

High Deductible Health Plan



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



Take control
of your health
care costs





Understanding your High Deductible Health Plan

A high deductible health plan may work a little differently than other health insurance plans you've had in the past. A high deductible health plan or "HDHP" is designed to help keep premium costs low for you and your family. You'll have coverage for things like:

- Choice of doctors and hospitals
- Hospitalization
- Prescription drug
- Doctor visits
- Laboratory coverage
- Specialty care
- Free preventive care
- Maternity and newborn care
- Urgent care visits

To help you understand your plan, this brochure provides explanations and examples.

Let's start with the basics:

Preventive care can help you avoid getting sick and improve your health. With HDHP, preventive services such as routine physicals, screenings and vaccinations are covered in full.* The deductible does not apply to preventive services; they are covered in full from day one.

For services other than preventive care, you are responsible for paying out of your pocket until you meet your deductible. The deductible amount will vary based on your plan, so make sure you know what that amount is. Once you reach your deductible, you will pay a percentage of cost, called coinsurance. Coinsurance is your share of the costs of a covered health care service, calculated as a percent. You will have to pay a percentage of that service and the health insurance company will pay the rest.

The diagram illustrates how this works:

Preventive Services



Insurance company provides full coverage

Other Services

Until deductible amount is reached





You pay a deductible up to a certain amount

After deductible amount is reached



Once the deductible amount is reached, you pay a percentage called coinsurance

You can use a tax-free account to help pay for your portion of the costs. See more on page 4.

 Health insurance company pays  You pay

*note: for illustrative purposes only - plan options vary

*In accordance with the PPACA preventive care regulations, full coverage (no cost share) will be applied for those services meeting the requirements as outlined in Grade A and B Recommendations of the United States Preventive Services Task Force.

For example:

Let's say your deductible is **\$2,000.**



You go to your doctor for low back pain.

You pay **\$100** for the visit.

You still have to pay **\$1900** more to reach your deductible.



Your doctor orders an MRI of your lower back.

You pay **\$1,000** for the MRI.

You still have to pay **\$900** more to reach your deductible.



After a series of visits to your doctor and a chiropractor, you have **\$0** left to reach your deductible. Now you will pay a percentage of cost, called **coinsurance**.



If your coinsurance is **20%**, and the next time you visit your doctor your bill is **\$100**, then you'll pay **\$20** and we will pay **\$80**.

To help you with your costs, there is an out-of-pocket maximum which is an annual limit on the amount of money that you would have to pay for health care services, not including your monthly premiums. Remember preventive care is covered in full and is not subject to the deductible.

Important terms to know:



- ▶ **Deductible** - The amount of money you have to pay before the health insurance company will make any payments towards health care services. Your deductible amount varies and is based on the type of plan you have.
- ▶ **Co-payment** - This is a fixed amount you pay each time you use a medical service, such as a doctor's office visit, prescription refill or a hospital stay. For example, if your prescription drug coverage includes a \$20 copay, you pay \$20 for each prescription and your insurance pays the balance.
- ▶ **Coinsurance** - Your share of the costs of a covered health care service, calculated as a percent. Coinsurance is similar to a copay, but instead of a fixed dollar amount, it is a percentage of the total bill. For example, if a visit to your doctor's office is \$100 and you've met your deductible, your coinsurance payment of 20% would be \$20. The health insurance company would pay the rest, or \$80.
- ▶ **Covered in full** - 100% of the total cost is covered by the health insurance company and you do not have to pay anything.
- ▶ **Out-of-pocket maximum** - An annual limit on the amount of money that you would have to pay for health care services, not including your monthly premiums.

Tax-Free Funding account

You have the option to set up a unique account called a Health Savings Account or HSA to help you cover the costs associated with a high deductible health plan.

What is an HSA?

An HSA is a tax-free funding account owned by you that helps you pay for qualified medical expenses such as lab fees, prescription drugs, contact lenses, chiropractor visits and more.

- ▶ The money you put into your HSA is not subject to federal income tax when you make the deposit.
- ▶ There are limits to how much you can contribute.
- ▶ In 2014 the maximum is:
 - \$3,300 for single coverage
 - \$6,550 for family coverage
- ▶ If you're under 65 and you withdraw money from your HSA for non-qualified medical expenses, you will be taxed at your income tax rate plus have to pay a tax penalty.



To learn more about how to set up an HSA, visit ExcellusBCBS.com

Health Savings Account (HSA)

Overview	A tax-free account owned by you that works with with a high deductible health plan to help you pay for qualified medical expenses
Who owns the account?	You
Who funds the account?	You
Are there contribution limits?	In 2014 the maximum is \$3,300 for single coverage and \$6,550 for family
Can I transfer the account?	Yes, you own the account

To learn more about how to set up an HSA, visit ExcellusBCBS.com

What will a Health Savings Account pay for?

Here is a partial list:

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



For a list of qualified medical expenses, visit [IRS.gov](https://www.irs.gov). Please note coverage of all services is subject to the terms of your HDHP.

How do I use my HSA when I need health care services?

What do I do when I go to the doctor's office?

When you go to the doctor's office, let them know you are using a Health Savings Account. The doctor will bill Excellus BCBS. Once the bill has been processed, you and your doctor will get a letter that summarizes the costs associated with that visit. It will also show how much goes towards your deductible and how much you have to pay your doctor. Your doctor will send you a bill for the balance. You can use money from your Health Savings Account to pay that bill.

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

What do I do when I need a prescription?

The pharmacy system processes in real-time so the pharmacist will be able to tell you exactly what you owe when you pick up your prescription.

You can manage your health care costs online

- ▶ View your benefits, copay and deductible
- ▶ Check your claims
- ▶ Check referrals and authorizations

The screenshot displays two pages from the ExcellusBCBS.com/Member website. The top page is the 'Benefit Summary: Medical Product' for 'HealthyBlue Copay \$15/25 LTH: John Smith'. It lists plan details such as Plan Year Effective (01/01), Plan Start (01/01/2010), and Member Effective Since (01/01/2010). A table below shows copay and deductible amounts for various services like Chiropractic Care and Copay Child. The bottom page is the 'Claims Detail: John Smith' for Medical Claim Number ABC12345678. It provides a claim summary, including the description of services, patient name, provider, and status. A table of claim items shows dates of service, descriptions, charges, and payments. A note indicates that the total provider charges exceed the allowable amount for the service.

View your benefits, copay and deductible

Check your claims

ExcellusBCBS.com/Member

Live Healthier and Save Money



Take advantage of programs and online resources to stay healthy and get the most value for your dollar.

Member Benefits:

- Access to more top-quality doctors, hospitals and pharmacies, locally and nationwide

HealthyPerks

- Blue365® - Exclusive discounts on health-related products and service such as fitness gear, exercise programs, weight-loss programs and more
- Step Up - Fitness and nutrition to improve health through physical activity and healthy eating
- 24/7 Health Coaching - Answers to your health care questions
- 6,000+ Health Topics - Instant access to expert information online
- Ask the Pharmacist - Ask questions about your medications
- Health Risk Assessment - Our secure online health assessment will help you identify potential health risk factors and identify areas for improvement.
- ExerciseRewards™ Program - Fitness facility reimbursement program with reduced fees at participating facilities and online interactive fitness and wellness tools available at no additional cost to help you meet your goals
- BlueCard® - Access to care when you travel worldwide



Sign up. Stay informed.

Get email updates to receive fitness advice, nutrition tips, healthy recipes and more at [ExcellusBCBS.com/Email](https://www.ExcellusBCBS.com/Email)



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