

## Health Care Reform Changes – Individual

We've already updated you on how the health care reform act impacted groups. Here's how it will impact individual policies.

Members with effective dates before March 23, 2010 generally are grandfathered. If a member with an effective date before March 23, 2010 made any changes after March 23, 2010, the change may take away the grandfathered status. We will allow these members to reverse the changes and return to their pre-March 23, 2010 benefits if they choose. **Any benefit changes made after June 14, 2010 cannot be reversed, even if the change causes a member to lose grandfathered status. For more information regarding grandfathered status, please see our health care reform bulletin on the subject. You can find it at:**

[http://www.bcbssc.com/UserFiles/scblues/Documents/hcr\\_8\\_grandfathering.pdf](http://www.bcbssc.com/UserFiles/scblues/Documents/hcr_8_grandfathering.pdf).

**The following changes apply to individual policies with effective dates prior to October 1, 2010**

### Dependents to Age 26

Dependents are now eligible to be added back on your coverage up to age 26 (through age 25) regardless of student status. Dependents are only eligible if they were previously covered by the policy. There will be a special enrollment period for these dependents beginning at the member's next benefit period. The special enrollment period will last 30 days.

### Lifetime Maximums and Annual Dollar Limits

At the start of the individual's next benefit period, we will remove lifetime maximums. Individuals will then have an annual limit of \$2 million for essential benefits. In addition, there will be annual limits on certain specified services.

**The following changes will apply to individual coverage issued after March 23, 2010 and non-grandfathered individual coverage.**

### Appeals

The new health care reform act requires us to implement new appeals processes. This applies for both internal appeals and external reviews. Our processes are



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already generally consistent with the mandates, but we will update them to be fully compliant.

#### Emergency Services

The new law requires changes to reimbursement for emergency services in an out-of-network hospital's emergency room. Most or all of these requirements are already in place for our current members.

#### Additional Preventive Benefits

We will add additional preventive benefits as required by the new health care reform law.

#### Lifetime Maximums and Annual Dollar Limits

At the start of the individual's next benefit period, we will remove lifetime maximums. Individuals will then have an annual limit of \$750,000 for essential benefits. In addition, there will be annual limits on certain specified services.

#### Pre-existing Conditions

There will no longer be any pre-existing condition limitations for members or dependents up to age 19 (through age 18). We will remove the pre-existing condition limitations for any current individual policy members under age 19 at the beginning of the next policy benefit period after September 23, 2010.

### **Products with Effective Dates on or After October 1, 2010**

All individual products with effective dates of October 1, 2010 or later will be fully compliant with the health care reform act. These products, Personal Blue<sup>SM</sup> SE, are individual only and include fewer additional options for purchase.

Applications and quoting for Personal Blue SE is now available.

New brochures will be available for ordering by the middle of September.