



# Welcome to Consumer Driven Health Care

A guide for new members



A nonprofit, independent licensee of the Blue Cross Blue Shield Association

Excellus



# Welcome to your new health plan.

Your new health plan may work a little differently than other health insurance plans you've had in the past. We are here to help you understand and navigate your plan.

## Let's start with the basics:

Your new plan is often called a "Consumer Driven Health Plan."

It's called Consumer Driven because you're in control of your care.

- You choose which doctors to see
- You pay for your out-of-pocket expenses any way you choose
- You can save money for the future

## About the plan:

- Preventive services are covered in full
- Access to more doctors, specialists and hospitals
- Out-of-pocket maximum to provide financial protection (e.g., in the event of serious illness or injury)

## High Deductible Health Plan

Let's talk more about the specific type of Consumer Driven Health plan you enrolled in. The type of plan you enrolled in is a High Deductible Health Plan or "HDHP" for short.

## Terms to Know

We'd like to introduce you to a few terms that may be new to you. They will help you understand how your



## A consumer driven health plan has three key components:

An affordable high deductible health plan



high deductible health plan (HDHP) works.

**Co-payment** - A specified dollar amount that a member must pay out-of-pocket for a specified service at the time the service is rendered.

**Coinsurance** - A method of cost-sharing in a health insurance policy that requires a member to pay a stated percentage of all remaining eligible medical expenses after the deductible amount has been paid.

**Covered in full** - 100% of the total amount is covered by the health plan and you do not have to pay anything.

**Deductible** - A flat amount a member must pay before the insurer will make any benefit payments.

**Out-of-Pocket Maximum** - Dollar amount set by a health plan that limits the amount a member has to pay out of his/her own pocket for health care services during a particular time period.

A funding account



Online health information and health management tools and resources



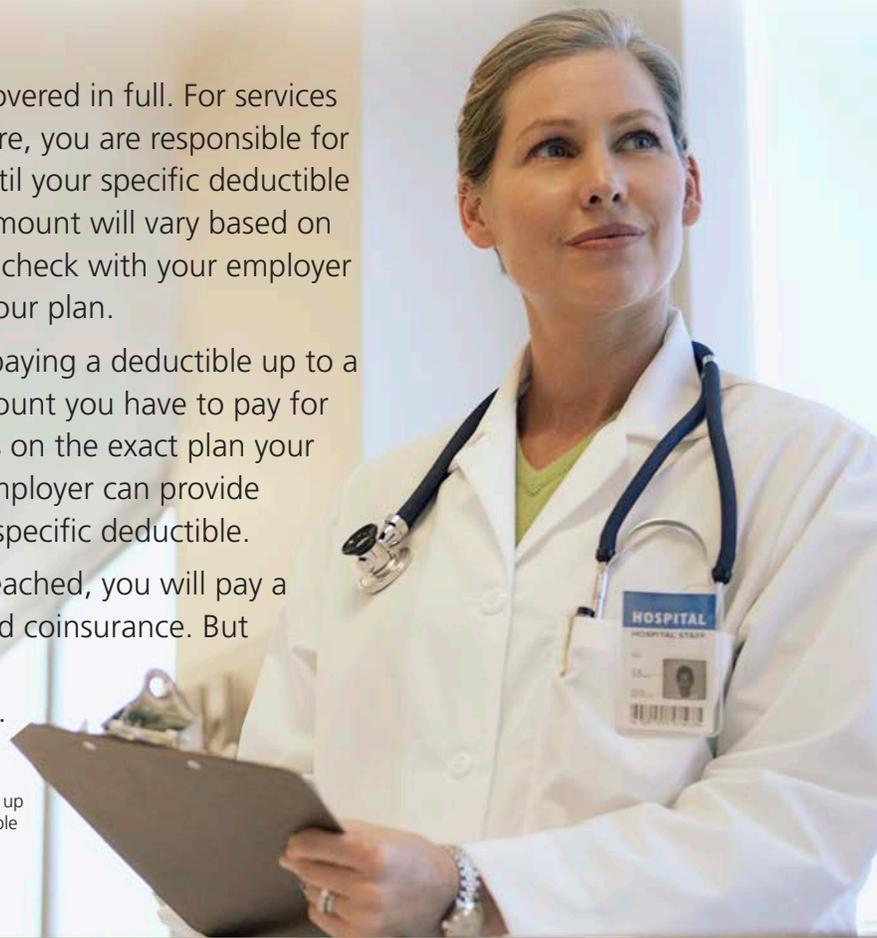
## How does it work?

Preventive services are covered in full. For services other than preventive care, you are responsible for paying out-of-pocket until your specific deductible is met. The deductible amount will vary based on employers and plans, so check with your employer to find information on your plan.

You are responsible for paying a deductible up to a certain amount. The amount you have to pay for your deductible depends on the exact plan your employer chose. Your employer can provide information about your specific deductible.

After the deductible is reached, you will pay a percentage of cost, called coinsurance. But you are protected by an out-of-pocket maximum.

\*Please note: Your physician may bill you, up front, at the time of service if the deductible is not met.



## The diagram illustrates how this works:

### Preventive Services



Plan provides full coverage

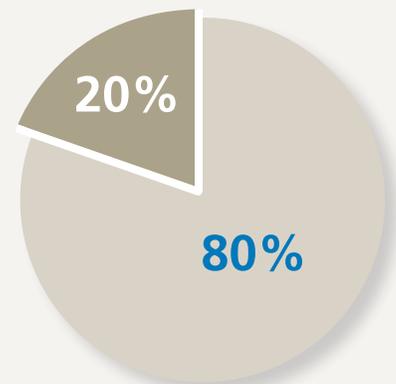
### Other Services

Until deductible amount is reached



Employee pays a deductible up to a certain amount

After deductible amount is reached



Once the deductible cost is reached, the employee pays a percentage called coinsurance

### The funding account

HRA, HSA, or FSA funds are used to pay for qualified medical expenses that are the employee's responsibility

## Funding accounts

High-deductible health plans can be paired with several funding account options. The funds in these accounts can be used to pay for qualified medical expenses. Essentially, the differences between funding accounts relate to:

- Who contributes to and owns the account
- Whether or not there are contribution limitations
- If the funds can roll over from year to year
- What expenses the money can be used for

	Health Saving Account (HSA)	Health Reimbursement Account (HRA)	Flexible Spending Account (FSA)
<b>Overview</b>	A tax-free, employee-owned account that combines with a high-deductible health plan to help employees save on qualified medical expenses	A tax-free medical reimbursement plan funded by the employer that pays for qualified medical expenses by the end of each year	A tax-free spending account used for qualified medical expenses, which must be used
<b>Is a high deductible health plan required</b>	Yes	No	No
<b>Who owns the account?</b>	The employee	The employer	The employer
<b>Who funds the account?</b>	Employers and employees	The employer	Employers and employees
<b>Are there contribution limits?</b>	In 2013, the maximum is \$3,250 for single coverage and \$6,450 for family	The employer controls contribution limits	The employer controls contribution limits
<b>Is the account transferable?</b>	Yes, since the employee owns the account	Maybe. It depends on how the employer designs the plan	Money not used by the end of a given year is forfeited to the employer
<b>What are the advantages?</b>	<ul style="list-style-type: none"> <li>• Both employer and employee can contribute</li> <li>• Account is transferable</li> <li>• Employee has investment options</li> <li>• Expansive list of qualified medical expenses</li> <li>• After the age of 65, employee can spend money on anything without penalties</li> </ul>	<ul style="list-style-type: none"> <li>• No trust required</li> <li>• Employer designs the plan</li> <li>• Cash flow advantage for the employer - no upfront funding required</li> <li>• Employer can decide to vest money or not</li> <li>• Employees can only spend money on qualified expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Can be used with any commercial health plan</li> <li>• Can be combined with an HSA or HRA</li> <li>• Tax saving for the employers</li> </ul>

Talk to your employer about what option they've chosen for you. The account administrator will provide information about how to open your account.

## Qualified expenses for funding accounts

Here's a partial list of qualified medical expenses for your employees' HSA, HRA, or FSA.

- Acupuncture
- Alcoholism treatment
- Ambulance
- Anesthetist
- Arch supports
- Artificial limbs
- Blood tests
- Blood transfusions
- Braces
- Cardiographs
- Chiropractor
- Contact lenses
- Crutches
- Dental treatment
- Dental x-rays
- Dentures
- Dermatologist
- Diagnostic fees
- Drug addiction therapy
- Drugs (prescription)
- Eyeglasses
- Fees paid to health institute prescribed by a doctor
- FICA and FUTA tax paid for medical care services
- Fluoridation unit
- Gynecologist
- Hearing aids and batteries
- Hospital bills
- Hydrotherapy
- Insulin treatments
- Lab tests
- Laser eye surgery
- Metabolism test
- Neurologist
- Nurse (including board and meals)
- Obstetrician
- Operating room costs
- Ophthalmologist
- Optician
- Optometrist
- Oral surgery
- Orthopedic shoes
- Orthopedist
- Osteopath
- Oxygen
- Pediatrician
- Physician
- Physiotherapist
- Postnatal treatments
- Licensed practical nurse for medical services
- Prescription medicines
- Psychiatrist
- Psychoanalyst
- Psychotherapy
- Registered nurse
- Spinal fluid test
- Sterilization
- Stop-smoking aids
- Surgeon
- Therapy equipment
- Vaccines
- Wheelchair
- X-rays

For a list of qualified medical expenses, visit [IRS.gov](http://IRS.gov).

Starting January 1, 2011, you will no longer be able to pay for over-the-counter medications from your HSA, HRA or FSA unless your physician provides a prescription.

## What do you need to get started?

### Step 1

If your company is offering a HRA or FSA, talk to your benefits administrator about how to access your account.

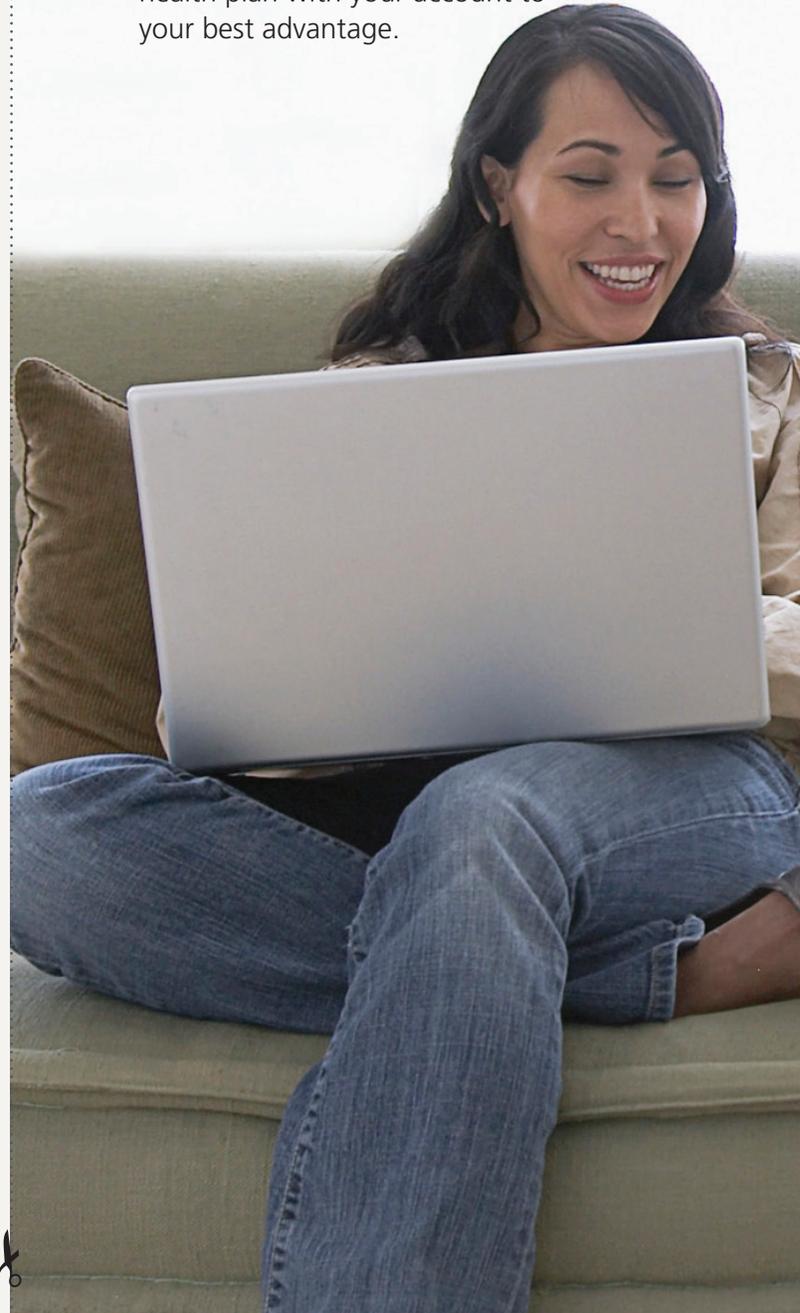
### Step 2

If you're able to, set up your HSA

- Ask if your employer has already chosen a bank for the HSA, or

### Step 3

Once you know what funding account your employer has selected, visit: [excellusbcs.com/member/cdhc](http://excellusbcs.com/member/cdhc) for information about how to use your new health plan with your account to your best advantage.



# Enhanced Self-Service Features

Enjoy the convenience of managing your policy online.

**Benefit Summary: Medical Product**

Select a Member:

**HealthyBlue Copay \$15/25 LTH : John Smith**

- Plan Year Effective: 01/01
- Plan Start: 01/01/2010
- Member Effective Since: 01/01/2010
- [View Additional Benefit Details](#) [Deductible Accumulators](#) [View Benefit Limits](#)

Type of Service	Network	Copay	Deductible	Coinsurance
Chiropractic Care	In Network and Participating	\$25.00	\$0.00	0%
Chiropractic Care	Out of Network	\$0.00	\$500.00	20%
Copay-Child	In Network and Participating	\$0.00	\$0.00	0%
Copay-Child	Out of Network	\$0.00	\$500.00	20%
Emergency Room-Facility	In Network and Participating	\$250.00	\$0.00	0%
Emergency Room-Facility	Out of Network	\$250.00	\$0.00	0%
Emergency Room-Physician Visit	In Network and Participating	\$0.00	\$0.00	0%

View your benefits, copay and deductible

Check your claims

**Claims Detail: John Smith**

**Medical Claim Number: ABC12345678**

**Claim Summary**

Description: Medical claim for services on 10/06/2009  
 Patient: John Smith (123456789)  
 Provider: Dr. Jones  
 Benefit Plan: HealthyBlue Copay \$15/25 LTH  
 Status: Adjusted as of 02/16/2010  
 Paid on: 01/05/2010

Total provider charges for this claim are \$30.00. Under agreements with your provider, Health Plan will pay \$28.13. Provider may bill you \$0.00.

**Claim Items**

This claim has 2 item(s)

Date of Service(s)	Description of Service	Provider Charged	Allowed	Other Insurance	Paid	Deductible	Copay	Coinsurance	Remark
10/06/2009-10/06/2009	Immunization	\$16.00	\$16.00	\$0.00	\$16.00	\$0.00	\$0.00	\$0.00	
10/06/2009-10/06/2009	Immunization	\$14.00	\$12.13	\$0.00	\$12.13	\$0.00	\$0.00	\$0.00	PSR
<b>Totals:</b>		<b>\$30.00</b>	<b>\$28.13</b>	<b>\$0.00</b>	<b>\$28.13</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Remarks Explanation  
 PSR The charge exceeds the allowable amount for this service

**Search Results**

(0) Referral(s) & 1 Prior authorization(s) found

Select an authorization to view details

Reference #	Purpose	Description	Referred By	Referred To	Valid Dates	Status
100000307	Medical	Prior Authorization request	Dr. Smith	Cardiovascular	02/05/2010 - 02/05/2010	Approved

**Search Options**

Search by type and date OR search by referral or authorization reference if you have it

Type:

From:  (MM/DD/YYYY)

To:  (MM/DD/YYYY)

Check referrals

**Prior Authorization Details: John Smith**

**Reference #: 100000005**

Member (ID): John Smith (123456789)  
 Benefit Plan: SimplyBlue Copay Deductible Plan  
 Status: Discharged

**Service Details**

Service Level: Elective  
 Place of Service:

**Requested Service**

Requested Days	Actual Days	Service Description	From	To
6	6	Total Abdominal Hysterectomy W/Wo Removal Tube(S)/Ovary(S)	10/04/2009	10/10/2009

**Providers**

Facility: [Main Street Hospital](#)  
 Address: 123 Main St  
 Anywhere, NY 14400  
 Phone: (555) 555-2121

Referred By  
 Provider: [Dr. Jones](#)  
 Address: 123 South St  
 Anywhere, NY 14400  
 Office is handicapped accessible.  
 Phone: (555) 555-1212

Authorizations

## Ways to live healthier and save money

The goal of consumer driven health care is to empower you to take control of your care.

Here are some things you can do to make sure you're taking care of yourself and to help you get the most value for your dollar.

### Use Network Providers

Access in-network doctors, specialists and pharmacies on our website and you can save money on your care.

### Get recommended preventive care

Preventive care is covered in full on your plan. Getting regular exams and screenings will help you live healthier. You can find a list of preventive services on our website.

### Ask for Generic Drugs

Generic drugs are safe, effective, and approved by the FDA. They just cost you less. A lot less. Ask your doctor or pharmacist if generic drugs are right for you.

### Take advantage of the online resources we offer

- Blue 365 - discounts on health and fitness products and services
- 6,000+ Health Topics online
- Health Coaching to provide you with answers to virtually any health care question
- Quit for Life tobacco cessation program

### Take care of yourself

Use Step Up - our free fitness and nutrition program.

Find health tips and healthy recipes  
on our website



[excellusbcs.com/member/cdhc](http://excellusbcs.com/member/cdhc)