10 Durable Medical Equipment.

xi. **Copayment Information**

Each Prescription is covered only after the Covered Person pays the applicable Copayment (listed on the Covered Person's Schedule of Benefits) to the Participating Pharmacy. Covered Persons will be charged either the appropriate Copayment or the discounted price for each Prescription or refill. An initial fill of a Maintenance Medication Prescription is covered for one month only. A refilled Maintenance Medication Prescription may be covered for up to a 3-month supply with one Copayment applied for each month's supply. (See Subsection 9.39 Maintenance Medication.)

When a Generic Medication is dispensed, the Covered Person will pay the first tier Medication Copayment specified in the Schedule of Benefits for each initial and refill Prescription. If there is no generic equivalent, the Covered Person will pay either the Brand Name Medication Copayment or the discounted price, as applicable, for each initial and refill Prescription.

If a Brand Name Medication is dispensed when a Generic Medication is available, the Covered Person will pay the second or third tier Copayment plus the difference in the cost of the Brand Name Medication and Generic Medication, or the cost of the medication, whichever is less.

A Covered Person is responsible for 100% of the cost of a Brand Name Medication on the 4<sup>th</sup> tier but will receive a discount for using the Participating Pharmacy.

d. **Home Infusion Therapy Pharmacy.** The benefit for Medications received from a licensed retail pharmacy designated by the Company as a home infusion therapy Provider is covered based upon the Allowable Charge for the Medication.

i. **Covered Medications.** A Medications and B Medications are covered under this Subsection 3.21.1.d. (See Subsection 9.69 for definitions of "A Medications" and "B Medications.") A Medications are covered subject to the Prescription Medication Copayment or the discounted price as listed in the Schedule of Benefits. B Medications are covered subject to the Benefit Period Deductible and Coinsurance listed in the Schedule of Benefits.

ii. FDA approved medications that exist as separate components and are intended for reconstitution prior to administration are covered. Examples include, but are not limited to, total parental, intravenous antibiotics and hydration therapy.

iii. **Conditions of Coverage.** Conditions of coverage set forth in Subsections 3.21.2. a, b, c, d and e are applicable to this coverage.

- iv. **Medical Supplies.** Medical Supplies used in connection with home infusion therapy are covered under this Subsection 3.21.1.d. See Subsection 3.11.
- v. **Administration Charges.** Charges to administer or inject Medication by a licensed medical professional operating under his/her scope of practice are covered under this Subsection 3.21.1.d. according to the allowable fee schedule for skilled nursing under both home infusion therapy and Home Health.

2. **Conditions of Coverage**

- a. **Prior Approval.** Selected Prescription Medications, as designated from time to time by the Company, are subject to Prior Approval through criteria established by the Company before coverage is allowed. Ongoing therapy of a prior authorized Medication may require periodic assessments that could include an efficacy measure intended to demonstrate positive outcomes for continuation of therapy. A list of Medications for which Prior Approval is required is available from the Company upon request or, if you have Internet access, you may review this list on the Company's web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM). This Subsection 3.21.2.a. is applicable to Prescription Medication covered by Subsections 3.21.1.b, c. and d.
- b. **Specialty Medications.** Selected Prescription Medications are designated by the Company as "Specialty Medications" due to their route of administration, approved indication, unique nature, or inordinate cost. These medications usually require defined handling and home storage demands, crucial patient education, and careful monitoring. Such medications include, but are not limited to growth hormones, blood modifiers, immunoglobulins, and medications for the treatment of hemophilia, deep vein thrombosis, hepatitis C, Crohn's disease, cystic fibrosis, multiple sclerosis and rheumatoid arthritis. Specialty Medications may be A Medications or B Medications. Coverage for Specialty Medications is subject to Prior Approval and may only be purchased through a specialty pharmacy vendor under contract with the Company. The benefit for a Specialty Medication that is designated by the Company as "Specialty Medication 1" is subject to the Prescription Drug Copayment or the discounted price specified in the Schedule of Benefits. The benefit for a Specialty Medication that is classified by the Company as "Specialty Medication 2" is subject to the Benefit Period Deductible and Coinsurance specified in the Schedule of Benefits. A list of Specialty Medications is available from the Company upon request or, if you have Internet access, you may review this list on the Company's web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM). This Subsection 3.21.2.b is applicable to Prescription Medication covered by Subsections 3.21.1.b, c. and d.
- c. **Formulary.** Except in limited circumstances set out in this Subsection 3.21.2.c. and elsewhere in this Policy, a Prescription Medication must be listed in the Formulary in order to be covered. (See Subsection 9.31 Formulary.) However, if a Prescription Medication in the Formulary causes or has caused adverse or harmful reactions for a particular Covered Person, or has been shown to be ineffective in the treatment of a Covered Person's particular disease or condition, such Covered Person may be able to obtain coverage for a Prescription Medication not in the Formulary by requesting Prior Approval. This Subsection 3.21.2.c is applicable to Prescription Medication covered by Subsections 3.21.1. b., c. and d.
- d. **Step Therapy.** Selected Prescription Medications as designated from time to time by the Company in its discretion, are subject to Step Therapy restrictions. (See Subsection 9.81 Step Therapy.) Such Step Therapy must be completed before coverage for the selected Prescription Medication is provided. The Step Therapy requirements for a particular Prescription Medication are available from the Company upon request. This Subsection 3.21.2.d is applicable to Prescription Medication covered by Subsections 3.21.1. c. and d.
- e. **Dispensing Quantities — Limitations**  
A Prescription Medication will not be covered for any quantity or period in excess of that authorized by the prescribing Physician or health care Provider.

New Prescriptions will be covered by one Copayment for up to a month's supply of medication. A refilled Maintenance Medication Prescription may be covered for up to a 3-month supply with one Copayment applied for each month's supply.

Early refills are covered at the discretion of the Company. A prescription will not be covered if refilled after one year from the original date of the prescription.

Coverage of selected Prescription Medications as designated from time to time by the Company in its discretion, is subject to Dose Limitations. (See Subsection 9.26 Dose Limitation.) The Dose Limitation for a particular Prescription Medication is available from the Company upon request.

This Subsection 3.21.2.e is applicable to Prescription Medication covered by Subsections 3.21.1. c. and d.

3.22 **Organ Transplant Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for human-to-human organ or tissue transplants in accordance with the following specific conditions:

1. Not all transplants are covered. There must be a specific Coverage Policy which allows benefits for the transplant in question, and the Covered Person must meet all of the required criteria necessary for coverage set forth in the Coverage Policy and in this Policy.
2. Except for kidney and cornea transplants, coverage for transplant services requires Prior Approval by the Company. A request for approval must be submitted to the Company prior to receiving any transplant services, including transplant evaluation. **Please note that Prior Approval does not guarantee payment or assure coverage; it means only that the information furnished to us at the time indicates that the transplant meets the Primary Coverage Criteria requirements set out in Subsection 2.2. and the Applications of the Primary Coverage Criteria set out in Subsections 2.4.1.b., e., or f. All services, including any transplant receiving Prior Approval, must still meet all other coverage terms, conditions, and limitations, and coverage for any transplant receiving Prior Approval may still be limited or denied if, when the claims for the transplant are received by us, investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date services were provided, that coverage lapsed for non-payment of premium, that out-of-network limitations apply, or any other basis specified in this Policy.**
3. The transplant benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.
4. All organ transplants and related services are subject to this Policy's Lifetime Maximum as stated in the Schedule of Benefits.
5. Notwithstanding any other provisions of this Benefit Policy, at the option of the Company, the Allowable Charge for an organ transplant, including any charge for the procurement of the organ, hospital services, physician services and associated costs, including costs of complications arising from the original procedure that occur within the Transplant Global Period, shall be limited to the lesser of (a) ninety percent (90%) of the billed charges or (b) the global payment determined as payment in full by a Blue Cross and Blue Shield Association Blue Distinction Centers for Transplant participating facility, if the Covered Person chooses to use that facility. If the Covered Person receives the transplant from a facility outside of Arkansas that is not in the Blue Distinction Centers for Transplant network, but is contracted with a local Blue Cross and/or Blue Shield Plan, the Allowable Charge shall be the price contracted by such Blue Cross and/or Blue Shield Plan. (See Section 7.1.10 Out of Arkansas Claims). If the Covered Person receives the transplant from a facility that is not in the Blue Distinction Centers for Transplant network and does not contract with the local Blue Cross and/or Blue Shield plan, the Allowable Charge for the transplant services provided in the Transplant Global Period is eighty (80%) percent of an amount equaling the lesser of (a) ninety (90%) percent of billed charges or (b) the average allowable charge authorized by participating facilities in the Blue Distinction Centers for Transplant network located in the geographic region where the transplant is performed. **Please note that our payments for any transplant (whether performed within the transplant network or by a non-participating facility) are limited to a global payment that applies to all covered transplant services; we will not pay any amounts in excess of the global payment for services the facility or any physician or other health care Provider**

or supplier may bill or attempt to bill separately, because the global payment is deemed to include payment for all related necessary services (other than non-covered services). If you use a facility participating in the Blue Distinction Centers for Transplant network, that facility has agreed to accept the global payment as payment in full, and should not bill you for any excess amount above the global payment, except for applicable Deductible, Coinsurance or non-covered services; however, a non-participating facility may bill you for all amounts it may charge above the global payment. These charges above the global payment could amount to thousands of dollars in additional out of pocket expenses to you.

6. When the Covered Person is the potential transplant recipient, a living donor's hospital costs for the removal of the organ are covered with the following limitations:
  - a. Allowable Charges are only covered for the period beginning on the day before the transplant to the date of discharge or 39 days, whichever is less.
  - b. Donor testing is covered only if the tested donor is found compatible.
7. Solid organ transplants of any kind are not covered for individuals with a malignancy that is presently active or in partial remission. A solid organ transplant of any kind is not covered for a Covered Person that has had a malignancy removed or treated in the 3 years prior to the proposed transplant. For purposes of this section, malignancy includes a malignancy of the brain or meninges, head or neck, bronchus or lung, thyroid, parathyroid, thymus, pleura, esophagus, heart or pericardium, liver, stomach, small or large bowel, rectum, kidney, bladder, prostate, testicle, ovary, uterus, other organs associated with the genito-urinary tract, bones, muscle, nerves, blood vessels, leukemia, lymphoma or melanoma. The only exception to this non-coverage is for solid organ transplant for hepatocellular carcinoma under certain circumstances, as outlined in the Coverage Policy for hepatocellular carcinoma.
8. **Autologous Transplants.** The Plan does not generally cover autologous bone marrow transplantation and all related procedures (including high dose Chemotherapy, *with or without radiotherapy*) designed to replace bone marrow or peripheral cells. **There is no coverage for high dose Chemotherapy with stem cell support for diseases that are not either specifically listed as exceptions and therefore covered in subsections 3.22.8 or 3.22.9 of this Policy, or specifically listed as exceptions and therefore covered in specific Coverage Policies.**

**Tandem transplants (transplants done within approximately 2 to 24 weeks of the initial transplant, and done to increase the chance of inducing a remission) are covered only for a diagnosis of multiple myeloma or of testicular germ cell tumors.**

The only instances in which drugs, services or supplies associated with high dose Chemotherapy and related procedures for autologous stem cell support will be eligible for benefits are in the case of autologous bone marrow, stem cell or progenitor cell transplant with or without radiation therapy for the following diseases under the following circumstances:

- a. Acute Lymphocytic Leukemia (ALL); Childhood, if
  - i. following first complete remission but at high risk of relapse;
  - ii. following second or greater remission; or
  - iii. for refractory ALL.High-dose Chemotherapy and allogeneic stem-cell support is not covered to treat relapsing ALL after a prior course of high-dose Chemotherapy and autologous stem-cell support.  
Tandem transplants are not covered.
- b. Acute Lymphocytic Leukemia (ALL); Adult if following first complete remission but at high risk of relapse.  
High-dose chemotherapy with autologous stem-cell support is not covered to treat adult ALL in second or greater remission or those with refractory disease.  
Tandem transplants are not covered.
- c. Acute Myelogenous Leukemia (AML); if
  - i. following first complete remission;
  - ii. for primary refractory AML; or
  - iii. for relapsed AML.

Allogeneic transplant after previous high-dose Chemotherapy with autologous stem-cell support is not covered.

Tandem transplants are not covered.

- d. Amyloidosis, Primary amyloidosis when there is amyloid deposition two (2) or fewer organs and the member's cardiac left ventricular ejection fraction (EF) is greater than 45%.

Tandem transplants are not covered.

- e. Ewing's Sarcoma for patients 32 years of age or less; if

- i. following recurrent disease;
- ii. for refractory disease;
- iii. to consolidate remissions of poor risk Ewing's sarcoma; or
- iv. as salvage therapy for those with residual, recurrent or refractory disease.

Allogeneic transplant after previous high-dose Chemotherapy with autologous stem-cell support is not covered.

Tandem transplants are not covered.

- f. Germ Cell Tumor of the Testicle, Ovary, Mediastinum, or Retroperitoneum; if

- i. for incomplete remission following standard chemotherapy;
- ii. for consolidation following second complete remission induced by standard chemotherapy; or
- iii. following second relapse to standard chemotherapy.

Tandem high-dose chemotherapy with autologous stem-cell support to treat germ cell tumors is covered; only two (2) courses of therapy given in tandem are covered.

- g. Hodgkin's Disease; if

- i. for primary refractory disease; or
- ii. for relapsed disease.

High-dose Chemotherapy and stem-cell rescue is not covered for initial treatment of Hodgkin's Disease.

Tandem transplants are not covered.

- h. Multiple Myeloma, if

- i. to treat newly diagnosed or responsive multiple myeloma; or
- ii. to treat responsive myeloma that has relapsed after a durable complete or partial remission following an initial autologous transplant.

Tandem high-dose chemotherapy with autologous stem-cell support to treat newly diagnosed or responsive multiple myeloma is covered when medically indicated. Only two (2) courses of therapy given in tandem are covered.

High-dose chemotherapy with autologous stem-cell support to treat multiple myeloma in a refractory relapse does not meet primary coverage criteria.

An initial course of high-dose chemotherapy with autologous stem-cell support followed by non-marrow-ablative chemotherapy and allogeneic stem-cell support (i.e., "mini-transplant") to treat multiple myeloma does not meet primary coverage criteria.

- i. Myelodysplastic Syndrome (MDS) (including myelodysplastic syndrome secondary to previous chemotherapy for another malignancy), if:

- i. for treatment of MDS in patients with adequate hematopoietic stem cells prior to onset of MDS; or
- ii. for treatment of MDS in patients who have complete Chemotherapy remission allowing for harvesting of adequate hematopoietic stem cells.

- j. Neuroblastoma; if

- i. for initial treatment of high risk disease;
- ii. for refractory neuroblastoma; or
- iii. for recurrent neuroblastoma.

Tandem high-dose chemotherapy with autologous stem-cell support to treat neuroblastoma is covered when medically indicated. Only three (3) courses of therapy given in tandem are covered.

Salvage allogeneic transplant for neuroblastoma that relapses after autologous transplant or fails to respond is not covered.

k. Non-Hodgkin's Lymphoma

i. International Working Formulation subtypes intermediate or aggressive

- 1) as salvage therapy for patients who do not achieve a complete remission (CR) after first-line treatment (induction) with a full course of standard-dose chemotherapy;
- 2) to consolidate a first complete response for patients with an age-adjusted International Prognostic Index score that predicts a high- or high-intermediate risk of relapse; and
- 3) to achieve or consolidate CR for those in a chemosensitive first or subsequent relapse.

For patients with NHL subtypes the IWF scheme classified as indolent, and for new subtypes defined by the World Health Organization//Revised

ii. European American Lymphoma scheme

- 1) as salvage therapy for patients who do not achieve a complete remission (CR) after first-line treatment (induction) with a full course of standard-dose chemotherapy;
- 2) to achieve or consolidate CR for those in a first or subsequent chemosensitive relapse, whether or not their lymphoma has undergone transformation to a higher grade.

Tandem transplants are not covered for the treatment of Non-Hodgkin's Lymphoma.

High dose chemotherapy with autologous stem cell support for chronic lymphocytic leukemia/small lymphocytic lymphoma is not covered.

l. Primary neuroectodermal tumors and ependymoma

High dose chemotherapy (with or without associated radiotherapy) and autologous bone marrow, stem cell, or progenitor cell support is covered for the treatment of recurrent disease, refractory disease, or residual tumor in patients with medulloblastoma and other primitive neuroectodermal tumors (PNETs) (ependymoblastoma, pineoblastoma).

Tandem transplants are not covered.

Allogeneic transplant after previous high dose chemotherapy with autologous stem cell support is not covered.

High dose chemotherapy with autologous bone marrow, stem cell or progenitor cell support for the treatment of neuroblastoma is addressed in a separate policy.

m. Waldenstrom's macroglobulinemia

High dose chemotherapy and autologous stem cell support is covered to treat newly diagnosed or responsive Waldenstrom's macroglobulinemia.

Tandem high dose chemotherapy with autologous stem cell support to treat Waldenstrom's macroglobulinemia is covered when medically indicated. Only two (2) courses of therapy given in tandem are covered.

9. **Allogeneic Transplants.** The Plan does not generally cover allogeneic bone marrow transplantation and all related procedures (including high dose Chemotherapy, *with or without radiotherapy*) designed to replace bone marrow or peripheral cells. **There is no coverage for high dose Chemotherapy with stem cell support for diseases that are not either specifically listed as exceptions and therefore covered in subsections 3.22.8 or 3.22.9 of this Policy, or specifically listed as exceptions and therefore covered in specific Coverage Policies.**

**High dose Chemotherapy with allogeneic stem cell support is not covered when used for any relapsing disease previously treated with high dose Chemotherapy and autologous stem cell support.**

*The only instances in which services, supplies or drugs associated with allogeneic transplantation and related procedures will be eligible for benefits are the following:*

- a. Acute Lymphocytic Leukemia (ALL), Childhood, if
  - i. in first complete remission but at high risk for relapse;
  - ii. in second or greater remission; or
  - iii. refractory ALL.High-dose chemotherapy and allogeneic stem-cell support is not covered to treat relapsing ALL after a prior course of high-dose chemotherapy and *autologous* stem-cell support.  
Donor leukocyte infusion for relapse following allogeneic transplant for ALL is covered.  
Non-myeloablative allogeneic “mini” transplant as primary treatment of ALL is not covered.
- b. Acute Lymphocytic Leukemia (ALL), Adult, if
  - i. in first complete remission but at high risk for relapse;
  - ii. in second or greater remission;
  - iii. relapsed disease; or
  - iv. refractory ALL.High-dose chemotherapy and allogeneic stem-cell support is not covered to treat relapsing ALL after a prior course of high-dose chemotherapy and *autologous* stem-cell support.  
Donor leukocyte infusion for relapse following allogeneic transplant for ALL is covered.  
Non-myeloablative allogeneic “mini” transplant as primary treatment of ALL is not covered.
- c. Acute Myelogenous Leukemia (AML), if
  - i. in first complete remission at high risk for relapse;
  - ii. primary refractory AML ;or
  - iii. relapsed AML.High-dose chemotherapy with allogeneic stem-cell support is **not covered** to treat AML relapsing after prior therapy with high-dose chemotherapy and autologous stem-cell support.  
Donor leukocyte infusion for relapse following allogeneic transplant for AML is covered.  
Non-myeloablative allogeneic “mini” transplant as primary treatment of AML is not covered.
- d. Chronic Myelogenous Leukemia (CML) if
  - i. primary CML; or
  - ii. relapsed CML.Donor leukocyte infusion for relapse following allogeneic transplant for CML is covered.  
Non-myeloablative allogeneic “mini” transplant as primary treatment of CML is not covered.
- e. Ewing’s Sarcoma (allogeneic cells must be syngenic [from the patient’s sibling])
  - i. to consolidate remissions for poor-risk Ewing’s sarcoma patients; or
  - ii. as salvage therapy for those with residual, recurrent, or refractory disease.
- f. Hodgkin’s Disease
  - i. primary refractory disease; or
  - ii. relapsed Hodgkin’s disease.Coverage for high-dose chemotherapy and allogeneic stem-cell support for relapsed Hodgkin’s disease following high dose chemotherapy and *autologous* transplantation will depend on review of medical records by the Company’s independent external review organization.
- g. Myelodysplastic Syndrome (including primary [e.g. idiopathic] and acquired [e.g. secondary to drug or toxin exposure])
  - i. in patients with myelodysplastic syndrome and refractory anemia;

- ii. in patients with myelodysplastic syndrome and refractory anemia with ringed sideroblasts;
- iii. in patients with myelodysplastic syndrome with excess blasts;
- iv. in patients with myelodysplastic syndrome with excess blasts in transformation; or
- v. chronic myelomonocytic leukemia.

Non-myeloablative allogeneic “mini” transplant as primary treatment of Myelodysplastic Syndrome is covered.

h. Myelodysplastic Disorders

- i. patients diagnosed as Polycythemia Vera
- ii. patients diagnosed as Essential Thrombocythemia
- iii. patients diagnosed as Agnogenic Myeloid Metaplasia with Myelofibrosis.

Non-myeloablative allogeneic “mini” transplant as primary treatment of Myelodysplastic Disorders is covered

i. Neuroblastoma, if

- i. for initial treatment of high risk disease;
- ii. for recurrent disease; or
- iii. for primary refractory disease.

Non-myeloablative allogeneic “mini” transplant as primary treatment of Neuroblastoma is not covered. Tandem transplants are not covered.

j. Non-Hodgkin’s Lymphoma

- i. International Working Formulation subtypes intermediate or aggressive; if
  - 1) as salvage therapy for patients who do not achieve a complete remission (CR) after first-line treatment (induction) with a full course of standard-dose chemotherapy;
  - 2) to consolidate a first complete response for patients with an age-adjusted International Prognostic Index score that predicts a high- or high-intermediate risk of relapse;
  - 3) to achieve or consolidate CR for those in a chemosensitive first or subsequent relapse.
- ii. For patients with NHL subtypes IWF scheme classified as indolent, and for new subtypes defined by the World Health Organization//Revised European American Lymphoma scheme; if
  - 1) as salvage therapy for patients who do not achieve a complete remission (CR) after first-line treatment (induction) with a full course of standard-dose chemotherapy;
  - 2) to achieve or consolidate CR for those in a first or subsequent chemosensitive relapse, whether or not their lymphoma has undergone transformation to a higher grade.

High dose chemotherapy with allogeneic stem cell support for treatment of chronic lymphocytic leukemia/small lymphocytic lymphoma is not covered.

Non-myeloablative chemotherapy and allogeneic transplant (“mini” transplant) is not covered for treatment of chronic lymphocytic leukemia/small lymphocytic lymphoma.

k. Chemophagocytic Lymphohistiocytosis

High dose chemotherapy with allogeneic bone marrow, stem cell or cord blood support is covered for the treatment of hemophagocytic lymphohistiocytosis.

Tandem transplants are not covered.

10. **Nonmyeloablative Allogeneic Stem Cell Transplantation.** Nonmyeloablative allogeneic stem cell transplants consist of infusions of allogeneic stem cells that can engraft in recipients using less intensive conditioning regimens that are sufficiently immunosuppressive to permit graft-host tolerance. Donor leukocyte infusions may be administered as part of this therapy.

The only instances in which these services, supplies or drugs associated with nonmyeloablative allogeneic stem cell transplantation and related procedures will be eligible for benefits are:

- a. For patients who would also meet patient selection criteria for high dose chemotherapy and allogeneic stem cell transplantation (see selection criteria in coverage for Non-Hodgkin's lymphoma, myelodysplastic disease, acute myelogenous leukemia, Hodgkin's Disease, chronic myelogenous leukemia, and acute lymphocytic leukemia);
- b. For patients with aplastic anemia who fail treatment with immunosuppressive regimens and do not have a sustained response to growth factor therapy.

**There is no coverage for nonmyeloablative allogeneic stem cell transplantation for diseases not covered in this subsection 3.22.10, or in a Coverage Policy.**

**3.23 Children's Preventive Services.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for children's preventive health care services for eligible Dependents from birth through age eighteen (18), subject to the following limitations:

1. Covered services are limited to medical history; physical examination, including routine tests and procedures to detect abnormalities or malfunctions of bodily systems and parts; developmental assessment; anticipatory guidance, including visual evaluation, hearing evaluation, dental inspection for children under two years of age and nutritional assessment; appropriate immunizations; and laboratory tests.
2. Coverage is limited to not more than twenty (20) visits. A covered visit is one occurring during one of the following intervals: at birth; within two (2) weeks after birth; within two (2) weeks preceding or following the date the eligible Dependent reaches the following ages: two (2) months, four (4) months, six (6) months, nine (9) months, twelve (12) months, fifteen (15) months, and eighteen (18) months; or within one (1) month preceding or following the date the eligible Dependent reaches the following ages: two (2) years, three (3) years, four (4) years, five (5) years, and six (6) years, eight (8) years, ten (10) years, twelve (12) years, fourteen (14) years, sixteen (16) years, and eighteen (18) years.
3. Coverage for any visit is limited to services provided by or under the supervision of a Physician.
4. Subject to the Covered Person's payment of the Deductible and the appropriate Coinsurance set forth in the Schedule of Benefits, the Company will pay the percentage set forth on the Schedule of Benefits of Allowable Charges for children's preventive health care services, or the amounts established by the Arkansas Insurance Commissioner as the reimbursement levels for these services, whichever is greater. Benefits for Evaluation and Management Office Visits and recommended immunization services shall be exempt from any copayment, Coinsurance, Deductible or dollar limit provisions. Intranasally administered influenza vaccination(s) such as Flumist are subject to the maximum benefit the Plan allows for injectable influenza vaccine without thimerasal per Covered Person per Benefit Period.

**3.24 Medical Foods and Low Protein Modified Food Products.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Medical Foods and Low Protein Modified Food Products for the treatment of a Covered Person diagnosed with phenylketonuria, galactosemia, organic acidemias, fatty acid and oxidative disorders, and disorders of amino acid metabolism if

1. the Medical Foods and Low Protein Modified Food Products are administered under the order of a licensed Physician; and
2. the Medical Foods and Low Protein Food Modified Products are prescribed in accordance with Coverage Policy for the therapeutic treatment of phenylketonuria, galactosemia, organic acidemias, fatty acid and oxidative disorders, and disorders of amino acid metabolism.

This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits. However, any services or supplies provided for dietary and nutritional services, unless such services or supplies are the sole source of nutrition for the Covered Person, are not covered. See Subsection 4.3.17.

**3.25 Complications from Smallpox Vaccine.** Subject to all other terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for complications resulting from a smallpox vaccination. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

**3.26 Testing of Newborn Children.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy coverage is provided for tests of newborn children that are supported by Coverage Policy. Examples of such tests that are covered include testing for Down's syndrome, hypothyroidism, sickle-cell anemia, phenylketonuria/galactosemia, (PKU) and other disorders of

metabolism. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

3.27 **Testing and Evaluation.** Subject to all other terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for the following testing and evaluation, limited to fifteen (15) hours per Covered Person per year. This benefit is further subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

1. Psychological testing, including but not limited to, assessment of personality, emotionality and intellectual abilities;
2. Childhood developmental testing, including but not limited to assessment of motor, language, social, adaptive or cognitive function by standardized developmental instruments;
3. Neurobehavioral status examination, including, but not limited to assessment of thinking, reasoning and judgment;
4. Neuropsychological testing, including, but not limited to Halstead-Reitan, Luria and WAIS-R.

3.28 **Wellness Benefits.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy (with the exception of Subsection 2.2.1), the Company will pay the Allowable Charges up to \$500 for the following wellness benefits per Covered Person per Benefit Period. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

1. Adult Screening Physical Examinations including:
  - a. Initial evaluation;
  - b. Examination
2. Screening Gynecological Examinations including:
  - a. Pelvic examinations and Pap smears; and
  - b. Routine mammography
3. Screening x-ray and diagnostic laboratory Allowable Charges associated with the above wellness benefits are included as covered benefits subject to the appropriate wellness benefits maximum per Covered Person per Benefit Period.

3.29 **Primary Care Physician Benefits.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for services provided by a Primary Care Physician or an advanced practice nurse or physician's assistant who provides primary medical care in the areas of general practice, pediatrics, family practice or internal medicine which are performed in the Primary Care Physician's office. The Coinsurance amount the Company will pay for the services listed below is one hundred percent (100%) of the Allowable Charge or the amount of the billed charge for the service whichever is less, subject to the Primary Care Physician copayment amount listed in the Schedule of Benefits. Services subject to the copayment include but are not limited to:

1. Office Visit;
2. Diagnostic X-rays;
3. Lab;
4. Surgery by the Primary Care Physician;
5. Accident or Emergency Medical Care;
6. Allergy Shots; and
7. Injections.

**PLEASE NOTE: Services performed by a Non-Preferred Provider are subject to the Deductible and Out-of-Network Coinsurance, not the Primary Care Physician copayment. Services performed for Psychiatric Conditions and substance abuse, including alcoholism, are subject to the Deductible and Appropriate Coinsurance, not the Primary Care Physician copayment. Services subject to a copayment do not apply toward meeting your Deductible or Policy Coinsurance Maximum, regardless of the type of Physician providing care.**

3.31 **Prostate Cancer Screening.** Screening tests are generally not covered. However, subject to all other terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for one prostate cancer screening per year for any man forty (40) years of age or older when performed or prescribed by a Physician. Coverage provided by this Subsection is not subject to the Deductible or Coinsurance but is subject to the Allowable Charge as defined by the Company.

3.32 **Neurologic Rehabilitation Facility Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Neurologic Rehabilitation Facility services. This benefit is subject to the Deductible and the Coinsurance specified in the

Schedule of Benefits. This Neurologic Rehabilitation Facility services benefit is subject to the following conditions:

1. The Covered Person must be suffering from Severe Traumatic Brain Injury;
2. The admission must be within 7 days of release from a Hospital;
3. The Company must provide written approval to the Neurologic Rehabilitation Facility prior to the Covered Person receiving Neurologic Rehabilitation Facility services. **Please note that Prior Approval does not guarantee payment or assure coverage; it means only that the information furnished to us at the time indicates that the proposed services meet the Primary Coverage Criteria requirements set out in Subsection 2.2 and the application of the Primary Coverage Criteria set out in Subsections 2.4.1.b, e., or f. All services, including services receiving Prior Approval, must meet all other coverage terms, conditions, and services received at a Neurologic Rehabilitation Facility receiving Prior Approval may still be limited or denied, if, when the claims for such services are received by us, investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date the services were provided, that coverage lapsed for non-payment of premium, that out-of-network limitations apply, or any other basis specified in this Policy.**
4. The Neurologic Rehabilitation Facility services are of a temporary nature with a potential to increase ability to function;
5. Custodial Care is not covered (See Subsections 4.4.7 and 9.21); and
6. Coverage is provided for a maximum of 60 days per Covered Person per lifetime.

3.33 **Miscellaneous Health Interventions.** Subject to all other terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for the following:

1. **Adult Immunizations.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for influenza immunizations for Covered Persons age 18 and older if administered by a Provider whose scope of practice includes administration of vaccines. Influenza immunizations are exempt from any copayment, Deductible or Coinsurance obligations but are limited to the Allowable Charge as determined by the Company.
2. **Chelation Therapy.** Chelation therapy is generally not covered, see Subsection Specific Plan Exclusions. Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, chelation therapy for control of ventricular arrhythmias or heart block associated with digitalis toxicity, emergency treatment of hypercalcemia, extreme conditions of metal toxicity, including thalassemia intermedia with hemosiderosis, Wilson's disease (hepatolenticular degeneration), lead poisoning and hemochromatosis is covered.
3. **Colorectal Cancer Examinations and Laboratory Tests.** Subject to all other terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, and subject to the Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided for colorectal cancer screening and Laboratory tests when performed or prescribed by a Physician and provided in accordance with the guidelines established by the State Health Department.
4. **Contraceptive Devices.** Subject to all other terms, conditions, exclusions and limitations of the Plan as set forth in this Benefit Certificate, coverage is provided for contraceptive devices when prescribed by a Physician. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.
5. **Electrotherapy stimulators.** Treatment using electrotherapy stimulators are generally not covered, see Subsection 4.3.19. However, coverage is provided for a Transcutaneous Electrical Nerve Stimulator (TENS) to treat chronic pain due to peripheral nerve injury when that pain is unresponsive to medication.
6. **Enteral Feedings.** Enteral feedings are generally not covered, see Subsection 4.3.21. However, enteral feedings are covered when such feedings have been approved and documented by a Physician as being the Covered Person's sole source of nutrition.
7. **Gastric Pacemaker Coverage.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy including the Deductible and Coinsurance set out in the Schedule of Benefits, coverage is provided for gastric pacemakers that receive Prior Approval from the Company. **Please note that Prior Approval does not guarantee payment or assure coverage; it means only that the information furnished to us at the time indicates**

that the gastric pacemaker meets the Primary Coverage Criteria requirements set out in Subsection 2.2. and the Applications of the Primary Coverage Criteria set out in Subsections 2.4.1.b., e., or f. All services, including any gastric pacemaker receiving Prior Approval, must still meet all other coverage terms, conditions, and limitations, and coverage for any gastric pacemaker receiving Prior Approval may still be limited or denied if, when the claims for the gastric pacemaker are received by us, investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date services were provided, that coverage lapsed for non-payment of premium, that out-of-network limitations apply, or any other basis specified in this Policy.

8. **High Frequency Chest Wall Oscillators.** Subject to all other terms, conditions, exclusions and limitations of the Plan as set forth in this Benefit Certificate, and subject to the Deductible and Coinsurance specified in the Schedule of Benefits, coverage is provided, to Covered Person's age 17 or older with cystic fibrosis, for one high frequency chest wall oscillator during such Covered Person's lifetime.
9. **Inotropic Agents for Congestive Heart Failure.** Chronic, intermittent infusion of positive inotropic agents for patients with severe congestive heart failure is not covered. See Subsection 4.3.38. However, subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, where the patient is on a cardiac transplant list at a hospital where there is an ongoing cardiac transplantation program, the Plan will cover infusion of inotropic agents.
10. **Trans-telephonic Home Spirometry.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, trans-telephonic home spirometry is covered for patients who have had a lung transplant.
11. **Vision enhancement.** Vision enhancements are generally not covered, see Subsection 4.3.67. However, subject to all the terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, a procedure, treatment, service, equipment or supply to correct a refractive error of the eye are covered in two instances: (1) if such refractive error results from traumatic injury or corneal disease, infectious or non infectious, and (2) the implant of a monofocal lens following cataract extraction and the single acquisition of eyeglasses or contact lenses within the first six months following cataract surgery. The Plan does not cover the implantation of a multifocal lens; however, if a multifocal lens is implanted after a cataract extraction, the Plan will pay the Allowable Charge for a monofocal lens. With respect to such eyeglasses or contact lenses, tinting or anti-reflective coating and progressive lenses are not covered. See Subsection 3.10.3.

- 3.34 **Temporomandibular Joint Benefits.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, the Company will pay the Coinsurance amount as stated on the Schedule of Benefits of the Allowable Charges for medical treatment of musculoskeletal disorders affecting any bone or joint in the face, neck or head, including temporomandibular joint disorder and craniomandibular disorder. Medical treatment shall include both surgical and nonsurgical procedures.

#### 4.0 SPECIFIC PLAN EXCLUSIONS

Even if the Primary Coverage Criteria (See Section 2.0) are met, coverage of a particular service, supply or condition may not be covered under the terms of this Policy. This Section 4.0 describes the conditions, Provider services, Health Interventions and miscellaneous fees or services for which coverage is excluded.

##### 4.1 Preexisting and Other Conditions.

1. **Preexisting Conditions.** No benefits or services of any kind are provided under this Policy to Covered Persons for a Health Intervention for a Preexisting Condition, until this Policy has been in effect through the Preexisting End Date as shown on the Schedule of Benefits. A Preexisting Condition is an illness, disease or condition that causes symptoms, before the effective date of this Policy that would have caused an ordinarily prudent person to seek diagnosis, care or treatment. Aggravation(s) of such illness, disease or condition is also a Preexisting Condition.
2. **Complications of non-covered treatments.** Care, services or treatment required as a result of complications from a treatment or service not covered under this Policy are not covered. This is true even if coverage was provided through a previous carrier.

#### 4.2 Health Care Providers.

1. Custodial Care Facility. Services or supplies furnished by an institution which is primarily a place of rest or a place for the aged are not covered. Residential long term care facilities for mental health or eating disorders are not covered. Youth homes or any similar institution are not covered.
2. Freestanding Cardiac Care Facility. Treatment received at a Freestanding Cardiac Care Facility is not covered.
3. Freestanding Residential Treatment Center. Treatment received at a Freestanding Substance Abuse Residential Treatment Center or a Freestanding Psychiatric Residential Treatment Center is not covered.
4. Immediate Relatives. Professional services performed by a person who ordinarily resides in the Covered Person's home, including self, or is related to the Covered Person as a Spouse, parent, Child, brother or sister, grandparent and grandchild, whether the relationship is by blood or exists in law are not covered.
5. Midwives, Not Certified. Services provided by a midwife who is not a licensed certified nurse midwife in the state where he or she renders services and who does not have a collaborative agreement with a Physician are not covered.
6. Provider, undefined. Services or supplies provided by an individual or entity that is not a Provider as defined in this Policy are not covered. (See Subsection 9.72 Provider.)
7. Physical Therapy Aide. Services or supplies provided by a physical therapy aide are not covered.
8. Recreational Therapist. Services or supplies provided by a recreational therapist are not covered.
9. Residents, interns, students or fellows. Services performed or provided by a Hospital resident, intern, student or fellow of any medical related discipline are not covered.
10. Unlicensed Provider. Coverage is not provided for treatment, procedures or services received from any person or entity, including but not limited to Physicians, who is required to be licensed to perform the treatment, procedure or service, but (1) is not so licensed, or (2) has had his license suspended, revoked or otherwise terminated for any reason, or (3) has a license that does not, in the opinion of the Company's Medical Director, include within its scope the treatment, procedure or service provided.

#### 4.3 Health Interventions.

1. Abortion. Abortion is not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, pregnancy terminations under the direction of a Physician are covered, but only when performed in a Hospital or Outpatient Hospital setting.
2. Abuse of Medications. Medications, drugs or substances used in an abusive, destructive or injurious manner are not covered.
3. Acne Medications. Topical Vitamin A acid, retinoic acid, tretinoin or similar agents for individuals age 26 and above without Prior Approval are not covered.
4. Acupuncture. Acupuncture and services related to acupuncture are not covered.
5. Allergy Testing. Allergy testing by Serial Endpoint Titration (SET) is not covered; however, benefits may be available for SET upon proof that the member has airborne allergies with such severe reactions that standard allergy testing is considered too dangerous to attempt.
6. Bereavement services. Medical social services and outpatient family counseling and/or therapy for bereavement, except if provided as Hospice Care, are not covered.
7. Biofeedback. Biofeedback and other forms of self-care or self-help training, and any related diagnostic testing are not covered for any diagnosis or medical condition.
8. Blood Typing. Blood Typing or DNA analysis for paternity testing is not covered.
9. Chelation therapy. Services or supplies provided as, or in conjunction with, chelation therapy, are not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, chelation therapy for control of ventricular arrhythmias or heart block associated with digitalis toxicity, emergency treatment of hypercalcemia, extreme conditions of metal toxicity, including thalassemia intermedia with hemosiderosis, Wilson's disease (hepatolenticular degeneration), lead poisoning and hemochromatosis is covered. See Subsection 3.33.2.

10. Cognitive Rehabilitation. Services or supplies provided as or in conjunction with, Cognitive Rehabilitation are not covered. See Subsection 9.10. However, subject to all terms, conditions, exclusions and limitation of the Plan as set forth in this Policy, coverage is provided for Neurologic Rehabilitation Facility Services for Covered Persons with Severe Traumatic Brain Injury. See Subsection 3.32.
11. Compound Medications. Compound Medications are not covered.
12. Compression Garments. All types of compression garments, support hose or elastic supports are not covered even when purchased with a Prescription. However, subject to all terms conditions, exclusions and limitation of the Plan as set forth in this Policy, coverage is provided for compression garments specifically designed to treat severe burns or compression sleeves and gloves used to treat lymphedemas following mastectomy.
13. Cranial electrotherapy stimulation devices. Cranial electrotherapy stimulation devices are not covered.
14. Current Perception Threshold Test. The current perception threshold test or the use of a Nervespace ElectroNeurometer is not covered.
15. Dental Care or orthodontic services. Dental Care and orthodontic services are not covered. Hospital services related to any dental or orthodontic procedures, including children that require general anesthesia for dental caries or tooth decay care, are not covered.  
However, if a Covered Person has an Accidental Injury, benefits will be provided, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, for Dental Care and x-rays necessary to correct damage to a Non-diseased Tooth or surrounding tissue caused by the Accidental Injury with the following limitations:
  - a. Only the Non-diseased Tooth or Teeth avulsed or extracted as a direct result of the Accidental Injury and the Non-diseased Tooth or Teeth immediately adjacent will be considered for replacement.
  - b. Orthodontic services are limited to the stabilization and re-alignment of the accident-involved teeth to their pre-accident position. Reimbursement for this service will be based on a per tooth allowance.
  - c. This benefit is limited to the first twelve (12) months immediately following the Accidental Injury. If the Covered Person is under age 15, reimbursement for Dental Care services provided after such twelve (12) month period will be provided if: (a) such reimbursement is requested within such twelve (12) month period, (b) the request for reimbursement is accompanied by a plan of treatment, (c) in the opinion of the Company, under standard dental practices the treatment could not have been provided within such twelve (12) month period and (d) coverage for the injured Covered Person is in force when the treatment is rendered.
  - d. Injury to teeth while eating is not considered an Accidental Injury.
  - e. Double abutments are not covered.
  - f. Any Health Intervention related to dental caries or tooth decay is not covered.
  - g. Removal of impacted teeth is not covered.
 Pre-treatment dental services in connection with radiation treatment for cancer of the head or neck are covered.  
Hospital and Ambulatory Surgery Center services and anesthesia services related to dental procedures are generally not covered. However, some services may be covered in accordance with Subsection 3.2.3.
16. Dental Implants. Dental implants of titanium osseointegrated fixtures or of any other material, are not covered regardless of the diagnosis, medical condition, accident or injury.
17. Dietary and Nutritional Services. Any services or supplies provided for Dietary and Nutritional Services, unless such services or supplies are the sole source of nutrition for the Covered Person, are not covered. Baby formula or thickening agents, whether prescribed by a Physician or acquired over the counter, is not a covered benefit. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Medical Foods and Low Protein Modified Food Products for the treatment of phenylketonuria, galactosemia, organic acidemias, fatty acid and oxidative disorders, and disorders of amino acid metabolism. See Subsection 3.24.

18. Dynamic Orthotic Cranioplasty. Dynamic orthotic cranioplasty is not covered.
19. Electrotherapy stimulators. Use of electrotherapy stimulators, including services and supplies used in connection with such stimulators, and complications resulting from such use are not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for a Transcutaneous Electrical Nerve Stimulator (TENS) to treat chronic pain due to peripheral nerve injury when that pain is unresponsive to medication.
20. Enhanced External Counterpulsation. Enhanced external counterpulsation (EECP) is generally not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for one course of enhanced external counterpulsation for the treatment of disabling angina in patients who are NYHA Class III or IV, or equivalent classification; who have experienced inadequate control of anginal symptoms with a medication regimen that consists of optimal dosages of platelet inhibitors, beta-blockers, calcium channel blockers, long-acting nitrates, lipid-lowering drugs and antihypertensives when these drugs are appropriate and there is no contraindication to any of these drugs; and who are not amenable to surgical cardiac intervention such as angioplasty or coronary artery bypass grafting. Repeat courses of EECP are not covered.
21. Enteral Feedings. Enteral feedings are not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, enteral feedings are covered when such feedings have been approved and documented by a Physician as the Covered Person's sole source of nutrition.
22. Environmental Intervention. Services or supplies used in adjusting a Covered Person's home, place of employment or other environment so that it meets the Covered Person's physical or psychological condition are not covered.
23. Excessive Use. Excessive use of Medications is not covered. For purposes of this exclusion, each Covered Person agrees that the Company shall be entitled to deny coverage of medications on grounds of excessive use when the Company's medical director, in his sole discretion, determines (1.) that a Covered Person has exceeded the dosage level, frequency or duration of medications recommended as safe or reasonable by Medical Literature, standard reference compendia or by the Pharmacy & Therapeutics Committee; or (2.) that a Covered Person has obtained or attempted to obtain the same medication from more than one Physician for the same or overlapping periods of time; or (3.) that the pattern of Prescription purchases, changes of Physicians or pharmacy or other information indicates that a Covered Person has obtained or sought to obtain excessive quantities of Medications. Each Covered Person hereby authorizes the Company to communicate with any Physician, health care Provider or pharmacy for the purpose of reviewing and discussing the Covered Person's Prescription history, use or activity to evaluate for excessive use.
24. Exercise programs. Exercise programs for treatment of any condition are not covered.
25. Foot care. Non-custom shoe inserts are not covered. Services or supplies for the treatment of subluxations of the foot, arthroeresis for flat feet, care of corns, bunions, (except capsular or bone surgery), calluses, toe nails, fallen arches, weak feet, chronic foot strain, and symptomatic complaints of the feet are not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Benefit Policy, foot care is provided when required for prevention of complications associated with diabetes mellitus.
26. Fraud or Material Misrepresentation. Health Interventions, including but not limited to Medications, obtained by unauthorized or fraudulent use of the ID card or by material misrepresentation are not covered.
27. Free Health Interventions. Health Interventions, including but not limited to Medications, provided or dispensed without charge to the Covered Person or for which, normally (in professional practice), there is no charge, are not covered.
28. Genetic testing. In general, genetic testing to determine: (1) the likelihood of developing a disease or condition, (2) the presence of a disease or condition in a relative, (3) the likelihood of passing an inheritable disease, condition or congenital abnormality to an offspring, (4) genetic testing of the products of amniocentesis to determine the presence of a disease, condition or congenital anomaly in the fetus, (5) genetic testing of a symptomatic Covered Person's blood or tissue to determine if the Covered Person has a specific disease or condition, and (6) genetic testing to determine the anticipated response to a particular pharmaceutical, are not covered.

However, subject to the terms, conditions, exclusions and limitations of the Plan set forth in this Policy, a limited number of specific genetic tests may be covered for situations (4) or (5) referenced above when the Company has determined that the particular genetic test (a) is the only way to diagnose the disease or condition, (b) has been scientifically proven to improve outcomes when used to direct treatment, and (c) will affect the individual's treatment plan. A limited number of specific genetic tests may be covered for situation (6) referenced above if criteria (b) and (c) above are met. The Company has full discretion in determining which particular genetic tests may be eligible for benefits as an exception to this exclusion under situations (4), (5) or (6). Any published Arkansas Blue Cross Coverage Policy regarding a genetic test will control whether or not benefits are available for that genetic test as an exception to this exclusion.

29. Hair loss or growth. Wigs, hair transplants or any Medication (e.g. Rogaine, minoxidil, etc.) that is taken for hair growth, whether or not prescribed by a Physician, are not covered regardless of the cause of hair loss. Treatment of male or female pattern baldness is not covered.
30. Health and Behavior Assessment/Intervention. Evaluation of psychosocial factors potentially impacting physical health problems and treatments are not covered. This includes health and behavior assessment procedures used to identify psychological, behavioral, emotional, cognitive, and social factors affecting physical health problems.
31. Hearing or talking aids. Regardless of the reason for the hearing or speech disability, hearing aids, prosthetic devices to assist hearing, or talking devices including special computers are not covered. The testing for, the fitting of or the repair of such hearing aids and prosthetic devices to assist hearing or talking devices is not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for:
  - a. cochlear implant (an implantable hearing device inserted into the modiolus of the cochlea and into cranial bone) and its associated speech processor up to a lifetime maximum benefit of \$30,000 per Covered Person; and
  - b. one auditory brain stem implant per lifetime for an individual twelve years of age and older with a diagnosis of Neurofibromatosis Type II (NF2) who has undergone or is undergoing removal of bilateral acoustic tumors.
  - c. implantable osseointegrated hearing aid for patients with single-sided deafness and normal hearing in the other ear. Coverage is further limited to Covered Persons with
    - i. congenital or surgically induced malformations (e.g. atresia) of the external ear canal or middle ear;
    - ii. chronic external otitis or otitis media, subject to Prior Approval;
    - iii. tumors of the external canal and/or tympanic cavity; and
    - iv. sudden, permanent, unilateral hearing loss due to trauma, idiopathic sudden hearing loss, or auditory nerve tumor.
32. Heat Bandage. Treatment of a wound with a Warm-up Active Wound Therapy device or a noncontact radiant heat bandage is not covered.
33. High dose Chemotherapy, Autologous Transplants, Allogeneic Transplants or Nonmyeloablative Allogeneic Stem Cell Transplantation. High dose Chemotherapy, Autologous Transplants, Allogeneic Transplants or Nonmyeloablative Allogeneic Stem Cell Transplantation are not covered except in the limited circumstances set forth in Subsection 3.22.
34. Hippo Therapy. Hippo therapy is not covered.
35. Home Uterine Activity Monitor. Home uterine activity monitors or their use is not covered.
36. Hypnotherapy. Hypnotherapy is not covered for any diagnosis or medical condition.
37. Illegal Uses. Medications, drugs or substances that are illegal to dispense, possess, consume or use under the laws of the United States or any state, or that are dispensed or used in an illegal manner, are not covered.
38. Inotropic Agents for Congestive Heart Failure. Chronic, intermittent infusion of positive inotropic agents for patients with severe congestive heart failure is not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, where the patient is on a cardiac transplant list at a hospital where there is an ongoing cardiac transplantation program, the Plan will cover infusion of inotropic agents.

39. In Vitro Chemoresistance and Chemosensitivity Assays. In vitro chemoresistance and chemosensitivity assays, including but not limited to extreme drug resistance assays, histoculture drug response assay or a fluorescent cytoprint assay are not covered.
40. Laser Treatment of Spinal Intradiscal and Paravertebral Disc Disorders. Laser treatment of spinal intradiscal and paravertebral disc disorders is not covered.
41. Learning Disabilities. Services or supplies provided for learning disabilities, i.e. reading disorder, alexia, developmental dyslexia, dyscalculia, spelling difficulty and other learning difficulties, are not covered.
42. Lost Medications. Replacement of previously filled Prescription Medications because the initial Prescription Medication was lost, stolen, spilled, contaminated, etc. are not covered.
43. Maintenance Therapy. Maintenance Therapy is not covered. (See Subsection 9.40, Maintenance Therapy.)
44. Marriage and Family Therapy. Marriage and family therapy or counseling services are not covered.
45. Maternity Care and Obstetrical Care. Services or supplies for Maternity Care and Obstetrical Care, in-vitro fertilization, artificial insemination or any other treatment, diagnostic test, or care related to any of the above, are not covered.
46. Medical Supplies. Medical Supplies that can be purchased without a prescription, whether or not a prescription was obtained, are not covered; for example, medication coated dressings are not covered even with a Physician's Prescription. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, Medical Supplies necessary for the management of diabetes mellitus or for Home Health services are covered. See Subsection 3.11 Medical Supplies, Subsection 3.13 Diabetes Management Services and Section 3.16 Home Health Services. Expenses for Medical Supplies provided in a Physician's office are included in the reimbursement for the procedure or service for which the supplies are used.
47. Medication Therapy Management Services. Medication therapy management services by a pharmacist, including but not limited to a review of a Covered Person's history and medical profile, an evaluation of Prescription Medication, over-the-counter medications and herbal medications, are not covered.
48. Off-Label Use. (a) Except as provided in subsection (b) or (c) of this subsection, Prescription Medications that are not approved by the FDA for a particular use or purpose or when used for a purpose other than the purpose for which FDA approval is given are not covered. (b) From time to time a particular clinical use of a Prescription Medication may be determined to be safe and efficacious by the medical director, managed pharmacy director, and/or the Pharmacy and Therapeutics Committee, even without labeling of such indication or use by the FDA. This occurs because of clear and convincing evidence from the Medical Literature, and often in consultation with practicing Physicians of the appropriate specialty in the community. Such "off-label" use will be covered, though Prior Approval is often (but not always) required. Other than the list of Medications requiring Prior Approval cited above, a complete list of Medications and their approved off-label indications is not available. (c) A Prescription Medication approved by the FDA for the treatment of cancer, though not approved to treat the specific cancer for which it has been prescribed, will be covered provided:
  - a. the Prescription Medication has been recognized as safe and effective for treatment of that specific type of cancer in any of the following standard reference compendia, unless the use is identified as "not indicated" or otherwise inappropriate or not recommended, in one or more of these standard reference compendia: (A) The American Hospital Formulary Service Drug Information; (B) The National Comprehensive Cancer Network Drugs and Biologics Compendium; (C) The Elsevier Gold Standard's Clinical Pharmacology; or
  - b. the Prescription Medication has been recognized as safe and effective for treatment of that specific type of cancer in two (2) articles from Medical Literature that have not had their recognition of the Prescription Medication's safety and effectiveness contradicted by clear and convincing evidence presented in another article from Medical Literature; or

- c. other authoritative compendia as identified by the Secretary of the United States Department of Health and Human Services or the commissioner may be used to provide coverage by the Company at the Company's discretion.
- 49. Oral, Implantable and Injectable Contraceptives. Oral, implantable and injectable contraceptive drugs, and Prescription barrier methods that are not on the Formulary are not covered.
- 50. Orthoptic, Pleoptic or Vision Therapy. Orthoptic, pleoptic or vision therapy services are generally not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set out in this Policy, coverage is provided for office-based orthoptic training in the treatment of convergence insufficiency when supported by the Coverage Policy on Orthoptic Training for the Treatment of Vision and Learning Disabilities.
- 51. Over the Counter Medications. Medications (except insulin) which do not by law require a Prescription from a Physician are not covered.
- 52. Pain Pump, Disposable. Disposable pain pumps following surgery are not covered.
- 53. Percutaneous discectomy and Radio-frequency Thermocoagulation. Any method of percutaneous discectomy, including, but not limited to, automated or manual percutaneous discectomy, laser discectomy, radiofrequency nucleotomy or nucleolysis, and coblation therapy, is not covered. Radio-frequency Thermocoagulation or Intradiscal electrothermal therapy for discogenic or other forms of back pain are not covered.
- 54. Rest cures. Services or supplies for rest cures are not covered.
- 55. Seasonal Affective Disorder (SAD). Use of photo therapy or light therapy to treat seasonal affective disorder or depression is not covered.
- 56. Sensory Stimulation for Coma Patients. Sensory stimulation, whether visual, auditory, olfactory, gustatory, cutaneous or kinesthetic, for coma patients is not covered.
- 57. Sex changes/sex therapy. Care, services or treatment for non-congenital transsexualism, gender dysphoria or sexual reassignment or change are not covered. This exclusion includes medications, implants, hormone therapy, surgery, medical or psychiatric treatment or other treatment of sexual dysfunction including Prescription Medications and sex therapy.
- 58. Sexual Dysfunction Medications. Medications used for the treatment of sexual dysfunction, including but not limited to medications for erectile dysfunction, are not covered regardless of the reason(s) for the sexual dysfunction.
- 59. Short stature syndrome. Any services related to the treatment of short stature syndrome, except for laboratory documented growth hormone deficiency, are not covered.
- 60. Sleep Apnea, Portable Studies. Studies for the diagnosis, assessment or management of obstructive sleep apnea, not continuously attended by a qualified technician, are not covered.
- 61. Snoring. Devices or procedures to treat snoring are not covered.
- 62. Smoking cessation/Caffeine addiction. Treatment of caffeine or nicotine addiction, smoking cessation Prescription Medication products, including, but not limited to, nicotine gum and nicotine patches are not covered.
- 63. Sperm and Embryo Storage. Collecting, storing, freezing or thawing of specimens of sperm or embryos for later use is not covered.
- 64. Substance Addiction. Medications used to sustain or support an addiction or substance dependency are not covered.
- 65. Tanning equipment or salon. The purchase or rental of tanning equipment or the services of a tanning salon are not covered.
- 66. Transplant procedures. The following transplant procedures and services are not covered:
  - a. Solid organ transplants of any kind are not covered for a Covered Person with a malignancy of any kind that is presently active, in partial remission or in complete remission less than two years. A solid organ transplant of any kind is not covered for a Covered Person that has had a malignancy removed or treated in the 3 years prior to the proposed transplant. For purposes of this section, malignancy includes a malignancy of the brain or meninges, head or neck, bronchus or lung, thyroid, parathyroid, thymus, pleura, esophagus, heart or pericardium, liver, stomach, small or large bowel, rectum, kidney, bladder, prostate, testicle, ovary, uterus, other organs associated with the genito-urinary tract, bones, muscle, nerves, blood vessels, leukemia, lymphoma or melanoma. Exceptions to this non-coverage are (i)

hepatocellular carcinoma under certain circumstances, as outlined in the Coverage Policy for hepatocellular carcinoma, and (ii) basal cell and squamous cell carcinomas of the skin, absent lymphatic or distant metastasis.

b. Organ transplants not authorized by Coverage Policy are not covered.

67. Vision enhancement. Any procedure, treatment, service, equipment or supply used to modify vision by changing the refractive error of the eye is generally not covered. Examples of non-covered vision enhancement services include, but are not limited to, the refraction for and the provision of eyeglasses and contact lenses; intraocular lenses, and refractive keratoplasty, with the exception of excessive, visually debilitating residual astigmatism following anterior segment surgery, i.e. corneal transplantation, cataract extraction, etc. Laser Assisted In Situ Keratomileusis (LASIK) and all other related refractive procedures are not covered. Keratoprosthesis is not covered. However, subject to all the terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, a procedure, treatment, service, equipment or supply to correct a refractive error of the eye is covered in two instances: (1) if such refractive error results from traumatic injury or corneal disease, infectious or non infectious, and (2) the implant of a monofocal lens following cataract extraction and the single acquisition of eyeglasses or contact lenses within the first six months following cataract surgery. With respect to such eyeglasses or contact lenses, tinting or anti-reflective coating and progressive lenses are not covered. See Subsection 3.10.3.
68. Vitamins or Baby Formula. Vitamins or food/nutrient supplements, except those that are Prescription Medications not available over the counter, are not covered. Baby formula, even if prescribed by a Physician, is not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Medical Foods and Low Protein Modified Food Products for the treatment of phenylketonuria, galactosemia, organic acidemias, fatty acid and oxidative disorders, and disorders of amino acid metabolism. See Subsection 3.24.
69. Vocational rehabilitation. Vocational rehabilitation services, vocational counseling and testing, employment counseling or services to assist a Covered Person in gaining employment, are not covered.
70. Weight Control. Medications prescribed, dispensed or used for the treatment of obesity, or for use in any program of, weight control, weight reduction, weight loss or dietary control are not covered. Surgical and non-surgical treatment of obesity, including morbid obesity, is not covered. Treatment includes but is not limited to, stomach stapling, jaw wiring, gastric banding, gastric balloon or bypass surgery, dietary/nutritional supplements, behavioral/community support programs, exercise programs and medical testing, medications and office visits associated with any weight loss program. This exclusion includes any complications arising from any of the above.
71. Whole body computed tomography. Whole body computed tomography is not covered.
72. Wound Treatment. Blood derived growth factors are not covered.

#### 4.4 **Miscellaneous Fees and Services.**

1. Administrative Fees. Fees incurred for acquiring or copying medical records, sales tax, preparation of records for other insurance carriers or insurance agencies, medical evaluation for life, disability or any type of insurance coverage are not covered.
2. Appointments. Charges resulting from the failure to keep a scheduled visit with a Physician or other Provider are not covered.
3. Clinical Trials. Services or supplies provided in connection with a phase I, II, III or IV clinical trial or any study to determine the maximum tolerated dose, toxicity, safety, efficacy, or efficacy as compared with a standard means of treatment or diagnosis of a drug, device or medical treatment or procedure are not covered.
4. Comfort items. Personal hygiene or comfort items including but not limited to, tub stool or chair, spray nozzle, heating pad, heating lamp, hot water bottle, ice cap, television, radio, telephone, guest meals, whirlpool bath, adjustable bed, automobile/van conversion or addition of patient lifts, hand control, or wheel chair ramp, and home modifications such as overhead patient lift and wheelchair ramps are not covered.
5. Cosmetic Services. All services or procedures related to or complications resulting from Cosmetic Services are not covered even if coverage was provided through a previous carrier.

6. Court ordered or third party recommended treatment. Services required or recommended by third parties, including physicals and/or vaccines/immunizations for employment, overseas travel, camp, marriage licensing, insurance, and services ordered by a court or arranged by law enforcement officials, unless otherwise covered by this Policy are not covered.
7. Custodial Care. Services or supplies for custodial, convalescent, domiciliary or supportive care and non-medical services to assist a Covered Person with activities of daily living are not covered. (See Subsection 9.21, Custodial Care.)
8. Delivery Charges. Charges for shipping, packaging, handling or delivering Medications are not separately covered.
9. Donor services. Services or supplies incident to organ and tissue transplant, or other procedures when the Covered Person acts as the donor are not covered except for Autologous services.

When the Covered Person is the potential transplant recipient, a living donor's hospital costs for the removal of the organ are covered with the following limitations:

- a. Allowable Charges for the organ removal as well as any complications resulting from the organ removal are covered.
  - b. Services for testing of a donor who is found to be incompatible are not covered.
10. Education Programs. Physical education programs in a group setting, health club memberships, athletic training, back schools, Work Hardening, Work Integration (Community) training are not covered. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Diabetes Self-Management Training. See Subsection 3.13.
  11. Excess charges. The part of an expense for care and treatment of an illness or Accidental Injury that is in excess of the Allowable Charge is not covered.
  12. IDEA Covered Services. Services and supplies paid or which the Covered Person is entitled to have paid or to obtain without cost by virtue of the Individuals with Disabilities Education Act ("IDEA"), 20 U.S.C. §1401 *et seq.* as amended, are not covered.
  13. Policy Maximum. Coverage of medical services, drugs, supplies, tests and equipment is subject to the aggregate Policy Benefit Maximum specified in the Schedule of Benefits. Once a Covered Person has reached the Policy Benefit Maximum, no further benefits are available and coverage under this Policy ceases.
  14. Prescription Medications used in connection with Health Interventions Not Covered by Plan. Prescription Medications used or intended to be used in connection with or arising from a treatment, service, condition, sickness, disease, injury, or bodily malfunction that is not covered under this Policy, or for which this Policy's benefits have been exhausted, are not covered.
  15. Services Received Outside the United States. Services or supplies received outside of the United States of America shall not be covered except at the sole discretion of the Company.
  16. Telephone and Other Electronic Consultation. Telephone calls or other forms of electronic consultation (e.g. e-mail, internet or video) between a Provider and a Covered Person, or between a Provider and another Provider, for medical management or coordinating care, are not covered. This includes reporting or obtaining tests or laboratory results. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, communications made by a Physician responsible for the direct care of a Covered Person in Case Management with involved health care Providers are covered.
  17. Travel or accommodations. Travel or transportation as a treatment or to receive consultation or treatment except Ambulance Services covered under Subsection 3.14 are not covered. Accommodations, while receiving treatment or consultation or for any other purpose, are not covered.
  18. War. Services or supplies provided for treatment of disease or injuries sustained while serving in the military forces of any nation are not covered
  19. Workers Compensation. Treatment of any compensable injury, as defined by the Workers' Compensation Law is not covered, regardless of whether or not the Covered Person filed a claim for workers' compensation benefits in a timely manner. See Subsection 5.3 Other Plans and Benefit Programs.

## 5.0 PROVIDER NETWORK AND COST SHARING PROCEDURES

The plan may afford you significant savings if you obtain coverage from Providers who are members of our Preferred Provider Organization (“Preferred Providers”) or other health care Providers who have contracted with the Company (“Contracting Providers”). This Section explains how you can maximize your benefits under the Plan by using Preferred Providers and Contracting Providers, see Subsection 5.1. Under your plan, you are responsible for part of the costs associated with covered services, supplies, equipment and treatment. Your responsibilities are explained in this Section, see Subsection 5.2. Finally, this Section explains how costs of benefits that are covered by another benefit plan are covered by the Plan, see Subsection 5.3.

### 5.1 Network Procedures

1. **Standard Benefits.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy, coverage is provided for Health Interventions you receive from a Provider as defined by the Plan. See Subsection 9.72.
2. **Preferred Provider Organization (PPO).** This coverage is most effective and advantageous for you when the services of Preferred Providers are used. Claims associated with services provided by Preferred Providers may have a more advantageous Deductible, Coinsurance and Policy Coinsurance Maximum than claims for services of Non-Preferred Providers. For the definitions and explanation of the terms “Deductible,” “Coinsurance,” and “Policy Coinsurance Maximum” please refer to Section 9.0 Glossary of Terms and Subsection 5.2.

The PPO or In-Network Deductible, Coinsurance and Policy Coinsurance Maximum set forth in the Schedule of Benefits are applied to Allowable Charges for services and supplies you receive from a Preferred Provider, unless the Schedule of Benefits or this Policy shows a different Deductible, Coinsurance or Policy Coinsurance Maximum for the particular service.

3. **Non-PPO Benefits.** Reimbursement for services by Non- Preferred Providers generally will be less than payment for the same services when provided by a Preferred Provider and could result in substantial additional out-of-pocket expense. The Non-PPO or Out-of-Network Deductible, Coinsurance and Policy Coinsurance Maximum set forth in the Schedule of Benefits are applied to Allowable Charges for services and supplies you receive from a Non-Preferred Provider, unless:
  - a. **Plan Provision.** The Schedule of Benefits or this Policy provides a different Deductible, Coinsurance or Policy Coinsurance Maximum for the particular service or supply that is the subject of the claim;
  - b. **Emergency Services.** The intervention is for Emergency Care (see Subsection 9.28) and initial services are provided within forty-eight (48) hours of the onset of the injury or illness, in which case the In-Network Deductible, Coinsurance and Policy Coinsurance Maximum apply;
  - c. **Provider Leaves PPO.** You notify the Company that your Non-Preferred Provider was formerly a Preferred Provider when your ongoing treatment for an acute condition began and that you request PPO benefits for the continuation of such ongoing treatment. If the Company approves PPO coverage for the ongoing treatment, In-Network Deductible, Coinsurance and Policy Coinsurance Maximum will apply to claims for services and supplies rendered by the Non-Preferred Provider for such condition after the Company’s approval until the end of the current episode of treatment or until the end of ninety (90) days, whichever occurs first;
  - d. **Provider Leaves PPO, Pregnancy.** You notify the Company that your Non-Preferred Provider was formerly a Preferred Provider when you began receiving obstetrical care for a pregnancy covered under the terms of the Plan, that you were in the third trimester of your pregnancy on the date that the Provider left the PPO, and that you request PPO benefits for continuation of such obstetrical care from this Non-Preferred Provider. If the Company approves PPO coverage for the requested Obstetrical Care, In-Network Deductible, Coinsurance and Policy Coinsurance Maximum will apply to services and supplies received from this Non-Preferred Provider after the Company’s approval and will continue to apply to claims for services and supplies rendered by the Non-Preferred Provider until the completion of the pregnancy, including two (2) months of postnatal visits.
  - e. **Company Approval.** You notify Company prior to receiving a Health Intervention and the Company has determined that the required covered services or supplies associated

with such Health Intervention are not available from a Preferred Provider and has provided you a written approval of in-network coverage for such services or supplies, In-Network Deductible, Coinsurance and Policy Coinsurance Maximum will apply to the claims for the services that you receive from the Non-Preferred Provider.

**Notification to the Company of requests for payment of out-of-network services or supplies at in-network benefit level should be made by writing Arkansas Blue Cross and Blue Shield, Attention: Medical Audit and Review Services, Post Office Box 3688, Little Rock, Arkansas 72203, and should be received at least 15 working days prior to your receipt of such services or supplies. See Section 7.0 for procedures related to urgent care requests.**

4. **No Balance Billing from Preferred Providers and Contracting Providers.** Preferred Providers and Contracting Providers are Physicians or Hospitals who are paid directly by the Company and have agreed to accept the Company's payment for covered services as payment in full except for your Deductible, Coinsurance and any specific benefit limitation, e.g. Ambulance Service \$2500 per year (Subsection 3.14), if applicable. **A Covered Person is responsible for billed charges in excess of the Company's payment when Physicians or Hospitals who are neither a Preferred Provider nor a Contracting Provider render services. These excess charges could amount to thousands of dollars in additional out of pocket expenses to the Covered Person.**
5. **Preferred Provider Directory.** The determination of whether a Physician or Hospital is a Preferred Provider, Non-Preferred Provider, Contracting Provider or Non-Contracting Provider is the responsibility of the Company. The Company can provide a list of Preferred Providers and Contracting Providers. You may also obtain a list of Preferred Providers and Contracting Providers on the Company's web site [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM). A Provider's status may change. You can verify the Provider's status by calling Customer Service.  
**BlueCard PPO Program.** Your plan includes the BlueCard PPO benefit. This benefit allows you to receive PPO in-network benefits from a Provider, as defined in Subsection 9.72, located outside of Arkansas, provided such Provider is in the PPO network of the local Blue Cross or Blue Shield Company. You may obtain a list of the PPO Providers in an out-of-Arkansas location or verify the status of an out of state Provider by calling 1-800-810-2583.
6. **Provider Status may Change.** It is possible that you might not be able to obtain services from a particular Preferred Provider. The network of Providers is subject to change. You might find that a particular PPO Provider may not be accepting new patients. If a Provider leaves the Network or is otherwise not available to you, you must choose another PPO Provider to get In-Network benefits.
7. **Certain Services may not be In-Network Benefits.** Do not assume that a PPO Provider's agreement includes all covered benefits. In particular all services provided at a PPO Hospital may not be provided by a PPO Provider; e.g. anesthesia, radiology or laboratory tests. Some PPO Providers contract with the Company to provide only certain covered benefits, but not all covered benefits. Some Providers choose to be a PPO Provider for only some of our products. Refer to the Provider directory, ask your Provider or contact Customer Service for assistance. **Your Provider may not be In-Network for all services.**
8. **Relation of the Company to Providers.** The decision about whether to use a Preferred Provider or a Contracting Provider is the sole responsibility of a Covered Person. Neither Preferred Providers nor Contracting Providers are Policyholders or agents of the Company. The Company makes no representations or guarantees regarding the qualification or experience of any Provider with respect to any service. The evaluation of such factors and the decision about whether to use any Provider is the sole responsibility of the Covered Person.

#### 5.2. **Covered Person's Financial Obligations for Allowable Charges under the Plan**

1. **Deductible.** Each Benefit Period, before the Plan makes a benefit payment, a Covered Person must pay the cost of a covered service equal to the Policy Deductible specified in the Schedule of Benefits. If the Plan provides family coverage, once two family members have met their individual Policy Deductible, no further Deductible will be required for the balance of the Benefit Period, regardless of what member of the family incurs a claim.  
No Deductible is applicable to those services and supplies, which are subject to the Primary Care Physician copayment amount listed in the Schedule of Benefits.

2. **Coinsurance.** Once the Deductible is satisfied, a Covered Person is responsible for Coinsurance, which is a percentage of Allowable Charges paid, for claims incurred until the Covered Person's payment equals the Policy Coinsurance Maximum specified in the Schedule of Benefits. After the Policy Coinsurance Maximum is satisfied, subject to the provisions of Subsections 5.2.2.b and 5.2.2.c. of this Policy, the Covered Person will have no further responsibility with respect to Allowable Charges incurred during the balance of the Benefit Period.

a. **Determination of Policy Coinsurance Maximum.**

i. Services or supplies received from Preferred Providers or in accordance with Subsection 5.1.3.b of this Policy:

(1.) A Covered Person with individual coverage, must incur Allowable Charges equal to or exceeding the In-Network Individual Policy Coinsurance Maximum specified in the Schedule of Benefits.

(2.) If the Plan provides family coverage (coverage other than individual coverage), all the Covered Persons in the family will meet the Policy Coinsurance Maximum once two family members have incurred Allowed Charges equal to their Individual Policy Coinsurance Maximum specified in the Benefit Schedule.

(3.) Once a Covered Person has satisfied the Policy Coinsurance Maximum as specified in subsections 5.2.a.i.(1) or (2) the Out-of-Network Coinsurance becomes twenty percent (20%), rather than the percentage set forth in the Schedule of Benefits, unless the Covered Person satisfies the Out-of-Network Policy Coinsurance Maximum by virtue of Subsection 5.2.2.a.ii.

ii. Services and supplies received from a Non-Preferred Provider:

(1.) A Covered Person with individual coverage must incur Allowable Charges equal to or exceeding the Out-of-Network Individual Policy Coinsurance Maximum specified in the Schedule of Benefits.

(2.) If the Plan provides family coverage (coverage other than individual coverage), all the Covered Persons in the family will meet the Policy Coinsurance Maximum once two family members have incurred Allowed Charges for services from Non-Preferred Provider(s) equal to their Out-of-Network Individual Policy Coinsurance Maximum specified in the Schedule of Benefits.

b. **Allowable Charges Not Applicable to Policy Coinsurance Maximum.** No Allowable Charges paid for services or supplies from Non-Preferred Providers shall accumulate to or be impacted by the satisfaction of the In-Network Policy Coinsurance Maximum, unless the Company determines that the Non-Preferred Provider should be treated as a Preferred Provider in accordance with one of the provisions listed in Subsection 5.1.3. No Allowable Charges paid for Psychiatric Conditions and Substance Abuse services shall accumulate to or be impacted by the satisfaction of the In-Network Policy Coinsurance Maximum.

c. **Allowable Charges Not Impacted by the satisfaction of a Policy Coinsurance Maximum.** Allowable Charges incurred for treatment of physical and occupational therapy, Ambulance Service, skilled nursing facility service and home health services may be included in the accumulation of Allowable Charges for the purpose of meeting the Policy Coinsurance Maximum, but payment for such services shall be limited both to the maximum amounts payable and the Coinsurance percentages set forth in Subsections 3.7.2, 3.14, 3.15 and 3.16, respectively of this Policy.

5.3 **Other Plans and Benefit Programs**

1. **Coordination of Benefits.** Coordination of Benefits (COB) applies when a Covered Person has coverage under more than one Health Benefit Plan. The Company may annually request that a Covered Person verify the existence of other coverage.

a. **Definitions.** For purposes of this Subsection 5.3 only, the following words and phrases shall have the following meanings:

- i. "Allowable Expenses" means any necessary, reasonable and customary item of expense at least a portion of which is covered under at least one of the Health Benefit Plans covering the person for whom claim is made. When a Health Benefit Plan provides benefits in the form of coverage for services, the reasonable cash value of each service rendered shall be deemed to be both an Allowable Expense and a benefit paid.
- ii. "Health Benefit Plan" means any of the following which provide coverage for medical care or treatment:
  - (1) Coverage under government programs, including Medicare, required or provided by any statute unless coordination of benefits with any such program is forbidden by law.
  - (2) Group coverage or any other arrangement of coverage for individuals in a group whether on an insured or uninsured basis, including health maintenance organization or other form of group coverage; hospital indemnity benefits in excess of \$200 per day; medical care components of group long-term care contracts; and medical benefits under group or individual automobile contracts.
  - (3) An individually underwritten accident and health insurance policy which reduces benefits because of the existence of other insurance.

The term "Health Benefit Plan" shall be construed separately with respect to:

- (1) Each Policy, contract or other arrangement for benefits or services.
  - (2) That portion of any such Policy, contract or other arrangement which reserves the right to take the benefits of other Health Benefit Plans into consideration in determining its benefits and that portion which does not.
- b. The Company shall have the right to coordinate benefits between this Plan and any other Health Benefit Plan covering a Covered Person.

The rules establishing the order of benefit determination between this Policy and any other Health Benefit Plan covering the Covered Person on whose behalf a claim is made are as follows:

- i. The benefits of a Health Benefit Plan which does not have a "coordination of benefits with other health plans" provision shall in all cases be determined and applied to claims before the benefits of this Policy.
- ii. If according to the rules set forth in Subsection c. of this Section, the benefits of another Health Benefit Plan that contains a provision coordinating its benefits with this Plan would be determined and applied, before the benefits of this Plan have been determined and applied, the benefits of such other Health Benefit Plan will be considered before the determination of benefits under this Plan.
- iii. Under no circumstances shall benefits payable and paid under this Plan together with any other Health Benefit Plans exceed the total charge for services a Covered Person received.

- c. **Order of Benefit Determination:** The order of benefit determination as to a Covered Person's claim shall be as follows:

- i. **Non-Dependent or Dependent.** The benefits of a plan which covers the person on whose expenses a claim is based other than as a dependent shall be determined and applied before the benefits of a plan which covers such person as a dependent. (By way of example only, if one Plan [Plan A] covers a person as a Policyholder or an employee and the other plan covers the person as a dependent of a Policyholder or of an employee [Plan B], then Plan A is deemed "primary" and Plan A's benefits will be applied and paid before any consideration of Plan B.)
- ii. **Child Covered Under More Than One Plan.** When the parents of a dependent child are married, the benefits of a plan which covers the person on whose expenses a claim is based as a dependent child of a person whose date of birth, excluding year of birth, occurs earlier in a calendar year, shall be determined before the benefits of a plan which covers such person as a

dependent child of a person whose date of birth, excluding year of birth, occurs later in a calendar year. If the other plan does not have the provisions of this paragraph regarding coverage of dependent children of married parents, or if both parents have the same birthday, the plan that has covered either of the parents longer is primary.

The following rules apply to determine the order of benefit determination for a dependent child of parents who are separated or divorced:

- (1) When the parents are separated or divorced and there is a court decree which fixes financial responsibility on one of the parents for the medical, dental, or other health care expenses with respect to the child, the benefits of a plan which covers the child as a dependent of the parent with such financial responsibility shall be determined before the benefits of any other plan which covers the child as a dependent child.
- (2) When the parents are separated or divorced and the parent with custody of the child has not remarried, if there is no court decree fixing financial responsibility on one of the parents for the medical, dental or other health care expense with respect to the child, the benefits of a plan which covers the child as a dependent of the parent with custody of the child will be determined before the benefits of a plan which covers the child as a dependent of the parent without custody.
- (3) When the parents are divorced and the parent with custody of the child has remarried, if there is no court decree fixing financial responsibility on one parent for the medical, dental or other health care expense with respect to the child, the benefits of a plan which covers the child as a dependent of the parent with custody shall be determined before the benefits of a plan which covers that child as a dependent of the step-parent, and the benefits of a plan which covers that child as a dependent of the step-parent will be determined before the benefits of a plan which covers that child as a dependent of the parent without custody.

iii. **Active or Inactive Employee.** When paragraphs (i) or (ii) above do not apply so as to establish an order of benefits determination, the plan that covers a person as an Policyholder who is neither laid off nor retired, is primary. The same would hold true if a person is a dependent of a person covered as a retiree and a Policyholder. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored. Coverage provided to an individual as a retired worker and as a dependent of an actively working spouse will be determined under the rule set out in paragraph (i) above.

iv. **Continuation coverage.** When paragraphs (i), (ii) or (iii) above do not apply so as to establish an order of benefits determination, if a person whose coverage is provided under a right of continuation provided by federal or state law also is covered under another plan, the plan covering the person as an employee, member, subscriber policyholder or retiree (or as that person's dependent) is primary, and the continuation coverage is secondary. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.

v. **Longer or Shorter Length of Coverage.** When paragraphs (i), (ii), (iii) or (iv) above do not apply so as to establish an order of benefits determination, the plan that covered the person as an employee, policyholder, member, subscriber or retiree longer is primary.

vi. If the preceding rules do not determine the primary plan, the allowable expenses shall be shared equally between the plans meeting the definition of health benefit plan, Subsection 5.3.1.a.(ii). In addition, this plan will not pay more than it would have paid had it been primary.

2. **Medicare, Military or Government Benefits.** If you are a Medicare beneficiary, your Medicare benefits will be considered primary to this Policy. In other words, because Medicare is primary,

when you submit a claim, the Company will subtract the amount of Medicare benefits you receive in determining the benefits due under this Policy. Services and benefits for treatment of military service-connected disabilities to which a Covered Person is legally entitled from a military or government benefit plan shall in all cases be provided before the benefits of this Policy.

3. **Workers' Compensation.** There are no benefits under this Policy for treatment of any injury which will sustain a claim for damages from Workers' Compensation. This regardless of whether or not the Covered Person filed a claim for workers' compensation benefits.

The Company will presume that if the Covered Person makes a claim for worker's compensation benefits, the injury for which the Covered Person makes any such claim is an injury which will sustain a claim for damages under the Workers' Compensation Law. Therefore, the Company will not be liable for payment of any benefits as to such a claim, unless the full Workers' Compensation Commission finds that the Covered Person's injury was not a compensable injury; and, the finding is not overturned on appeal. The foregoing presumption of non-coverage under this Policy also applies to any case in which the Covered Person's workers' compensation benefits claim is settled by joint petition or otherwise. In this case, no benefits will be paid under this Policy with respect to such a claim, regardless of the settlement amount.

Nor will the Company pay benefits for injury or illness for which the Covered Person receives any benefits under the Workers' Compensation Law, state or federal workers' compensation, employer's liability or occupational disease law, or motor vehicle no-fault law, regardless of any limitations in scope or coverage amount which may apply to the Covered Person's benefits claim under such laws.

In the event that the Company pays any claim by the Covered Person for benefits under this Policy, and subsequently learns that the Covered Person has filed a claim for workers' compensation benefits as to such claim, or that the Covered Person has settled a workers' compensation claim with any workers' compensation carrier, or has otherwise received any amount toward payment of such a claim under the Workers' Compensation Law, state or federal workers' compensation, employer's liability or occupational disease law, or motor vehicle no-fault law, the Covered Person agrees to reimburse the Company to the full extent of its payments on such claim.

4. **Acts of Third Parties (Subrogation/Reimbursement).** If a Covered Person is injured by a third party, the Company is subrogated to all rights the Covered Person may have against any party liable for payment of medical treatment (including any and all insurance carriers) to the extent of payment for the services or benefits provided. The Covered Person must cooperate fully with the Company in its efforts to collect from the third party. See Subsection 5.3.5. The Covered Person must cooperate fully with the Company in its efforts to collect from the third party. The Company may assert its subrogation rights independently of the Covered Person. In addition to the above-referenced subrogation rights, the Company also has reimbursement rights should the Covered Person, or the legal representative, estate or heirs of the Covered Person recover damages by settlement, verdict or otherwise, for an accident, injury or illness. If a recovery is made, the Covered Person shall promptly reimburse the Plan any monetary recovery made by the Covered Person and includes, but is not limited to, uninsured and underinsured motorist coverage, any no-fault insurance, medical payments coverage, direct recoveries from liable parties, or any other source.

5. **Covered Person's Cooperation.** Each Covered Person shall complete and submit to the Company such consents, releases, assignments and other documents as may be requested by the Company in order to obtain or assure reimbursement from other health benefit plan(s), from Medicare, from Workers' Compensation, or through subrogation. Any Covered Person who fails to so cooperate will be liable for and agrees to pay to the Company the amount of funds the Company had to expend as a result of such failure to cooperate, and the Company shall be entitled to withhold coverage of or offset future claim payments for benefits, services, payments or credits due under this Policy in order to collect the Covered Person's liability resulting from his or her failure to cooperate.

6. **The Company's Right to Overpayments.** Whenever payments have been made by the Company in a total amount, at any time, in excess of 100% of the amount of payment necessary at that time to satisfy the intent of this Policy, the Company shall have the right to recover such payment, to the extent of such excess, from among one or more of the following

as the Company shall determine: any person or persons to, or for, or with respect to whom, such payments were made; any insurance Company or companies; or any other organization or organizations to which such payments were made.

## 6.0 ELIGIBILITY STANDARDS

Even if a Health Intervention you receive would be covered under the other coverage standards of the Plan set out in this Policy, you must be eligible under the Policy and the Policy must be in force at the time you receive such Intervention in order to receive benefits. This Section sets out the standards for eligibility under the Plan, Subsection 6.1; and the provisions dealing with the term, renew ability and termination of the Policy; Subsection 6.2.

6.1 **Eligibility for Coverage.** In order to be covered by the Policy, you must meet the eligibility requirements for the Policyholder or the Policyholder's Dependent.

1. **Company Approval.** Except in limited circumstances, e.g. see Subsection 6.1.5.c. and d., the Company is not required to provide insurance coverage to an applicant for the Plan provided by this Policy. Eligibility of the Policyholder and any Dependents of the Policyholder is subject to approval by the Company. The Company shall apply its underwriting standards to the answers the Policyholder provides on the Application, applicable supplemental applications and medical examination(s) in determining approval of eligibility.
2. **Dependent Coverage.** Eligible Dependents are the Policyholder's:
  - a. Spouse;
  - b. Child less than 26 years of age;
  - c. unmarried Child who is incapable of self support because of mental retardation or physical disability, provided such Child is or was under the limiting age of dependency stated in Subsection b. above at the time of application for coverage under the Policy.

**NOTE:** Domestic partners are not eligible for coverage as Dependents under this Policy.

3. **Proof of Mental Retardation or Physical Disability.** In order for Dependent coverage to be provided due to mental retardation or physical disability, proof of the Child's dependency and retardation or disability must be furnished to the Company prior to the Child's attainment of the applicable limiting age referenced in section 6.1.2.b. above. Such proof must at least demonstrate that the Child is unable to obtain or continue a job or position in the course of commerce and that his or her parent(s) are providing 50% or more of his financial support (i.e. are declaring the Child as a dependent on their federal income tax return.) Subsequent evaluation for continued retardation or physical disability and dependency may be required by the Company, but not more frequently than once per year. A Policyholder who first becomes eligible under the Plan may enroll a retarded or disabled Dependent Child provided the retardation or disability commenced before the limiting age. The Company's determination of eligibility shall be conclusive.
4. **Coverage in the Case of Late Enrollment.** If a Policyholder's Dependent does not make application for coverage in the Plan with the Policyholder, the Dependent cannot subsequently obtain coverage, except during a Special Enrollment Period.
5. **Coverage of New Dependents.** This Subsection 6.1.5 applies to coverage for Dependents a Policyholder acquires subsequent to the effective date of this Policy.
  - a. **Spouse.** Coverage of the Policyholder's Spouse is subject to the Company's approval. See Subsection 6.1.1. If coverage is approved, the premium for the Policy shall be adjusted, and the first premium payment is due on the effective date of the Spouse's coverage. The Company has sole discretion in determining the effective date of the Spouse's coverage. If the Policyholder applies for coverage for the Spouse within thirty (30) days of the date of marriage and coverage is approved by the Company, coverage will become effective on the next available effective date following approval.
  - b. **Maternity Coverage.** If this Policy was initially issued without maternity coverage, the Company shall subsequently add maternity coverage if an application is submitted during a Special Enrollment Period and approved by the Company prior to the Policyholder or Spouse conceiving a child, provided the Policyholder or Spouse meets medical underwriting standards. Additionally, maternity benefits are not available for Dependent Children or if the Policyholder, Spouse or both are under the age of 19.

- c. **Newborn Children.** Coverage for the Policyholder's newborn Child shall become effective as of the Child's date of birth if the Policyholder gives the Company notice by submitting an application or change form to the Company for the Child within 90 days of the Child's date of birth and the appropriate premium to cover the newborn Child from the date of birth is paid.
- d. **Adopted Children.** Coverage for the Policyholder's adopted Child shall begin on the date of the filing of the petition for adoption, provided an application for the Child's coverage is submitted to the Company within 60 days after the filing of the petition and the appropriate premium is paid. If the Policyholder fails to give such notice, coverage of the Child is subject to the Company's approval through the Company's underwriting standards. See Subsection 6.1.1. The coverage shall begin from the moment of birth if the petition for adoption was filed and the application for coverage is submitted to the Company within 60 days of the Child's birth. Coverage of an adopted child shall terminate upon the dismissal or denial of the petition for adoption.
- e. **Other Dependents.** An application must be received by the Company within 30 days of the date that any other dependent first qualifies as an eligible Dependent. If the Policyholder applies for coverage for the eligible Dependent within thirty (30) days of the initial eligibility date and coverage is approved by the Company, coverage will become effective on the next available effective date following approval.

## 6.2 **Term, Renewal and Termination of the Policy.**

- 1. **Term.** This Policy shall be in effect until terminated by its terms.
- 2. **Death of Policyholder.** This Policy shall terminate upon the death of the Policyholder. In such event, the Company shall return all unearned premiums beyond the Policy Month in which the death occurred to your estate or other appropriate party. Contact Customer Service to set up a new Policy for family members currently covered on this Policy.
- 3. **Change of Residence.** If the Policyholder moves permanently to another state, this Policy shall terminate at the end of the period for which premiums have been paid.
  - a. A Policyholder moving to another state can obtain insurance coverage from the Blue Cross and Blue Shield Plan located in the new state of residence by requesting a transfer of coverage authorization from the Company. The rates and benefits of the policy issued in the new state of residence may be substantially different.
  - b. To obtain a transfer of coverage authorization, contact our Customer Service, Attention Transfer Representative.
- 4. **Extension of Benefits.** If a Covered Person is hospitalized on the date this Policy terminates, the Covered Person may be eligible for an extension of benefits. This extension applies only to the condition for which the Covered Person is hospitalized and covers related Hospital and Physician services. Benefits may be extended until the earlier of the date the Covered Person reaches any applicable benefit maximum or the date following the Covered Person's discharge from the Hospital. However, under no circumstances will benefits be extended more than 60 (sixty) days from the original termination date of this Policy.
- 5. **Payment of Premiums.** Premium payment due dates are either the first day of the month or the fifteenth day of the month, depending upon the billing cycle established with your application for the Policy. Premium payment modes may be monthly, quarterly, semi-annually or annually depending on the mode selected at the time of application for this Policy. Premium payments are due in advance of the premium due date regardless of the premium payment mode selected, subject to the Grace Period provision below. "Pay," "Paid" or "Payment," when used herein reference to premium, premium due dates or the Grace Period shall mean that the full amount of all funds due are actually received by the Company at its principal offices in Little Rock, Arkansas. Placing a check into the U.S. mail or with any courier service shall not constitute payment under this Policy unless or until the check is actually received by the Company at its principal office. Nor shall any invalid or dishonored check constitute payment.
- 6. **Grace Period.** A grace period of thirty-one (31) days will be granted for the payment of premiums becoming payable after the first such payment, during which grace period the Policy shall continue in force. If premiums are not paid within thirty-one (31) days after they become due and payable this Policy shall terminate as of the date on which the premiums were due and payable.

7. **Reinstatement.** If any renewal premium is not paid within the grace period, a subsequent acceptance of premium by the Company or by any agent authorized by the Company to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the Policy; provided, however, that if the Company or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by the Company or, lacking such approval, upon the forty-fifth day following the date of such conditional receipt unless the Company has previously notified the Covered Person in writing of its disapproval of such application. The reinstated Policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than ten (10) days after such date. In all other respects, the Covered Person and Company shall have the same rights hereunder as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than sixty (60) days prior to the date of reinstatement.
8. **Termination of a Covered Person's Coverage For Cause.**
- a. The Company may terminate coverage under this Policy upon fifteen (15) days' written notice for:
    - (1) concealment of information, misrepresentation (whether intentional or not, subject to the provision entitled "Time Limit on Certain Defenses," Subsection 8.3,) or fraud in obtaining coverage; or
    - (2) concealment of information, misrepresentation (whether intentional or not) or fraud in the filing of a claim for services, supplies, or in the use of services or facilities.
  - b. For purposes of this termination for cause provision, concealment of information or a misrepresentation occurs if (i) information is withheld or if incorrect information is provided and (ii) the Company would not have issued this Policy, would have charged a higher premium, would have required the Policy to be amended, or would not have paid a claim in the manner it was paid had the Company known the facts concealed or misrepresented.
  - c. Termination for cause shall be effective upon the later of (i) fifteen (15) days after a written notice of termination for cause is posted in the U.S. Mail, addressed to the Policyholder at his or her last known address as provided by Policyholder to Company; or (ii) the date stated in the termination notice letter to Policyholder.
  - d. A Covered Person may appeal a termination for cause action. Such an appeal must be submitted in writing, addressed to the Appeals Coordinator of Arkansas Blue Cross and Blue Shield, 601 S. Gaines Street, Little Rock, Arkansas 72203. In order for the appeal to be considered the Appeals Coordinator must receive the appeal prior to the later of (i) fifteen (15) days after a written notice of termination for cause is posted in the U.S. Mail, addressed to the Policyholder at his or her last known address as provided by Policyholder to Company; or (ii) the termination effective date stated in the termination notice letter to Policyholder.
9. **Termination of Benefits.** Upon termination of this Policy all benefits, except for Health Interventions that incurred prior to termination, shall cease.

## 7.0 CLAIM PROCESSING AND APPEALS

In reviewing a claim for benefits, the Company will apply the terms, conditions, exclusions and limitations of the Plan set out in this Policy, including but not limited to the Primary Coverage Criteria, Section 2.0; the specific limitations of the Plan, Section 3.0; the specific plan exclusions, Section 4.0; the cost sharing and Provider network procedures of the Plan, Section 5.0; and the eligibility standards of the Plan, Section 6.0.

This Section 7 sets out the procedures you must follow in submitting a request for coverage, called a "claim for benefits" or a "claim," with your Plan, Subsection 7.1. The section also describes your rights to appeal if a claim for benefits is denied either in whole or in part, Subsections 7.2 and 7.3. Finally, this section sets out how you may have an Authorized Representative to represent you in submitting claims or appeals, Subsection 7.4.

## 7.1 Claim Processing.

1. **Claim for Benefits.** "Claim for benefits" means (1) a request for payment for a service, supply, prescription drug, equipment or treatment covered by the Plan or (2) a request for Prior Approval for a service, supply, prescription drug, test, equipment or treatment covered by the Plan where the Plan conditions receipt of payment for such service, supply, prescription drug, equipment or treatment on approval in advance by the Company.
2. **Who May Submit a Claim.** A Covered Person, a Provider with an assignment of the claim that is approved by the Company or the Covered Person's Authorized Representative may submit a claim. See Subsection 7.4 below concerning the Authorized Representative.
3. **Classifications of Claims.** There are two general types of claims for benefits possible under the Plan. The type of claim involved affects the procedures for filing the claim and the timing of the benefit determination by the Company.

- a. **Post-Service Claims.** The most common claim involves post-service benefit determination. Such a claim results when a Covered Person obtains a medical service, prescription drug, supply, test, equipment or other treatment and then, in accordance with the terms of the Plan, the Covered Person or the Covered Person's Authorized Representative submits a claim for benefits to the Company. Examples of post-service claims are claims involving physician office visits, outpatient services, and most prescription drugs obtained through a managed pharmacy benefit.

You must submit written proof of any service, supply, prescription drug, test, equipment or other treatment within 180 days after such service, supply, prescription drug, test, equipment or treatment was received. In the case of a claim for inpatient services for multiple consecutive days, the written proof must be submitted no later than 180 days following your date of discharge for that single admission.

Post-Service Claims may be submitted electronically in accordance with the Company's electronic claim filing procedures, or such claims may be mailed to Arkansas Blue Cross and Blue Shield Claims Division, Post Office Box 2181, Little Rock, Arkansas 72203.

If the Company is able to process your post-service claim without requesting additional information, it will notify you of its claim determination within 30 days of the Company's receipt of the claim. The Company will forward any payment resulting from the claim determination within 45 days (30 days if the claim is submitted electronically) of the Company's receipt of the claim.

If the Company requires information reasonably necessary to determine whether or to what extent benefits are covered under the Plan, as specified in Subsection 7.1.4. below, the Company will suspend the claim and request the needed information. If you or your treating Provider supplies the Company the required information within ninety (90) days of the claim suspension, the Company will notify you of its claim determination and will forward any payment resulting from the claim determination within 30 days of the Company's receipt of the required information. If the Company does not receive the required information within the 90-day period, 15 days later, the suspended claim becomes a denied claim, subject to appeal. See Subsection 7.2 Claim Appeals to the Plan.

- b. **Pre-Service Claims.** The terms of the Plan condition receipt of certain benefits on the Company giving approval in advance of the Covered Person obtaining a requested medical service, drug, supply, test or equipment that such medical service, drug, supply, test or equipment meets Primary Coverage Criteria. Examples of some Plan benefits requiring pre-service claims are claims for admission into a skilled nursing facility, Subsection 3.15; for hospice care, Subsection 3.17; for certain Prescription Medications, Subsection 3.21; most organ transplants, Subsection 3.22; and enteral feedings, Subsection 3.33.6. **Please note that prior approval does not guarantee payment or assure coverage; it means only that the information furnished to the Company at the time indicates that the Health Intervention that is the subject of the pre-service claim meets the Primary Coverage Criteria. (See Section 2.0.) A claim receiving prior approval as a pre-service claim must still meet all other coverage terms, conditions, and limitations. Coverage for any such pre-service claim receiving prior approval may still be limited or denied if, when the claimed**

**intervention is completed and the Company receives the post-service claim(s), investigation shows that a benefit exclusion or limitation applies, that the Covered Person ceased to be eligible for benefits on the date services were provided, that coverage lapsed for non-payment of premium, that out-of-network limitations apply, or any other basis specified in this Policy applies to limit or exclude the claim.**

Pre-service claims should be submitted to the Arkansas Blue Cross and Blue Shield Medical Audit and Review Services, FAX (501) 378-6647 or mailed to Post Office Box 3688, Little Rock, Arkansas 72203. Pre-service claims for Prescription Medications should be submitted to Arkansas Blue Cross and Blue Shield Managed Pharmacy, FAX (501) 378-6980, or mailed to Post Office Box 2181, Little Rock, Arkansas 72203.

If the Company is able to process your pre-service claim without requesting additional information, it will notify you of its determination in a time appropriate for the medical exigencies, but in no case later than 30 days from the date it received the pre-service claim. The Company will forward any payment resulting from the claim determination within 45 days (30 days if the claim is submitted electronically) of the Company's receipt of the claim.

If the Company requires information reasonably necessary to determine whether the requested medical service, drug, supply, test or equipment meets the Primary Coverage Criteria under the Plan, the Company will suspend the claim and request the needed information. If you or your treating Provider supplies the Company the required information within ninety (90) days of the claim suspension, the Company will notify you of its claim determination within 30 days after the Company receives such information. If the Company does not receive the required information within the 90-day period, 15 days later, the suspended claim will become a denied claim, subject to appeal. See Subsection 7.2. Claim Appeals to the Plan.

After you have received the Health Intervention that was the subject of an approved pre-service claim, you must submit a post-service claim in accordance with Subsection 7.1.3.a., above.

**4. Information Reasonably Necessary to Process a Claim.**

- a. In order to be a claim, the submission must comply with the filing and coding policies and procedures established by the Company. You may request a copy of the claim coding policies and procedures from the Company or from your Provider. If the submission fails to comply with the claim filing or code policies or procedures, the Company shall return the submission to the person that submitted it.
- b. In addition to the claim completed in accordance with the Company's claim filing procedures, depending upon the service, supply, prescription drug, equipment or treatment that is the subject of the claim, the Company may require one or more of the following items of information to enable the Company to determine whether or to what extent the claimed benefit is covered by the Plan:
  - i. Information in order to determine if a limitation or exclusion of the Plan is applicable to the claim, or
  - ii. Medical information in order to determine the price for a medical procedure, or
  - iii. Information in order to determine if the Covered Person who received the claimed services is eligible under the terms of the Plan, or
  - iv. Information in order to determine if the claim is covered by another health benefit plan, workers' compensation, a government supported program, or a liable third party, or
  - v. Information in order to determine the obligation of each health benefit plan or government program under coordination of benefits rules, or
  - vi. Information in order to determine if there has been fraud or a fraudulent or material misrepresentation with respect to the claim.

- 5. Covered Person's Responsibility with Respect to Claim Information.** Before any benefits can be paid, you agree, as a condition of coverage under the Plan, to authorize and direct any Provider of medical services or supplies to furnish to the Company, its agents, or any of its affiliates, upon request, all records, or copies thereof, relating to such services or supplies.

Further, as a condition of your coverage, you agree to authorize the release of such records to any third party review person or entity, for purposes of medical review or second opinion surgery. Finally, as a condition of coverage, you agree to fully and truthfully respond to inquiries from the Company about your claim or condition, including, but not limited to, your other insurance coverage, third party liability, or workers' compensation benefits and to request that any Physician or other Provider respond to all such inquiries. You understand and agree that your failure to respond to inquiries from the Company or failure to cooperate fully to obtain information requested by the Company from your Physician or other health care Provider shall be, by itself, grounds for denial of benefits under the Plan.

6. **Explanation of Benefit Determination.** Upon making a determination of a claim, the Company will deliver to you the following information:
  - a. The specific reason or reasons for the determination with information sufficient to identify the claim involved (including the date of service, the health care provider, the claim amount and a way that the Covered Person may learn the diagnosis and treatment codes and their descriptions);
  - b. Reference to the specific plan provision(s) on which the determination is based;
  - c. A description of any additional information necessary for the claim to be perfected and an explanation of why such information is necessary;
  - d. A description of the Plan's appeal process, see Subsection 7.2 below;
  - e. If the determination was based in whole or in part on a Company Coverage Policy an explanation of how to obtain a copy of the Coverage Policy at no cost. See Subsection 2.4.1.f. above.
7. **Informal Claim Review.** If you have questions about an Explanation of Benefit Determination, you may contact Customer Service (Telephone (501) 378-2072 or toll free (800) 421-1112, or write Arkansas Blue Cross and Blue Shield, Customer Service, Post Office Box 2181, Little Rock, Arkansas 72203) and ask that the determination be reviewed. Customer Service will respond in like manner with answers to your request. This informal review is not an Appeal (see Subsection 7.2 below) nor a substitute for an appeal. Nor must you ask for an informal review in order to request an appeal.
8. **Benefit Inquiries.** From time to time you or your Provider may want an indication whether a service, supply, prescription drug, equipment or treatment is an eligible benefit of the Plan. You may make a benefit inquiry to Arkansas Blue Cross and Blue Shield Customer Service Division, Post Office Box 2181 Little Rock, Arkansas 72203, or by Telephone to (501) 378-2070 or toll free (800) 421-1112.
  - a. A benefit inquiry is not a claim. You should understand that a benefit inquiry is different from a pre-service claim. In the case of a benefit inquiry the Plan does not specify that receipt of the benefit in question is conditioned upon prior approval of the Company (see Subsection 7.1.3.b Pre-Service Claims, above).
  - b. **The Company's response to a benefit inquiry is not a guarantee of payment. The Company's ultimate determination of a claim will be based upon the relevant facts as applied to the terms, conditions, limitations and exclusions of the Plan.** A benefit inquiry is not a claim. The Company's response to a benefit inquiry is not a claim determination. The Company's response is based upon the information available to the Company at the time of the inquiry and such information may not be current or accurate. The Company reserves the right to make a final determination of the post-service claim resulting from a Health Intervention that may have been the subject of a benefit inquiry after the intervention has been completed and all relevant facts are known.
  - c. A benefit inquiry is not subject to appeal.
9. **Covered Person's Responsibility with Respect to Erroneous Claim Payments.** Despite our best efforts, we may make a claim payment which is not for a benefit provided under the Plan, or we may make payment to you when payment should have gone directly to the Provider of treatment or services instead. In the event of an erroneous or mistaken payment, you agree to refund the full amount of such payment to us promptly upon our request. If the Company does not receive the full amount of the refund due, the Company will have the right to offset future

payments made to you or your Provider under this Policy or under any other Policy you have with the Company now or in the future.

10. **Out-of-Arkansas Services.** We have a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as “Inter-Plan Programs.” Whenever you obtain healthcare services outside of the State of Arkansas (“our service area”), the claims for these services may be processed through one of these Inter-Plan Programs, which include the BlueCard Program and may include negotiated National Account arrangements available between us and other Blue Cross and Blue Shield Licensees. Typically, when accessing care outside our service area, you will obtain care from healthcare providers that have a contractual agreement (i.e., are “participating providers”) with the local Blue Cross and/or Blue Shield Licensee in that other geographic area (“Host Blue”). In some instances, you may obtain care from nonparticipating healthcare providers. Our payment practices in both instances are described below.

a. **BlueCard® Program.**

- i. Under the BlueCard® Program, when you access covered healthcare services within the geographic area served by a Host Blue, we will remain responsible for fulfilling our contractual obligations. However, the Host Blue is responsible for contracting with and generally handling all interactions with its participating healthcare providers. Whenever you access covered healthcare services outside our service area and the claim is processed through the BlueCard Program, the amount you pay for covered healthcare services is calculated based on the lower of:
  - The billed covered charges for your covered services; or
  - The negotiated price that the Host Blue makes available to us.
- ii. Often, this “negotiated price” will be a simple discount that reflects an actual price that the Host Blue pays to your healthcare provider. Sometimes, it is an estimated price that takes into account special arrangements with your healthcare provider or provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, it may be an average price, based on a discount that results in expected average savings for similar types of healthcare providers after taking into account the same types of transactions as with an estimated price.
- iii. Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or underestimation of modifications of past pricing for the types of transaction modifications noted above. However, such adjustments will not affect the price we use for your claim because they will not be applied retroactively to claims already paid.
- iv. Laws in a small number of states may require the Host Blue to add a surcharge to your calculation. If any state laws mandate other liability calculation methods, including a surcharge, we would then calculate your liability for any covered healthcare services according to applicable law.

b. **Non-Participating Healthcare Providers Outside Our Service Area**

- i. When covered healthcare services are provided outside of our service area by non-participating healthcare providers, the amount you pay for such services will generally be based on either the Host Blue’s nonparticipating healthcare provider local payment or the pricing arrangements required by applicable state law. **In these situations, you may be liable for the difference between the amount that the non-participating healthcare provider bills and the payment we will make for the covered services as set forth in this paragraph.**
- ii. In certain situations, we may use other payment bases, such as billed covered charges, the payment we would make if the healthcare services had been obtained within our service area, or a special negotiated payment, as permitted under Inter-Plan Programs Policies, to determine the amount we will pay for services rendered by nonparticipating healthcare providers. In these situations, you may be liable for the difference between the amount that the non-

participating healthcare provider bills and the payment we will make for the covered services as set forth in this paragraph.

## 7.2 **Claim Appeals to the Plan (Internal Review).**

1. **Legal Actions.** No Court suit shall be brought to recover on this Policy before sixty (60) days after a claim has been submitted in accordance with the terms of this Policy. No legal action shall be brought after the expiration of three (3) years from the time that a claim is required to be submitted.
2. **Who May Request a Review.** A Covered Person or the Covered Person's Authorized Representative may file an appeal to request a review of a claim denial. See Subsection 7.4 concerning the Authorized Representative.
3. **Where and When (Deadline) to Submit an Appeal.** If a claim for benefits is denied either in whole or in part, you will receive a notice explaining the reason or reasons for the denial. See Subsection 7.1.6, above. You may request a review of a denial of benefits for any claim or portion of a claim by sending a request marked "Internal Review Request" to the Appeals Coordinator of Arkansas Blue Cross and Blue Shield, 601 S. Gaines Street, Little Rock, Arkansas 72203. Your request must be made within one hundred eighty (180) days after you have been notified of the denial of benefits.
4. **Appeals Subject to Direct External Review.**

The Company may waive internal review of any claim determination. If the Company waives internal review, the Company shall defer the claim for external review in accordance with Section 7.3 below.
5. **Documentation.**
  - a. **Written Appeals.** You must submit your appeal in writing.
  - b. **Appellant's Right to Information.** The Company shall provide you free of charge and sufficiently in advance of the date of the final internal adverse benefit determination to give you a reasonable opportunity to respond, reasonable access to, and copies of, all documents, records or other information that:
    - i. were relied upon in making the benefit determination;
    - ii. were submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record or other information was relied upon in making the benefit determination;
    - iii. demonstrate compliance with the terms of the Plan.; or
    - iv. constitute a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the your diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.
  - c. **Appellant's Right to Submit Information.** You may submit with your request for review any additional written comments, issues, documents, records and other information relating to your claim.
  - d. **Appeals Coordinator Right to Information.** You and the treating health care professional are required to provide the Appeals Coordinator, upon request, access to information necessary to determine the appeal. Such information should be provided not later than five (5) days after the date on which the Appeals Coordinator's request for information is received. Your failure to provide access to such information shall not remove the obligation of the Appeals Coordinator to make a determination on the appeal, but the Appeals Coordinator's determination may be affected if such requested information is not provided.
6. **Conduct of Review.**
  - a. **Scope of Review.** The Appeals Coordinator shall conduct a complete review of all information relating to the claim and shall not afford deference to the initial claim determination in conducting the review.
  - b. **Qualifications of Appeals Coordinator.** The Appeals Coordinator is an individual with appropriate expertise who is neither the individual who denied the claim that is the subject of the appeal, nor the subordinate of such individual.
7. **Timing of Appeal Determination.**

- a. **Post-Service Claim.** The Appeals Coordinator shall render a decision on an appeal related to a post-service claim within a reasonable period of time, but notification of the Appeals Coordinator's determination shall be provided to you not later than sixty (60) days after the Appeals Coordinator received the appeal.
  - b. **Pre-Service Claim.** The Appeals Coordinator shall render a decision and provide notification of the decision on an appeal related to a pre-service claim in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 30 days after the date the Appeals Coordinator received the appeal.
8. **Notification of Determination of Appeal to Plan.** The Appeals Coordinator shall provide notice of the review determination in a printed form and written in a manner calculated to be understood by the claimant. The notice shall include:
- a. The specific reason or reasons for the review determination with information sufficient to identify the claim involved (including the date of service, the health care provider, the claim amount and a way that the Covered Person may learn the diagnosis and treatment codes and their descriptions);
  - b. reference to the specific plan provision(s) on which the review determination is based;
  - c. a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information Relevant to the Claim for benefits;
  - d. a statement that any internal rule, guideline, protocol or other similar criterion relied upon by the Plan is available upon request and free of charge; and
  - e. a statement describing the voluntary external review procedures offered by the Plan.

### 7.3 Independent Medical Review of Claims (External Review)

#### 1. Claim Appeals Subject to External Review.

- a. **Waiver of Internal Review.** If we have waived internal review, your appeal shall be to external review in accordance with this Section 7.3.
- b. **Application of Primary Coverage.** If your claim has not been the subject of a prior external review and if we have denied your claim in whole or in part because the intervention did not meet the Primary Coverage Criteria (other than under the conditions outlined in Subsections 2.4.1.a., b., c. or d.) or because of the application of a Coverage Policy, you may request an independent medical review by an Independent Review Organization in accordance with the provisions of this Subsection 7.3 provided:
  - i. The claim denial was upheld in whole or in part as a result of the Plan's internal review process, or
  - ii. You have not requested or agreed to a delay in the Plan's internal review process and the Appeals Coordinator has not given you notification of the determination involving a pre-service claim appeal within thirty (30) days following receipt of your appeal to the Plan; or
  - iii. You have not requested or agreed to a delay in the Plan's internal review process and the Appeals Coordinator has not given you notification of the determination involving a post-service claim appeal within sixty (60) days following receipt of your appeal to the Plan; or
  - iv. Your claim meets the requirements for expedited external review, (see Subsection 7.3.13) and you have simultaneously submitted an appeal to the Plan.

2. **Where and When to Submit External Review Appeal.** You may request external review by submitting a request for external review to the Arkansas Insurance Commissioner, 1200 West Third Street, Little Rock, Arkansas 72201 or by calling 1-800-282-9134. Your request must be made within four (4) months after you were notified that the claim denial was upheld in whole or in part as a result of the Plan's internal review process. If Subsection 7.3.1.b.ii. or 7.3.1.b.iii. apply, your request may be made at the end of the thirty (30) day period or sixty (60) day period. If Subsection 7.3.1.b.iv. applies, you must file your request for external review at the same time you file your appeal to the Plan.

#### 3. Independent Review Organization and Independent Medical Reviewer

- a. **The Arkansas Insurance Commissioner** shall determine if the claim is subject to external review, and if he so determines, assign an Independent Review Organization from the list of approved Independent Review Organizations compiled and maintained by the Commissioner.
  - b. **The Independent Review Organization** is not affiliated with, owned by or controlled by the Company. The Company pays a reasonable fee to the Independent Review Organization to conduct the review, but such fee is not contingent upon the determination of the Independent Review Organization or Independent Medical Reviewer.
  - c. **An Independent Medical Reviewer** is a physician that is licensed in one or more States to deliver health care services and typically treats the condition or illness that is the subject of the claim under review. The Independent Medical Reviewer is not an employee of the Company and does not provide services exclusively for the Company or for individuals holding insurance coverage with the Company. The Independent Medical Reviewer has no material financial, familial or professional relationship with the Company, with the Plan Administrator, with an officer or director of the Company or the Plan Administrator, with the claimant or the claimant's Authorized Representative, with the health care professional that provided the intervention involved in the denied claim; with the institution at which the intervention involved in the denied claim was provided; with the manufacturer of any drug or other device used in connection with the intervention involved in the denied claim; or with any other party having a substantial interest in the denied claim.
4. **Documentation**
- a. **Written Appeals.** You must submit your appeal in writing in a form and in a manner determined by the Arkansas Insurance Commissioner. You may submit with your request for review any additional written comments, issues, documents, records and other information relating to your claim.
  - b. **Authorization to Release Information.** In filing your request for external review, you must include the following authorization: "I, [Covered Person's name], authorize Arkansas Blue Cross and Blue Shield and my healthcare Provider(s) to release all medical information or records pertinent to this claim to the Independent Review Organization that is designated by Arkansas Blue Cross. I further authorize such Independent Review Organization to release such medical information to any Independent Medical Reviewer(s) selected by the Independent Review Organization to conduct the review."
5. **Referral of Review Request to an Independent Review Organization.** Upon receipt of the documentation set out in Subsection 7.3.4, the Arkansas Insurance Commissioner shall immediately refer the request for external review, along with the Company's initial determination of the claim and the Appeals Coordinator's internal review determination (if applicable) to an Independent Review Organization.
6. **Independent Review Organization Right to Information.** You and your treating health care professional are required to provide the Independent Review Organization and the Independent Medical Reviewer(s), upon request, access to information necessary to determine the appeal. Access to such information shall be provided not later than seven (7) business days after the date on which the request for information is received.
7. **Rejection of Request for Review by the Independent Review Organization.** The Independent Review Organization shall reject a request for review and notify you, your Authorized Representative and the Appeals Coordinator in writing within five (5) business days (or within 72 hours for an Expedited Appeal) of its determination, if it determines that the appeal does meet the standards for an appeal for external review. See Subsections 7.3.1.
8. **Rejection of the Review for Failure to Submit Requested Information.** The Independent Review Organization may reject a request for review if:
- a. you have not provided the authorization for release of medical records or information pertinent to the claim required by Subsection 7.3.4.b; or
  - b. you or your health care professional have not provided information requested by the Independent Review Organization in accordance with Subsection 7.3.6.

9. **Independent Medical Review Determination.** If the Independent Review Organization does not reject the request for review in accordance with Subsections 7.3.7 or 7.3.8, it shall assign the request for review to an Independent Medical Reviewer. Such Independent Medical Reviewer shall make a determination after reviewing the documentation submitted by you, your health care professional and the Company. The Independent Medical Reviewer shall consider the terms of this Benefit Certificate to assure that the reviewer's decision is not contrary to the terms of the Plan. In making the determination the reviewer need not give deference to the determinations made by the Company or the recommendations of the treating health care professional (if any).
10. **Timing of Appeal Determination.**
  - a. **Standard Review.** The Independent Medical Reviewer shall complete a review on an appeal within a reasonable period of time, but in no case later than forty five (45) days after the Independent Review Organization received the appeal.
  - b. **Expedited Review.** If you request an expedited review, and a health care professional certifies that the time for a standard review would seriously jeopardize your life or health or your ability to regain maximum function, the Independent Medical Reviewer shall make a determination on review in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the Independent Review Organization received the request for review.
11. **Notification of Determination of Independent Medical Review.**
  - a. **Recipients of Notice.** Upon receipt of the determination of the Independent Medical Reviewer, the Independent Review Organization shall provide written notification of the determination to you, you health care Provider, the Company and the Arkansas Insurance Commissioner.
  - b. **The Notification shall include.**
    - i. A general description of the reason for the request for external review;
    - ii. The date the Independent Review Organization was notified by the Company to conduct the review;
    - iii. The date the external review was conducted;
    - iv. The date of the Independent Medical Reviewer's determination;
    - v. The principal reason(s) for the determination;
    - vi. The rationale for the determination; and
    - vii. References to the evidence or documentation, including practice guidelines, considered in the determination.
12. **Expedited External Review.**
  - a. **Requirement for Expedited Review.** You may submit a pre-service claim denial or a denial of a claim involving concurrent care for an expedited external review provided your health care professional certifies that the time to complete a standard review would seriously jeopardize your life or health or your ability to regain maximum function.
  - b. **Expedited External Review without prior Appeal to Plan (internal review).** You may request an expedited review at the same time you submit a request for an appeal to the Plan (internal review) if your health care professional certifies that the time to complete the Plan's expedited appeal process would seriously jeopardize your life or health or your ability to regain maximum function. If you make such a request, the Independent Review Organization may determine and notify you in accordance with Subsections 7.3.10.b and 7.3.11 whether you will be required to complete the internal review process.
  - c. **Same procedures as standard external review.** Unless otherwise specified, the provisions of this Section 7.3 applicable to independent medical review of claims apply to expedited external review of claims.
13. **Other Rights under Plan.** Your decision to submit an appeal to external review will have no effect on your other rights and benefits under the Plan.
14. **Arkansas Insurance Commissioner.** You may contact the Arkansas Insurance Commissioner for assistance. The mailing address is Arkansas Insurance Department, Attention External Review Assistance, 1200 West Third Street, Little Rock, Arkansas 72201. The telephone number is 501-371-2640 or toll free 800-282-9134. The e-mail address is [insurance.consumers@arkansas.gov](mailto:insurance.consumers@arkansas.gov).

15. **Binding on the Plan.** The determination of an Independent Review Organization and an Independent Medical Reviewer is binding on both the Plan and you, except to the extent that other remedies are available under applicable federal or state law.

#### 7.4 **Authorized Representative**

1. **One Authorized Representative.** A Covered Person may have one representative, and only one representative at a time, to assist in submitting a claim or appealing an unfavorable claim determination.
2. **Authority of Authorized Representative.** An Authorized Representative shall have the authority to represent the Covered Person in all matters concerning the Covered Person's claim or appeal of a claim determination. If the Covered Person has an Authorized Representative, references to "You" or "Covered Person" in this document refer to the Authorized Representative.
3. **Designation of Authorized Representative.** One of the following persons may act as a Covered Person's Authorized Representative:
  - a. An individual designated by the Covered Person in writing in a form approved by the Company;
  - b. The treating Provider, if the claim appeal qualifies for expedited review in accordance with Subsection 7.3.13, or if the Covered Person has designated the Provider in writing in a form approved by the Company;
  - c. A person holding the Covered Person's durable power of attorney;
  - d. If the Covered Person is incapacitated due to illness or injury, a person appointed as guardian to have care and custody of the Covered Person by a court of competent jurisdiction; or
  - e. If the Covered Person is a minor, the Covered Person's parent or legal guardian, unless the Company is notified that the Covered Person's claim involves health care services where the consent of the Covered Person's parent or legal guardian is or was not required by law and the Covered Person shall represent himself or herself with respect to the claim.
4. **Communication with Authorized Representative.**
  - a. If the Authorized Representative represents the Covered Person because the Authorized Representative is the Covered Person's parent or legal guardian or attorney in fact under a durable power of attorney, the Company shall send all correspondence, notices and benefit determinations in connection with the Covered Person's claim to the Authorized Representative.
  - b. If the Authorized Representative represents the Covered Person in connection with the submission of a pre-service claim or in connection with an appeal, the Company shall send all correspondence, notices and benefit determinations in connection with the Covered Person's claim to the Authorized Representative.
  - c. If the Authorized Representative represents the Covered Person in connection with the submission of a post-service claim, the Company will send all correspondence, notices and benefit determinations in connection with the Covered Person's claim to the Covered Person, but the Company will provide copies of such correspondence to the Authorized Representative upon request.
5. **Term of the Authorized Representative.** The authority of an Authorized Representative shall continue until
  - a. the claim(s) or appeal(s) for which the Authorized Representative was designated has been fully adjudicated; or
  - b. the Covered Person is legally competent to represent himself or herself and notifies the Company that the Authorized Representative is no longer required.

## 8.0 OTHER PROVISIONS

The following information is important in the administration of the Plan.

### 8.1 **Entire Contract.**

- a. This Policy, any amendments thereto, and the Application, Change Request Form and the Schedule of Benefits constitute the entire agreement between the parties. No part of this Policy

shall be changed or waived in any way except by written amendment signed by the President of the Company. No Agent has the authority to change any of its terms.

- b. You hereby expressly acknowledge your understanding that this Policy constitutes a contract solely between you and Arkansas Blue Cross and Blue Shield, that Arkansas Blue Cross and Blue Shield is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting Arkansas Blue Cross and Blue Shield to use the Blue Cross and Blue Shield Service Marks in the State of Arkansas, and that Arkansas Blue Cross and Blue Shield is not contracting as the agent of the Association. You further acknowledge and agree that you have not entered into this Contract based upon representations by any person other than Arkansas Blue Cross and Blue Shield and that no person, entity, or organization other than Arkansas Blue Cross and Blue Shield shall be held accountable or liable to you for any of the obligations created under this Policy.

8.2 **Assignment of Benefits.** No assignment of benefits under this Policy shall be valid until approved and accepted by the Company. The Company reserves the right to make payment of benefits, in its sole discretion, directly to the Provider of service or to you.

8.3 **Time Limit on Certain Defenses.**

1. Except for fraudulent misstatements made by you in the application for this Policy, no misstatement shall be used to void any of the terms of the Policy after three (3) years.
2. Except for a disease or condition excluded in this Policy by name or description, after this Policy has been in force for twelve (12) months, no claim shall be reduced or denied on the ground that a disease or condition had existed prior to the effective date of this Policy.

8.4 **Cost of Company Required Physical Examinations.** The Company will pay an applicant's or Covered Person's expenses for any physical examination required by the Company in administering applications for coverage or claim determinations under this Policy.

8.5 **Right of Rescission.** Subject to the provision entitled "Time Limit on Certain Defenses," Subsection 8.3, the Policyholder's act of fraud or intentional misrepresentation of material fact may be used by the Company as the basis for rescinding this Policy.

8.6 **Premium Refunds.** Premium refunds are only available under this Policy when:

1. You have provided a written notice to Arkansas Blue Cross and Blue Shield that you want your coverage cancelled on a particular premium due date and this document is received by Arkansas Blue Cross and Blue Shield in advance of the premium due date on which you want your coverage cancelled. Premiums will only be refunded for any period beyond the end of the Policy Month in which the notice was received; or
2. Upon a Covered Person's death, premiums will be refunded for any period beyond the end of the Policy Month in which the death occurred.

8.7 **Claim Recoveries.** There may be circumstances in which the Company recovers amounts paid as claims expense from a Provider of services, from a Covered Person or from a third party. Such circumstances include rebates paid to the Company by pharmaceutical manufacturers based upon amounts of claims paid by the Company for certain specified pharmaceuticals, amounts recovered by the Company from health care Providers or pharmaceutical manufacturers through certain legal actions instituted by the Company relating to the claims expense of more than one Covered Person, recoveries by the Company of overpayments made to health care Providers or to Covered Persons, and recoveries from other parties with whom the Company contracts or otherwise relies upon for payment or pricing of claims. The following rules govern the Company's actions with respect to such recoveries:

1. In the event that such a recovery relates to a claim paid more than two years before the recovery, no adjustment will be made to any Deductible or Coinsurance paid by a Covered Person and the Company shall be entitled to retain such recoveries for its own use.  
If the recovery relates to a claim paid within two years and is not otherwise addressed in this subsection, Deductibles and Coinsurance amounts for a Covered Person will be adjusted if affected by the recovery.
2. Only recoveries made within two years of the date of the error by the Company or overpayments to health care Providers or to Covered Persons by the Company will be applied for the purpose of group rating or divisible surplus calculation, if applicable. The cost actually paid by the Company to procure such recoveries will be treated as an administrative expense in considering group rating or divisible surplus, if applicable.

3. In the event the Company receives from pharmaceutical manufacturers rebates based upon amounts of claims paid for certain specified pharmaceuticals, the Company shall be entitled to retain such rebates for its own use, and no adjustments will be made to claims paid or to Deductibles or Coinsurance amounts paid by a Covered Person.
  4. If a Covered Person is no longer covered by the Company at the time of any such recovery, regardless of the amount or of the time of such recovery, the Company shall be entitled to retain such recovery for its own use.
  5. If such recovery amounts cannot be attributed on an individual basis, because of having been paid as a lump sum settlement for less than the total amount of claims expense of the Company or otherwise, no adjustments will be made to any Deductible or Coinsurance amounts paid by the Covered Person and the Company shall be entitled to retain such recovery for its own use.
- 8.8 **Physician Incentives.** In some parts of Arkansas, but not necessarily in the whole State, the Company may offer incentives to encourage Physicians to practice medicine in a cost-effective manner. Physicians located in part of Arkansas may be entitled to incentive payments in the event that Medical Trends for that part of Arkansas are lower than Medical Trends for the State as a whole for a given year. The incentive payments will be calculated based on a percentage of total medical claims received from the Physicians practicing in that part of Arkansas and will reflect the lower Medical Trends for that part of Arkansas. A Covered Person may want to ask their Physician's administrative staff about compensation methods, including incentives, which apply to the services provided by their Physician.

## 9.0 GLOSSARY OF TERMS

These are terms used in this Policy.

- 9.1 **Accidental Injury** is defined as bodily injury (other than intentionally self-inflicted injury) sustained by a Covered Person while the insurance is in force, and which is the direct cause of the loss, independent of disease or bodily infirmity. Injury to a tooth or teeth while eating is not considered an Accidental Injury.
- 9.2 **Allowable Charge**, when used in connection with covered services or supplies delivered in Arkansas, will be the amount deemed by the Company, in its sole discretion, to be reasonable. The Arkansas Blue Cross and Blue Shield customary allowance is the basic Allowable Charge. However, Allowable Charge may vary, given the facts of the case and the opinion of the Company's medical director.  
At the option of the Company, Allowable Charges for services or supplies received out of Arkansas may be determined by the local Blue Cross and Blue Shield Plan, See Subsection 7.1.10 dealing with Out of Arkansas Claims. See Subsection 3.22.5 with respect to Allowable Charge for transplants. See Subsection 3.2.2 with respect to Allowable Charge for Outpatient Surgery Centers. **Please note that all benefits under this Policy are subject to and shall be paid only by reference to the Allowable Charge as determined at the discretion of Arkansas Blue Cross and Blue Shield. This means that regardless of how much your health care Provider may bill for a given service, the benefits under this Policy will be limited by the Allowable Charge we establish. If you use an Arkansas Blue Cross and Blue Shield-participating Provider, that Provider is obligated to accept our established rate as payment in full, and should only bill you for your Deductible, Coinsurance and any non-covered services; however, if you use a non-participating Provider, you will be responsible for all amounts billed in excess of the Arkansas Blue Cross and Blue Shield Allowable Charge.**
- 9.3 **Ambulance Service** means surface or air transportation in a regularly equipped ambulance licensed by an appropriate agency and where the use of any other means of transportation is not medically indicated. All services provided by the ambulance personnel, including but not limited to, the administration of oxygen, medications, life support, etc. are included in the specific Policy limitation applied to ambulance benefits per Benefit Period.
- 9.4 **Ambulatory Surgery Center** means a distinct entity that operates exclusively for the purpose of providing surgical services to patients not requiring hospitalization
- 9.5 **Benefit Period** means the total number of days of coverage selected by the Policyholder in which benefits are eligible to Covered Persons under this Policy. The Benefit Period applicable to each Covered Person under this Policy is listed in the Schedule of Benefits. Once the Benefit Period has been exhausted, coverage under this Policy terminates.
- 9.6 **Brand Name Medication** means any Prescription Medication that has a patented trade name separate from its generic or chemical designation.
- 9.7 **Case Management** is a program in which a registered nurse employed by Arkansas Blue Cross and

Blue Shield, known as a Case Manager, assists a Covered Person through a collaborative process that assesses, plans, implements, coordinates, monitors and evaluates options and health care benefits available to a Covered Person. Case management is instituted at the sole option of the Company when mutually agreed to by the Covered Person and the Covered Person's Physician.

- 9.8 **Chemotherapy** means Chemotherapy for the treatment of a malignant neoplastic disease by chemical agents that affect the disease causing agent unfavorably. High dose Chemotherapy is Chemotherapy several times higher than the standard dose for malignant disease (as determined in recognized medical compendia) and which would automatically require the addition of drugs and procedures (e.g., Granulocyte Colony-Stimulating Factor, Granulocyte-Macrophage Colony-Stimulating Factor, re-infusion of stem cells, re-infusion of autologous bone marrow transplantation, or allogeneic bone marrow transplantation) in any patient who received this high dose Chemotherapy, to prevent life-threatening complications of the Chemotherapy on the patient's own progenitor blood cells.
- 9.9 **Child** means a Policyholder's natural Child, legally adopted Child or Stepchild. "Child" also means a Child for whom the Policyholder has been appointed the legal guardian.
- 9.10 **Cognitive Rehabilitation** means a treatment modality designed specifically for the remediation of disorders of perception, memory and language in brain-injured persons. Services or supplies provided as or in conjunction with, Cognitive Rehabilitation are not covered. See Subsection 4.3.10.
- 9.11 **Coinsurance** means the obligation of a Covered Person to pay a certain portion of an Allowable Charge. Coinsurance is expressed as a percentage in the Schedule of Benefits. The Schedule of Benefits sets forth the Coinsurance for services or supplies received from a Preferred Provider and the Coinsurance for services and supplies from Non-Preferred Provider.
- 9.12 **Company** means Arkansas Blue Cross and Blue Shield.
- 9.13 **Complication of Pregnancy** means
1. Hospital confinement required to treat conditions, such as the following, in a pregnant female: acute nephritis, nephrosis, cardiac decompensation, HELLP syndrome, uterine rupture, amniotic fluid embolism, chorioamnionitis, fatty liver in pregnancy, septic abortion, placenta accrete, gestational hypertension, puerperal sepsis, peripartum cardiomyopathy, cholestasis in pregnancy, thrombocytopenia in pregnancy, placenta previa, placental abruption, acute cholecystitis and pancreatitis in pregnancy, postpartum hemorrhage, septic pelvic thrombophlebitis, retained placenta, venous air embolus associated with pregnancy, miscarriage or an emergency c-section required because of (a) fetal or maternal distress during labor, or (b) severe pre-eclampsia, or (c) arrest of descent or dilatation, or (d) obstruction of the birth canal by fibroids or ovarian tumors, or (e) necessary because of the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity that, in the absence of immediate medical attention, will result in placing the life of the mother or fetus in jeopardy. For purposes of this subsection, a c-section delivery is not considered to be an emergency c-section if it is merely for the convenience of the patient and/or doctor or solely due to a previous c-section.
  2. Treatment, diagnosis or care for conditions, including the following, in a pregnant female when the condition was caused by, necessary because of, or aggravated by the pregnancy: hyperthyroidism, hepatitis B or C, HIV, Human papilloma virus, abnormal PAP, syphilis, chlamydia, herpes, urinary tract infections, thromboembolism, appendicitis, hypothyroidism, pulmonary embolism, sickle cell disease, tuberculosis, migraine headaches, depression, acute myocarditis, asthma, maternal cytomegalovirus, urolithiasis, DVT prophylaxis, ovarian dermoid tumors, biliary atresia and/or cirrhosis, first trimester adnexal mass, hydatidiform mole or ectopic pregnancy.
  3. Management of a difficult pregnancy is not a Complication of Pregnancy.
- 9.14 **Compound Medication** means a non FDA approved medication prescribed by a Physician that is admixed by a pharmacist using multiple ingredients which may or may not be FDA approved individually. FDA approved medications that exist as separate components and are intended for reconstitution prior to administration are not Compound Medications.
- 9.15 **Contracting Provider** means a Provider who has signed a Contract with this Company to provide the services covered by this Policy to Covered Persons. The Company will pay the Contracting Provider directly.
- 9.16 **Copayment** means the amount required to be paid to a Preferred Provider by or on behalf of a Covered Person in connection with Covered Services.

- 9.17 **Cosmetic Service** means any treatment or corrective surgical procedure performed to reshape structures of the body in order to alter the individual's appearance or to alter the manifestation of the aging process. Breast augmentation, mastopexy, breast reduction for cosmetic reasons, otoplasty, rhinoplasty, collagen injection and scar reversals are examples of Cosmetic Services. Cosmetic Services also includes any procedure required to correct complications caused by or arising from prior Cosmetic Services. Cosmetic Services do not include the following services in connection with a mastectomy eligible for coverage under this Policy: (a) reconstruction of the breast on which the surgery has been performed, and (b) surgery to reconstruct the other breast to produce a symmetrical appearance. The following procedures performed on a child age 12 years and under are not considered Cosmetic Services: correction of a cleft palate or cleft lip, removal of a port-wine stain or hemangioma on the face, correction of a non-dental congenital abnormality.
- 9.18 **Coverage Policy** means a statement developed by the Company that sets forth the medical criteria for coverage under an Arkansas Blue Cross and Blue Shield benefit certificate or insurance policy. Some limitations of benefits related to coverage, of a drug, treatment, service equipment or supply are also outlined in the Coverage Policy. A copy of a Coverage Policy is available from the Company, at no cost, upon request, or a Coverage Policy can be reviewed on the Company's web site at [WWW.ARKANSASBLUECROSS.COM](http://WWW.ARKANSASBLUECROSS.COM).
- 9.19 **Covered Person** means the Policyholder or Dependent who is insured under this Policy.
- 9.20 **Covered Services** means services for which a Covered Person is entitled to benefits under the terms of this Policy.
- 9.21 **Custodial Care** means care rendered to a Covered Person (1) who is disabled mentally or physically and such disability is expected to continue and be prolonged, and (2) who requires a protected, monitored, or controlled environment whether in an institution or in a home, and (3) who requires assistance to support the essentials of daily living, and (4) who is not under active and specific medical, surgical, or psychiatric treatment that will reduce the disability to the extent necessary to enable the patient to function outside the protected, monitored, or controlled environment. A custodial determination is not precluded by the fact that a Covered Person is under the care of a supervising or attending Physician and that services are being ordered or prescribed to support and generally maintain the Covered Person's condition, or provide for the Covered Person's comfort, or ensure the manageability of the Covered Person. Further, a Custodial Care determination is not precluded because the ordered and prescribed services and supplies are being provided by an R.N., L.P.N., or L.V.N. or the ordered and prescribed services and supplies are being performed in a Hospital, Nursing Home, a skilled nursing facility, an extended care facility or in the home. The determination of Custodial Care in no way implies that the care being rendered is not required by the Covered Person; it only means that it is a type of care that is not covered under this Policy.
- 9.22 **Deductible** means the amount of out of pocket expense a Covered Person must incur for Covered Services each Benefit Period before any expenses are paid by the Company under the Plan. This amount is calculated from Allowable Charges, not the billed charges. Once the Deductible has been met, subject to all other terms, conditions, limitations and exclusions in the Plan, payment for Covered Services begins.
- 9.23 **Dental Care** means the treatment or repair of the teeth, bones and tissues of the mouth and defects of the human jaws and associated structures and shall include surgical procedures involving the mandible and maxilla where such is done for the purpose of correcting malocclusion of the teeth or for the purpose, at least in part, of preparing such bony structure for dentures or the attachment of teeth, artificial or natural, and shall include any Hospital services and administration of anesthetic in connection with any of the foregoing.
- 9.24 **Dependent** means any member of the Policyholder's family who meets the eligibility requirements of Section 6.0, who is enrolled in the Plan, and for whom the Company has received premium.
- 9.25 **Diabetes Self-Management Training** means instruction, including medical nutrition therapy relating to diet, caloric intake and diabetes management (excluding programs the primary purpose of which is weight reduction) which enables diabetic patients to understand the diabetic management process and daily management of diabetic therapy as a means of avoiding frequent hospitalizations and complications when the instruction is provided in accordance with a program in compliance with the National Standards for Diabetes Self-Management Education Program as developed by the American Diabetes Association.
- 9.26 **Dose Limitation** means a limitation in the number of doses of a Prescription Medication in a single prescription or a limit in the number of doses over a defined period of time. For example, a Dose

Limitation for a particular medication may be set at no more than 10 doses in a dispensed prescription and no more than 20 doses during a 30-day period.

- 9.27 **Durable Medical Equipment (DME)** means equipment which (1) can withstand repeated use; and (2) is primarily and customarily used to serve a medical purpose; and (3) generally is not useful to a person in the absence of an illness or injury; and (4) is appropriate for use in the home.
- 9.28 **Emergency Care** means health care services required to evaluate and treat medical conditions of a recent onset and severity, including, but not limited to, severe pain that would lead a prudent lay person, possessing an average knowledge of medicine and health, to believe that a condition, sickness, or injury is of such a nature that failure to get immediate medical care could result in (i) placing the patient's health in serious jeopardy; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ or part. In order to qualify as Emergency Care, health care services must be sought within forty-eight (48) hours of the onset of the illness or Accidental Injury.
- 9.29 **Emergency Prescription** means any Prescription Medication prescribed in conjunction with Emergency Care and deemed necessary by a Physician to be immediately needed by the Covered Person.
- 9.30 **Evaluation and Management Office Visit**, when used in conjunction with Children's Preventive Care benefits in this Policy, means an office visit for the evaluation and management of infants, children and adolescents through eighteen (18) years of age. The preventive medicine services performed during the office visit reflect an age and gender appropriate history and examination including counseling, anticipatory guidance and risk factor reduction interventions that are provided at the time of the initial or periodic comprehensive preventive medicine examination.
- 9.31 **Formulary** means a specified list of Prescription Medications covered by the Company. The Formulary is established by the Company based upon recommendations from the Pharmacy and Therapeutics Committee, a committee including practicing Arkansas Physicians and practicing Arkansas pharmacists, as well as the medical director and pharmacy director of the Company. Prescription Medications on the Formulary are classified into one of three tiers. Prescription Medications in the first tier are Generic Medications. Prescription Medications in the subsequent tiers are Brand Name Medications. The list of Prescription Medications that make up the Formulary and the tier classification of a Prescription Medication on the Formulary are subject to change by the Company and the Pharmacy and Therapeutics Committee. In recommending whether to place a Prescription Medication on the Formulary or to place a Prescription Medication in a tier classification in the Formulary, the Pharmacy and Therapeutics Committee compares a Prescription Medication's safety, effectiveness, cost efficiency and uniqueness with other Prescription Medications in the same category. **Prescription Medications including new Prescription Medications approved by the FDA are not covered under this Policy unless or until the Company places the medication on the Formulary.**
- 9.32 **Freestanding Facility** means an entity that furnishes health care services and that is neither integrated with, nor a department of, a Hospital. Physically separate facilities on the campus of a Hospital are considered freestanding unless they are integrated with, or a department of, the Hospital. Examples of Freestanding Facilities include, but are not limited to, Free-Standing Cardiac Care Facilities and Free-Standing Residential Treatment Centers. Ambulatory Surgery Centers performing covered services provided in 3.3 are not considered Freestanding Facilities. Laboratories are not considered Freestanding Facilities.
- 9.33 **Generic Medication** means any US Food and Drug Administration ("FDA") approved, chemically identical, reproduction of a Brand Name Medication for which the patent has expired. A Prescription Medication must have a price at least twenty percent (20%) lower than the Brand Name Medication in order to qualify as a Generic Medication for reimbursement purposes.
- 9.34 **Health Intervention or Intervention** means an item or service delivered or undertaken primarily to diagnose, detect, treat, palliate or alleviate a medical condition or to maintain or restore functional ability of the mind or body.
- 9.35 **Hospice Care** means an autonomous, centrally administered, medically directed, coordinated program providing a continuum of home, outpatient and home-like inpatient care for the terminally ill patient and family. Hospice Care provides palliative and supportive care to meet the special needs arising out of the physical, emotional, spiritual, social and economic stresses which are experienced during the final stages of illness and during dying and bereavement.
- 9.36 **Hospital** means an acute general care Hospital and a Rehabilitation Hospital licensed as such by the appropriate state agency. It does not include any of the following, unless required by applicable law or approved by the Board of Directors of the Company: Hospitals owned or operated by state or federal agencies, convalescent homes or Hospitals, homes for the aged, sanitariums, long term care facilities,

infirmaries, or any institution operated mainly for treatment of long-term chronic diseases.

- 9.37 **Laboratory** means an entity furnishing biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings. These examinations also include procedures to determine, measure or otherwise describe the presence or absence of various substances or organisms in the body. Entities only collecting or preparing specimens (or both) or only serving as a mailing service and not performing testing are not considered laboratories.
- 9.38 **Low Protein Modified Food Products** means a food product that is specifically formulated to have less than one (1) gram of protein per serving and intended to be used under the direction of a Physician for the dietary treatment of phenylketonuria, galactosemia, organic acidemias and disorders of amino acid metabolism.
- 9.39 **Maintenance Medication** means a specific Prescription Medication: 1.) for ongoing therapy of a chronic illness; and 2.) that has been designated as a Maintenance Medication by the Company. You may obtain a list of Maintenance Medications by calling Customer Service.
- 9.40 **Maintenance Therapy** means any therapy where there is no expectation based upon a reasonable degree of medical probability that treatment will result in significant, measurable improvement in the condition in a reasonable, predictable period of time for treatment.
- 9.41 **Maternity Care and Obstetrical Care** means Health Interventions necessary because of or related to the following conditions: premature rupture of membranes; false labor; occasional spotting in pregnancy; pre-term labor; pre-term birth; physician prescribed rest during the pregnancy; morning sickness; hyperemesis gravidarum; cephalopelvic disproportion; intrauterine growth retardation; analysis for fetal down syndrome, trisomy 18 or neural tube defect; congenital diaphragmatic hernia; hydrops fatalis; group B strep prophylaxis in pregnancy; isoimmunization in pregnancy; antepartum fetal surveillance; management of hyperemesis; cervical incompetence; fetal urethral obstruction; twin or greater gestation with prior uterine atony; macrosomia; incompetent cervix; forceps deliver; fetal fibronectin; cytotec for induction of labor; sudden onset of polyhydramnios; prophylactic cesarean delivery of HIV positive mother; Klippel-Trenaunay Syndrome; caudal regression syndrome; hospitalization to postpone delivery until the fetus is further developed; biophysical profiles; fetal monitoring; non-routine ultrasounds; vaginal delivery; antepartum and postpartum care; or services related to c-sections scheduled because of (a) multiple gestation, (b) previous c-section delivery, (c) patient or physician convenience, (d) cephalopelvic disproportion or (e) abnormal presentations such as breech, shoulder dystonia, transverse and compound.
- 9.42 **Medical Food** means a food that is intended for the dietary treatment of phenylketonuria, galactosemia, organic acidemias and disorders of amino acid metabolism for which nutritional requirements are established by recognized scientific principles and formulated to be consumed or administered enterally under the direction of a Physician.
- 9.43 **Medical Literature** means articles from major peer-reviewed medical journals specified by the United States Department of Health and Human Services pursuant to section 1861(t)(2)(B) of the Social Security Act, 42 U.S.C. §1395(x)(t)(2)(B), as amended.
- 9.44 **Medical Supply or Supplies** means an item which (1) is consumed or diminished with use so that it cannot withstand repeated use; and (2) is primarily or customarily used to serve a medical purpose; and (3) generally is not useful to a person in the absence of an illness or injury.
- 9.45 **Medicare** means the two programs cited as the "Health Insurance for the Aged Act," Title I, Part I, of Public Law 89-97, as amended. Part A refers to Hospital insurance. Part B refers to supplementary medical insurance.
- 9.46 **Neurologic Rehabilitation Facility** means an institution licensed as such by the appropriate state agency. A Neurological Rehabilitation Facility must:
1. be operated pursuant to law;
  2. be accredited by the Joint Commission on Accreditation of Healthcare Organizations and the Commission on Accreditation of Rehabilitation Facilities;
  3. be primarily engaged in providing, in addition to room and board accommodations, rehabilitation services for Severe Traumatic Brain Injury under the supervision of a duly licensed Physician (M.D. or D.O.); and
  4. maintain a daily progress record for each patient.

- 9.47 **Non-Contracting Provider** means a Provider who has declined to sign a contract with this Company to provide to Covered Persons services covered by this Policy. Non-Contracting Providers are free to bill and collect from you charges for covered services which are in excess of the Company's Allowable Charge.
- 9.48 **Non-Diseased Tooth** means a tooth that is whole or properly restored, and is free of decay and/or periodontal conditions.
- 9.49 **Non Preferred Provider** means a Provider that does not participate in the Preferred Provider Organization.
- 9.50 **Outpatient Hospital** means a portion of a Hospital which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services by, or under the supervision of, a Physician to patients treated on an outpatient basis for a variety of medical conditions and not kept overnight or otherwise admitted as inpatients to the Hospital.
- 9.51 **Outpatient Psychiatric Center** means a facility licensed by the appropriate state agency as such.
- 9.52 **Outpatient Surgery Center or Radiation Therapy Center** means a facility licensed as such by the appropriate state agency.
- 9.53 **Outpatient Therapy Visit** means one unit of therapeutic service (usually one hour or less) provided by licensed Provider(s). An Outpatient Therapy Visit may include services provided by more than one Provider and in the case of physical therapy, up to four modalities of treatment. Any physical therapy or occupational therapy modality, regardless of who provides the service, is included in the visit limit. Outpatient therapy visit applies to therapy provided in a physician's office or in a physical therapy setting.
- 9.54 **Partial Hospitalization** means continuous treatment for a Covered Person who requires care or support, or both, in a Hospital but who does not require 24-hour supervision. A Physician must prescribe services for at least 4 hours, but not more than 16 hours in any 24-hour period.
- 9.55 **Participating Pharmacy** means a licensed pharmacy that has contracted directly or indirectly with the Company to provide pharmacy services to Covered Persons subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Policy.
- 9.56 **Period of Creditable Coverage** means the period of time a Covered Person was covered by a health Plan or insurance contract defined as creditable coverage in the provisions of the Health Insurance Portability and Accountability Act of 1996. Common health Plans and insurance contracts providing creditable coverage include: Employer Group Health Insurance, Individual Comprehensive Health Insurance, Medicare, Medicaid, CHAMPUS and a State Health Benefits Risk Pool. Any continuous sixty-three (63) day period during which the Covered Person was not covered will start a new Period of Creditable Coverage.
- 9.57 **Physician** means a Doctor of Medicine (M.D.) or a Doctor of Osteopathy (D.O.) duly licensed and qualified to practice medicine and perform surgery at the time and place a claimed intervention is rendered. Physician also means a Doctor of Podiatry (D.P.M.), a Chiropractor (D.C.), a Psychologist (Ph.D.), an Oral Surgeon (D.D.S.) or an Optometrist (O.D.) duly licensed and qualified to perform the claimed Health Intervention at the time and place such intervention is rendered.
- 9.58 **Physician Service** means such services as are rendered by a licensed Physician within the scope of his license.
- 9.59 **Placement, or being placed, for adoption** means the assumption and retention of a legal obligation for total or partial support of a Child by a person with whom the Child has been placed in anticipation of the Child's adoption. The Child's Placement for adoption with such person terminates upon the termination of such legal obligation.
- 9.60 **Plan** means a health insurance plan. The terms of the Plan are set forth in this Policy.
- 9.61 **Policy** means this document, the Schedule of Benefits, the application and any endorsements or riders signed by the President of the Company.
- 9.62 **Policy Coinsurance Maximum** means the amount of Allowable Charges a Covered Person must incur for claims in a Benefit Period before the Covered Person is relieved of the obligation to pay Coinsurance for the remainder of the Benefit Period. The Policy Coinsurance Maximum is set forth in the Schedule of Benefits.
- 9.63 **Policy Month** means a month commencing on the first day of a calendar month and expiring on the last day of that calendar month or commencing on the fifteenth day of a month and expiring on the fourteenth day of the following month, depending upon the billing cycle applied by the Company.

- 9.64 **Policyholder** means the person with whom the Company has agreed to provide benefits and whose name appears on the Schedule of Benefits. Policyholder also means Member.
- 9.65 **Preexisting Condition** means an illness, disease or condition that causes symptoms, before the effective date of this Policy that would have caused an ordinarily prudent person to seek diagnosis, care or treatment. Aggravation(s) of such illness, disease or condition is also a Preexisting Condition.
- 9.66 **Preferred Provider** means a Contracting Provider who has agreed to participate in the Preferred Provider Organization and meets all applicable credentialing and contractual standards associated with the Preferred Provider Organization.
- 9.67 **Preferred Provider Organization** means a panel of Providers (Hospitals and Physicians) who have agreed to accept reimbursement for their services covered under this Plan at reduced charges.
- 9.68 **Prescription** means an order for Medications by a Physician or health care Provider authorized by applicable law to issue a Prescription, to a pharmacy for the benefit of and use by a Covered Person.
- 9.69 **Prescription Medication** or **Medication** means any pharmaceutical that has been approved by the FDA and can be obtained only through a Prescription. The Company has classified selected Prescription Medications, primarily Medications intended for self-administration as "A Medications." The Company has classified Intra-muscular injections, Intravenous injections and other pharmaceuticals that are primarily intended for professional administration as "B Medications." You can determine whether a Medication is an A Medication or a B Medication by contacting Customer Service.
- 9.70 **Primary Care Physician** means a Preferred Provider physician who provides primary medical care in one of these medical specialties: General Practice, Pediatrics, Family Practice or Internal Medicine.
- 9.71 **Prior Approval** means the process by which the Company determines in advance of the Covered Person obtaining a requested medical service, Medication, supply, test or equipment that such medical service, Medication, supply, test or equipment meets Primary Coverage Criteria. Ongoing therapy of a prior authorized Medication may require periodic assessments that could include an efficacy measure intended to demonstrate positive outcomes for continuation of therapy. Note that Prior Approval does not mean that the service, supply or treatment will be covered regardless of other terms, conditions or limitations outlined in this Policy, but means only that coverage will not be denied for failing to meet the Primary Coverage Criteria if complete and accurate information has been furnished to the Company when Prior Approval is given. Without limiting the application of other coverage limitations or exclusions, for example, Prior Approval shall not be interpreted to waive eligibility requirements such as dependent status or timely premium payment, nor shall Prior Approval be deemed to waive network benefit limits or any other specific Policy condition, exclusion or limit, such as a Benefit Period maximum or a policy limit.
- 9.72 **Provider** means an advance practice nurse; an athletic trainer; an audiologist; a certified orthotist; a chiropractor; a community mental health center or clinic; a dentist, a Hospital; a licensed ambulatory surgery center; a licensed certified social worker; a licensed dietician; a licensed durable medical equipment provider; a licensed professional counselor; a licensed psychological examiner; a long-term care facility; a non-hospital based medical facility providing clinical diagnostic services for sleep disorders; a non-hospital based medical facility providing magnetic resonance imagining, computed axial tomography, or other imaging diagnostic testing; an occupational therapist; an optometrist; a pharmacist; a physical therapist; a physician or surgeon (M.D. and D.O.); a podiatrist; a prosthetist; a psychologist; a respiratory therapist; a rural health clinic; a speech pathologist and any other type of health care Provider which the Company, in its sole discretion, approves for reimbursement for services rendered.
- 9.73 **Psychiatric Conditions** means and includes (whether organic or non-organic, whether of biological, non-biological, chemical or non-chemical origin, and irrespective of cause, basis or inducement) mental disorders, mental illnesses, psychiatric illnesses, mental conditions, and Psychiatric Conditions. This includes, but is not limited to, psychoses, neurotic disorders, schizophrenic disorders, affective disorders, personality disorders, and psychological or behavioral abnormalities associated with transient or permanent dysfunction of the brain or related neurohormonal systems. (This is intended to include only disorders, conditions and illnesses classified on Axes I and II in the current edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association, Washington, D.C.)
- 9.74 **Psychiatric Residential Treatment Center** means a facility, or a distinct part of a facility, for psychiatric care which provides a total 24-hour therapeutically planned and professionally staffed group living and learning environment.
- 9.75 **Relevant to the Claim** means a document, record or other information that:

1. was relied upon in making the benefit determination;
  2. was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record or other information was relied upon in making the benefit determination;
  3. demonstrates compliance with the administrative processes and safeguards required by 7.2.5.b.; and
  4. constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the Covered Person's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.
- 9.76 **Retransplantation** means a second transplant performed within sixty (60) days of the failure of an initial transplant.
- 9.77 **Severe Traumatic Brain Injury** means a sudden trauma causing damage to the brain as a result of the head suddenly and violently hitting an object or an object piercing the skull and entering brain tissue with an extended period of unconsciousness or amnesia after the injury or a Glasgow Coma Scale below 9 within the first 48 hours of injury.
- 9.78 **Skilled Nursing Facility** means an institution licensed as such by the appropriate state agency. A Skilled Nursing Facility must:
1. be operated pursuant to law;
  2. be approved for payment of Medicare benefits or be qualified to receive such approval, if so requested;
  3. be primarily engaged in providing, in addition to room and board accommodations, skilled nursing care under the supervision of a duly licensed Physician (M.D. or D.O.);
  4. provide continuous 24 hours a day nursing service by or under the supervision of a registered graduate professional nurse (R.N.) for at least 8 hours per day and a registered graduate professional nurse (R.N.) or licensed practical nurse (L.P.N.) for the remaining 16 hours; and
  5. maintain a daily medical record of each patient.
- However, a Skilled Nursing Facility does not include:
1. any home, facility or part thereof used primarily for rest;
  2. a home or facility for the aged or for the care of drug addicts or alcoholics; or
  3. a home or facility primarily used for the care and treatment of mental diseases, or disorders, or Custodial Care or educational care.
- 9.79 **Spouse** means a member of the opposite sex who is the husband or wife of the Policyholder as a result of a marriage that is legally recognized in the state of Arkansas.
- 9.80 **Stepchild** means a natural or adopted Child of the Spouse of the Policyholder.
- 9.81 **Step Therapy** means a process that establishes a required order of use for a specific Prescription Medication. For example, a Step Therapy may require that medication "X" be used for a period of time before medication "Y" or that a weaker strength of a medication be used for a period before a stronger strength of the same medication.
- 9.82 **Substance Abuse Residential Treatment Center** means a facility that provides treatment for substance (alcohol and drug) abuse to live-in residents who do not require acute medical care. Services include individual and group therapy and counseling, family counseling, laboratory tests, drug and supplies, psychological testing, and room and board.
- 9.83 **Transplant Global Period** means a period of time that begins on or prior to the day of the transplant procedure and extends for a number of days after the transplant procedure. The length of the Transplant Global Period varies, depending upon the type of transplant involved.
- 9.84 **We, Our and Us** mean the Company.
- 9.85 **Work Hardening** means a highly specialized rehabilitation program that spans the transition from traditional rehabilitation therapies to return to work by simulating the workplace activities and surroundings in a monitored environment. Programs may be developed and carried out by an occupational therapist and/or physical therapist. The goal is to create an environment in which returning workers can rebuild psychological self-confidence and physical reconditioning by replicating their work routine.
- 9.86 **Work Integration (Community)** means training in shopping, transportation, money management, vocational activities and/or work environment/modification analysis, and/or work task analysis. This is

not considered medical treatment.

9.87 **You and Your** mean a Covered Person.

## **10.0 POLICY PROVISIONS RELATIVE TO MEMBERSHIP, MEETINGS AND VOTING**

As the owner of this Policy, the Policyholder is a member of Arkansas Blue Cross and Blue Shield. This Section 10.0 describes the meetings of members, gives notice of the Annual Meeting of members, and describes a member's voting rights.

### **10.1 Membership**

By virtue of ownership of this Policy, the Policyholder is a member of Arkansas Blue Cross and Blue Shield. This Policy is a non-participating policy. This means that the Policyholder does not receive distribution of any premium, revenues, savings or assets of the Company.

### **10.2 Annual Meeting**

An annual meeting of the members shall be held each and every calendar year in the State of Arkansas for the purpose of electing directors, receiving and considering reports as to the business and affairs of the Company and transacting such other business as may properly come before the meeting. The meeting shall be held between January 1 and April 1 of each year at such place, date and time as shall be fixed by the Board of Directors or the Chief Executive Officer. The Board of Directors may, from time to time, provide that the place, date and time of the annual meeting shall be set forth in the Policy of members as set out in Section 10.4. below.

“THE ANNUAL MEETING OF THE MEMBERS SHALL BE HELD EACH YEAR AT THE HOME OFFICE, LOCATED AT 601 GAINES STREET, LITTLE ROCK, ARKANSAS, ON THE THIRD MONDAY IN MARCH AT 1:00 P.M. (PROVIDED, IF SUCH DAY SHALL BE A LEGAL HOLIDAY, THEN AT THE SAME TIME AND PLACE ON THE NEXT SUCCEEDING DATE WHICH IS NOT A LEGAL HOLIDAY).”

### **10.3 Special Meetings**

A special meeting of members for any purpose may be called by the Board of Directors or Chief Executive Officer, and shall be called by the Chief Executive Officer of the Secretary at the request of members holding one-third (1/3) of the voting power entitled to vote thereat. Such request shall state the purpose or purposes of the meeting, and no other business outside the scope of the state purpose or purposes shall be transacted. Unless ordered by the Board of Directors, the time and place of each special meeting of members shall be determined by the Chief Executive Officer.

### **10.4 Notice of Meetings**

So long as each insurance Policy issued by the Company sets forth the place, date and hour of the annual meeting of members, no notice of any annual meeting shall be required to be given to any member, regardless of the number or nature of proposals to be considered and voted upon at the annual meeting. If notice of the annual meeting is not set forth in each insurance Policy, written or printed notice of the annual meeting and every special meeting of the members, stating the place, date, time and the purpose or purposes of such meeting shall be given to the members entitled to vote at such meeting not less than ten (10), nor more than sixty (60), days before the date of the meeting. All such notices shall be given, either personally or by the mail, by or at the direction of the Chief Executive Officer or Secretary unless ordered by the Board of Directors. Notices which shall be mailed shall be deemed to be "given" when deposited in the United States Mail addressed to the member at the member's address as it appears on the records of the Company, with postage prepaid [first class mail], if the notice is mailed thirty (30) days or less before the date of the meeting], and any notice transmitted other than by mail shall be deemed to have been "given" when delivered to the member.

### **10.5 Quorum**

Except as otherwise provided by applicable law, a majority of the members of the Company (present in person or by proxy) shall be necessary to constitute a quorum for the transaction of business at any annual or special meeting of the members of the Company.

### **10.6 Voting Rights**

Each member shall be entitled to one vote for each policy held by him upon each matter coming to a vote at meetings of members provided, a group policyholder shall be entitled to a number of votes equal to the number of certificate holders insured under this Group Policy. Such vote may be exercised in person or by written proxy.

10.7 **Vote Required**

A majority of the voting power represented at any meeting of members shall be necessary and sufficient to approve any given matter. There shall be no cumulative voting.

10.8 **Proxy**

At all meetings of members a member may vote by proxy executed in writing by the member or by the member's duly authorized attorney in fact. Such proxy shall be filed with the Secretary before commencement of the meeting or at such late time as shall be expressly permitted by the Corporate officer presiding at such meeting. Once a Policy is issued by the Company, the Policyholder shall receive a proxy form for the Policyholder's signature. The proxy form shall contain a provision pursuant to which the Policyholder thereof grants a revocable proxy to the Board of Directors with respect to all matters to be considered and voted upon by members at any meeting occurring while such insurance Policy is in force.



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P. Mark White, President and Chief Executive Officer

ARKANSAS BLUE CROSS AND BLUE SHIELD  
601 S. Gaines Street  
Little Rock, Arkansas 72201

**ARKANSAS CONSUMERS INFORMATION NOTICE**

For additional information regarding your Arkansas Blue Cross and Blue Shield benefits, please feel free to contact us at:

Arkansas Blue Cross and Blue Shield  
Customer Service  
Post Office Box 2181  
Little Rock, Arkansas 72203  
Telephone (501) 378-2010 or toll free (800) 421-1112

If we at Arkansas Blue Cross and Blue Shield fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201  
Telephone (501) 371-2640 or toll free (800) 852-5494  
[insurance.consumers@arkansas.gov](mailto:insurance.consumers@arkansas.gov).

## **LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

### **DISCLAIMER**

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association  
c/o The Liquidation Division  
1023 West Capitol, Suite 2  
Little Rock, Arkansas 72201

Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

### **COVERAGE**

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

## **EXCLUSIONS FROM COVERAGE**

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC")(whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

## **LIMITS ON AMOUNT OF COVERAGE**

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

**AMENDMENT NO. 2660**

**MATERNITY BENEFIT**

**BENEFITS AND SPECIFIC LIMITATIONS IN YOUR PLAN**, “Testing of Newborn Children” is hereby amended to read as follows.

**Prenatal Tests and Testing of Newborn Children.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy coverage is provided for prenatal tests and tests of newborn children that are supported by Coverage Policy. Examples of such tests that are covered include testing for Down’s syndrome, hypothyroidism, sickle-cell anemia, phenylketonuria/galactosemia, (PKU) and other disorders of metabolism. This benefit is subject to the Deductible and Coinsurance specified in the Schedule of Benefits.

**BENEFITS AND SPECIFIC LIMITATIONS IN YOUR PLAN**, is hereby amended to add the following new Subsection.

**Maternity.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for maternity care when performed or prescribed by a Physician, subject to the Deductible and Coinsurance amounts specified in the Schedule of Benefits.

1. **Maternity and Obstetrical Care.** Coverage is provided for Maternity and Obstetrical Care, including Routine Prenatal Care and postnatal care; and use of Hospital delivery rooms and related facilities; special procedures as may be necessary. Routine Prenatal Care includes the coverage of one routine ultrasound only. See Subsection 4.3 concerning exclusion of additional routine ultrasounds.
2. **Midwives.** Services provided by any lay midwife are not covered. See Subsection 4.2.5. However, subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for services provided by a certified nurse midwife who has a collaborative agreement with a Physician who is within immediate proximity to the Hospital utilized by the certified nurse midwife, in case there is need for assistance during the delivery.
3. **Newborn Care in the Hospital.** Provided the child’s coverage becomes effective on his or her date of birth in accordance with the provisions of Section 6.0 of the Policy, a Policyholder’s or Spouse’s newborn child will be covered from the date of birth, including use of newborn nursery (for up to five (5) days or until the mother is discharged, whichever is the lesser period of time) and related services. If the Policyholder fails to give notice of the Child’s birth within 90 days of the Child’s date of birth, coverage of the newborn Child is subject to the Company’s approval through the Company’s underwriting standards after the Child’s two-month check-up.
4. **Allowable Charges for In Vitro Fertilization and Infertility.** Subject to other limitations found herein, Coverage is provided for Allowable Charges for in vitro fertilization and infertility provided:
  - a. The patient is the Policyholder or is a covered Spouse of the Policyholder; and
  - b. The following facts are medically documented:
    - i. the patient and the patient’s Spouse have a history of unexplained Infertility of at least two (2) years duration; or
    - ii. the infertility is associated with one or more of the following medical conditions:
      - (1) endometriosis;
      - (2) exposure in utero to Diethylstilbestrol (DES);

- (3) blockage of or removal of one or both fallopian tubes not a result of voluntary sterilization;
    - (4) abnormal male factors contributing to such infertility not a result of voluntary sterilization.
  - c. The patient's oocytes must be fertilized with the sperm of the patient's Spouse when any fertilization procedures are performed.
  - d. In vitro fertilization procedures must be performed at a facility licensed by the Arkansas Department of Health as an in vitro fertilization clinic, or if such licensed clinic is unavailable, in a clinic elsewhere which is approved by the Company.
  - e. The lifetime maximum benefits available under this Policy for all approved infertility Allowable Charges, including in vitro fertilization, all drug therapy, and any other services related to infertility shall not exceed the sum of Fifteen Thousand Dollars (\$15,000). **No infertility related Allowable Charges or in vitro fertilization benefits are available to either the husband or the wife, whether covered under this Policy or not, when either one of the Spouses has previously undergone a voluntary sterilization.**
  - f. Services related to the reversal of any sterilization procedure regardless of the reason for the sterilization are not covered.
- 5. **Genetic Testing.**
  - a. Services for genetic testing to determine the likelihood of developing a disease or condition, the likelihood of a disease or the presence of a disease in a relative, or the likelihood of passing an inheritable disease or congenital abnormality to an offspring, are not covered.
  - b. Services for pre-implantation genetic diagnosis or treatment are not covered.
  - c. However, subject to all terms, conditions, exclusions and limitations of the Plan set forth in the Policy, genetic testing of the products of an amniocentesis, to determine the presence of a disease or congenital anomaly in the fetus, or genetic testing of a Covered Person's tissue to determine if the Covered Person has a specific disease (not to determine if the person is a carrier of a genetic abnormality), is covered. See Subsection 3.25 dealing with Prenatal Tests.

**SPECIFIC PLAN EXCLUSIONS, Health Interventions, "Maternity Care and Obstetrical Care"** is hereby deleted in its entirety. All remaining Subsections are renumbered to correlate with the change.

**SPECIFIC PLAN EXCLUSIONS, Subsection 4.3, Health Interventions** is hereby amended to add the following new Subsection. All remaining Subsections are renumbered to correlate with the change.

Ultrasounds. More than one basic level obstetrical ultrasound during Routine Prenatal Care is not covered.

Home delivery. Services and supplies received in connection with child birth in the home are not covered regardless of the Provider.

**PROVIDER NETWORK AND COST SHARING PROCEDURES, Subsection 5.2.2.b.** is hereby amended to add the following sentence.

No Allowable Charges paid for Maternity Care or Obstetrical Care shall accumulate to or be impacted by the satisfaction of the In-Network Policy Coinsurance Maximum.

This Amendment becomes a part of the Arkansas Blue Cross and Blue Shield Essential Blue Freedom Individual Policy. All other provisions of the policy remain in full force and effect.

*P. Mark White*

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P. Mark White, President and Chief Executive Officer

ARKANSAS BLUE CROSS AND BLUE SHIELD  
601 S. Gaines Street  
Little Rock, Arkansas 72201



Arkansas  
BlueCross BlueShield

An Independent Licensee of the Blue Cross and Blue Shield Association

# Application for Essential Blue Freedom OR Short-Term Blue

**You must apply for only one product — Essential Blue Freedom or Short-Term Blue.**

**READ ALL INSTRUCTIONS BEFORE COMPLETING THIS APPLICATION. APPLICATION MUST BE COMPLETED IN ITS ENTIRETY IN ORDER TO BE PROCESSED.**

- This application is a legal document. If you are approved for coverage, it will become a part of your contract. Therefore, all information provided must be accurate and legible.
- This application must be completed in dark blue or black ink. Applications completed in **pencil** will not be accepted.
- If you make a mistake, mark through the incorrect information, initial it, date it, and provide the correct information.
- Do not use liquid paper, correction tape, or “white out” to correct any mistakes on this application.
- Any **attachments** submitted with the application must be signed and dated.
- Please ensure all required parties have signed and dated the application prior to submission.
- **We strongly recommend you make a copy of this completed application for your records.**

## SECTION 1 – WHO IS APPLYING

- Oldest person applying for coverage should be listed on the first line of the application. If applicant is under the age of 19, parent or guardian information should be indicated in Section 2 (*Parent/Guardian*).
- Social Security numbers are **required** for every applicant. If you are applying for coverage for a child less than one year old who does not yet have a Social Security number, you may apply; however, you will be required to submit the Social Security number within 90 days.
- If applying for Individual and Spouse coverage, primary applicant must be age 19 or older and spouse must be age 14 or older.
- If applying for Individual, Spouse and Child(ren) coverage or Individual and Child(ren) coverage, primary applicant must be age 19 or older.
- In “*Relationship*” box, indicate “spouse, son, daughter, stepson, stepdaughter, or dependent child” beside each dependent’s name.
- If applying for coverage for dependent child other than son, daughter, stepson, or stepdaughter, submit copy of appropriate dependent documentation (legal guardianship, custodial relationship, etc.) when submitting the application.
- If primary applicant is under age 19 and does NOT reside with the Parent/Guardian named on this application, custodial parent must also sign the application (see *Signature Section* on Page 8).
- If any dependents are under age 19 and do NOT reside with the primary applicant, the custodial parent must also sign the application (see *Signature Section* on Page 8).

## SECTION 2 – PARENT/GUARDIAN (If policy is only for a child under age 19)

- If applicant is under the age of 19, parent or guardian information must be indicated in this section.
- If applying for coverage as the “Guardian” of a dependent child under the age of 19, please submit appropriate dependent documentation (legal guardianship, custodial relationship, etc.) when submitting the application.

## SECTIONS 3, 4 AND 5 – ADDRESS INFORMATION

- You are required to provide address information when submitting this application. Please note there are three separate listings for this information. Complete all that apply.
  - **Residential** – This address will be noted as your physical place of residence.
  - **Mailing** – Correspondence such as letters and Explanations of Benefits (EOBs) will be mailed to this address.
  - **Billing** – All billing invoices will be mailed to this address.

## SECTION 11 – TYPE OF COVERAGE (For Essential Blue Freedom only)

- If applicant is applying for coverage other than “Individual,” please indicate if still interested in coverage if one or more applicants is declined or ineligible. If “Yes” is selected, Arkansas Blue Cross will continue the underwriting process if one or more applicants is declined or ineligible. If “No” is selected, Arkansas Blue Cross will close out the application if one or more applicants is declined or ineligible.

## SECTION 12 – U.S. CITIZENSHIP STATUS (For Essential Blue Freedom only)

- For any applicant who is not a U.S. citizen, a copy of his/her Permanent Resident VISA or Green Card issued by the U.S. Citizenship and Immigrant Services must be submitted with the application.
- Applicants must reside in the U.S. at least one year and must have a primary care physician in the U.S. prior to being eligible to apply for coverage.
- Applicants who are not U.S. citizens will also be contacted by phone to complete a Foreign National Questionnaire.



# Arkansas BlueCross BlueShield

An Independent Licensee of the Blue Cross and Blue Shield Association

**\*For Essential Blue Freedom Only:**

**IMPORTANT:**

**We cannot process your Essential Blue Freedom application without this completed form.**

## AUTHORIZATION TO DISCLOSE PROTECTED HEALTH INFORMATION

As a condition of coverage and of my enrollment in the policy, I authorize any medical professional, medical care institution, pharmacy related service organization, pharmacy benefits manager, or other provider of health care services or supplies, as well as any individual, company or prior insurance carrier possessing relevant medical, health, treatment or payment information, to provide Arkansas Blue Cross and Blue Shield and its affiliates or agents information concerning services, supplies, benefits or payments provided or denied to me or to any family member listed in my application, including but not limited to any and all protected health information related to treatments where a restriction was requested for any health care item or service in relation to the health care provider having been paid in full out-of-pocket. I understand that information obtained as a result of this authorization will be used for the purpose of determining eligibility for coverage. This information may also be used by Arkansas Blue Cross and Blue Shield in investigating and adjudicating claims for benefits. I understand that in the course of its business operations, Arkansas Blue Cross and Blue Shield may disclose this information to others as required or permitted by law and as set out in the Arkansas Blue Cross and Blue Shield Notice of Privacy Practices. I understand that information re-disclosed may no longer be protected by federal privacy regulations. This authorization does not provide for the disclosure of psychotherapy notes as defined in 45 CFR §164.501. I understand that I may terminate this authorization by sending a written revocation to Arkansas Blue Cross and Blue Shield, PO Box 2181, Little Rock, AR 72203-2181. However, if I revoke this authorization before I am enrolled in the policy(ies), my application for coverage will be denied. Unless I revoke this authorization, it shall be valid for 30 months from the date of my signature for information collected in connection with review of this application; it is valid for the duration of the coverage for information collected in connection with investigation of claims. Both the federal government and the State of Arkansas have enacted electronic signature laws, which allow the use of electronic signatures in all areas of commerce. See the Electronic Signatures in Global and National Commerce Act 15 USC §§ 7001 *et seq.*, the Arkansas Electronic Records and Signatures Act A.C.A. §§25-31-101 *et seq.* and the Uniform Electronic Transaction Act, A.C.A. §§25-31-101 *et seq.* Electronic signatures are specifically authorized in the business of insurance. See 15 USC §§ 7001(i).

**This authorization must be signed by each applicant age 18 or older.**

Print Name(s)

Signature

Date

Print Name(s)	Signature	Date
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____

Applicants age 18 and older

List applicants under age 18 (Print Name).

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Applicants under age 18

Parent/Legal Guardian's  
Signature (if policy for a minor)

Date



**Arkansas  
BlueCross BlueShield**  
An Independent Licensee of the Blue Cross and Blue Shield Association

# Application for Essential Blue Freedom OR Short Term Blue

### For Arkansas Blue Cross Use Only

This application was received by:

- C     NW     NE     WC  
 SC     SW     SE     Customer Service  
 Retail Store

Date Stamp \_\_\_\_\_

**You must apply for only one product — Essential Blue Freedom or Short-Term Blue.**

## 1 WHO IS APPLYING

Read all instructions for Section 1 before completing.

First Name	M.I.	Last Name	Suffix	Relationship	Sex	Date of Birth	Social Security No.	Height	Weight
				<b>Self</b>				ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.

## 2 PARENT/GUARDIAN (If policy is only for a child under age 19)

Additional information may be required. Read instructions for Section 2 before completing.

First Name	M.I.	Last Name	Relationship (Check One)
			<input type="checkbox"/> Mother <input type="checkbox"/> Stepmother <input type="checkbox"/> Guardian <input type="checkbox"/> Father <input type="checkbox"/> Stepfather

## 3 MARITAL STATUS

- Single (including widowed or divorced)       Married (including separated)

## 4 RESIDENTIAL ADDRESS (Must be permanent address - No P.O. box, please)

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
AR

## 5 MAILING ADDRESS (Complete only if different from residential address)

Street or P.O. Box \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

## 6 BILLING ADDRESS (Complete only if different from residential address)

Street or P.O. Box \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

## 7 CONTACT INFORMATION

Primary Phone Number ( ) ( )	Alternate Phone Number ( ) ( )	E-mail Address	How do you prefer we communicate with you? <input type="checkbox"/> E-mail <input type="checkbox"/> Phone
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## 8 HOUSEHOLD INFORMATION

- Yes     No    a. Do all applicants under the age of 19 reside in the same household?  
 If "no," please provide reason and his/her name and address:  
 Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Reason: \_\_\_\_\_
- Yes     No    b. Are all applicants permanent, legal residents of Arkansas?  
 If "no," please provide reason and his/her name and address:  
 Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Reason: \_\_\_\_\_

## OFFICE USE ONLY (Do Not Write In This Space)

I.D. No.	Group No.	Effective Date
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# Application for Short-Term Blue

Short-Term Blue is a short-term, limited-duration health insurance policy that provides health insurance coverage for 30 to 182 days.

To apply for Short-Term Blue, please complete and return pages 1, 2 and 8.

## 9 SHORT-TERM COVERAGE INFORMATION

Deductible:  \$500  \$1,000

### Type of Coverage:

- Individual  Individual and Spouse  
 Individual and Child(ren)  Individual, Spouse and Child(ren)

Requested Effective Date: \_\_\_/\_\_\_/\_\_\_

The effective date cannot be more than 30 days from the sign date on the application.

Number of Days: \_\_\_\_\_ (30 minimum / 182 maximum) X Daily Rate \_\_\_\_\_ = \$ \_\_\_\_\_

\*See rate calculation page in Short-Term Blue brochure.

Enclose a check made payable to Arkansas Blue Cross and Blue Shield in the amount of the premium for the entire term of the policy.

## 10 SHORT-TERM ELIGIBILITY QUESTIONS

The following questions must be answered in relation to each person applying for coverage.

1. Is any male applying for coverage an expectant parent?  Yes  No  
If you answer "Yes", you and any other family members who are not pregnant may apply for "Individual" coverage; however, you must complete separate applications.

If question 2, 3 or 4 is answered "Yes", you are not eligible for Short-Term Blue and no policy will be issued.

2. Is any female applying for coverage pregnant?  Yes  No

3. Will there be any other health insurance in force on the effective date of this coverage?  Yes  No

4. Within the last five (5) years, have you or anyone listed on the application received medical or surgical consultation, advice, or treatment, including medication, for **any of the following**: liver disorders, kidney disorders, chronic obstructive pulmonary disease (COPD), emphysema, diabetes, cancer (other than skin cancer), heart or circulatory system disorders, alcohol or drug abuse or immune system disorders, including HIV infection, or tested positive for HIV infection?  Yes  No



### 13 CURRENT/PREVIOUS INSURANCE INFORMATION (continued)

- Yes  No e. Are any applicants covered by Medicaid (including AR Kids First)? If "yes," please provide name(s) below:  
Applicant Name: \_\_\_\_\_  
Applicant Name: \_\_\_\_\_
- Yes  No f. Are any applicants covered by Medicare? If "yes," please provide name(s) below:  
Applicant Name: \_\_\_\_\_  
Applicant Name: \_\_\_\_\_

### 14 APPLICANT(S) EMPLOYMENT INFORMATION [applicant(s) age 18 and older]

Name: \_\_\_\_\_ Employer: \_\_\_\_\_  
Job duties: \_\_\_\_\_

Name: \_\_\_\_\_ Employer: \_\_\_\_\_  
Job duties: \_\_\_\_\_

### 15 DRIVER'S LICENSE INFORMATION [applicant(s) age 14 and older]

Name: \_\_\_\_\_ License No. : \_\_\_\_\_ State: \_\_\_\_\_  
Name: \_\_\_\_\_ License No.: \_\_\_\_\_ State: \_\_\_\_\_  
Name: \_\_\_\_\_ License No.: \_\_\_\_\_ State: \_\_\_\_\_

In the past 5 years, has any applicant:

- Yes  No a. Had his or her driver's license suspended or revoked?  
 Yes  No b. Had two or more moving traffic violations?  
 Yes  No c. Been convicted or charged with driving under the influence of alcohol or a controlled substance?

If you answered "Yes", to any of the above questions, you **MUST** provide the following information:

Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Violation(s): \_\_\_\_\_  
Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Violation(s): \_\_\_\_\_

### 16 SPORTING OR HOBBY INFORMATION

- Yes  No Does any applicant intend to pilot a private aircraft; race a motor vehicle, boat or snowmobile; or participate in sky or scuba diving, ballooning, mountain climbing, hang gliding or any other hazardous sport, hobby or activity?

Name: \_\_\_\_\_ Please explain: \_\_\_\_\_  
Name: \_\_\_\_\_ Please explain: \_\_\_\_\_

### 17 TRAVEL OUTSIDE THE USA

- Yes  No Is any applicant planning to travel or work outside the USA within the next two years?  
If "Yes", please provide the following:

Name (list **all** that apply): \_\_\_\_\_  
Country: \_\_\_\_\_ Expected length of stay: \_\_\_\_\_ Departure date: \_\_\_\_\_ Return date: \_\_\_\_\_  
Reason for Travel: \_\_\_\_\_

### 18 EXPECTANT/ADOPTIVE PARENT INFORMATION

- Yes  No Is any **male** applying for coverage an expectant father or a potential adoptive father?  
 Yes  No Is any **female** applying for coverage pregnant or a potential adoptive mother?

If "Yes", please provide the following: Name: \_\_\_\_\_ Expected Delivery/Adoption Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 19 INFERTILITY

Has any applicant or spouse of an applicant (**whether applying for coverage or not**):

Yes  No a. Ever been diagnosed or treated for infertility?

Yes  No b. Had surgical sterilization? If **"Yes"** to question a. or b., please provide the following:

Name: \_\_\_\_\_ Treatment/Procedure: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Treatment/Procedure: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 20 TOBACCO USAGE

Yes  No Has any applicant to be covered used any form of tobacco within the last 12 months? If "yes," please provide the following:

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 21 PREVIOUS INSURANCE EXPERIENCE

Yes  No Has any applicant ever been declined, rated, restricted or modified for the issuance of life, accident, health or long-term care insurance? If "yes," please provide the following:

Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Year: \_\_\_\_\_ Details: \_\_\_\_\_

Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Year: \_\_\_\_\_ Details: \_\_\_\_\_

## 22 PRESCRIPTION QUESTIONNAIRE

Yes  No Is any applicant **currently** taking any prescription medication, or has any applicant taken prescription medication in the **last 3 years**?

If you answered "yes," please provide full details below. Use separate sheet if necessary. **Any attachment must include all of the same information requested here and must be signed and dated.** A printout from the pharmacy is **not** acceptable. **Please provide the name that would have been used at the time of the prescription — e.g., a maiden name may have been used.**

Person Treated	Name of Drug	Dosage	Specific Disorder or Illness	Start Date/ Stop Date	Degree of Recovery			Complete Name and Address of Prescribing Physician
					None	Partial	Full	
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				

## 23 MEDICAL QUESTIONNAIRE

**ALL OF THE FOLLOWING QUESTIONS MUST BE ANSWERED FOR EACH PERSON APPLYING FOR COVERAGE.**

For each question checked below, give full details in the **ADDITIONAL MEDICAL INFORMATION** section which follows.

1. Has any applicant **ever** had or been told he/she had: **(Each section must have at least one box checked. When multiple medical conditions are listed, please circle all conditions that apply.)**

<p><b>A. BRAIN OR NERVOUS SYSTEM DISORDERS</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Alzheimer's disease or senile dementia</li> <li><input type="checkbox"/> Amyotrophic lateral sclerosis (Lou Gehrig's disease)</li> <li><input type="checkbox"/> Cerebral palsy</li> <li><input type="checkbox"/> Concussion or brain injury</li> <li><input type="checkbox"/> Convulsions, epilepsy or seizures</li> <li><input type="checkbox"/> Headaches or migraines</li> <li><input type="checkbox"/> Meningitis</li> <li><input type="checkbox"/> Multiple sclerosis, muscular dystrophy or myasthenia gravis</li> <li><input type="checkbox"/> Neuritis</li> <li><input type="checkbox"/> Paralysis or palsy</li> <li><input type="checkbox"/> Parkinson's disease</li> <li><input type="checkbox"/> Polyneuritis</li> <li><input type="checkbox"/> Vertigo, fainting or dizziness</li> <li><input type="checkbox"/> Any other disorder of the brain or nervous system</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>D. KIDNEY, URINARY, REPRODUCTIVE</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Abnormal pap smear</li> <li><input type="checkbox"/> Bladder or renal stones</li> <li><input type="checkbox"/> Cesarean section or miscarriage</li> <li><input type="checkbox"/> Dialysis</li> <li><input type="checkbox"/> Nephritis</li> <li><input type="checkbox"/> Nephrotic syndrome, renal disease or failure</li> <li><input type="checkbox"/> Sexually transmitted disease</li> <li><input type="checkbox"/> Sugar, blood or protein in urine</li> <li><input type="checkbox"/> Any other disorder of the kidneys or urinary tract</li> <li><input type="checkbox"/> Any other disorder of the male reproductive organs, including prostate</li> <li><input type="checkbox"/> Any other disorder of the female reproductive organs, including ovaries or breasts</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>MUSCULOSKELETAL (cont.)</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Fracture(s) or broken bone(s) Exposed bone <input type="checkbox"/> Yes <input type="checkbox"/> No</li> <li><input type="checkbox"/> Gout</li> <li><input type="checkbox"/> Lupus, systemic</li> <li><input type="checkbox"/> Temporomandibular joint disorder (TMJ/TMD) or craniomandibular disorder</li> <li><input type="checkbox"/> Any other disorder of the muscles, bones or joints to include chiropractic care</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>
<p><b>B. CIRCULATORY</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Abnormal cholesterol/lipids</li> <li><input type="checkbox"/> Angina, heart attack, myocardial infarction</li> <li><input type="checkbox"/> Arteriosclerosis, atherosclerosis, coronary artery disease, stent placement or angioplasty</li> <li><input type="checkbox"/> Cerebrovascular accident (stroke), including transient ischemic attack (TIA)</li> <li><input type="checkbox"/> Chest pain, shortness of breath, heart murmur, palpitation of the heart, ablation, rheumatic fever</li> <li><input type="checkbox"/> Heart bypass surgery, pacemaker implant</li> <li><input type="checkbox"/> Heart or vein/artery surgery</li> <li><input type="checkbox"/> High blood pressure</li> <li><input type="checkbox"/> Hemophilia</li> <li><input type="checkbox"/> Valve repair/replacement</li> <li><input type="checkbox"/> Any other disorder of the heart, blood, blood vessels or circulatory system</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>E. RESPIRATORY</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Allergies, asthma or bronchitis</li> <li><input type="checkbox"/> Chronic pulmonary disease, emphysema, lung disease or respiratory syncytial virus (RSV)</li> <li><input type="checkbox"/> Obstructive or reactive airway disorder</li> <li><input type="checkbox"/> Sleep apnea, cpap, bipap or vpap</li> <li><input type="checkbox"/> Any other disorder of the lungs, bronchial tubes or respiratory system</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>I. EARS/EYES/NOSE/THROAT</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Cataracts or glaucoma</li> <li><input type="checkbox"/> Meniere's disease</li> <li><input type="checkbox"/> Nasal septal defect</li> <li><input type="checkbox"/> Sinusitis, tonsillitis or otitis media</li> <li><input type="checkbox"/> Any other disorder of the eyes, ears, nose, throat or esophagus</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>
<p><b>C. DIGESTIVE</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Cirrhosis</li> <li><input type="checkbox"/> Crohn's disease or ulcerative colitis</li> <li><input type="checkbox"/> Gastric bypass surgery or other weight loss procedure</li> <li><input type="checkbox"/> Gastric or duodenal ulcer</li> <li><input type="checkbox"/> Hepatitis</li> <li><input type="checkbox"/> Hernia, hemorrhoids</li> <li><input type="checkbox"/> Irritable bowel syndrome or gastric esophageal reflux disorder (GERD)</li> <li><input type="checkbox"/> Pancreatitis</li> <li><input type="checkbox"/> Pyloric stenosis</li> <li><input type="checkbox"/> Any other disorder of stomach, intestines, liver, gallbladder or rectum</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>F. CANCERS, LYMPHATIC SYSTEM, BLOOD OR SKIN DISORDERS</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Anemia</li> <li><input type="checkbox"/> Cancer, leukemia or malignancy of any kind</li> <li><input type="checkbox"/> Hodgkin's or Non-Hodgkin's disease</li> <li><input type="checkbox"/> Melanoma, neoplasm or tumor</li> <li><input type="checkbox"/> Any other disorder of the lymphatic system</li> <li><input type="checkbox"/> Any other disorder of the skin</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>J. MENTAL/EMOTIONAL OR SUBSTANCE ABUSE</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Anxiety, insomnia, sleep disorder, depression, emotional problems or nervous disorder</li> <li><input type="checkbox"/> Attempted suicide</li> <li><input type="checkbox"/> Counseling or psychiatric treatment (in-patient or out-patient)</li> <li><input type="checkbox"/> Bipolar disorder, obsessive compulsive disorder or developmental disorder</li> <li><input type="checkbox"/> Eating disorder</li> <li><input type="checkbox"/> Any other mental, emotional disorder or situation, including ADD/ADHD</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>
<p><b>G. GLANDULAR DISORDERS</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Adrenal disorders</li> <li><input type="checkbox"/> Diabetes, abnormal glucose</li> <li><input type="checkbox"/> Goiter or thyroid disease</li> <li><input type="checkbox"/> Any disorder of the pancreas</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>	<p><b>H. MUSCULOSKELETAL</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Arthritis, osteoarthritis, degenerative joint or disc disease</li> <li><input type="checkbox"/> Back pain and/or neck pain</li> <li><input type="checkbox"/> Chronic fatigue</li> <li><input type="checkbox"/> Connective tissue disorder</li> <li><input type="checkbox"/> Disease or disorder of the joints: knee(s), shoulder(s), elbow(s), wrist(s), other</li> <li><input type="checkbox"/> Fibromyalgia, bursitis or tendonitis</li> </ul>	<p><b>K. OTHER</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Current patient in a hospital or nursing home</li> <li><input type="checkbox"/> Pending Surgery Surgery Date: __/__/__</li> <li><input type="checkbox"/> Sarcoidosis</li> <li><input type="checkbox"/> Breast implants <input type="checkbox"/> Saline <input type="checkbox"/> Silicone Surgery Date: __/__/__</li> <li><input type="checkbox"/> Any other implant(s), prosthetic device(s), internal fixation device(s) or retained hardware (i.e.: pins, wires, screws, shunts, stents)</li> <li><input type="checkbox"/> Acquired immune deficiency syndrome (AIDS), or AIDS-related complex or immune deficiency disorder or HIV</li> <li><input type="checkbox"/> Transplant recipient</li> <li><input type="checkbox"/> Any injury, deformity, incapacitation, disease or condition not listed elsewhere</li> <li><input type="checkbox"/> <b>None of the above apply to any applicant(s)</b></li> </ul>

## 23 MEDICAL QUESTIONNAIRE (continued)

2. Has any applicant ever:

- Yes  No a. Consumed alcohol to excess, received treatment, or joined an organization for alcoholism or drug addictions?
- Yes  No b. Used any addictive or non-addictive drug or substance for purposes other than recommended by your physician?
- Yes  No c. Been treated for, diagnosed by or consulted a physician, psychotherapist, counselor or any other provider, or had any indication(s) of having a drug dependency/habit?
- Yes  No d. Required the assistance of any other individual for performances of any activities of daily living? If "Yes," please explain: \_\_\_\_\_
- Yes  No e. Been told that he/she has or has had hearing problems, ear disorder(s) or has need of hearing devices due to any kind of hearing or ear impairment, or does any applicant have an existing hearing aid device in place?

### ADDITIONAL MEDICAL INFORMATION

Give full details to questions answered affirmatively (checked or answered "Yes") to explain answers to questions in SECTION 23. In addition to **condition/illness** please provide the **type of treatment** provided or planned – for example, surgery, X-rays, EKG, lab tests, hospitalization, emergency room visit, nursing home confinement, doctor visits, rehabilitation services, occupational therapy, physical therapy, speech therapy or chiropractic treatments. Please ensure you include **all** the treatments that apply. **Please use the name that would have been given at the time of the physician visit — e.g., a maiden name.**

Question Number(s)	Person Treated	Specific Disorder/Illness and Type of Treatment	Date of First Visit	Date of Last Visit	Total # of Visits	Degree of Recovery			Complete Name and Address of Physician
						None	Partial	Full	
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					

## 24 PHYSICIAN INFORMATION (Please provide for each applicant for the last five years)

Applicant's Name	Complete Name and Address of Physician	Date of Last Visit*	Reason for Visit**	Treatment/ Results**

\*Please write **NO VISIT** in this box if the applicant has never seen the physician.

\*\*Use "Comments" section on Page 8 if more room is needed for details.

**PLEASE READ BEFORE SIGNING**

**I UNDERSTAND:** (1) The agent or broker involved in this insurance transaction may receive compensation from Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY), or one of its affiliates, for services related to the placement of this insurance. Any such compensation is included in the insurance premium paid by the insured. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

In signing, I: (a) represent that the statements and answers given in this application and any signed and dated addendum to this application (both front and back) are true, complete and correctly recorded; (b) agree that a photocopy of this application shall be as valid as the original, and I understand that a copy is available to me upon request.

**SHORT-TERM BLUE:**

**I UNDERSTAND** that this application may be rejected. If persons proposed for coverage are eligible and coverage is offered, I understand: (1) The coverage shall not become effective until the date shown on my identification card and the premium is paid in full. (2) Once the policy is in effect and payment received, premiums will not be refunded for any reason. (3) Pre-existing conditions will not be covered. (4) No changes can be made to the policy after coverage is in effect. (5) If my application is accepted relying on my representations on this document, any coverage which may be issued to me shall be invalid if based on false information. (6) Arkansas Blue Cross and Blue Shield may phone or e-mail me for additional information that may help with the timely processing of my application. **This application is valid for 30 days only when completed and signed.**

**ESSENTIAL BLUE FREEDOM:**

**I UNDERSTAND:** (1) This application will be medically underwritten in order to assess the potential financial risk of each individual on the application. As the result of the assessment, my application may be approved with no changes, approved but charged a higher premium and/or approved with non-medical exclusions, or I may be declined for coverage. I will also be subject to a 12-month pre-existing waiting period. **This means conditions existing prior to the effective date of the policy will not be covered until the policy has been in effect for 364 days.** (2) Any coverage which may be issued to me shall be invalid if based on intentional misrepresentation of material fact provided by me on the application. (3) Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY) may phone me for additional information that may help with the timely processing of my application. (4) The Health insurance applied for will not be effective on any proposed insured if there has been a change in the health of any proposed insured between the date this application is signed and the effective date of coverage. **This application is valid for 90 days only when completed and signed.**

In signing, I: (a) understand that the COMPANY may, within three years of the date of this application, void or terminate this coverage or deny claims for coverage if intentional misrepresentations of material fact have been provided by me in this application; (b) understand that if intentionally fraudulent misstatements were made, the COMPANY may take legal action at any time; (c) understand my signature authorizes the COMPANY to coordinate benefits under this policy with other insurance I have which is subject to coordination; (d) agree that this application shall be valid without time limit.

**Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.**

**I certify that I signed this application in the state of Arkansas.**

**SIGNATURE SECTION (Please sign appropriate line only)**

Primary Applicant OR Parent/Legal Guardian (if policy for a minor)	<b>X</b>	Date Signed
Spouse (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed

**CUSTODIAL PARENT SECTION**

**If any applicant under age 19 (primary applicant or dependent), named on this application, does NOT reside with the primary applicant or the parent/guardian indicated in Section 2, the custodial parent's signature is also required.**

Custodial Parent's Name (please print)	<b>X</b>	Telephone No.
Custodial Parent's Address	Street or PO Box	City State Zip
Custodial Parent's Signature	<b>X</b>	Date Signed

<b>Comments:</b>	<b>OFFICE USE ONLY</b>
------------------	------------------------

# Pre-Authorized Bank Draft

# Monthly Program Sign-up Form

**Our monthly bank draft service makes premium payments easy and convenient for you. Completing this simple form helps assure your payments are made accurately and timely.**

Depending on the health insurance plan you are applying for and the date your application is approved, we may be able to draft your first month's premium. If so, you will be notified in writing prior to the draft. Once the bank draft is in effect, you will not receive a billing statement. Until that time, make sure you pay any statement you receive.

Complete the information below.

**Required only for Essential Blue Freedom**

## IMPORTANT: PLEASE READ BEFORE SIGNING

I authorize Arkansas Blue Cross and Blue Shield and/or the BANK indicated below, to debit my Arkansas Blue Cross premium from my checking or savings account indicated below. This authority is to remain in full force and effect until my BANK has received written notification from me of the Pre-Authorized Bank Draft Program termination in such time and manner as to afford the BANK a reasonable opportunity to act on it, or until the BANK has sent me ten (10) days' written notice of the BANK's termination of this agreement.

I understand that by revoking the Pre-Authorized Bank Draft Program after I have agreed to it, I also will be terminating my Arkansas Blue Cross coverage, UNLESS Arkansas Blue Cross has received written notice from me of my desire to continue coverage at least twenty (20) days prior to the next Pre-Authorized Bank Draft Program withdrawal date.

I understand that an insufficient check fee will be assessed for any payment returned to Arkansas Blue Cross as a result of insufficient funds.

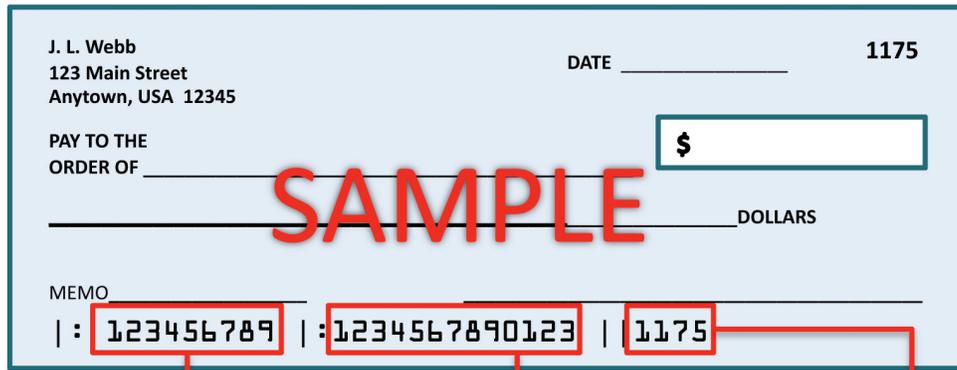
## PROPOSED INSURED'S INFORMATION

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street Apt. No.  
City State Zip

## BANK ACCOUNT INFORMATION

Bank Name: \_\_\_\_\_ Name on Account: \_\_\_\_\_  
(If different than the proposed insured)  
Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_  
Type of Account:  Checking  Savings



Bank Routing Number

Bank Account Number

Check Number

## SIGNATURE

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature of Bank Account Holder

After Arkansas Blue Cross receives and processes this completed authorization form, you will receive a letter providing the effective date of your first scheduled draft. We hope you find this bank draft service of value. It is our privilege to serve you. Thank you for your business!

**For Office Use Only** (please do not write in this space)

ID NO.	EFFECTIVE DATE



**Arkansas BlueCross BlueShield**

An Independent Licensee of the Blue Cross and Blue Shield Association

## Please keep for your records

### Fair Credit Reporting Act Notice — Notice to Proposed Insured

In connection with your application for insurance, an investigative consumer report may be prepared. Information may be obtained through personal interviews with your family, friends, neighbors, business associates, financial sources, or others with whom you are acquainted. This inquiry includes information as to your character and general reputation. If an investigative consumer report is prepared in connection with your application, you may receive a copy of that report upon written request to Arkansas Blue Cross and Blue Shield. Your written request should be forwarded to Arkansas Blue Cross and Blue Shield, Individual Underwriting Division, P.O. Box 2181, Little Rock, Arkansas 72203-2181.

### POLICY EFFECTIVE DATES FOR ESSENTIAL BLUE FREEDOM

The policy effective date will be the first of the **following month** if the application is approved on the 1st-10th of the **current month**. The policy effective date will be the 15th of the **following month** if the application is approved on the 11th - 25th of the **current month** OR the first of the month **after next** if the application is approved on the 26th - end of the **current month**. Coverage becomes effective upon the date of the policy and contingent upon receipt of premium.

Approval Date	Effective Date	Examples
1st - 10th	1st of the following month	Approved Jan. 2; effective Feb. 1
11th - 25th	15th of the following month	Approved Jan. 12; effective Feb. 15
26th - last day of the month	1st of the month after next	Approved Jan. 27; effective Mar. 1

### POLICY EFFECTIVE DATES FOR SHORT-TERM BLUE

Your Short-Term Blue policy will take effect on the later of: (1) the requested effective date; or (2) the day after the postmark date affixed by the U.S. Postal Service,\* but only if the following conditions are satisfied:

- Your application and the appropriate premium payment are received at Arkansas Blue Cross in Little Rock within 15 days of your signing;
- Your application is properly completed and unaltered;
- If you answered Eligibility Question 1 Yes, you are applying for Individual coverage;
- You answered Questions 2, 3 and 4 No;
- You are between the ages of six months and 65 and **not** on Medicare or any other health insurance.

\* If mailed and not postmarked by the U.S. Postal Service or if the postmark is not legible, the effective date will be the later of: (1) the date you requested; or (2) the date received by Arkansas Blue Cross.



**Arkansas**  
**BlueCross BlueShield**

An Independent Licensee of the Blue Cross and Blue Shield Association

P.O. Box 2181, Little Rock, AR 72203-2181  
[www.ArkansasBlueCross.com](http://www.ArkansasBlueCross.com)



Arkansas  
BlueCross BlueShield  
An Independent Licensee of the Blue Cross and Blue Shield Association

# Application for Essential Blue Freedom OR Short-Term Blue

**You must apply for only one product — Essential Blue Freedom or Short-Term Blue.**

**READ ALL INSTRUCTIONS BEFORE COMPLETING THIS APPLICATION. APPLICATION MUST BE COMPLETED IN ITS ENTIRETY IN ORDER TO BE PROCESSED.**

- This application is a legal document. If you are approved for coverage, it will become a part of your contract. Therefore, all information provided must be accurate and legible.
- This application must be completed in dark blue or black ink. Applications completed in **pencil** will not be accepted.
- If you make a mistake, mark through the incorrect information, initial it, date it, and provide the correct information.
- Do not use liquid paper, correction tape, or “white out” to correct any mistakes on this application.
- Any **attachments** submitted with the application must be signed and dated.
- Please ensure all required parties have signed and dated the application prior to submission.
- **We strongly recommend you make a copy of this completed application for your records.**

## SECTION 1 – WHO IS APPLYING

- Oldest person applying for coverage should be listed on the first line of the application. If applicant is under the age of 19, parent or guardian information should be indicated in Section 2 (*Parent/Guardian*).
- Social Security numbers are **required** for every applicant. If you are applying for coverage for a child less than one year old who does not yet have a Social Security number, you may apply; however, you will be required to submit the Social Security number within 90 days.
- If applying for Individual and Spouse coverage, primary applicant must be age 19 or older and spouse must be age 14 or older.
- If applying for Individual, Spouse and Child(ren) coverage or Individual and Child(ren) coverage, primary applicant must be age 19 or older.
- In “*Relationship*” box, indicate “spouse, son, daughter, stepson, stepdaughter, or dependent child” beside each dependent’s name.
- If applying for coverage for dependent child other than son, daughter, stepson, or stepdaughter, submit copy of appropriate dependent documentation (legal guardianship, custodial relationship, etc.) when submitting the application.
- If primary applicant is under age 19 and does NOT reside with the Parent/Guardian named on this application, custodial parent must also sign the application (see *Signature Section* on Page 8).
- If any dependents are under age 19 and do NOT reside with the primary applicant, the custodial parent must also sign the application (see *Signature Section* on Page 8).

## SECTION 2 – PARENT/GUARDIAN (If policy is only for a child under age 19)

- If applicant is under the age of 19, parent or guardian information must be indicated in this section.
- If applying for coverage as the “Guardian” of a dependent child under the age of 19, please submit appropriate dependent documentation (legal guardianship, custodial relationship, etc.) when submitting the application.

## SECTIONS 3, 4 AND 5 – ADDRESS INFORMATION

- You are required to provide address information when submitting this application. Please note there are three separate listings for this information. Complete all that apply.
  - **Residential** – This address will be noted as your physical place of residence.
  - **Mailing** – Correspondence such as letters and Explanations of Benefits (EOBs) will be mailed to this address.
  - **Billing** – All billing invoices will be mailed to this address.

## SECTION 11 – TYPE OF COVERAGE (For Essential Blue Freedom only)

- If applicant is applying for coverage other than “Individual,” please indicate if still interested in coverage if one or more applicants is declined or ineligible. If “Yes” is selected, Arkansas Blue Cross will continue the underwriting process if one or more applicants is declined or ineligible. If “No” is selected, Arkansas Blue Cross will close out the application if one or more applicants is declined or ineligible.

## SECTION 12 – U.S. CITIZENSHIP STATUS (For Essential Blue Freedom only)

- For any applicant who is not a U.S. citizen, a copy of his/her Permanent Resident VISA or Green Card issued by the U.S. Citizenship and Immigrant Services must be submitted with the application.
- Applicants must reside in the U.S. at least one year and must have a primary care physician in the U.S. prior to being eligible to apply for coverage.
- Applicants who are not U.S. citizens will also be contacted by phone to complete a Foreign National Questionnaire.



# Arkansas BlueCross BlueShield

An Independent Licensee of the Blue Cross and Blue Shield Association

**\*For Essential Blue Freedom Only:**

**IMPORTANT:**

**We cannot process your Essential Blue Freedom application without this completed form.**

## AUTHORIZATION TO DISCLOSE PROTECTED HEALTH INFORMATION

As a condition of coverage and of my enrollment in the policy, I authorize any medical professional, medical care institution, pharmacy related service organization, pharmacy benefits manager, or other provider of health care services or supplies, as well as any individual, company or prior insurance carrier possessing relevant medical, health, treatment or payment information, to provide Arkansas Blue Cross and Blue Shield and its affiliates or agents information concerning services, supplies, benefits or payments provided or denied to me or to any family member listed in my application, including but not limited to any and all protected health information related to treatments where a restriction was requested for any health care item or service in relation to the health care provider having been paid in full out-of-pocket. I understand that information obtained as a result of this authorization will be used for the purpose of determining eligibility for coverage. This information may also be used by Arkansas Blue Cross and Blue Shield in investigating and adjudicating claims for benefits. I understand that in the course of its business operations, Arkansas Blue Cross and Blue Shield may disclose this information to others as required or permitted by law and as set out in the Arkansas Blue Cross and Blue Shield Notice of Privacy Practices. I understand that information re-disclosed may no longer be protected by federal privacy regulations. This authorization does not provide for the disclosure of psychotherapy notes as defined in 45 CFR §164.501. I understand that I may terminate this authorization by sending a written revocation to Arkansas Blue Cross and Blue Shield, PO Box 2181, Little Rock, AR 72203-2181. However, if I revoke this authorization before I am enrolled in the policy(ies), my application for coverage will be denied. Unless I revoke this authorization, it shall be valid for 30 months from the date of my signature for information collected in connection with review of this application; it is valid for the duration of the coverage for information collected in connection with investigation of claims. Both the federal government and the State of Arkansas have enacted electronic signature laws, which allow the use of electronic signatures in all areas of commerce. See the Electronic Signatures in Global and National Commerce Act 15 USC §§ 7001 *et seq.*, the Arkansas Electronic Records and Signatures Act A.C.A. §§25-31-101 *et seq.* and the Uniform Electronic Transaction Act, A.C.A. §§25-31-101 *et seq.* Electronic signatures are specifically authorized in the business of insurance. See 15 USC §§ 7001(i).

**This authorization must be signed by each applicant age 18 or older.**

Print Name(s)

Signature

Date

Print Name(s)	Signature	Date
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____

Applicants age 18 and older

List applicants under age 18 (Print Name).

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Applicants under age 18

Parent/Legal Guardian's  
Signature (if policy for a minor)

Date



**Arkansas  
BlueCross BlueShield**  
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# Application for Essential Blue Freedom OR Short Term Blue

For Arkansas Blue Cross Use Only			
This application was received by:			
<input type="checkbox"/> C	<input type="checkbox"/> NW	<input type="checkbox"/> NE	<input type="checkbox"/> WC
<input type="checkbox"/> SC	<input type="checkbox"/> SW	<input type="checkbox"/> SE	<input type="checkbox"/> Customer Service
<input type="checkbox"/> Retail Store			
Date Stamp _____			

**You must apply for only one product — Essential Blue Freedom or Short-Term Blue.**

## 1 WHO IS APPLYING

Read all instructions for Section 1 before completing.

First Name	M.I.	Last Name	Suffix	Relationship	Sex	Date of Birth	Social Security No.	Height	Weight
				<b>Self</b>				ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.
								ft. in.	lbs.

## 2 PARENT/GUARDIAN (If policy is only for a child under age 19)

Additional information may be required. Read instructions for Section 2 before completing.

First Name	M.I.	Last Name	Relationship (Check One)
			<input type="checkbox"/> Mother <input type="checkbox"/> Stepmother <input type="checkbox"/> Guardian <input type="checkbox"/> Father <input type="checkbox"/> Stepfather

## 3 MARITAL STATUS

Single (including widowed or divorced)       Married (including separated)

## 4 RESIDENTIAL ADDRESS (Must be permanent address - No P.O. box, please)

Street	City	State	Zip
		AR	

## 5 MAILING ADDRESS (Complete only if different from residential address)

Street or P.O. Box	City	State	Zip
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## 6 BILLING ADDRESS (Complete only if different from residential address)

Street or P.O. Box	City	State	Zip
--------------------	------	-------	-----

## 7 CONTACT INFORMATION

Primary Phone Number (    )	Alternate Phone Number (    )	E-mail Address	How do you prefer we communicate with you? <input type="checkbox"/> E-mail <input type="checkbox"/> Phone
--------------------------------	----------------------------------	----------------	--

## 8 HOUSEHOLD INFORMATION

- Yes     No    a. Do all applicants under the age of 19 reside in the same household?  
If "no," please provide reason and his/her name and address:  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Reason: \_\_\_\_\_
- Yes     No    b. Are all applicants permanent, legal residents of Arkansas?  
If "no," please provide reason and his/her name and address:  
Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Reason: \_\_\_\_\_

## OFFICE USE ONLY (Do Not Write In This Space)

I.D. No.	Group No.	Effective Date
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# Application for Short-Term Blue

Short-Term Blue is a short-term, limited-duration health insurance policy that provides health insurance coverage for 30 to 182 days.

To apply for Short-Term Blue, please complete and return pages 1, 2 and 8.

## 9 SHORT-TERM COVERAGE INFORMATION

Deductible:  \$500  \$1,000

### Type of Coverage:

- Individual  Individual and Spouse  
 Individual and Child(ren)  Individual, Spouse and Child(ren)

Requested Effective Date: \_\_\_/\_\_\_/\_\_\_

The effective date cannot be more than 30 days from the sign date on the application.

Number of Days: \_\_\_\_\_ (30 minimum / 182 maximum) X Daily Rate \_\_\_\_\_ = \$ \_\_\_\_\_

\*See rate calculation page in Short-Term Blue brochure.

Enclose a check made payable to Arkansas Blue Cross and Blue Shield in the amount of the premium for the entire term of the policy.

## 10 SHORT-TERM ELIGIBILITY QUESTIONS

The following questions must be answered in relation to each person applying for coverage.

1. Is any male applying for coverage an expectant parent?  Yes  No  
If you answer "Yes", you and any other family members who are not pregnant may apply for "Individual" coverage; however, you must complete separate applications.

If question 2, 3 or 4 is answered "Yes", you are not eligible for Short-Term Blue and no policy will be issued.

2. Is any female applying for coverage pregnant?  Yes  No
3. Will there be any other health insurance in force on the effective date of this coverage?  Yes  No
4. Within the last five (5) years, have you or anyone listed on the application received medical or surgical consultation, advice, or treatment, including medication, for **any of the following**: liver disorders, kidney disorders, chronic obstructive pulmonary disease (COPD), emphysema, diabetes, cancer (other than skin cancer), heart or circulatory system disorders, alcohol or drug abuse or immune system disorders, including HIV infection, or tested positive for HIV infection?  Yes  No

# Application for Essential Blue Freedom

Essential Blue Freedom is a limited-duration health insurance policy that provides health insurance coverage for 183 to 364 days. Eligibility: Your Essential Blue Freedom policy will term 364 days from the effective date. If your need for coverage extends beyond the term date of this plan, you may apply for a new Essential Blue Freedom plan.

**To apply for Essential Blue Freedom, complete and retain all pages except page 2.**

## 11 ESSENTIAL BLUE FREEDOM COVERAGE INFORMATION

**Deductible:**       \$1,000       \$2,500       \$5,000

**Type of Coverage:**     Individual                                       Individual and Spouse  
                                    Individual and Child(ren)                       Individual, Spouse and Child(ren)

Yes     No    If you are applying for coverage other than "Individual," do you want to continue the application process if one or more applicants is declined or ineligible?

**Requested Effective Date:**

Arkansas Blue Cross and Blue Shield gives 1st of the month and 15th of the month effective dates. This is your opportunity to request an effective date that coordinates with the termination of current health insurance coverage.\* While we cannot guarantee a specific requested effective date, we will make every effort to accommodate the request. If your application is approved, the effective date will be assigned based on the date of approval (**see back page for effective date guidelines**). This means retroactive effective dates will not be assigned. **Please check the day you would like your coverage to become effective:**

1st of the month     15th of the month     No preference     \*Requested effective date: \_\_\_/\_\_\_/\_\_\_

Monthly Bank Draft is required for Essential Blue Freedom. The bank draft form (Page 9) must be completed and returned with the application.

## 12 U.S. CITIZENSHIP STATUS

Additional information may be required. Read instructions for Section 12 before completing.

Yes     No    Are all applicants U.S. citizens? If "No", please provide the name(s) of the applicant(s) who are not U.S. citizens.  
                                   Name: \_\_\_\_\_ Name: \_\_\_\_\_

## 13 CURRENT/PREVIOUS INSURANCE INFORMATION

Yes     No    a. Will the coverage applied for replace or change current hospital, medical or major medical insurance if this coverage is approved by Arkansas Blue Cross and Blue Shield and accepted by the applicant?

i. If "yes," please provide name of carrier: \_\_\_\_\_

ii. If "yes," does the **coverage** have a specified termination date? If so, please provide date: \_\_\_/\_\_\_/\_\_\_.

Yes     No    iii. If "yes," and the coverage does **not** have a specified termination date, will the coverage terminate if approved by Arkansas Blue Cross and accepted by the applicant?

Yes     No    b. Have any applicants recently lost employer-sponsored health coverage? If "yes," please provide:

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Term Date: \_\_\_/\_\_\_/\_\_\_.

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Term Date: \_\_\_/\_\_\_/\_\_\_.

Yes     No    c. Have any applicants recently "involuntarily" lost other health coverage? If "yes," please provide:

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Term Date: \_\_\_/\_\_\_/\_\_\_.

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Term Date: \_\_\_/\_\_\_/\_\_\_.

Yes     No    d. Will any applicants be **continuing** any other health insurance? If yes, please provide:

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ ID# \_\_\_\_\_

Applicant Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ ID# \_\_\_\_\_

### 13 CURRENT/PREVIOUS INSURANCE INFORMATION (continued)

- Yes  No e. Are any applicants covered by Medicaid (including AR Kids First)? If "yes," please provide name(s) below:  
Applicant Name: \_\_\_\_\_  
Applicant Name: \_\_\_\_\_
- Yes  No f. Are any applicants covered by Medicare? If "yes," please provide name(s) below:  
Applicant Name: \_\_\_\_\_  
Applicant Name: \_\_\_\_\_

### 14 APPLICANT(S) EMPLOYMENT INFORMATION [applicant(s) age 18 and older]

Name: \_\_\_\_\_ Employer: \_\_\_\_\_  
Job duties: \_\_\_\_\_

Name: \_\_\_\_\_ Employer: \_\_\_\_\_  
Job duties: \_\_\_\_\_

### 15 DRIVER'S LICENSE INFORMATION [applicant(s) age 14 and older]

Name: \_\_\_\_\_ License No. : \_\_\_\_\_ State: \_\_\_\_\_  
Name: \_\_\_\_\_ License No.: \_\_\_\_\_ State: \_\_\_\_\_  
Name: \_\_\_\_\_ License No.: \_\_\_\_\_ State: \_\_\_\_\_

In the past 5 years, has any applicant:

- Yes  No a. Had his or her driver's license suspended or revoked?  
 Yes  No b. Had two or more moving traffic violations?  
 Yes  No c. Been convicted or charged with driving under the influence of alcohol or a controlled substance?

If you answered "Yes", to any of the above questions, you **MUST** provide the following information:

Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Violation(s): \_\_\_\_\_  
Name: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Violation(s): \_\_\_\_\_

### 16 SPORTING OR HOBBY INFORMATION

- Yes  No Does any applicant intend to pilot a private aircraft; race a motor vehicle, boat or snowmobile; or participate in sky or scuba diving, ballooning, mountain climbing, hang gliding or any other hazardous sport, hobby or activity?

Name: \_\_\_\_\_ Please explain: \_\_\_\_\_  
Name: \_\_\_\_\_ Please explain: \_\_\_\_\_

### 17 TRAVEL OUTSIDE THE USA

- Yes  No Is any applicant planning to travel or work outside the USA within the next two years?  
If "Yes", please provide the following:

Name (list **all** that apply): \_\_\_\_\_  
Country: \_\_\_\_\_ Expected length of stay: \_\_\_\_\_ Departure date: \_\_\_\_\_ Return date: \_\_\_\_\_  
Reason for Travel: \_\_\_\_\_

### 18 EXPECTANT/ADOPTIVE PARENT INFORMATION

- Yes  No Is any **male** applying for coverage an expectant father or a potential adoptive father?  
 Yes  No Is any **female** applying for coverage pregnant or a potential adoptive mother?

If "Yes", please provide the following: Name: \_\_\_\_\_ Expected Delivery/Adoption Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 19 INFERTILITY

Has any applicant or spouse of an applicant (**whether applying for coverage or not**):

Yes  No a. Ever been diagnosed or treated for infertility?

Yes  No b. Had surgical sterilization? If **"Yes"** to question a. or b., please provide the following:

Name: \_\_\_\_\_ Treatment/Procedure: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Treatment/Procedure: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 20 TOBACCO USAGE

Yes  No Has any applicant to be covered used any form of tobacco within the last 12 months? If "yes," please provide the following:

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name: \_\_\_\_\_ Type/Amount: \_\_\_\_\_ Date Last Used: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 21 PREVIOUS INSURANCE EXPERIENCE

Yes  No Has any applicant ever been declined, rated, restricted or modified for the issuance of life, accident, health or long-term care insurance? If "yes," please provide the following:

Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Year: \_\_\_\_\_ Details: \_\_\_\_\_

Name: \_\_\_\_\_ Carrier Name: \_\_\_\_\_ Year: \_\_\_\_\_ Details: \_\_\_\_\_

## 22 PRESCRIPTION QUESTIONNAIRE

Yes  No Is any applicant **currently** taking any prescription medication, or has any applicant taken prescription medication in the **last 3 years**?

If you answered "yes," please provide full details below. Use separate sheet if necessary. **Any attachment must include all of the same information requested here and must be signed and dated.** A printout from the pharmacy is **not** acceptable. **Please provide the name that would have been used at the time of the prescription — e.g., a maiden name may have been used.**

Person Treated	Name of Drug	Dosage	Specific Disorder or Illness	Start Date/ Stop Date	Degree of Recovery			Complete Name and Address of Prescribing Physician
					None	Partial	Full	
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				
				____/____/____ mo year				

## 23 MEDICAL QUESTIONNAIRE

**ALL OF THE FOLLOWING QUESTIONS MUST BE ANSWERED FOR EACH PERSON APPLYING FOR COVERAGE.**

For each question checked below, give full details in the **ADDITIONAL MEDICAL INFORMATION** section which follows.

1. Has any applicant **ever** had or been told he/she had: **(Each section must have at least one box checked. When multiple medical conditions are listed, please circle all conditions that apply.)**

<p><b>A. BRAIN OR NERVOUS SYSTEM DISORDERS</b></p> <input type="checkbox"/> Alzheimer's disease or senile dementia <input type="checkbox"/> Amyotrophic lateral sclerosis (Lou Gehrig's disease) <input type="checkbox"/> Cerebral palsy <input type="checkbox"/> Concussion or brain injury <input type="checkbox"/> Convulsions, epilepsy or seizures <input type="checkbox"/> Headaches or migraines <input type="checkbox"/> Meningitis <input type="checkbox"/> Multiple sclerosis, muscular dystrophy or myasthenia gravis <input type="checkbox"/> Neuritis <input type="checkbox"/> Paralysis or palsy <input type="checkbox"/> Parkinson's disease <input type="checkbox"/> Polyneuritis <input type="checkbox"/> Vertigo, fainting or dizziness <input type="checkbox"/> Any other disorder of the brain or nervous system <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>D. KIDNEY, URINARY, REPRODUCTIVE</b></p> <input type="checkbox"/> Abnormal pap smear <input type="checkbox"/> Bladder or renal stones <input type="checkbox"/> Cesarean section or miscarriage <input type="checkbox"/> Dialysis <input type="checkbox"/> Nephritis <input type="checkbox"/> Nephrotic syndrome, renal disease or failure <input type="checkbox"/> Sexually transmitted disease <input type="checkbox"/> Sugar, blood or protein in urine <input type="checkbox"/> Any other disorder of the kidneys or urinary tract <input type="checkbox"/> Any other disorder of the male reproductive organs, including prostate <input type="checkbox"/> Any other disorder of the female reproductive organs, including ovaries or breasts <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>MUSCULOSKELETAL (cont.)</b></p> <input type="checkbox"/> Fracture(s) or broken bone(s) Exposed bone <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Gout <input type="checkbox"/> Lupus, systemic <input type="checkbox"/> Temporomandibular joint disorder (TMJ/TMD) or craniomandibular disorder <input type="checkbox"/> Any other disorder of the muscles, bones or joints to include chiropractic care <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>
<p><b>B. CIRCULATORY</b></p> <input type="checkbox"/> Abnormal cholesterol/lipids <input type="checkbox"/> Angina, heart attack, myocardial infarction <input type="checkbox"/> Arteriosclerosis, atherosclerosis, coronary artery disease, stent placement or angioplasty <input type="checkbox"/> Cerebrovascular accident (stroke), including transient ischemic attack (TIA) <input type="checkbox"/> Chest pain, shortness of breath, heart murmur, palpitation of the heart, ablation, rheumatic fever <input type="checkbox"/> Heart bypass surgery, pacemaker implant <input type="checkbox"/> Heart or vein/artery surgery <input type="checkbox"/> High blood pressure <input type="checkbox"/> Hemophilia <input type="checkbox"/> Valve repair/replacement <input type="checkbox"/> Any other disorder of the heart, blood, blood vessels or circulatory system <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>E. RESPIRATORY</b></p> <input type="checkbox"/> Allergies, asthma or bronchitis <input type="checkbox"/> Chronic pulmonary disease, emphysema, lung disease or respiratory syncytial virus (RSV) <input type="checkbox"/> Obstructive or reactive airway disorder <input type="checkbox"/> Sleep apnea, cpap, bipap or vpap <input type="checkbox"/> Any other disorder of the lungs, bronchial tubes or respiratory system <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>I. EARS/EYES/NOSE/THROAT</b></p> <input type="checkbox"/> Cataracts or glaucoma <input type="checkbox"/> Meniere's disease <input type="checkbox"/> Nasal septal defect <input type="checkbox"/> Sinusitis, tonsillitis or otitis media <input type="checkbox"/> Any other disorder of the eyes, ears, nose, throat or esophagus <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>
<p><b>C. DIGESTIVE</b></p> <input type="checkbox"/> Cirrhosis <input type="checkbox"/> Crohn's disease or ulcerative colitis <input type="checkbox"/> Gastric bypass surgery or other weight loss procedure <input type="checkbox"/> Gastric or duodenal ulcer <input type="checkbox"/> Hepatitis <input type="checkbox"/> Hernia, hemorrhoids <input type="checkbox"/> Irritable bowel syndrome or gastric esophageal reflux disorder (GERD) <input type="checkbox"/> Pancreatitis <input type="checkbox"/> Pyloric stenosis <input type="checkbox"/> Any other disorder of stomach, intestines, liver, gallbladder or rectum <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>F. CANCERS, LYMPHATIC SYSTEM, BLOOD OR SKIN DISORDERS</b></p> <input type="checkbox"/> Anemia <input type="checkbox"/> Cancer, leukemia or malignancy of any kind <input type="checkbox"/> Hodgkin's or Non-Hodgkin's disease <input type="checkbox"/> Melanoma, neoplasm or tumor <input type="checkbox"/> Any other disorder of the lymphatic system <input type="checkbox"/> Any other disorder of the skin <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>J. MENTAL/EMOTIONAL OR SUBSTANCE ABUSE</b></p> <input type="checkbox"/> Anxiety, insomnia, sleep disorder, depression, emotional problems or nervous disorder <input type="checkbox"/> Attempted suicide <input type="checkbox"/> Counseling or psychiatric treatment (in-patient or out-patient) <input type="checkbox"/> Bipolar disorder, obsessive compulsive disorder or developmental disorder <input type="checkbox"/> Eating disorder <input type="checkbox"/> Any other mental, emotional disorder or situation, including ADD/ADHD <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>
<p><b>G. GLANDULAR DISORDERS</b></p> <input type="checkbox"/> Adrenal disorders <input type="checkbox"/> Diabetes, abnormal glucose <input type="checkbox"/> Goiter or thyroid disease <input type="checkbox"/> Any disorder of the pancreas <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>	<p><b>H. MUSCULOSKELETAL</b></p> <input type="checkbox"/> Arthritis, osteoarthritis, degenerative joint or disc disease <input type="checkbox"/> Back pain and/or neck pain <input type="checkbox"/> Chronic fatigue <input type="checkbox"/> Connective tissue disorder <input type="checkbox"/> Disease or disorder of the joints: knee(s), shoulder(s), elbow(s), wrist(s), other <input type="checkbox"/> Fibromyalgia, bursitis or tendonitis	<p><b>K. OTHER</b></p> <input type="checkbox"/> Current patient in a hospital or nursing home <input type="checkbox"/> Pending Surgery Surgery Date: __/__/__ <input type="checkbox"/> Sarcoidosis <input type="checkbox"/> Breast implants <input type="checkbox"/> Saline <input type="checkbox"/> Silicone Surgery Date: __/__/__ <input type="checkbox"/> Any other implant(s), prosthetic device(s), internal fixation device(s) or retained hardware (i.e.: pins, wires, screws, shunts, stents) <input type="checkbox"/> Acquired immune deficiency syndrome (AIDS), or AIDS-related complex or immune deficiency disorder or HIV <input type="checkbox"/> Transplant recipient <input type="checkbox"/> Any injury, deformity, incapacitation, disease or condition not listed elsewhere <input type="checkbox"/> <b>None of the above apply to any applicant(s)</b>

## 23 MEDICAL QUESTIONNAIRE (continued)

2. Has any applicant ever:

- Yes  No a. Consumed alcohol to excess, received treatment, or joined an organization for alcoholism or drug addictions?
- Yes  No b. Used any addictive or non-addictive drug or substance for purposes other than recommended by your physician?
- Yes  No c. Been treated for, diagnosed by or consulted a physician, psychotherapist, counselor or any other provider, or had any indication(s) of having a drug dependency/habit?
- Yes  No d. Required the assistance of any other individual for performances of any activities of daily living? If "Yes," please explain: \_\_\_\_\_
- Yes  No e. Been told that he/she has or has had hearing problems, ear disorder(s) or has need of hearing devices due to any kind of hearing or ear impairment, or does any applicant have an existing hearing aid device in place?

### ADDITIONAL MEDICAL INFORMATION

Give full details to questions answered affirmatively (checked or answered "Yes") to explain answers to questions in SECTION 23. In addition to **condition/illness** please provide the **type of treatment** provided or planned – for example, surgery, X-rays, EKG, lab tests, hospitalization, emergency room visit, nursing home confinement, doctor visits, rehabilitation services, occupational therapy, physical therapy, speech therapy or chiropractic treatments. Please ensure you include **all** the treatments that apply. **Please use the name that would have been given at the time of the physician visit — e.g., a maiden name.**

Question Number(s)	Person Treated	Specific Disorder/Illness and Type of Treatment	Date of First Visit	Date of Last Visit	Total # of Visits	Degree of Recovery			Complete Name and Address of Physician
						None	Partial	Full	
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					
			mo / year	mo / year					

## 24 PHYSICIAN INFORMATION (Please provide for each applicant for the last five years)

Applicant's Name	Complete Name and Address of Physician	Date of Last Visit*	Reason for Visit**	Treatment/ Results**

\*Please write **NO VISIT** in this box if the applicant has never seen the physician.      \*\*Use "Comments" section on Page 8 if more room is needed for details.

**PLEASE READ BEFORE SIGNING**

**I UNDERSTAND:** (1) The agent or broker involved in this insurance transaction may receive compensation from Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY), or one of its affiliates, for services related to the placement of this insurance. Any such compensation is included in the insurance premium paid by the insured. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

In signing, I: (a) represent that the statements and answers given in this application and any signed and dated addendum to this application (both front and back) are true, complete and correctly recorded; (b) agree that a photocopy of this application shall be as valid as the original, and I understand that a copy is available to me upon request.

**SHORT-TERM BLUE:**

**I UNDERSTAND** that this application may be rejected. If persons proposed for coverage are eligible and coverage is offered, I understand: (1) The coverage shall not become effective until the date shown on my identification card and the premium is paid in full. (2) Once the policy is in effect and payment received, premiums will not be refunded for any reason. (3) Pre-existing conditions will not be covered. (4) No changes can be made to the policy after coverage is in effect. (5) If my application is accepted relying on my representations on this document, any coverage which may be issued to me shall be invalid if based on false information. (6) Arkansas Blue Cross and Blue Shield may phone or e-mail me for additional information that may help with the timely processing of my application. **This application is valid for 30 days only when completed and signed.**

**ESSENTIAL BLUE FREEDOM:**

**I UNDERSTAND:** (1) This application will be medically underwritten in order to assess the potential financial risk of each individual on the application. As the result of the assessment, my application may be approved with no changes, approved but charged a higher premium and/ or approved with non-medical exclusions, or I may be declined for coverage. I will also be subject to a 12-month pre-existing waiting period. **This means conditions existing prior to the effective date of the policy will not be covered until the policy has been in effect for 364 days.** (2) Any coverage which may be issued to me shall be invalid if based on intentional misrepresentation of material fact provided by me on the application. (3) Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY) may phone me for additional information that may help with the timely processing of my application. (4) The Health insurance applied for will not be effective on any proposed insured if there has been a change in the health of any proposed insured between the date this application is signed and the effective date of coverage. **This application is valid for 90 days only when completed and signed.**

In signing, I: (a) understand that the COMPANY may, within three years of the date of this application, void or terminate this coverage or deny claims for coverage if intentional misrepresentations of material fact have been provided by me in this application; (b) understand that if intentionally fraudulent misstatements were made, the COMPANY may take legal action at any time; (c) understand my signature authorizes the COMPANY to coordinate benefits under this policy with other insurance I have which is subject to coordination; (d) agree that this application shall be valid without time limit.

**Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.**

**I certify that I signed this application in the state of Arkansas.**

**SIGNATURE SECTION (Please sign appropriate line only)**

Primary Applicant OR Parent/Legal Guardian (if policy for a minor)	<b>X</b>	Date Signed
Spouse (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed

**CUSTODIAL PARENT SECTION**

**If any applicant under age 19 (primary applicant or dependent), named on this application, does NOT reside with the primary applicant or the parent/guardian indicated in Section 2, the custodial parent's signature is also required.**

Custodial Parent's Name (please print)	<b>X</b>	Telephone No.
Custodial Parent's Address	Street or PO Box	City State Zip
Custodial Parent's Signature	<b>X</b>	Date Signed

<b>Comments:</b>	<b>OFFICE USE ONLY</b>
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# Pre-Authorized Bank Draft

# Monthly Program Sign-up Form

Our monthly bank draft service makes premium payments easy and convenient for you. Completing this simple form helps assure your payments are made accurately and timely.

Depending on the health insurance plan you are applying for and the date your application is approved, we may be able to draft your first month's premium. If so, you will be notified in writing prior to the draft. Once the bank draft is in effect, you will not receive a billing statement. Until that time, make sure you pay any statement you receive.

Complete the information below.

**Required only for Essential Blue Freedom**

## IMPORTANT: PLEASE READ BEFORE SIGNING

I authorize Arkansas Blue Cross and Blue Shield and/or the BANK indicated below, to debit my Arkansas Blue Cross premium from my checking or savings account indicated below. This authority is to remain in full force and effect until my BANK has received written notification from me of the Pre-Authorized Bank Draft Program termination in such time and manner as to afford the BANK a reasonable opportunity to act on it, or until the BANK has sent me ten (10) days' written notice of the BANK's termination of this agreement.

I understand that by revoking the Pre-Authorized Bank Draft Program after I have agreed to it, I also will be terminating my Arkansas Blue Cross coverage, UNLESS Arkansas Blue Cross has received written notice from me of my desire to continue coverage at least twenty (20) days prior to the next Pre-Authorized Bank Draft Program withdrawal date.

I understand that an insufficient check fee will be assessed for any payment returned to Arkansas Blue Cross as a result of insufficient funds.

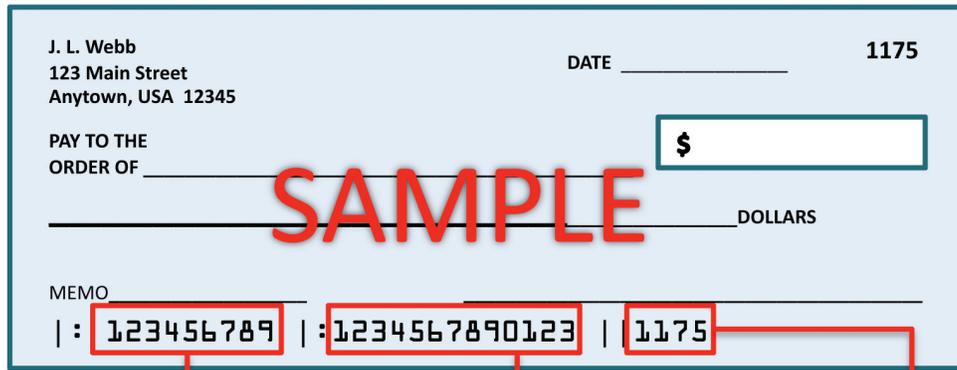
## PROPOSED INSURED'S INFORMATION

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street Apt. No.  
City State Zip

## BANK ACCOUNT INFORMATION

Bank Name: \_\_\_\_\_ Name on Account: \_\_\_\_\_  
(If different than the proposed insured)  
Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_  
Type of Account:  Checking  Savings



Bank Routing Number

Bank Account Number

Check Number

## SIGNATURE

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature of Bank Account Holder

After Arkansas Blue Cross receives and processes this completed authorization form, you will receive a letter providing the effective date of your first scheduled draft. We hope you find this bank draft service of value. It is our privilege to serve you. Thank you for your business!

**For Office Use Only** (please do not write in this space)

ID NO.	EFFECTIVE DATE



**Arkansas BlueCross BlueShield**

An Independent Licensee of the Blue Cross and Blue Shield Association

## Please keep for your records

### Fair Credit Reporting Act Notice — Notice to Proposed Insured

In connection with your application for insurance, an investigative consumer report may be prepared. Information may be obtained through personal interviews with your family, friends, neighbors, business associates, financial sources, or others with whom you are acquainted. This inquiry includes information as to your character and general reputation. If an investigative consumer report is prepared in connection with your application, you may receive a copy of that report upon written request to Arkansas Blue Cross and Blue Shield. Your written request should be forwarded to Arkansas Blue Cross and Blue Shield, Individual Underwriting Division, P.O. Box 2181, Little Rock, Arkansas 72203-2181.

### POLICY EFFECTIVE DATES FOR ESSENTIAL BLUE FREEDOM

The policy effective date will be the first of the **following month** if the application is approved on the 1st-10th of the **current month**. The policy effective date will be the 15th of the **following month** if the application is approved on the 11th - 25th of the **current month** OR the first of the month **after next** if the application is approved on the 26th - end of the **current month**. Coverage becomes effective upon the date of the policy and contingent upon receipt of premium.

Approval Date	Effective Date	Examples
1st - 10th	1st of the following month	Approved Jan. 2; effective Feb. 1
11th - 25th	15th of the following month	Approved Jan. 12; effective Feb. 15
26th - last day of the month	1st of the month after next	Approved Jan. 27; effective Mar. 1

### POLICY EFFECTIVE DATES FOR SHORT-TERM BLUE

Your Short-Term Blue policy will take effect on the later of: (1) the requested effective date; or (2) the day after the postmark date affixed by the U.S. Postal Service,\* but only if the following conditions are satisfied:

- Your application and the appropriate premium payment are received at Arkansas Blue Cross in Little Rock within 15 days of your signing;
- Your application is properly completed and unaltered;
- If you answered Eligibility Question 1 Yes, you are applying for Individual coverage;
- You answered Questions 2, 3 and 4 No;
- You are between the ages of six months and 65 and **not** on Medicare or any other health insurance.

\* If mailed and not postmarked by the U.S. Postal Service or if the postmark is not legible, the effective date will be the later of: (1) the date you requested; or (2) the date received by Arkansas Blue Cross.



**Arkansas**  
**BlueCross BlueShield**

An Independent Licensee of the Blue Cross and Blue Shield Association

P.O. Box 2181, Little Rock, AR 72203-2181  
[www.ArkansasBlueCross.com](http://www.ArkansasBlueCross.com)



**Arkansas  
BlueCross BlueShield**  
An Independent Licensee of the Blue Cross and Blue Shield Association

# ***Essential Blue Freedom Application to Reapply for Coverage (For Current Policyholders Only)***

**READ ALL INSTRUCTIONS BEFORE COMPLETING THIS APPLICATION. APPLICATION MUST BE COMPLETED IN ITS ENTIRETY AND ALL PAGES MUST BE SUBMITTED IN ORDER TO BE PROCESSED.**

This form is a legal document. If you are approved for coverage, it will become a part of your contract. Therefore, all information provided must be accurate and legible.

- This application must be completed in dark blue or black ink. Applications completed in **pencil** will not be accepted.
- If you make a mistake, mark through the incorrect information, initial it, date it, and provide the correct information.
- Do not use liquid paper, correction tape, or "white out" to correct any mistakes on this application.
- Any **attachments** submitted with the application must be signed and dated.
- **Do not send any money with this application.**
- Please ensure all required parties have signed and dated the application prior to submission.
- **We strongly recommend you make a copy of this completed application for your records.**

## **INSTRUCTIONS**

**Eligibility:** If you are an Essential Blue Freedom policyholder, your policy will terminate 364 days from the effective date. If your need for coverage extends beyond the termination date of this plan, you may apply for a new Essential Blue Freedom plan.

**When you are completing this form, please refer to your Arkansas Blue Cross and Blue Shield identification card for your Member ID and Group #. This information must be entered under Section 1 in order to process your request.**

**Effective Date:** If your application is submitted at least 15 days prior to the termination date of your existing policy and approved, your effective date can be coordinated with the termination date of your current policy. For example, if your current policy ends on July 15<sup>th</sup>, your new policy will be effective July 16<sup>th</sup>.

---

### **Section 3 – Address Information**

You are required to provide address information when submitting this application. Please note there are three separate listings for this information. Complete all that apply.

- **Residential** – This address will be noted as your physical place of residence.
- **Mailing** – Correspondence such as letters and Explanations of Benefits (EOBs) will be mailed to this address.
- **Billing** – All billing invoices will be mailed to this address.

---

### **Section 4 – Medical Questionnaire**

If you are not sure if you fall into the acceptable ranges referenced in this section, please contact your primary care physician to assist you.



**Arkansas  
BlueCross BlueShield**  
An Independent Licensee of the Blue Cross and Blue Shield Association

**Application to Reapply for Health Insurance Coverage  
Essential Blue Freedom  
(For Current Policyholders Only)**

Return To: Arkansas Blue Cross and Blue Shield, Attn: Individual Underwriting, P.O. Box 2181,  
Little Rock, AR 72203-2181 or Fax to: 501-378-3752

**1 CURRENT POLICYHOLDER INFORMATION**

Member ID: \_\_\_\_\_ Group Number: \_\_\_\_\_ Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_  
First Name: \_\_\_\_\_ M.I.: \_\_\_\_\_ Last Name: \_\_\_\_\_

**2 CONTACT INFORMATION**

Primary Phone Number ( )	Alternate Phone Number ( )	E-mail Address	How do you prefer we communicate with you? <input type="checkbox"/> E-mail <input type="checkbox"/> Phone
-----------------------------	-------------------------------	----------------	--

**3 ADDRESS INFORMATION**

Residential Address: Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Mailing Address: Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Billing Address: Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**4 MEDICAL QUESTIONNAIRE**

List the name of each person currently on your policy who also is applying for a new policy. You must answer "Yes" or "No" to every question below for each person listed on the application. **If any applicant answers "No" to the Blood Pressure, Cholesterol, or Glucose questions, they are not eligible for a new Essential Blue Freedom policy.**

First Name	M.I.	Last Name	Height	Weight	<sup>1</sup> Blood Pressure under 140/90?	<sup>2</sup> Cholesterol less than 200 mg/dl?	<sup>3</sup> Glucose/A1c less than 6%?	Any tobacco use in the past year?
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			

<sup>1</sup>Healthy blood pressure is a reading under 140/90  
<sup>2</sup>Healthy total cholesterol level is under 200 mg/dl  
<sup>3</sup>Healthy blood sugar is a glycohemoglobin A1c below 6%

**PLEASE READ BEFORE SIGNING**

I UNDERSTAND: (1) This application will be medically underwritten in order to assess the potential financial risk of each individual on the application. As the result of the assessment, my application may be approved with no changes, approved but charged a higher premium for tobacco use, or I may be declined for coverage. If I have multiple Essential Blue Freedom policies with no lapse in coverage, I will receive time credit for any portion of the pre-existing waiting period for which I have satisfied. (2) The agent or broker involved in this insurance transaction may receive compensation from Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY), or one of its affiliates, for services related to the placement of this insurance. Any such compensation is included in the insurance premium paid by the insured. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker. (3) Any coverage which may be issued to me shall be invalid if based on intentional misrepresentation of material fact provided by me on the application. (4) The COMPANY may phone me for additional information that may help with the timely processing of my application.

In signing below, I: (a) represent that the statements and answers given in this application and any signed and dated addendum to this application (both front and back) are true, complete and correctly recorded; (b) understand that the COMPANY may, within three years of the date of this application, void or terminate this coverage or deny claims for coverage if intentional misrepresentations of material fact have been provided by me in this application; (c) understand that if intentionally fraudulent misstatements were made, the COMPANY may take legal action at any time; (d) understand my signature authorizes the COMPANY to coordinate benefits under this policy with other insurance I have which is subject to coordination; (e) agree that this application shall be valid without time limit; (f) agree that a photocopy of this application shall be as valid as the original, and I understand that a copy is available to me upon request.

**Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.**

I certify that I signed this application in the state of Arkansas.

**SIGNATURE SECTION (PLEASE SIGN APPROPRIATE LINE ONLY)**

Primary Applicant OR Parent Legal/Guardian's (if policy for a minor)	<b>X</b>	Date Signed
Spouse (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed
Dependent age 18 or older (required if applying)	<b>X</b>	Date Signed

**CUSTODIAL PARENT SECTION**

If any applicant under age 19 (primary applicant or dependent), named on this application, does NOT reside with the primary applicant or the parent/guardian indicated in Section 2, the custodial parent's signature is also required.

Custodial Parent's Name (please print)				Telephone No.
Custodial Parent's Address	Street or PO Box	City	State	Zip
Custodial Parent's Signature	<b>X</b>			Date Signed

**This section to be completed by sales representative**

Yes  No To the best of your knowledge, will the coverage applied for replace or change any existing hospital, medical or major medical insurance if this coverage is approved by Arkansas Blue Cross and Blue Shield and accepted by the applicant?

Sales Rep License No. (required)	Sales Representative's Name (Please Print)	Telephone No.
	<b>X</b>	
Agency Federal Tax ID No. (if applicable)	Sales Representative's Signature	Date Signed
	<b>X</b>	

<b>Comments:</b>	<b>OFFICE USE ONLY</b>

**THIS APPLICATION IS VALID FOR 90 DAYS ONLY WHEN COMPLETED AND SIGNED.**



**Arkansas**  
**BlueCross BlueShield**  
P.O. Box 2181, Little Rock, AR 72203-2181



**Arkansas  
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# ***Essential Blue Freedom Application to Reapply for Coverage (For Current Policyholders Only)***

**READ ALL INSTRUCTIONS BEFORE COMPLETING THIS APPLICATION. APPLICATION MUST BE COMPLETED IN ITS ENTIRETY AND ALL PAGES MUST BE SUBMITTED IN ORDER TO BE PROCESSED.**

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## **INSTRUCTIONS**

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---

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---

### **Section 4 – Medical Questionnaire**

If you are not sure if you fall into the acceptable ranges referenced in this section, please contact your primary care physician to assist you.



**Arkansas  
BlueCross BlueShield**  
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**Application to Reapply for Health Insurance Coverage  
Essential Blue Freedom  
(For Current Policyholders Only)**

Return To: Arkansas Blue Cross and Blue Shield, Attn: Individual Underwriting, P.O. Box 2181,  
Little Rock, AR 72203-2181 or Fax to: 501-378-3752

**1 CURRENT POLICYHOLDER INFORMATION**

Member ID: \_\_\_\_\_ Group Number: \_\_\_\_\_ Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_

First Name: \_\_\_\_\_ M.I.: \_\_\_\_\_ Last Name: \_\_\_\_\_

**2 CONTACT INFORMATION**

Primary Phone Number ( )	Alternate Phone Number ( )	E-mail Address	How do you prefer we communicate with you? <input type="checkbox"/> E-mail <input type="checkbox"/> Phone
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**3 ADDRESS INFORMATION**

Residential Address: Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Mailing Address: Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Billing Address: Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**4 MEDICAL QUESTIONNAIRE**

List the name of each person currently on your policy who also is applying for a new policy. You must answer "Yes" or "No" to every question below for each person listed on the application. **If any applicant answers "No" to the Blood Pressure, Cholesterol, or Glucose questions, they are not eligible for a new Essential Blue Freedom policy.**

First Name	M.I.	Last Name	Height	Weight	<sup>1</sup> Blood Pressure under 140/90?	<sup>2</sup> Cholesterol less than 200 mg/dl?	<sup>3</sup> Glucose/A1c less than 6%?	Any tobacco use in the past year?
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
			____ ft. ____ in.	____ lbs.	<input type="checkbox"/> Yes <input type="checkbox"/> No			
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<sup>1</sup>Healthy blood pressure is a reading under 140/90  
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**PLEASE READ BEFORE SIGNING**

I UNDERSTAND: (1) This application will be medically underwritten in order to assess the potential financial risk of each individual on the application. As the result of the assessment, my application may be approved with no changes, approved but charged a higher premium for tobacco use, or I may be declined for coverage. If I have multiple Essential Blue Freedom policies with no lapse in coverage, I will receive time credit for any portion of the pre-existing waiting period for which I have satisfied. (2) The agent or broker involved in this insurance transaction may receive compensation from Arkansas Blue Cross and Blue Shield (hereafter referred to as the COMPANY), or one of its affiliates, for services related to the placement of this insurance. Any such compensation is included in the insurance premium paid by the insured. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker. (3) Any coverage which may be issued to me shall be invalid if based on intentional misrepresentation of material fact provided by me on the application. (4) The COMPANY may phone me for additional information that may help with the timely processing of my application.

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**CUSTODIAL PARENT SECTION**

If any applicant under age 19 (primary applicant or dependent), named on this application, does NOT reside with the primary applicant or the parent/guardian indicated in Section 2, the **custodial parent's** signature is also required.

Custodial Parent's Name (please print)				Telephone No.
Custodial Parent's Address	Street or PO Box	City	State	Zip
Custodial Parent's Signature	<b>X</b>	Date Signed		

**Comments:**

**OFFICE USE ONLY**

**THIS APPLICATION IS VALID FOR 90 DAYS ONLY WHEN COMPLETED AND SIGNED.**



**Arkansas**  
**BlueCross BlueShield**  
P.O. Box 2181, Little Rock, AR 72203-2181

State: Arkansas Filing Company: Arkansas Blue Cross and Blue Shield  
 TOI/Sub-TOI: H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense  
 Product Name: Essential Blue Freedom  
 Project Name/Number: Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

**Rate Information**

Rate data applies to filing.

Filing Method: Review and Approve  
 Rate Change Type: Neutral  
 Overall Percentage of Last Rate Revision: %  
 Effective Date of Last Rate Revision:  
 Filing Method of Last Filing:

**Company Rate Information**

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Arkansas Blue Cross and Blue Shield	New Product	%	%				%	%

State: Arkansas Filing Company: Arkansas Blue Cross and Blue Shield
TOI/Sub-TOI: H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense
Product Name: Essential Blue Freedom
Project Name/Number: Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

Rate Review Detail

COMPANY:

Company Name: Arkansas Blue Cross and Blue Shield
HHS Issuer Id: 75293
Product Names: Essential Blue Freedom
Trend Factors:

FORMS:

New Policy Forms: 17-279
Affected Forms:
Other Affected Forms:

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 814,058
Benefit Change:
Percent Change Requested: Min: Max: Avg:

PRIOR RATE:

Total Earned Premium:
Total Incurred Claims:
Annual \$: Min: Max: Avg:

REQUESTED RATE:

Projected Earned Premium: 116,662,844.00
Projected Incurred Claims: 77,695,394.00
Annual \$: Min: 143.31 Max: 143.31 Avg: 143.31

State: Arkansas      Filing Company: Arkansas Blue Cross and Blue Shield  
 TOI/Sub-TOI: H151 Individual Health - Hospital/Surgical/Medical Expense/H151.001 Health - Hospital/Surgical/Medical Expense  
 Product Name: Essential Blue Freedom  
 Project Name/Number: Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

### Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action*	Rate Action Information	Attachments
1	Approved-Closed 07/31/2012	EssBlueFreedom	17-279, 23-2660, EBF AG/DR 01/13, EBF REISSUE AG/DR 01/13	New		AID_EssBlueFreedom.PDF



Arkansas  
BlueCross BlueShield

601 S. Gaines St.  
P.O. Box 2181  
Little Rock, Arkansas 72205-2181

7/11/2012

The Honorable Commissioner  
Jay Bradford  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904

Dear Commissioner Bradford:

In compliance with regulatory guidelines, we are submitting two copies of our filing for our new Short Term product for the Department's review and approval.

<u>Plan Name</u>	<u>Policy Form</u>
Essential Blue Freedom	17-279

The rates and benefits for these forms are projected for the thirty six months beginning January 1, 2013 and ending December 31, 2015. Included in this filing are rates for 2013, 2014 and 2015. Due to the volatility of a short term product, we feel this best protects the stability of this policy form. Additionally by doing this we believe it will prolong the life of the product for it keeps the premiums in sync with the claims trend and help maintain a more balanced overall premium level.

This filing has been prepared for the sole purpose of demonstrating compliance with regulatory guidelines and may not be appropriate for other purposes.

If you have any questions or concerns, please contact through correspondence or telephone me at (501) 396-4163. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul Ricard".

Paul Ricard, A.S.A., M.A.A.A., F.L.M.I.  
Actuary  
Arkansas Blue Cross Blue Shield

**ARKANSAS BLUE CROSS BLUE SHIELD**

**ACTUARIAL CERTIFICATION FOR**

**POLICY FORMS: 17-279**

I, Paul Ricard, hold the position of Actuary for Arkansas Blue Cross Blue Shield. I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

I have reviewed the filing of the rates contained in this document. To the best of my knowledge and judgment, I certify that the:

- (1) Filing is in compliance with applicable laws and regulations of the State of Arkansas.
- (2) Rates are reasonable in relation to the benefits.
- (3) Assumptions used are the best judgments as to the expected values.
- (4) Submission is in accordance with the current Standard of Procedure promulgated by the Actuarial Standard Board.



---

Paul Ricard, A.S.A, M.A.A.A., F.L.M.I.  
Actuary  
Arkansas Blue Cross Blue Shield  
320 Capitol Street, Suite 840  
Little Rock, AR 72203  
(501) 396-4163

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

	In Network	Out of Network
Deductible	\$1,000	\$2,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
<u>Age</u>	<u>Female</u>	<u>Male</u>	<u>Age</u>	<u>Female</u>	<u>Male</u>
0	74.04	74.04	35	112.73	72.84
1	74.04	74.04	36	116.34	75.33
2	74.04	74.04	37	119.94	77.73
3	74.04	74.04	38	123.54	80.13
4	74.04	74.04	39	127.15	82.53
5	74.04	74.04	40	130.75	84.94
6	74.04	74.04	41	134.70	88.20
7	74.04	74.04	42	138.64	91.46
8	74.04	74.04	43	142.50	94.72
9	74.04	74.04	44	146.45	97.98
10	74.04	74.04	45	150.40	101.24
11	74.04	74.04	46	151.34	107.07
12	74.04	74.04	47	152.20	112.82
13	74.04	74.04	48	153.06	118.65
14	74.04	74.04	49	153.92	124.40
15	74.04	74.04	50	160.26	135.73
16	74.04	74.04	51	166.44	149.45
17	74.04	74.04	52	172.36	163.10
18	74.04	74.04	53	178.37	176.65
19	66.32	50.28	54	183.77	189.69
20	69.67	52.16	55	189.18	202.73
21	72.93	54.05	56	195.61	211.91
22	76.10	55.94	57	202.82	221.78
23	79.36	57.83	58	209.94	231.65
24	82.62	59.80	59	217.06	241.51
25	86.05	61.51	60	224.27	251.38
26	87.00	62.03	61	234.48	266.31
27	87.85	62.54	62	244.69	281.15
28	88.71	63.14	63	254.90	295.99
29	89.66	63.66	64	265.11	310.92
30	90.51	64.26	65	286.38	341.89
31	94.97	65.98	66	286.38	341.89
32	99.44	67.69	67	286.38	341.89
33	103.81	69.41	68	286.38	341.89
34	108.27	71.12	69	286.38	341.89

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Deductible	In Network \$2,500	Out of Network \$5,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	56.93	56.93	35	86.67	56.00
1	56.93	56.93	36	89.44	57.91
2	56.93	56.93	37	92.21	59.76
3	56.93	56.93	38	94.99	61.61
4	56.93	56.93	39	97.76	63.46
5	56.93	56.93	40	100.53	65.30
6	56.93	56.93	41	103.56	67.81
7	56.93	56.93	42	106.59	70.32
8	56.93	56.93	43	109.56	72.82
9	56.93	56.93	44	112.60	75.33
10	56.93	56.93	45	115.63	77.84
11	56.93	56.93	46	116.36	82.32
12	56.93	56.93	47	117.02	86.74
13	56.93	56.93	48	117.68	91.23
14	56.93	56.93	49	118.34	95.65
15	56.93	56.93	50	123.22	104.35
16	56.93	56.93	51	127.97	114.91
17	56.93	56.93	52	132.52	125.39
18	56.93	56.93	53	137.14	135.82
19	50.99	38.65	54	141.29	145.84
20	53.56	40.10	55	145.45	155.87
21	56.07	41.56	56	150.39	162.93
22	58.51	43.01	57	155.93	170.51
23	61.01	44.46	58	161.41	178.10
24	63.52	45.98	59	166.88	185.68
25	66.16	47.29	60	172.42	193.27
26	66.89	47.69	61	180.27	204.75
27	67.55	48.09	62	188.12	216.16
28	68.20	48.55	63	195.97	227.57
29	68.93	48.94	64	203.82	239.05
30	69.59	49.41	65	220.18	262.86
31	73.02	50.72	66	220.18	262.86
32	76.45	52.04	67	220.18	262.86
33	79.81	53.36	68	220.18	262.86
34	83.24	54.68	69	220.18	262.86

**Exhibit A**

7/11/2012

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Proposed Monthly Bank Draft Rates  
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Deductible	\$5,000	\$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
<u>Age</u>	<u>Female</u>	<u>Male</u>	<u>Age</u>	<u>Female</u>	<u>Male</u>
0	44.43	44.43	35	67.65	43.71
1	44.43	44.43	36	69.81	45.20
2	44.43	44.43	37	71.97	46.64
3	44.43	44.43	38	74.14	48.09
4	44.43	44.43	39	76.30	49.53
5	44.43	44.43	40	78.46	50.97
6	44.43	44.43	41	80.83	52.93
7	44.43	44.43	42	83.20	54.88
8	44.43	44.43	43	85.51	56.84
9	44.43	44.43	44	87.88	58.79
10	44.43	44.43	45	90.25	60.75
11	44.43	44.43	46	90.82	64.25
12	44.43	44.43	47	91.33	67.70
13	44.43	44.43	48	91.85	71.20
14	44.43	44.43	49	92.36	74.65
15	44.43	44.43	50	96.17	81.45
16	44.43	44.43	51	99.88	89.68
17	44.43	44.43	52	103.43	97.87
18	44.43	44.43	53	107.03	106.01
19	39.80	30.17	54	110.28	113.83
20	41.80	31.30	55	113.52	121.66
21	43.76	32.43	56	117.38	127.17
22	45.67	33.57	57	121.71	133.09
23	47.62	34.70	58	125.98	139.01
24	49.58	35.88	59	130.25	144.93
25	51.64	36.91	60	134.58	150.85
26	52.20	37.22	61	140.71	159.81
27	52.72	37.53	62	146.83	168.71
28	53.23	37.89	63	152.96	177.62
29	53.80	38.20	64	159.09	186.58
30	54.32	38.56	65	171.85	205.16
31	56.99	39.59	66	171.85	205.16
32	59.67	40.62	67	171.85	205.16
33	62.30	41.65	68	171.85	205.16
34	64.97	42.68	69	171.85	205.16

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013

Essential Blue Freedom  
Policy Form: 17-279

	In Network	Out of Network
Deductible	\$1,000	\$2,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Spoused Insured Medical Coverage Monthly Bank Draft Premiums

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	74.04	74.04	42	91.46	138.64
15	74.04	74.04	43	94.72	142.50
16	74.04	74.04	44	97.98	146.45
17	74.04	74.04	45	101.24	150.40
18	74.04	74.04	46	107.07	151.34
19	50.28	66.32	47	112.82	152.20
20	52.16	69.67	48	118.65	153.06
21	54.05	72.93	49	124.40	153.92
22	55.94	76.10	50	135.73	160.26
23	57.83	79.36	51	149.45	166.44
24	59.80	82.62	52	163.10	172.36
25	61.51	86.05	53	176.65	178.37
26	62.03	87.00	54	189.69	183.77
27	62.54	87.85	55	202.73	189.18
28	63.14	88.71	56	211.91	195.61
29	63.66	89.66	57	221.78	202.82
30	64.26	90.51	58	231.65	209.94
31	65.98	94.97	59	241.51	217.06
32	67.69	99.44	60	251.38	224.27
33	69.41	103.81	61	266.31	234.48
34	71.12	108.27	62	281.15	244.69
35	72.84	112.73	63	295.99	254.90
36	75.33	116.34	64	310.92	265.11
37	77.73	119.94	65	341.89	286.38
38	80.13	123.54	66	341.89	286.38
39	82.53	127.15	67	341.89	286.38
40	84.94	130.75	68	341.89	286.38
41	88.20	134.70	69	341.89	286.38

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Deductible	In Network \$2,500	Out of Network \$5,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Spoused Insured Medical Coverage Monthly Bank Draft Premiums**

<u>Attained Age of Primary</u>	<u>Primary is Female</u>	<u>Primary is Male</u>	<u>Attained Age of Primary</u>	<u>Primary is Female</u>	<u>Primary is Male</u>
14	56.93	56.93	42	70.32	106.59
15	56.93	56.93	43	72.82	109.56
16	56.93	56.93	44	75.33	112.60
17	56.93	56.93	45	77.84	115.63
18	56.93	56.93	46	82.32	116.36
19	38.65	50.99	47	86.74	117.02
20	40.10	53.56	48	91.23	117.68
21	41.56	56.07	49	95.65	118.34
22	43.01	58.51	50	104.35	123.22
23	44.46	61.01	51	114.91	127.97
24	45.98	63.52	52	125.39	132.52
25	47.29	66.16	53	135.82	137.14
26	47.69	66.89	54	145.84	141.29
27	48.09	67.55	55	155.87	145.45
28	48.55	68.20	56	162.93	150.39
29	48.94	68.93	57	170.51	155.93
30	49.41	69.59	58	178.10	161.41
31	50.72	73.02	59	185.68	166.88
32	52.04	76.45	60	193.27	172.42
33	53.36	79.81	61	204.75	180.27
34	54.68	83.24	62	216.16	188.12
35	56.00	86.67	63	227.57	195.97
36	57.91	89.44	64	239.05	203.82
37	59.76	92.21	65	262.86	220.18
38	61.61	94.99	66	262.86	220.18
39	63.46	97.76	67	262.86	220.18
40	65.30	100.53	68	262.86	220.18
41	67.81	103.56	69	262.86	220.18

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Deductible	In Network \$5,000	Out of Network \$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Spoused Insured Medical Coverage Monthly Bank Draft Premiums**

<u>Attained Age of Primary</u>	<u>Primary is Female</u>	<u>Primary is Male</u>	<u>Attained Age of Primary</u>	<u>Primary is Female</u>	<u>Primary is Male</u>
14	44.43	44.43	42	54.88	83.20
15	44.43	44.43	43	56.84	85.51
16	44.43	44.43	44	58.79	87.88
17	44.43	44.43	45	60.75	90.25
18	44.43	44.43	46	64.25	90.82
19	30.17	39.80	47	67.70	91.33
20	31.30	41.80	48	71.20	91.85
21	32.43	43.76	49	74.65	92.36
22	33.57	45.67	50	81.45	96.17
23	34.70	47.62	51	89.68	99.88
24	35.88	49.58	52	97.87	103.43
25	36.91	51.64	53	106.01	107.03
26	37.22	52.20	54	113.83	110.28
27	37.53	52.72	55	121.66	113.52
28	37.89	53.23	56	127.17	117.38
29	38.20	53.80	57	133.09	121.71
30	38.56	54.32	58	139.01	125.98
31	39.59	56.99	59	144.93	130.25
32	40.62	59.67	60	150.85	134.58
33	41.65	62.30	61	159.81	140.71
34	42.68	64.97	62	168.71	146.83
35	43.71	67.65	63	177.62	152.96
36	45.20	69.81	64	186.58	159.09
37	46.64	71.97	65	205.16	171.85
38	48.09	74.14	66	205.16	171.85
39	49.53	76.30	67	205.16	171.85
40	50.97	78.46	68	205.16	171.85
41	52.93	80.83	69	205.16	171.85

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Dependent Child(ren) Insured Medical Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	<u>In Network Coinsurance</u>	<u>In Network</u>		<u>Out of Network Coinsurance</u>	<u>One Child</u>	<u>Two Children</u>	<u>All (3+) Children</u>
		<u>Stop Loss Amount</u>	<u>Amount</u>				
\$1,000	80% / 20%	\$10,000	60% / 40%	74.04	148.08	222.12	
\$2,500	80% / 20%	\$10,000	60% / 40%	56.93	113.86	170.79	
\$5,000	80% / 20%	\$10,000	60% / 40%	44.43	88.86	133.29	

Maternity Rider Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	<u>In Network Coinsurance</u>	<u>In Network</u>		<u>Out of Network Coinsurance</u>	<u>Maternity Rider</u>
		<u>Stop Loss Amount</u>	<u>Amount</u>		
\$1,000	80% / 20%	No Limit	60% / 40%	238.00	
\$2,500	80% / 20%	No Limit	60% / 40%	214.00	
\$5,000	80% / 20%	No Limit	60% / 40%	182.00	

**Exhibit A**

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**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Primary Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained			Attained		
<u>Age</u>	<u>Female</u>	<u>Male</u>	<u>Age</u>	<u>Female</u>	<u>Male</u>
0	9.52	9.52	35	26.17	16.19
1	9.52	9.52	36	26.17	16.19
2	9.52	9.52	37	26.17	16.19
3	9.52	9.52	38	26.17	16.19
4	9.52	9.52	39	26.17	16.19
5	9.52	9.52	40	26.17	16.19
6	9.52	9.52	41	26.17	16.19
7	9.52	9.52	42	26.17	16.19
8	9.52	9.52	43	26.17	16.19
9	9.52	9.52	44	26.17	16.19
10	9.52	9.52	45	26.71	17.80
11	9.52	9.52	46	26.71	19.41
12	9.52	9.52	47	26.71	21.01
13	9.52	9.52	48	27.08	22.24
14	9.52	9.52	49	27.45	23.47
15	9.52	9.52	50	27.82	24.70
16	9.52	9.52	51	28.19	25.93
17	9.52	9.52	52	28.54	27.15
18	9.52	9.52	53	31.77	28.47
19	16.94	7.42	54	34.99	29.79
20	19.56	7.42	55	38.21	31.12
21	19.56	7.42	56	41.44	32.44
22	19.56	7.42	57	44.68	33.78
23	19.56	7.42	58	45.65	35.15
24	19.56	7.42	59	46.62	36.51
25	22.43	8.43	60	47.59	37.87
26	22.43	9.44	61	48.56	39.24
27	22.43	10.45	62	49.55	40.62
28	22.43	11.47	63	51.16	43.23
29	22.43	12.48	64	52.77	45.85
30	24.95	13.49	65	54.39	48.45
31	24.95	13.49	66	54.39	48.45
32	24.95	13.49	67	54.39	48.45
33	24.95	13.49	68	54.39	48.45
34	24.95	13.49	69	54.39	48.45

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2013**

**Essential Blue Freedom  
Policy Form: 17-279**

Spouse Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	9.52	9.52	42	16.19	26.17
15	9.52	9.52	43	16.19	26.17
16	9.52	9.52	44	16.19	26.17
17	9.52	9.52	45	17.80	26.71
18	9.52	9.52	46	19.41	26.71
19	7.42	16.94	47	21.01	26.71
20	7.42	19.56	48	22.24	27.08
21	7.42	19.56	49	23.47	27.45
22	7.42	19.56	50	24.70	27.82
23	7.42	19.56	51	25.93	28.19
24	7.42	19.56	52	27.15	28.54
25	8.43	22.43	53	28.47	31.77
26	9.44	22.43	54	29.79	34.99
27	10.45	22.43	55	31.12	38.21
28	11.47	22.43	56	32.44	41.44
29	12.48	22.43	57	33.78	44.68
30	13.49	24.95	58	35.15	45.65
31	13.49	24.95	59	36.51	46.62
32	13.49	24.95	60	37.87	47.59
33	13.49	24.95	61	39.24	48.56
34	13.49	24.95	62	40.62	49.55
35	16.19	26.17	63	43.23	51.16
36	16.19	26.17	64	45.85	52.77
37	16.19	26.17	65	48.45	54.39
38	16.19	26.17	66	48.45	54.39
39	16.19	26.17	67	48.45	54.39
40	16.19	26.17	68	48.45	54.39
41	16.19	26.17	69	48.45	54.39

Dependent Child(ren) Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Attained Age	One Child	Two Children	All (3+) Children
All Eligible	9.52	19.05	28.57

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014**

**Essential Blue Freedom  
Policy Form: 17-279**

	In Network	Out of Network
Deductible	\$1,000	\$1,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	80.70	80.70	35	122.88	79.40
1	80.70	80.70	36	126.81	82.11
2	80.70	80.70	37	130.73	84.73
3	80.70	80.70	38	134.66	87.34
4	80.70	80.70	39	138.59	89.96
5	80.70	80.70	40	142.52	92.58
6	80.70	80.70	41	146.82	96.14
7	80.70	80.70	42	151.12	99.69
8	80.70	80.70	43	155.33	103.24
9	80.70	80.70	44	159.63	106.80
10	80.70	80.70	45	163.94	110.35
11	80.70	80.70	46	164.96	116.71
12	80.70	80.70	47	165.90	122.97
13	80.70	80.70	48	166.84	129.33
14	80.70	80.70	49	167.77	135.60
15	80.70	80.70	50	174.68	147.95
16	80.70	80.70	51	181.42	162.90
17	80.70	80.70	52	187.87	177.78
18	80.70	80.70	53	194.42	192.55
19	72.29	54.81	54	200.31	206.76
20	75.94	56.85	55	206.21	220.98
21	79.49	58.91	56	213.21	230.98
22	82.95	60.97	57	221.07	241.74
23	86.50	63.03	58	228.83	252.50
24	90.06	65.18	59	236.60	263.25
25	93.79	67.05	60	244.45	274.00
26	94.83	67.61	61	255.58	290.28
27	95.76	68.17	62	266.71	306.45
28	96.69	68.82	63	277.84	322.63
29	97.73	69.39	64	288.97	338.90
30	98.66	70.04	65	312.15	372.66
31	103.52	71.92	66	312.15	372.66
32	108.39	73.78	67	312.15	372.66
33	113.15	75.66	68	312.15	372.66
34	118.01	77.52	69	312.15	372.66

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014

Essential Blue Freedom  
Policy Form: 17-279

Deductible	In Network \$2,500	Out of Network \$2,500
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Primary Insured Medical Coverage Monthly Bank Draft Premiums

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	62.05	62.05	35	94.47	61.04
1	62.05	62.05	36	97.49	63.12
2	62.05	62.05	37	100.51	65.14
3	62.05	62.05	38	103.54	67.15
4	62.05	62.05	39	106.56	69.17
5	62.05	62.05	40	109.58	71.18
6	62.05	62.05	41	112.88	73.91
7	62.05	62.05	42	116.18	76.65
8	62.05	62.05	43	119.42	79.37
9	62.05	62.05	44	122.73	82.11
10	62.05	62.05	45	126.04	84.85
11	62.05	62.05	46	126.83	89.73
12	62.05	62.05	47	127.55	94.55
13	62.05	62.05	48	128.27	99.44
14	62.05	62.05	49	128.99	104.26
15	62.05	62.05	50	134.31	113.74
16	62.05	62.05	51	139.49	125.25
17	62.05	62.05	52	144.45	136.68
18	62.05	62.05	53	149.48	148.04
19	55.58	42.13	54	154.01	158.97
20	58.38	43.71	55	158.54	169.90
21	61.12	45.30	56	163.93	177.59
22	63.78	46.88	57	169.96	185.86
23	66.50	48.46	58	175.94	194.13
24	69.24	50.12	59	181.90	202.39
25	72.11	51.55	60	187.94	210.66
26	72.91	51.98	61	196.49	223.18
27	73.63	52.42	62	205.05	235.61
28	74.34	52.92	63	213.61	248.05
29	75.13	53.34	64	222.16	260.56
30	75.85	53.86	65	240.00	286.52
31	79.59	55.28	66	240.00	286.52
32	83.33	56.72	67	240.00	286.52
33	86.99	58.16	68	240.00	286.52
34	90.73	59.60	69	240.00	286.52

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014**

**Essential Blue Freedom  
Policy Form: 17-279**

	In Network	Out of Network
Deductible	\$5,000	\$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	48.43	48.43	35	73.74	47.64
1	48.43	48.43	36	76.09	49.27
2	48.43	48.43	37	78.45	50.84
3	48.43	48.43	38	80.81	52.42
4	48.43	48.43	39	83.17	53.99
5	48.43	48.43	40	85.52	55.56
6	48.43	48.43	41	88.10	57.69
7	48.43	48.43	42	90.69	59.82
8	48.43	48.43	43	93.21	61.96
9	48.43	48.43	44	95.79	64.08
10	48.43	48.43	45	98.37	66.22
11	48.43	48.43	46	98.99	70.03
12	48.43	48.43	47	99.55	73.79
13	48.43	48.43	48	100.12	77.61
14	48.43	48.43	49	100.67	81.37
15	48.43	48.43	50	104.83	88.78
16	48.43	48.43	51	108.87	97.75
17	48.43	48.43	52	112.74	106.68
18	48.43	48.43	53	116.66	115.55
19	43.38	32.89	54	120.21	124.07
20	45.56	34.12	55	123.74	132.61
21	47.70	35.35	56	127.94	138.62
22	49.78	36.59	57	132.66	145.07
23	51.91	37.82	58	137.32	151.52
24	54.04	39.11	59	141.97	157.97
25	56.29	40.23	60	146.69	164.43
26	56.90	40.57	61	153.37	174.19
27	57.46	40.91	62	160.04	183.89
28	58.02	41.30	63	166.73	193.61
29	58.64	41.64	64	173.41	203.37
30	59.21	42.03	65	187.32	223.62
31	62.12	43.15	66	187.32	223.62
32	65.04	44.28	67	187.32	223.62
33	67.91	45.40	68	187.32	223.62
34	70.82	46.52	69	187.32	223.62

Exhibit A

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Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014

Essential Blue Freedom  
Policy Form: 17-279

Deductible	In Network \$1,000	Out of Network \$2,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Spoused Insured Medical Coverage Monthly Bank Draft Premiums

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	80.70	80.70	42	99.69	151.12
15	80.70	80.70	43	103.24	155.33
16	80.70	80.70	44	106.80	159.63
17	80.70	80.70	45	110.35	163.94
18	80.70	80.70	46	116.71	164.96
19	54.81	72.29	47	122.97	165.90
20	56.85	75.94	48	129.33	166.84
21	58.91	79.49	49	135.60	167.77
22	60.97	82.95	50	147.95	174.68
23	63.03	86.50	51	162.90	181.42
24	65.18	90.06	52	177.78	187.87
25	67.05	93.79	53	192.55	194.42
26	67.61	94.83	54	206.76	200.31
27	68.17	95.76	55	220.98	206.21
28	68.82	96.69	56	230.98	213.21
29	69.39	97.73	57	241.74	221.07
30	70.04	98.66	58	252.50	228.83
31	71.92	103.52	59	263.25	236.60
32	73.78	108.39	60	274.00	244.45
33	75.66	113.15	61	290.28	255.58
34	77.52	118.01	62	306.45	266.71
35	79.40	122.88	63	322.63	277.84
36	82.11	126.81	64	338.90	288.97
37	84.73	130.73	65	372.66	312.15
38	87.34	134.66	66	372.66	312.15
39	89.96	138.59	67	372.66	312.15
40	92.58	142.52	68	372.66	312.15
41	96.14	146.82	69	372.66	312.15

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014

Essential Blue Freedom  
Policy Form: 17-279

Deductible	In Network \$2,500	Out of Network \$5,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Spoused Insured Medical Coverage Monthly Bank Draft Premiums

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	62.05	62.05	42	76.65	116.18
15	62.05	62.05	43	79.37	119.42
16	62.05	62.05	44	82.11	122.73
17	62.05	62.05	45	84.85	126.04
18	62.05	62.05	46	89.73	126.83
19	42.13	55.58	47	94.55	127.55
20	43.71	58.38	48	99.44	128.27
21	45.30	61.12	49	104.26	128.99
22	46.88	63.78	50	113.74	134.31
23	48.46	66.50	51	125.25	139.49
24	50.12	69.24	52	136.68	144.45
25	51.55	72.11	53	148.04	149.48
26	51.98	72.91	54	158.97	154.01
27	52.42	73.63	55	169.90	158.54
28	52.92	74.34	56	177.59	163.93
29	53.34	75.13	57	185.86	169.96
30	53.86	75.85	58	194.13	175.94
31	55.28	79.59	59	202.39	181.90
32	56.72	83.33	60	210.66	187.94
33	58.16	86.99	61	223.18	196.49
34	59.60	90.73	62	235.61	205.05
35	61.04	94.47	63	248.05	213.61
36	63.12	97.49	64	260.56	222.16
37	65.14	100.51	65	286.52	240.00
38	67.15	103.54	66	286.52	240.00
39	69.17	106.56	67	286.52	240.00
40	71.18	109.58	68	286.52	240.00
41	73.91	112.88	69	286.52	240.00

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014

Essential Blue Freedom  
Policy Form: 17-279

Deductible	In Network \$5,000	Out of Network \$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Spoused Insured Medical Coverage Monthly Bank Draft Premiums

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	48.43	48.43	42	59.82	90.69
15	48.43	48.43	43	61.96	93.21
16	48.43	48.43	44	64.08	95.79
17	48.43	48.43	45	66.22	98.37
18	48.43	48.43	46	70.03	98.99
19	32.89	43.38	47	73.79	99.55
20	34.12	45.56	48	77.61	100.12
21	35.35	47.70	49	81.37	100.67
22	36.59	49.78	50	88.78	104.83
23	37.82	51.91	51	97.75	108.87
24	39.11	54.04	52	106.68	112.74
25	40.23	56.29	53	115.55	116.66
26	40.57	56.90	54	124.07	120.21
27	40.91	57.46	55	132.61	123.74
28	41.30	58.02	56	138.62	127.94
29	41.64	58.64	57	145.07	132.66
30	42.03	59.21	58	151.52	137.32
31	43.15	62.12	59	157.97	141.97
32	44.28	65.04	60	164.43	146.69
33	45.40	67.91	61	174.19	153.37
34	46.52	70.82	62	183.89	160.04
35	47.64	73.74	63	193.61	166.73
36	49.27	76.09	64	203.37	173.41
37	50.84	78.45	65	223.62	187.32
38	52.42	80.81	66	223.62	187.32
39	53.99	83.17	67	223.62	187.32
40	55.56	85.52	68	223.62	187.32
41	57.69	88.10	69	223.62	187.32

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014**

**Essential Blue Freedom  
Policy Form: 17-279**

Dependent Child(ren) Insured Medical Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	<u>In Network</u>		<u>Out of Network</u>	<u>One</u>	<u>Two</u>	<u>All (3+)</u>
	<u>Coinsurance</u>	<u>Stop Loss Amount</u>	<u>Coinsurance</u>	<u>Child</u>	<u>Children</u>	<u>Children</u>
\$1,000	80% / 20%	\$10,000	60% / 40%	80.70	161.41	242.11
\$2,500	80% / 20%	\$10,000	60% / 40%	62.05	124.11	186.16
\$5,000	80% / 20%	\$10,000	60% / 40%	48.43	96.86	145.29

Maternity Rider Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	<u>In Network</u>		<u>Out of Network</u>	<u>Maternity</u>
	<u>Coinsurance</u>	<u>Stop Loss Amount</u>	<u>Coinsurance</u>	<u>Rider</u>
\$1,000	80% / 20%	No Limit	60% / 40%	259.00
\$2,500	80% / 20%	No Limit	60% / 40%	233.00
\$5,000	80% / 20%	No Limit	60% / 40%	198.00

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014**

**Essential Blue Freedom  
Policy Form: 17-279**

Primary Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	10.38	10.38	35	28.52	17.65
1	10.38	10.38	36	28.52	17.65
2	10.38	10.38	37	28.52	17.65
3	10.38	10.38	38	28.52	17.65
4	10.38	10.38	39	28.52	17.65
5	10.38	10.38	40	28.52	17.65
6	10.38	10.38	41	28.52	17.65
7	10.38	10.38	42	28.52	17.65
8	10.38	10.38	43	28.52	17.65
9	10.38	10.38	44	28.52	17.65
10	10.38	10.38	45	29.11	19.40
11	10.38	10.38	46	29.11	21.16
12	10.38	10.38	47	29.11	22.90
13	10.38	10.38	48	29.51	24.24
14	10.38	10.38	49	29.92	25.58
15	10.38	10.38	50	30.32	26.92
16	10.38	10.38	51	30.73	28.26
17	10.38	10.38	52	31.11	29.59
18	10.38	10.38	53	34.63	31.03
19	18.47	8.09	54	38.14	32.48
20	21.32	8.09	55	41.65	33.92
21	21.32	8.09	56	45.17	35.36
22	21.32	8.09	57	48.70	36.82
23	21.32	8.09	58	49.76	38.31
24	21.32	8.09	59	50.82	39.79
25	24.45	9.19	60	51.88	41.28
26	24.45	10.29	61	52.94	42.77
27	24.45	11.40	62	54.01	44.28
28	24.45	12.50	63	55.76	47.13
29	24.45	13.60	64	57.52	49.97
30	27.19	14.71	65	59.29	52.81
31	27.19	14.71	66	59.29	52.81
32	27.19	14.71	67	59.29	52.81
33	27.19	14.71	68	59.29	52.81
34	27.19	14.71	69	59.29	52.81

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2014**

**Essential Blue Freedom  
Policy Form: 17-279**

Spouse Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	10.38	10.38	42	17.65	28.52
15	10.38	10.38	43	17.65	28.52
16	10.38	10.38	44	17.65	28.52
17	10.38	10.38	45	19.40	29.11
18	10.38	10.38	46	21.16	29.11
19	8.09	18.47	47	22.90	29.11
20	8.09	21.32	48	24.24	29.51
21	8.09	21.32	49	25.58	29.92
22	8.09	21.32	50	26.92	30.32
23	8.09	21.32	51	28.26	30.73
24	8.09	21.32	52	29.59	31.11
25	9.19	24.45	53	31.03	34.63
26	10.29	24.45	54	32.48	38.14
27	11.40	24.45	55	33.92	41.65
28	12.50	24.45	56	35.36	45.17
29	13.60	24.45	57	36.82	48.70
30	14.71	27.19	58	38.31	49.76
31	14.71	27.19	59	39.79	50.82
32	14.71	27.19	60	41.28	51.88
33	14.71	27.19	61	42.77	52.94
34	14.71	27.19	62	44.28	54.01
35	17.65	28.52	63	47.13	55.76
36	17.65	28.52	64	49.97	57.52
37	17.65	28.52	65	52.81	59.29
38	17.65	28.52	66	52.81	59.29
39	17.65	28.52	67	52.81	59.29
40	17.65	28.52	68	52.81	59.29
41	17.65	28.52	69	52.81	59.29

Dependent Child(ren) Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Attained Age	One Child	Two Children	All (3+) Children
All Eligible	10.38	20.76	31.15

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

	In Network	Out of Network
Deductible	\$1,000	\$2,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Primary Insured Medical Coverage Monthly Bank Draft Premiums**

Attained			Attained		
<u>Age</u>	<u>Female</u>	<u>Male</u>	<u>Age</u>	<u>Female</u>	<u>Male</u>
0	87.96	87.96	35	133.94	86.55
1	87.96	87.96	36	138.22	89.50
2	87.96	87.96	37	142.50	92.36
3	87.96	87.96	38	146.78	95.20
4	87.96	87.96	39	151.06	98.06
5	87.96	87.96	40	155.35	100.91
6	87.96	87.96	41	160.03	104.79
7	87.96	87.96	42	164.72	108.66
8	87.96	87.96	43	169.31	112.53
9	87.96	87.96	44	174.00	116.41
10	87.96	87.96	45	178.69	120.28
11	87.96	87.96	46	179.81	127.21
12	87.96	87.96	47	180.83	134.04
13	87.96	87.96	48	181.86	140.97
14	87.96	87.96	49	182.87	147.80
15	87.96	87.96	50	190.40	161.27
16	87.96	87.96	51	197.75	177.56
17	87.96	87.96	52	204.78	193.78
18	87.96	87.96	53	211.92	209.88
19	78.80	59.74	54	218.34	225.37
20	82.77	61.97	55	224.77	240.87
21	86.64	64.21	56	232.40	251.77
22	90.42	66.46	57	240.97	263.50
23	94.29	68.70	58	249.42	275.23
24	98.17	71.05	59	257.89	286.94
25	102.23	73.08	60	266.45	298.66
26	103.36	73.69	61	278.58	316.41
27	104.38	74.31	62	290.71	334.03
28	105.39	75.01	63	302.85	351.67
29	106.53	75.64	64	314.98	369.40
30	107.54	76.34	65	340.24	406.20
31	112.84	78.39	66	340.24	406.20
32	118.15	80.42	67	340.24	406.20
33	123.33	82.47	68	340.24	406.20
34	128.63	84.50	69	340.24	406.20

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015

Essential Blue Freedom  
Policy Form: 17-279

	In Network	Out of Network
Deductible	\$2,500	\$5,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Primary Insured Medical Coverage Monthly Bank Draft Premiums

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	67.63	67.63	35	102.97	66.53
1	67.63	67.63	36	106.26	68.80
2	67.63	67.63	37	109.56	71.00
3	67.63	67.63	38	112.86	73.19
4	67.63	67.63	39	116.15	75.40
5	67.63	67.63	40	119.44	77.59
6	67.63	67.63	41	123.04	80.56
7	67.63	67.63	42	126.64	83.55
8	67.63	67.63	43	130.17	86.51
9	67.63	67.63	44	133.78	89.50
10	67.63	67.63	45	137.38	92.49
11	67.63	67.63	46	138.24	97.81
12	67.63	67.63	47	139.03	103.06
13	67.63	67.63	48	139.81	108.39
14	67.63	67.63	49	140.60	113.64
15	67.63	67.63	50	146.40	123.98
16	67.63	67.63	51	152.04	136.52
17	67.63	67.63	52	157.45	148.98
18	67.63	67.63	53	162.93	161.36
19	60.58	45.92	54	167.87	173.28
20	63.63	47.64	55	172.81	185.19
21	66.62	49.38	56	178.68	193.57
22	69.52	51.10	57	185.26	202.59
23	72.49	52.82	58	191.77	211.60
24	75.47	54.63	59	198.27	220.61
25	78.60	56.19	60	204.85	229.62
26	79.47	56.66	61	214.17	243.27
27	80.26	57.14	62	223.50	256.81
28	81.03	57.68	63	232.83	270.37
29	81.89	58.14	64	242.15	284.01
30	82.68	58.71	65	261.60	312.31
31	86.75	60.26	66	261.60	312.31
32	90.83	61.82	67	261.60	312.31
33	94.82	63.39	68	261.60	312.31
34	98.90	64.96	69	261.60	312.31

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015

Essential Blue Freedom  
Policy Form: 17-279

	In Network	Out of Network
Deductible	\$5,000	\$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Primary Insured Medical Coverage Monthly Bank Draft Premiums

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	52.79	52.79	35	80.38	51.93
1	52.79	52.79	36	82.94	53.70
2	52.79	52.79	37	85.51	55.42
3	52.79	52.79	38	88.08	57.14
4	52.79	52.79	39	90.66	58.85
5	52.79	52.79	40	93.22	60.56
6	52.79	52.79	41	96.03	62.88
7	52.79	52.79	42	98.85	65.20
8	52.79	52.79	43	101.60	67.54
9	52.79	52.79	44	104.41	69.85
10	52.79	52.79	45	107.22	72.18
11	52.79	52.79	46	107.90	76.33
12	52.79	52.79	47	108.51	80.43
13	52.79	52.79	48	109.13	84.59
14	52.79	52.79	49	109.73	88.69
15	52.79	52.79	50	114.26	96.77
16	52.79	52.79	51	118.67	106.55
17	52.79	52.79	52	122.89	116.28
18	52.79	52.79	53	127.16	125.95
19	47.28	35.85	54	131.03	135.24
20	49.66	37.19	55	134.88	144.54
21	51.99	38.53	56	139.45	151.10
22	54.26	39.88	57	144.60	158.13
23	56.58	41.22	58	149.68	165.16
24	58.90	42.63	59	154.75	172.19
25	61.36	43.85	60	159.89	179.23
26	62.02	44.22	61	167.17	189.87
27	62.63	44.59	62	174.44	200.44
28	63.24	45.02	63	181.74	211.03
29	63.92	45.39	64	189.02	221.67
30	64.54	45.81	65	204.18	243.75
31	67.71	47.03	66	204.18	243.75
32	70.89	48.27	67	204.18	243.75
33	74.02	49.49	68	204.18	243.75
34	77.19	50.71	69	204.18	243.75

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

	In Network	Out of Network
Deductible	\$1,000	\$2,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Spoused Insured Medical Coverage Monthly Bank Draft Premiums**

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	87.96	87.96	42	108.66	164.72
15	87.96	87.96	43	112.53	169.31
16	87.96	87.96	44	116.41	174.00
17	87.96	87.96	45	120.28	178.69
18	87.96	87.96	46	127.21	179.81
19	59.74	78.80	47	134.04	180.83
20	61.97	82.77	48	140.97	181.86
21	64.21	86.64	49	147.80	182.87
22	66.46	90.42	50	161.27	190.40
23	68.70	94.29	51	177.56	197.75
24	71.05	98.17	52	193.78	204.78
25	73.08	102.23	53	209.88	211.92
26	73.69	103.36	54	225.37	218.34
27	74.31	104.38	55	240.87	224.77
28	75.01	105.39	56	251.77	232.40
29	75.64	106.53	57	263.50	240.97
30	76.34	107.54	58	275.23	249.42
31	78.39	112.84	59	286.94	257.89
32	80.42	118.15	60	298.66	266.45
33	82.47	123.33	61	316.41	278.58
34	84.50	128.63	62	334.03	290.71
35	86.55	133.94	63	351.67	302.85
36	89.50	138.22	64	369.40	314.98
37	92.36	142.50	65	406.20	340.24
38	95.20	146.78	66	406.20	340.24
39	98.06	151.06	67	406.20	340.24
40	100.91	155.35	68	406.20	340.24
41	104.79	160.03	69	406.20	340.24

**Exhibit A**

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**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

Deductible	In Network \$2,500	Out of Network \$5,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

**Spoused Insured Medical Coverage Monthly Bank Draft Premiums**

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	67.63	67.63	42	83.55	126.64
15	67.63	67.63	43	86.51	130.17
16	67.63	67.63	44	89.50	133.78
17	67.63	67.63	45	92.49	137.38
18	67.63	67.63	46	97.81	138.24
19	45.92	60.58	47	103.06	139.03
20	47.64	63.63	48	108.39	139.81
21	49.38	66.62	49	113.64	140.60
22	51.10	69.52	50	123.98	146.40
23	52.82	72.49	51	136.52	152.04
24	54.63	75.47	52	148.98	157.45
25	56.19	78.60	53	161.36	162.93
26	56.66	79.47	54	173.28	167.87
27	57.14	80.26	55	185.19	172.81
28	57.68	81.03	56	193.57	178.68
29	58.14	81.89	57	202.59	185.26
30	58.71	82.68	58	211.60	191.77
31	60.26	86.75	59	220.61	198.27
32	61.82	90.83	60	229.62	204.85
33	63.39	94.82	61	243.27	214.17
34	64.96	98.90	62	256.81	223.50
35	66.53	102.97	63	270.37	232.83
36	68.80	106.26	64	284.01	242.15
37	71.00	109.56	65	312.31	261.60
38	73.19	112.86	66	312.31	261.60
39	75.40	116.15	67	312.31	261.60
40	77.59	119.44	68	312.31	261.60
41	80.56	123.04	69	312.31	261.60

Exhibit A

7/11/2012

Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015

Essential Blue Freedom  
Policy Form: 17-279

Deductible	In Network \$5,000	Out of Network \$10,000
Coinsurance	80%/20%	60%/40%
Stop Loss Amount	\$10,000	No Max

Spoused Insured Medical Coverage Monthly Bank Draft Premiums

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	52.79	52.79	42	65.20	98.85
15	52.79	52.79	43	67.54	101.60
16	52.79	52.79	44	69.85	104.41
17	52.79	52.79	45	72.18	107.22
18	52.79	52.79	46	76.33	107.90
19	35.85	47.28	47	80.43	108.51
20	37.19	49.66	48	84.59	109.13
21	38.53	51.99	49	88.69	109.73
22	39.88	54.26	50	96.77	114.26
23	41.22	56.58	51	106.55	118.67
24	42.63	58.90	52	116.28	122.89
25	43.85	61.36	53	125.95	127.16
26	44.22	62.02	54	135.24	131.03
27	44.59	62.63	55	144.54	134.88
28	45.02	63.24	56	151.10	139.45
29	45.39	63.92	57	158.13	144.60
30	45.81	64.54	58	165.16	149.68
31	47.03	67.71	59	172.19	154.75
32	48.27	70.89	60	179.23	159.89
33	49.49	74.02	61	189.87	167.17
34	50.71	77.19	62	200.44	174.44
35	51.93	80.38	63	211.03	181.74
36	53.70	82.94	64	221.67	189.02
37	55.42	85.51	65	243.75	204.18
38	57.14	88.08	66	243.75	204.18
39	58.85	90.66	67	243.75	204.18
40	60.56	93.22	68	243.75	204.18
41	62.88	96.03	69	243.75	204.18

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

Dependent Child(ren) Insured Medical Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	In Network		Out of Network <u>Coinsurance</u>	One <u>Child</u>	Two <u>Children</u>	All (3+) <u>Children</u>
	<u>In Network Coinsurance</u>	<u>Stop Loss Amount</u>				
\$1,000	80% / 20%	\$10,000	60% / 40%	87.96	175.94	263.90
\$2,500	80% / 20%	\$10,000	60% / 40%	67.63	135.28	202.91
\$5,000	80% / 20%	\$10,000	60% / 40%	52.79	105.58	158.37

Maternity Rider Coverage Monthly Bank Draft Premiums (All Eligible)

<u>Deductible</u>	In Network		Out of Network <u>Coinsurance</u>	Maternity <u>Rider</u>
	<u>In Network Coinsurance</u>	<u>Stop Loss Amount</u>		
\$1,000	80% / 20%	No Limit	60% / 40%	282.00
\$2,500	80% / 20%	No Limit	60% / 40%	254.00
\$5,000	80% / 20%	No Limit	60% / 40%	216.00

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

Primary Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained			Attained		
Age	Female	Male	Age	Female	Male
0	11.31	11.31	35	31.09	19.24
1	11.31	11.31	36	31.09	19.24
2	11.31	11.31	37	31.09	19.24
3	11.31	11.31	38	31.09	19.24
4	11.31	11.31	39	31.09	19.24
5	11.31	11.31	40	31.09	19.24
6	11.31	11.31	41	31.09	19.24
7	11.31	11.31	42	31.09	19.24
8	11.31	11.31	43	31.09	19.24
9	11.31	11.31	44	31.09	19.24
10	11.31	11.31	45	31.73	21.15
11	11.31	11.31	46	31.73	23.06
12	11.31	11.31	47	31.73	24.96
13	11.31	11.31	48	32.17	26.42
14	11.31	11.31	49	32.61	27.88
15	11.31	11.31	50	33.05	29.34
16	11.31	11.31	51	33.50	30.80
17	11.31	11.31	52	33.91	32.25
18	11.31	11.31	53	37.75	33.82
19	20.13	8.82	54	41.57	35.40
20	23.24	8.82	55	45.40	36.97
21	23.24	8.82	56	49.24	38.54
22	23.24	8.82	57	53.08	40.13
23	23.24	8.82	58	54.24	41.76
24	23.24	8.82	59	55.39	43.37
25	26.65	10.02	60	56.55	45.00
26	26.65	11.22	61	57.70	46.62
27	26.65	12.43	62	58.87	48.27
28	26.65	13.63	63	60.78	51.37
29	26.65	14.82	64	62.70	54.47
30	29.64	16.03	65	64.63	57.56
31	29.64	16.03	66	64.63	57.56
32	29.64	16.03	67	64.63	57.56
33	29.64	16.03	68	64.63	57.56
34	29.64	16.03	69	64.63	57.56

**Exhibit A**

7/11/2012

**Arkansas Blue Cross and Blue Shield  
Proposed Monthly Bank Draft Rates  
Effective as of January 1, 2015**

**Essential Blue Freedom  
Policy Form: 17-279**

Spouse Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Tier 1 Copay (Generic)	\$15
Tier 2 Copay (Preferred Brands)	\$40
Tier 3 Copay (Non-Preferred Brands)	\$70

Attained Age of Primary	Primary is Female	Primary is Male	Attained Age of Primary	Primary is Female	Primary is Male
14	11.31	11.31	42	19.24	31.09
15	11.31	11.31	43	19.24	31.09
16	11.31	11.31	44	19.24	31.09
17	11.31	11.31	45	21.15	31.73
18	11.31	11.31	46	23.06	31.73
19	8.82	20.13	47	24.96	31.73
20	8.82	23.24	48	26.42	32.17
21	8.82	23.24	49	27.88	32.61
22	8.82	23.24	50	29.34	33.05
23	8.82	23.24	51	30.80	33.50
24	8.82	23.24	52	32.25	33.91
25	10.02	26.65	53	33.82	37.75
26	11.22	26.65	54	35.40	41.57
27	12.43	26.65	55	36.97	45.40
28	13.63	26.65	56	38.54	49.24
29	14.82	26.65	57	40.13	53.08
30	16.03	29.64	58	41.76	54.24
31	16.03	29.64	59	43.37	55.39
32	16.03	29.64	60	45.00	56.55
33	16.03	29.64	61	46.62	57.70
34	16.03	29.64	62	48.27	58.87
35	19.24	31.09	63	51.37	60.78
36	19.24	31.09	64	54.47	62.70
37	19.24	31.09	65	57.56	64.63
38	19.24	31.09	66	57.56	64.63
39	19.24	31.09	67	57.56	64.63
40	19.24	31.09	68	57.56	64.63
41	19.24	31.09	69	57.56	64.63

Dependent Child(ren) Insured Prescription Drug Coverage Monthly Bank Draft Premiums

Attained Age	One Child	Two Children	All (3+) Children
All Eligible	11.31	22.63	33.95

## Exhibit B

7/11/2012

### Arkansas Blue Cross and Blue Shield Outline of Current Benefits

#### Essential Blue Freedom

Policy Form: 17-279

#### In Network Deductible Options and Coinsurance

In Network Deductibles: \$1,000, \$2,500, \$5,000 at 20% with an out-of-pocket maximum of \$2,000. Out of Network Deductibles: \$2,000, \$5,000, \$10,000 at 40% with no out-of-pocket maximum. Coinsurance amounts apply after deductible is met.

#### Family Deductibles

Deductibles and out-of-pocket maximums are per person amounts with a maximum of two (2) times for multiple life coverage.

#### Hospital Benefits include

Payments at either 80% in network and 60% out of network of Arkansas Blue Cross and Blue Shield reasonable charge for semi-private room, intensive care unit, covered ancillary charges, diagnostic x-ray and laboratory, anesthesia services, complications of pregnancy, blood service charge, and managed care benefits. \$200 Copay for Emergency Room visits.

#### Physician Benefits include

Payments at either 80% in network and 60% out of network of Arkansas Blue Cross and Blue Shield reasonable charge for surgery, anesthesia, outpatient diagnostic x-ray and laboratory, complications of pregnancy, office visits, and in-hospital visits.

#### Primary Care and Specialist Office Visits

\$30 for General Practice, Family Practice, Internal Medicine and Pediatric Visits. No specialist copay, specialist visits subject to deductible and coinsurance

#### Prescription Drug Benefits

Drug card with three (3) tiers (generic, preferred brand and non-preferred brand) Copays apply by tier at \$15, \$40 and \$70, respectively.

#### Wellness Benefits

Payments subject to deductible and coinsurance.

#### Children's Preventative Health Coverage

Children's traditional preventive benefits paid at 100% (OV and Immunizations).

**SERFF Tracking #:**

ARBB-128607245

**State Tracking #:****Company Tracking #:**

17-279, 23-2660, EBF AG/DR 01/13, EBF RE...

**State:**

Arkansas

**Filing Company:**

Arkansas Blue Cross and Blue Shield

**TOI/Sub-TOI:**

H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense

**Product Name:**

Essential Blue Freedom

**Project Name/Number:**

Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

## Supporting Document Schedules

		<b>Item Status:</b>	<b>Status Date:</b>
Satisfied - Item:	Flesch Certification	Approved-Closed	07/31/2012
Comments:	see attached...		
Attachment(s):			
Flesch Score.pdf			

		<b>Item Status:</b>	<b>Status Date:</b>
Bypassed - Item:	Application	Approved-Closed	07/31/2012
Bypass Reason:	Applications are attached under the Forms Schedule		
Comments:			

		<b>Item Status:</b>	<b>Status Date:</b>
Bypassed - Item:	Outline of Coverage	Approved-Closed	07/31/2012
Bypass Reason:	Outline is in the policy attached under forms schedule.		
Comments:			

		<b>Item Status:</b>	<b>Status Date:</b>
Bypassed - Item:	PPACA Uniform Compliance Summary	Approved-Closed	07/31/2012
Bypass Reason:	Not PPACA related.		
Comments:			

		<b>Item Status:</b>	<b>Status Date:</b>
Bypassed - Item:	Rate Summary Worksheet	Approved-Closed	07/31/2012
Bypass Reason:	This is not a rate increase.		
Comments:			

		<b>Item Status:</b>	<b>Status Date:</b>
Bypassed - Item:	Consumer Disclosure Form	Approved-Closed	07/31/2012
Bypass Reason:	This is not a rate increase.		

**SERFF Tracking #:** ARBB-128607245      **State Tracking #:**      **Company Tracking #:** 17-279, 23-2660, EBF AG/DR 01/13, EBF RE...

**State:** Arkansas      **Filing Company:** Arkansas Blue Cross and Blue Shield  
**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense  
**Product Name:** Essential Blue Freedom  
**Project Name/Number:** Essential Blue Freedom/17-279, 23-2660, EBF AG/DR 01/13, EBF Reissue AG/DR 01/13

Comments:



# Arkansas BlueCross BlueShield

An Independent Licensee of the Blue Cross and Blue Shield Association

**RE:** Arkansas Blue Cross and Blue Shield  
**Form No.** 17-279 1-13, 23-2660 1-13, EBF/STB AG (01/13), EBF/STB DR (01/13),  
EBF Reissue AG (01/13), EBF Reissue DR (01/13)

## FLESCH READING EASE CERTIFICATION

This is to certify that the above referenced documents have achieved a Flesch Reading Ease Score average of 46.0 and comply with the requirements of A.C.A. §23-80-201 *et. seq.*, cited as the Life and Health Insurance Policy Language Simplification Act.

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Name

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Senior Vice President

Title

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July 30, 2012

Date