

## Schedule of Benefits for Personal BluePlan<sup>SM</sup> High Deductible

Policyholder's Name: Your Name  
Policyholder's ID Number: Your Policy ID Number  
Date of Birth: Your Date of Birth  
Type of Plan: SINGLE or FAMILY  
Effective Date: Your Effective Date will be either the 1<sup>st</sup> or the 15<sup>th</sup> of the month  
Benefit Period: Begins on Your Effective Date of Coverage and continues for 365 (366 for leap year) or January 1 through December 31.  
Covered Dependents: Dependent Names, if covered

### Benefit Description and Premium Schedule

<b>Form</b>	<b>Benefit Description</b>	<b>Premium</b>
12221M-A	Personal BluePlan High Deductible Health Plan	
12906M-A	Personal BluePlan High Deductible Limited Benefits Health Insurance	Your Premium
12226M-A	Optional Maternity Endorsement	Your Premium or Not Purchased
	<b>Total <u>Monthly</u> Premium</b>	Total Premium

## Schedule of Benefits for Personal BluePlan High Deductible

(continued)

### Deductible – You Pay

The Deductible is for both In-Network and Out-of-Network and the In-network Deductible applies to the Out-of-network Deductible and the Out-of-network Deductible applies to the In-network Deductible.

The family Deductible is an aggregate maximum.

The Deductible applies to all Covered Services unless specified otherwise

Deductible choices for a Single Plan are:

**100/60 Option**

\$1,500 \$2,600 \$3,500 \$5,000

**80/60 Option and 70/50 Option**

\$1,500 \$2,600 \$3,500

Deductible choices for a Family Plan are:

**100/60 Option**

\$3,000 \$5,200 \$7,000 \$10,000

**80/60 Option and 70/50 Option**

\$3,000 \$5,200 \$7,000

### Out-of-Pocket Maximum – You Pay

Covered Services will be paid at 100% of the Allowable Charges when you reach your Out-of-Pocket Maximum.

The Out-of-Pocket Maximum doesn't include any charges in excess of the Allowable Charge; amounts exceeding any Maximum Payments for benefits; or any expense not allowed according to any provisions of this coverage.

Out-of-Pocket expenses apply to both Out-of-Pocket Maximums.

The family Out-of-Pocket is an aggregate maximum.

If you chose Single coverage with:

**100/60 Option with \$1,500 Deductible**

\$1,500 for Preferred Blue Providers and  
\$3,000 for Non-preferred Blue Providers

**100/60 Option with \$2,600 Deductible**

\$2,600 for Preferred Blue Providers and  
\$5,200 for Non-preferred Blue Providers

**100/60 Option with \$3,500 Deductible**

\$3,500 for Preferred Blue Providers and  
\$5,500 for Non-preferred Blue Providers

**100/60 Option with \$5,000 Deductible**

\$5,000 for Preferred Blue Providers and  
\$10,000 for Non-preferred Blue Providers

**80/60 Option with \$1,500 Deductible**

\$3,000 for Preferred Blue Providers and  
\$4,500 for Non-preferred Blue Providers

**80/60 Option with \$2,600 Deductible**

\$5,200 for Preferred Blue Providers and  
\$7,800 for Non-preferred Blue Providers

**80/60 Option with \$3,500 Deductible**

\$5,500 for Preferred Blue Providers and  
\$7,500 for Non-preferred Blue Providers

**70/50 Option with \$1,500 Deductible**

\$3,000 for Preferred Blue Providers and  
\$4,500 for Non-preferred Blue Providers

**70/50 Option with \$2,600 Deductible**

\$5,200 for Preferred Blue Providers and  
\$7,800 for Non-preferred Blue Providers

**70/50 Option with \$3,500 Deductible**

\$5,500 for Preferred Blue Providers and  
\$7,500 for Non-preferred Blue Provider

If you chose Family coverage with:

**100/60 Option with \$3,000 Deductible**

\$3,000 for Preferred Blue Providers and  
\$6,000 for Non-preferred Blue Providers

**100/60 Option with \$5,200 Deductible**

\$5,200 for Preferred Blue Providers and  
\$10,400 for Non-preferred Blue Providers

**100/60 Option with \$7,000 Deductible**

\$7,000 for Preferred Blue Providers and  
\$11,000 for Non-preferred Blue Providers

**100/60 Option with \$10,000 Deductible**

\$10,000 for Preferred Blue Providers and  
\$20,000 for Non-preferred Blue Providers

**80/60 Option with \$3,000 Deductible**

\$6,000 for Preferred Blue Providers and  
\$9,000 for Non-preferred Blue Providers

**80/60 Option with \$5,200 Deductible**

\$10,400 for Preferred Blue Providers and  
\$15,600 for Non-preferred Blue Providers

**80/60 Option with \$7,000 Deductible**

\$11,000 for Preferred Blue Providers and  
\$15,000 for Non-preferred Blue Providers

**70/50 Option with \$3,000 Deductible**

\$6,000 for Preferred Blue Providers and  
\$9,000 for Non-preferred Blue Providers

**70/50 Option with \$5,200 Deductible**

\$10,400 for Preferred Blue Providers and  
\$15,600 for Non-preferred Blue Providers

**70/50 Option with \$7,000 Deductible**

\$11,000 for Preferred Blue Providers and  
\$15,000 for Non-preferred Blue Providers

## Schedule of Benefits for Personal BluePlan High Deductible

(continued)

**Benefit Period Maximum – We Pay** \$750,000 for Benefit Periods beginning 9/23/2010 through 9/22/2011;  
 (All Benefit Period Maximums are per Member per Benefit Period) \$1,250,000 for Benefit Periods beginning 9/23/2011 through 9/22/2012;  
 \$2,000,000 for Benefit Periods beginning 9/23/2012 through 12/31/2013; and  
 Benefits Periods beginning 1/1/2014 there will be no annual dollar limits for essential health benefits. Essential benefits include the following more restrictive limits:

- 60 days for Skilled Nursing Facility Services
- 60 visits for Home Health Care
- 30 visits for Short-Term Physical Therapy Services and Occupational Therapy combined
- 20 visits for Speech Therapy
- 25 Outpatient/Physician visits and 7 days Inpatient for Mental Health Services and/or Substance Abuse Care

Separate Benefit Period Maximums apply to the following:

- \$50,000 for Prosthetics
- 6 months per episode for Inpatient and Outpatient Hospice Care

**All benefits payable on Covered Services are based on our Allowable Charges.  
 All Covered Services must be Medically Necessary.**

All admissions require Preadmission Review or Emergency Admission Review, and Continued Stay Review. If Preadmission Review is not obtained for all Facility admissions, room and board will be denied. If approval is not obtained for Emergency Admissions within 24 hours or by 5 p.m. of the next working day following the admission, room and board will be denied.

Treatment for the following outpatient services requires Preauthorization Review: Mental Health Services and Substance Abuse care, chemotherapy or radiation therapy (first treatment only), hysterectomy and septoplasty. If Preauthorization is not obtained, appropriate Benefits will be paid after a 50% reduction in the Allowable Charge.

Treatments for these services also require Preauthorization Review: Home Health Care, Hospice Care, human organ and/or tissue transplants, inpatient rehabilitation services, certain Prescription Drugs, MRIs, MRAs, CT Scans or PET Scans in an Outpatient facility or Physician's office, Prosthetic Devices and Durable Medical Equipment (DME) when the purchase price or total rental cost of the DME is \$500 or more. If Preauthorization is not obtained, no benefits will be paid.

Treatment for hemophilia must be coordinated through a Center for Disease Control designated hemophilia treatment center at least once per Benefit Period or benefits will be reduced to 50% of the Allowable Charge.

	<b>WE PAY IN-NETWORK PROVIDERS</b>	<b>WE PAY OUT-OF-NETWORK PROVIDERS</b>
<b><u>Physician Services</u></b>		
Physician charges for services in an Outpatient Hospital or Clinic, including Surgery, (except Mental Health Services and/or Substance Abuse Care), Outpatient lab and X-ray services and all other miscellaneous services	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Primary Care Physician (PCP) or Specialist non-routine/sick office charges to include the following: services for the treatment of an accident or injury; injections for allergy, tetanus and antibiotics; diagnostic lab and diagnostic X-ray services (such as chest X-rays and standard plain film X-rays), when performed in the Physician's office on the same date and billed by the Physician (does not include Mental Health Services and/or Substance Abuse Care)	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Physician office charges for all other services, including Surgery, Second Surgical Opinion, consultation, dialysis treatment, chemotherapy and radiation therapy and Specialty Drugs (including the administration) and the reading/interpretation of diagnostic lab and X-ray services	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible

## Schedule of Benefits for Personal BluePlan High Deductible

(continued)

Endoscopies (such as colonoscopy, proctoscopy and laparoscopy) performed in a Physician's office, whether for diagnosis or treatment	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
High technology diagnostic services such as, but not limited to, MRIs, MRAs, PET scans, CT scans, ultrasounds, cardiac catheterizations, and procedures performed with contrast or dye	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Inpatient Physician charges for admissions in a Hospital and Skilled Nursing Facility, Surgery, anesthesia, radiology and pathology services	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible

### **Preventive Benefits**

Preventive screenings are covered according to the following: <ul style="list-style-type: none"> <li>• The United States Preventive Services Task Force (USPSTF) recommended Grade A or B screenings.</li> <li>• Immunizations as recommended by the Center for Disease Control (CDC).</li> <li>• Screenings recommended for children and women by Health Resources and Services Administration</li> </ul>	100%	Not Covered
Preventive prostate screening and laboratory work for any Member according to the American Cancer Society guidelines	100%	Not Covered

### **WE PAY MAMMOGRAPHY NETWORK PROVIDERS**

### **WE PAY OUT-OF-NETWORK PROVIDERS**

Preventive mammography screening when provided by a Contracting Mammography Provider	100%	Not Covered
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### **WE PAY IN-NETWORK PROVIDERS**

### **WE PAY OUT-OF-NETWORK PROVIDERS**

### **Other Services**

Out-of-country services or supplies (including Facility and Physician)	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Ambulance	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Home Health Care with the required Preauthorization	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Inpatient and Outpatient Hospice Care with the required Preauthorization	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Short-Term Therapy (physical, occupational and speech therapy)	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Other Therapy Services	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Durable Medical Equipment (DME) – purchase or rental – excludes repair of, replace of and duplicate DME. Preauthorization is required if purchase price or total rental cost is \$500 or more.	100%, 80% or 70% after the Deductible	Not Covered
Medical Supplies	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Prosthetic Devices	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible

## Schedule of Benefits for Personal BluePlan High Deductible

(continued)

Dental Care due to accidental injury to Sound Natural Teeth	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Mental Health Services and/or Substance Abuse Care	(1) Inpatient – 100%, 80% or 70% after the Deductible (2) Outpatient/Physician's Services – 100%, 80% or 70% after the Deductible	(1) Inpatient – 60%, 60% or 50% after the Deductible (2) Outpatient/Physician's Services – 60%, 60% or 50% after the Deductible
<b><u>Human Organ and Tissue Transplants</u></b>		
When preapproved by us and performed at a Designated Provider, human organ and/or tissue transplant benefits are payable for all expenses for medical and surgical services and supplies while covered under this coverage.	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
<b><u>Facility Benefits</u></b>		
Inpatient Hospital (other than Skilled Nursing Facility or Mental Health Services and/or Substance Abuse Care)	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Skilled Nursing Facility	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Inpatient Rehabilitation services when Preauthorized by us	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible
Outpatient Hospital Emergency Room charges	100%, 80% or 70% after the Deductible	100%, 80% or 70% after the Deductible
Outpatient Hospital or Clinic charges for medical and surgical services, Preadmission Testing, lab and X-ray services and all other miscellaneous services	100%, 80% or 70% after the Deductible	60%, 60% or 50% after the Deductible

**Schedule of Benefits for Personal BluePlan High Deductible**  
(continued)

**Blue Rx<sup>SM</sup>**

	<b>WE PAY PARTICIPATING NETWORK PHARMACY</b>	<b>WE PAY NON-PARTICIPATING NETWORK PHARMACY</b>
<b><u>Prescription Drugs</u></b>		
Generic, Preferred and Non-Preferred Drugs	100%, 80% or 70% per prescription or refill after the Deductible  Benefits are limited to a 31-day supply or a 90-day supply.  Birth control, contraceptives and contraceptive devices are not covered.	60%, 60% or 50% per prescription or refill after the Deductible  Benefits are limited to a 31-day supply or a 90-day supply.  Birth control, contraceptives and contraceptive devices are not covered.

If a Physician prescribes a Brand-name Drug for a specific medical reason and dispense as written, then benefits are payable as indicated above. If a Physician allows the substitution of a Brand-name Drug and the Member still requests the Brand-name Drug, then benefits are payable as indicated above and the Member must pay any difference between the cost of a Generic Drug and the higher cost of a Brand-name Drug.

	<b>WE PAY SPECIALTY DRUG NETWORK PROVIDERS</b>	<b>WE PAY ALL OTHER PHARMACY PROVIDERS</b>
<b><u>Specialty Drugs</u></b>	100%, 80% or 70% per prescription or refill after the Deductible. Benefits are limited to the amount for which prior approval was given.	Not Covered

**Optional Benefit – This benefit is included in this Coverage only if indicated.**

**Maternity Care**

Maternity Purchased or Not Purchased  
Benefits will be provided due to a Pregnancy as shown in the Maternity Schedule. Benefits are not subject to Deductibles, Copayments or Out-of-pocket Maximums.

<b><u>Period of Time</u></b>	<b><u>Percentage of Allowable Charges Payable</u></b>
Charges incurred during the first 12 months of coverage	5%
Charges incurred during the 13 <sup>th</sup> month through 24 <sup>th</sup> month of coverage	60%
Charges incurred during the 25 <sup>th</sup> month through 36 <sup>th</sup> month of coverage	80%
Charges incurred during or after the 37 <sup>th</sup> month of coverage	100%

# PERSONAL BLUEPLAN<sup>sm</sup> HIGH DEDUCTIBLE LIMITED HEALTH BENEFIT INSURANCE COVERAGE

## Guaranteed Renewable Except for Stated Reasons

You may renew this Policy on any premium due date by paying the required premiums on or before the due date and within the grace period. We may non-renew this Policy:

1. If you don't pay the premiums according to the terms of the Policy or if we have not received timely premium payments; or
2. If you commit fraud or intentionally misrepresent a material fact under the terms of the Policy; or
3. If we decide to discontinue offering Personal BluePlan High Deductible for everyone who has this Policy. However, we may only discontinue coverage if we:
  - a. Provide notice to each individual covered by this Policy of the discontinuance at least 90 days before the date the Policy is discontinued;
  - b. Offer to each individual covered by this Policy, the option to buy other individual Health Insurance coverage we currently offer; and
  - c. Act uniformly without regard to any Health Status-related Factor of enrolled individuals or individuals who may become eligible for coverage in exercising the option to discontinue the Policy or offering the option to purchase other individual coverage.
4. At the time of renewal, we may modify this Policy for everyone who has it as long as the modification is consistent with state law and effective on a uniform basis.

However, we won't decline to renew your Policy simply because your physical or mental health or your insured Dependents' physical or mental health changes.

## Deductible Subject to Change

This Policy is intended to be used as a "qualified plan" under Section 223 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. The amount of the Deductible may increase if required by federal law.

## Premium Rate Subject to Change

We base premiums on each age group for an individual (including Dependents) covered under this Policy. The Schedule Page that is included with the Policy shows the current premiums. Premiums will change when you or your covered Dependents' age group changes. Premiums may change if you change your place of residence. We also may change premium rates if we take the same action on all policies issued with the same form number. In this case, we'll notify the Policyholder of the new premium rate at least 31 days before the next premium due date.

## BLUE CROSS<sup>®</sup> AND BLUE SHIELD<sup>®</sup> OF SOUTH CAROLINA

An Independent Licensee of the Blue Cross and Blue Shield Association

[www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com)



James A. Deyling  
President

Blue Cross and Blue Shield Division

**This Policy contains a requirement for Preauthorization and Approval of certain services, including Mental Health Services and Substance Abuse care. See the Preauthorization and Approval section of this Policy for details.**

**If you or your Physician doesn't get proper Preauthorization and Approval, Allowable Charges may be subject to a benefit payment reduction or nonpayment.**

## **Right to Examine Policy for Thirty Days**

If you aren't satisfied with this Policy, return it to us or our agent within 30 days after you receive it. We'll refund all premiums minus any claims paid. If the Policy is returned, it will be void from the beginning. It will be as if no Policy had been issued.

### **Important Notice Concerning Statements in Your Application for Insurance**

Please read the copy of the application attached to your Policy. Misstatements in the application can cause an otherwise valid claim to be denied or coverage to be voided, subject to the *Time Limit on Certain Defenses* provision. Carefully check the application. If any information on it isn't correct and complete or if any medical history has not been included, write to Blue Cross and Blue Shield of South Carolina, Individual Membership Department, Post Office Box 61153, Columbia, S.C., 29260, within 10 days. The application is part of the insurance Policy. We issued the insurance Policy on the basis that the answers to all questions and any other material information shown on the application are correct and complete. If an error on your application misled us about the risk we assumed, we may have grounds to void the Policy. In this case, we'll refund your premium less any claims paid. No agent or employee of Blue Cross and Blue Shield of South Carolina has the authority to waive any of the requirements within the application or waive any of the provisions within this Policy.

After this Policy has been in force for two years, we can't use any statement made in any application (unless fraudulent) to void the Policy or deny any claim incurred after the two-year period according to the *Time Limit on Certain Defenses* provision.

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## A. GENERAL

### Introduction

This Policy explains the benefits available to you from Blue Cross and Blue Shield of South Carolina.

As you refer to this Policy, please note that the words beginning with **capital letters** have special definitions. We have included the definitions of these terms in *Section B* to help you understand your Policy.

To make sure your claims are handled properly, our process involves evaluation and Preauthorization of all admissions (at least 48 hours prior to services), Emergency/Urgent admissions and Continued Stay Services (ongoing care exceeding initial care Preauthorization). Early identification and management of health problems can help reduce healthcare costs.

Preauthorization and Approval is needed in advance for certain services in order to receive maximum benefits available under this Personal BluePlan Policy.

### How to Contact Us

It's only natural to have questions about your coverage and Blue Cross is committed to helping you understand your Policy so you can make the most of your benefits.

#### For Member Services Inquiries:

If you have any questions about your eligibility, changes to your policy or rates, please contact the Individual Membership Department. We can be reached by telephone, mail or through our Web site, all listed below.

**Telephone Numbers: (Monday through Friday, 8:30 a.m. to 5:30 p.m. Eastern Standard Time)**

803-264-6401 from the Columbia area  
1-800-868-2500, ext. 46401 from all other areas

**Mailing Address:**

Individual Membership  
Blue Cross and Blue Shield of South Carolina  
P.O. Box 61153  
Columbia, SC 29260

**Web site Address:**

www.SouthCarolinaBlues.com, then log on to "My Insurance Manager<sup>sm++</sup>"

#### For Health Claim Inquiries:

If you have any questions about your claims, please contact the Claims Service Center. We can be reached by telephone, mail or through our Web site, all listed below. You also can find the mailing address on the back of your Blue Cross identification (ID) card.

**Telephone Numbers: (Monday through Friday, 8:30 a.m. to 5:30 p.m. Eastern Standard Time)**

803-264-3475 from the Columbia area  
1-800-868-2500, ext. 43475 from all other areas

**Mailing Address:**

Claims Service Center  
Blue Cross and Blue Shield of South Carolina  
P.O. Box 100300  
Columbia, SC 29202-3300

**Web site Address:**

www.SouthCarolinaBlues.com, then log on to "My Insurance Manager"

#### For Preadmission Reviews and Preauthorizations:

Please refer to your Schedule Page for a detailed list of the services and supplies that require Preadmission Review and Preauthorization.

For Preadmission Review or Preauthorization, please call:

803-736-5990 from the Columbia area  
1-800-327-3238 from all other South Carolina locations  
1-800-334-7287 from outside South Carolina

For Preadmission Review and Preauthorization of Mental Health Services and/or Substance Abuse care, call Companion Benefit Alternatives, Inc. (CBA) at:

803-699-7308 from the Columbia area  
1-800-868-1032 from all other areas

## **Your Fastest Place for Answers – [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com)**

If you have access to the Internet you can find quick and easy answers to your health coverage questions any time day or night. When you go to [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com), you'll find useful tools that can help you better understand your coverage.

Here are some of the things you can do on our Web site:

- Learn more about our products and services
- Understand your coverage with helpful tips in our interactive Insurance Classroom
- Stay informed with all the latest Blue Cross news, including press releases and legislative issues
- Links to other health-related Web sites
- Use "My Insurance Manager"
- Locate a network Physician, Hospital or Pharmacy

### **My Insurance Manager**

You can get to "My Insurance Manager" from [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com) to:

- Check your eligibility
- See how much you've paid toward your Deductible or Out-of-pocket Expense Limit
- Check on Authorizations
- Find out if we've processed your claims
- Order a new ID card
- See if our records show if you have other Health Insurance
- Ask a Member Services representative a question through secure e-mail
- View your Explanation of Benefits (EOB)

### **When Your Coverage Begins and Ends**

**Eligibility:** This Personal BluePlan Policy is available to you and your spouse (both must be under age 64½) and Dependent children through age 18 (or through age 22 if a Full-time Student). All applicants must live in South Carolina.

**For You and Your Dependents:** Your insurance and coverage for a Dependent will become effective at 12:01 a.m. Eastern Standard Time on the Effective Date shown on the Schedule Page.

**Adding Your Spouse:** You may add your spouse by submitting an application for our approval and paying the additional premium required. We'll require proof of your spouse's good health. Your spouse won't be covered until we receive the required premium and give you written notice of our approval.

**Adding a Child:** If you or your spouse gives birth or adopts a child while this Policy is in force, then the child is covered from the moment of birth or adoption for Medically Necessary Covered Services and supplies. This includes any necessary care and treatment of medically diagnosed birth defects, diseases and anomalies or complications arising from a premature birth. You must provide us with a completed application within 31 days of the birth or adoption along with the appropriate premium payment in order for the coverage to be effective from the moment of birth.

An adopted child will be covered on the same basis as other covered children either: 1) from the moment of birth when a decree of adoption has been entered into by you or you and your spouse within 31 days after the date of the child's birth and you or your spouse has temporary custody; or 2) on the date the adoption proceedings have been completed and a decree of adoption is entered into within one year from the institution of proceedings, unless extended by order of the court by reason of the special needs of the child; or 3) on the Effective Date of this Policy, whichever is later.

A child is considered "adopted" on the date the child is placed in your home for the purpose of adoption. The child is no longer considered "adopted" on the date placement is disrupted prior to legal adoption and the child is removed from placement with you or with you and your spouse.

To add any other Dependent child as a Covered Person, you must: 1) submit an application for our approval; and 2) pay any additional premium that may be required. We'll require proof of the child's good health. The child won't become a Covered Person until we receive any required premium and give you written notice of our approval.

**Termination of Your Insurance:** Your coverage will end at 12:01 a.m. Eastern Standard Time: 1) on the next premium due date after we receive your request in writing; or 2) on the date the Policy lapses or is non-renewed, whichever occurs first. In the event of your death, your spouse or a Dependent child, if covered under the Policy, will become the Policyholder.

We'll pay benefits to the end of the period for which we accepted premiums.

**Termination of Insurance for Your Covered Spouse:** Your Spouse's coverage will end at 12:01 a.m. Eastern Standard Time: 1) on the next premium due date after we receive your request in writing; 2) on the date the Policy lapses or is non-renewed; or 3) on the premium due date following the date of a divorce, whichever occurs first.

We'll pay benefits to the end of the period for which we accepted premiums.

**Termination of Insurance for Your Other Covered Dependents:** Coverage will end for a child at 12:01 a.m. Eastern Standard Time on the earlier of:

1. The next premium due date after we receive your request in writing;
2. The date the Policy lapses or is non-renewed; or
3. The premium due date following:
  - a. The date of his or her marriage;
  - b. The date he or she reaches age 19 or age 23 if a Full-time Student; or
  - c. The date he or she is no longer financially dependent upon you.

Once a Dependent child has been married, he or she isn't eligible for coverage again as a Dependent child on this Policy.

We'll pay benefits to the end of the period for which we accepted premiums.

**Conversion of Coverage for Your Former Spouse and Non-Incapacitated Dependent Children:** If a spouse covered under this Policy is no longer eligible because of a legal divorce, or if a non-Incapacitated Dependent Child covered under this Policy is no longer eligible because of reaching the age limit, then they may obtain a similar policy from us without proof of good health, if:

1. The spouse sends us written application and the required premium within 60 days after the legal divorce; or
2. The non-Incapacitated Dependent Child sends us written application and the required premium within 30 days after reaching the age limit.

The new policy will provide coverage from us similar to, but not greater than, this coverage. The premium will apply to the current age of such Covered Person. The new policy Effective Date will be the date coverage ceased for such Covered Person under this Policy provided items 1 or 2 above are met.

Any exclusion riders on this Policy will be carried forward to the new policy.

We aren't required to issue a policy covering a person (other than a divorced spouse) if:

1. He or she is already covered for similar benefits by another hospital, surgical, medical or major medical insurance policy; hospital or medical service group contract; medical practice or other prepayment plan; or any other plan or program.
2. He or she is eligible for similar benefits, whether or not covered by such benefits, under a plan of coverage for persons in a group, whether on an insured or uninsured basis; or
3. Similar benefits are provided or available to him or her through the requirements of a state or federal law.

**Extension of Benefits After Termination of Coverage:** In the event your Policy isn't renewed, coverage may be extended if you or your covered Dependents are in the Hospital or if you or your covered Dependents are Totally Disabled when coverage under this Policy ends.

We'll extend benefits until one of these events occurs: 1) the date the hospitalization ends or the date of recovery from the Total Disability; or 2) the Policy maximums are met; or 3) 12 months from the termination date. We'll pay benefits only for Covered Services as listed in this Policy that are related to the treatment of the disabling medical condition.

The terms Totally Disabled/Total Disability mean the Covered Person isn't able to perform the duties of his or her occupation and is under the care of a Physician. A child who is Totally Disabled is receiving ongoing medical care by a Physician and isn't able to perform the usual and customary activities of a child in good health of the same age and sex.

**Important Note:** You must notify us if you wish to exercise the Extension of Benefits rights by contacting the Claims Service Center. In order for us to recognize Extension of Benefits and ensure proper payment, each claim must include a Physician's statement of disability and be approved by our medical personnel.

**Incapacitated Dependent Child:** The limiting age doesn't apply to an unmarried child who is: 1) incapable of self-sustaining employment because of mental or physical handicap; and 2) mainly dependent upon the Policyholder or Policyholder's spouse for support and maintenance. The child must have developed the handicap before he or she reached the age at which coverage would otherwise terminate. To keep coverage for an Incapacitated Dependent Child, you must give us written proof from a Physician of the disability within 31 days of the Dependent's 19<sup>th</sup> birthday (or 23<sup>rd</sup> birthday if a Full-time Student). Our Medical Director will determine if the child meets the criteria of an Incapacitated Dependent Child. For the child to remain covered, we must receive a Physician's written report every two years within 31 days of the child's birthday. If your coverage ends for any reason, coverage for an Incapacitated Dependent Child will also end.

**Cancellation:** You may cancel this Policy at any time by written notice delivered or mailed to us. The cancellation will be effective on the next premium due date after we receive your request in writing.

## **Deductible, Out-of-pocket Expense Limit and Maximum Payments**

**Maximum Deductible per Policy:** Once the total sum of Allowable Charges equals the maximum Single Deductible or the maximum Family Deductible, except for covered Specialty Drugs, no additional amounts will be applied toward the Deductible during that Benefit Period. The Single and the Family Plan Deductibles are shown on the Schedule Page.

**Out-of-pocket Expense Limit per Policy:** A maximum amount of Deductible (unless otherwise shown on the Schedule Page) and/or Coinsurance that you must pay for Covered Services in a Benefit Period. It includes the Deductible (unless otherwise shown on the Schedule Page) and/or Coinsurance amounts for Mental Health Services and/or Substance Abuse care. It doesn't include Copayments, charges in excess of the Allowable Charge; amounts exceeding any Maximum Payments for benefits; Coinsurance amounts for maternity when the Optional Maternity Endorsement is purchased or any expense not allowed according to any provisions of this Policy.

We'll increase the Rate of Payment to 100% of the Allowable Charges when you meet the Out-of-pocket Expense Limit amount. We'll also increase the Rate of Payment to 100% for Mental Health Services and/or Substance Abuse care. The Out-of-pocket Expense Limit amount is shown on the Schedule Page.

**Benefit Period Maximum Payment and Lifetime Maximum Payment:** The Benefit Period Maximum Payment is the maximum amount for Covered Services that we'll pay per Covered Person per Benefit Period. The Benefit Period Maximum Payment is shown on the Schedule Page. The Lifetime Maximum Payment is the maximum amount for Covered Services that we'll pay for each Covered Person while covered under this Policy during the Covered Person's lifetime. The Lifetime Maximum Payment is shown on the Schedule Page and is further restricted by the Lifetime Maximum Payment for Mental Health Services and/or Substance Abuse care, Inpatient Rehabilitation and the Transplant Lifetime Maximum.

## **Preferred Blue<sup>®</sup> Providers**

The backbone of the Personal BluePlan is the independent network of **Preferred Blue Providers**. These Physicians, Hospitals, Skilled Nursing Facilities, home health agencies, hospices and other Providers have agreed to provide healthcare services to Blue Cross and Blue Shield of South Carolina plan members at a discounted rate. The Preferred Blue Network is one of the largest in South Carolina. Plus, it also will mean less paperwork on your part since Preferred Blue Providers file all claims for you.

There's comfort in knowing your benefits will be paid at a higher percentage when you receive medical, surgical, Mental Health Services and/or Substance Abuse care from a Preferred Blue Provider.

Your Preferred Blue Provider has agreed to:

- Bill you no more for covered services than the Blue Cross Preferred Blue network allowance.
- File all your claims for Blue Cross covered services for you.
- Ask you to pay only the required Deductibles and Coinsurance for covered amounts.

To find out if your Physician or Hospital is a Preferred Blue Provider, you can check the Preferred Blue Provider directory. You can call the Claims Service Center toll-free at [1-800-868-2500](tel:1-800-868-2500), ext. 43475 or in the Columbia area at [803-264-3475](tel:803-264-3475) and request a directory if you don't have one. Or visit our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com). Since the Preferred Blue Provider network is changing all the time, it's a good idea to ask your Physician or Hospital if they're a Preferred Blue Provider before you receive care.

To ensure you receive all of the benefits you're entitled to, be sure to show your ID card whenever you visit your Physician or Hospital. This way your Provider will know you have Personal BluePlan coverage.

**Please note that you may be seen in a teaching facility or by a Provider who has a teaching program. This means that a medical student, intern or resident participating in a teaching program may see you. Please ask your Provider if you have questions about your care.**

## Non-preferred Blue Providers

Not all Physicians, Hospitals and other healthcare Providers have contracted with Blue Cross and Blue Shield of South Carolina to be Preferred Blue Providers. Those who have not are called **Non-preferred Blue Providers**. Although Preferred Blue gives you the freedom to use a Non-preferred Blue Provider, the percentage of benefits we pay will be lower. This means you pay more money out of your own pocket. Non-preferred Blue Provider Benefit percentages are shown on your Schedule Page.

Naturally, we encourage you to use Preferred Blue Providers whenever you can for a number of reasons:

- Non-preferred Blue Providers may require you to pay the full amount of their charges at the time you receive services.
- Non-preferred Blue Providers may require you to file your own claims.
- Non-preferred Blue Providers may require you to get all necessary Approvals. Information regarding how and when to get an Approval is in the *Preauthorization and Approval* section.
- Non-preferred Blue Providers also can charge you more than the Blue Cross Allowed Charge.

**Blue Cross makes every effort to contract with Physicians who practice at Preferred Blue Hospitals. Some Physicians, however, choose not to be Preferred Blue Providers even though they may practice at Preferred Blue Hospitals. It's important to understand that while you can still use these Physicians, the benefit percentage we pay will be lower.**

## How to File Claims

If you receive healthcare services or supplies from a Preferred Blue Provider, the Provider will file your claims for you.

If you receive healthcare services or supplies from a Non-preferred Blue Provider or non-Contracting Provider, you'll have to file your own claims. Please follow the instructions below when you have claims for expenses other than Prescription Drugs. When filing your own claims, here are some things you'll need:

1. **Comprehensive Benefits Claim Form for each different patient.** You can get these forms from the Claims Service Center or from our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).
2. **Itemized Bills from the Providers.** These bills should include:
  - Provider's name and address
  - Patient's name and date of birth
  - Policyholder's Blue Cross ID number
  - Description and cost of each service
  - Date that each service took place
  - Description of the illness or injury (diagnosis)

Complete the front of each claim form and attach the itemized bills to it.

Before you submit your claims, we suggest you make copies of all claim forms and itemized bills for your records since we can't return them to you. Send your claims to the Claims Service Center at the address found in the *How to Contact Us* section.

**How to File a Claim for Prescription Drugs:** If you buy your Prescription Drugs from a participating network Pharmacy, you will have no claims to file. To file your claim for Prescription Drugs:

- Use a Prescription Drug claim form. You can get these forms from the Claims Service Center or from our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).
- Fill out the top half of the form, sign it and attach the receipt for the Prescription Drugs.
- Mail the form to the contracting Pharmacy Benefit Manager at the address shown on the form.

**How Long You Have to File a Claim:** We must receive your claim, Provider's bill and/or receipt by the end of the year following the year you received the services or supplies. So, if you saw a Physician on March 1, 2005, you have until December 31, 2006, to submit your complete claim. We'll consider an exception if you can show you weren't legally competent during this period of time.

## Grievance/Appeals Procedure

Please direct any complaints or disagreements you have regarding claims for services or benefits to us at [803-264-3475](tel:803-264-3475) from Columbia, or [1-800-868-2500](tel:1-800-868-2500), extension 43475 from anywhere else. You may also send us a secure e-mail through the Ask Customer Service feature of My Insurance Manager on our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com).

A Preauthorization and Approval denial will be considered a denied claim for purposes of this provision. You may direct any complaints or disagreements you have regarding a Preauthorization and Approval to us at [803-736-5990](tel:803-736-5990) from Columbia, or [1-800-327-3238](tel:1-800-327-3238) from anywhere else.

## **Grievances**

If you choose to file a formal grievance, submit it in writing to us at the Claims Service Center, Post Office Box 100300, Columbia, South Carolina 29202. The grievance should include your name, address, Social Security number and any other information, documentation, medical records or evidence to support your request. You must submit your formal grievance within 90 days of the event that resulted in your complaint.

We'll acknowledge a formal grievance within 10 working days of its receipt. We'll send you our decision in writing within 30 days after we receive your formal grievance. If there are extraordinary circumstances requiring a more extensive review, we may take up to 90 days to review your case before making a decision.

## **Appeals**

If you aren't satisfied with our decision regarding the grievance, you may request an appeal. You have 30 days after you receive our decision on the formal grievance to request an appeal. Send your request for an appeal to the Claims Service Center, Post Office Box 100300, Columbia, South Carolina 29202. Members on the committee reviewing the appeal won't have previously reviewed the claim.

## **External Reviews**

In certain situations, after you have completed the grievance and appeal process above, you may be entitled to an additional review of your claim at our expense. An external review may be used to reconsider your claim if we have denied it, either in whole or in part. The claim must have been greater than \$500 and denied, reduced, or ongoing medical treatment is terminated because: 1) it doesn't meet our requirements for medical necessity, appropriateness, healthcare setting, level of care or effectiveness; or 2) it is Investigational or Experimental and it involves a life-threatening or seriously disabling condition.

After your internal appeals are completed, we'll notify you in writing of your right to request an external review. You should file a request for external review within 60 days of receiving that notice. You will be required to authorize the release of any medical records that may be needed for the purpose of reaching a decision during the external review. If you need assistance during the external review process, you may contact the South Carolina Department of Insurance for assistance at the following address and telephone number:

South Carolina Department of Insurance  
Post Office Box 100105  
Columbia, SC 29202-3105  
1-800-768-3467

Within five business days of your request for an external review, we'll respond by either:

1. Assigning your review to an independent review organization and forwarding your records to them; or
2. Telling you in writing that your situation doesn't meet the requirements for an external review and the reasons for our decision.

The independent review organization will take action on your request for review within 45 days after it receives the request.

## **Expedited External Reviews**

If your Physician certifies that you have a "serious medical condition," you are entitled to an expedited external review. A serious medical condition, as used in this provision, is one that requires immediate medical attention to avoid serious impairment to body functions, serious harm to an organ or body part, or that would place your health in serious jeopardy.

You may also request an expedited review if our denial involves Emergency Medical Care, if you may be held financially responsible and you have not been discharged from the Facility.

## **B. DEFINITIONS**

**Allowable Charge:** The actual charge as submitted to us or the Maximum Payment, whichever is less.

The Maximum Payment is the total amount eligible for payment by us for the services, supplies or equipment you receive from a Provider. The Maximum Payment that we determine will be the least of 1, 2, 3, 4 or 5:

1. The actual charges made for similar services, supplies or equipment by Providers and filed with us during the past calendar year;
2. The Maximum Payment for the past year increased by an index based on national or local economic factors or indices;
3. The lowest charge level at which any medical services, supplies or equipment is generally available in the area, when in our judgment, a charge for such services, supplies or equipment generally should not vary significantly in quality from one Provider to another;
4. A set of allowances that has been mutually agreed upon by Contracting Providers and Blue Cross; or
5. A set of allowances established by us.

Review of the Maximum Payment will occur following each calendar year. If there are no actual or similar charges, as referred above, we may, through our medical staff and/or consultants, determine the Maximum Payment based on comparable or similar services or procedures.

**Ambulatory Surgical Center:** A Facility that is licensed for Outpatient Surgery and doesn't provide Inpatient accommodations. It must be operated under the supervision of a Physician. It also must provide nursing services by or under the supervision of a registered nurse (RN) who is on duty. The Facility must not be an office or Clinic for the private practice of a Physician. Ambulatory Surgical Center includes an endoscopy center.

**Benefit Period:** Your Benefit Period is either: a) a one-year period beginning on your Effective Date of coverage and continuing for 365 days (366 days when a leap year occurs); or b) a period beginning January 1 and continuing through December 31 of each year; however, the first year, the Benefit Period begins on your Effective Date of coverage and continues through December 31. Your Benefit Period is shown on your Schedule Page.

**Blue Cross and Blue Shield of South Carolina:** We, our, us.

**Clinic:** An Outpatient Facility for examining and treating patients who aren't bedridden. It must be operated under the supervision of a Physician.

**Coinsurance:** The percentage of Allowable Charges you pay as your share for Covered Services. This percentage applies to the negotiated rate or lesser charge when we have negotiated rates with that Provider.

**Contracting Mammography Provider:** A Provider contracting with us in writing to provide routine mammograms. Please note that there is a separate list of Providers specifically for mammograms.

**Contracting Provider:** Any Provider contracting with us in writing to provide services at an agreed upon rate. This will include Preferred Blue Providers, any licensed Hospital meeting the definition of Hospital with which any Blue Cross Plan has a written agreement and any Physician, supplier, Pharmacy, Ambulatory Surgical Center, Clinic, Skilled Nursing Facility or home health agency.

**Contracting Provider Agreement:** A written agreement between Blue Cross and Blue Shield of South Carolina and a Provider.

**Covered Person:** You and each Dependent shown on the Schedule Page who is insured by this Personal BluePlan Policy.

**Covered Service:** A service or supply specified in this Policy for which a Covered Person is entitled to benefits according to the terms and conditions of this Policy.

**Creditable Coverage:** Health coverage subject to Health Insurance Portability and Accountability Act of 1996 (HIPAA).

When your coverage under this Policy ends, you have the right to receive a certification showing the period of coverage you had under this Policy. This period of coverage is called Creditable Coverage. You may be given credit for the period of this coverage, if a future employer with a group Health Insurance plan has a Pre-existing Condition exclusion period, so long as there is no more than a 63-day break in coverage between this coverage and any succeeding coverage.

If you leave the future group Health Insurance, coverage under this Policy may help reduce a Pre-existing Condition exclusion period with the South Carolina Health Insurance Pool or another group health plan, however, Creditable Coverage cannot be used to reduce any Pre-existing Condition limitation under any other Individual Policy.

You or your Dependent may also request a Certificate of Creditable Coverage from us even if your coverage is still in force. To request a Certificate of Creditable Coverage, please write or call our Member Services Center at the address or phone number listed in the *General* section of this policy.

**Custodial Care:** Care that we determine is provided primarily to assist the patient in the activities of daily living and doesn't require a person with medical training to provide the services. Custodial Care includes, but isn't limited to, help with activities of daily living, walking, bathing, dressing, feeding, preparation of special diets and supervision over self-administration of medications.

**Deductible:** The amount of Covered Services you must pay each Benefit Period for a Single or Family Plan before benefits are paid by this Policy. The Deductible applies to all Covered Services unless specified otherwise on the Schedule Page. If you have a Family Plan, the Deductible is an accumulation of Allowable Charges for all Covered Persons.

**Dependent:** Your: 1) lawful spouse; and/or 2) unmarried children (through age 18 or through age 22 if a Full-time Student), including stepchildren and children, who are legally listed as your Dependents for income tax purposes or for whom a court order requires you to provide Health Insurance.

**Designated Provider:** Any Provider with whom we have a Contracting Provider Agreement, and that we require you to use for specialized services in order to receive benefits for these services. These Providers include, but aren't limited to, Rehabilitation Facilities and Contracting Mammography Providers. We won't pay benefits unless a Designated Provider performs these services.

**Dose:** An approved quantity for a prescription or refill or single treatment of a Specialty Drug. No Dose may exceed a 31-day supply.

**Durable Medical Equipment:** Equipment your doctor orders that has exclusive medical use. These items must be reusable and may include wheelchairs, hospital-type beds, crutches, walkers, splints, respirators, etc. To qualify for benefits, your Physician must order the medical equipment and it must be Medically Necessary to meet a specific need.

Equipment such as air conditioners, whirlpool baths, spas, (de)humidifiers, wigs, fitness supplies, vacuum cleaners or air filters don't qualify because they don't have exclusive medical uses. To be eligible as Durable Medical Equipment, the device or equipment's use must be limited to the patient for whom it was ordered. This means others can't use the device or equipment.

**Effective Date:** The date on which coverage for a Covered Person begins under this Policy.

**Emergency Medical Care:** Healthcare services provided in a Hospital emergency room to evaluate and treat an Emergency Medical Condition.

**Emergency Medical Condition:** A severe injury or illness (including pain). The illness or injury must be so severe that a reasonable person with an average knowledge of health and medicine could reasonably expect that if he or she doesn't get medical care right away, one of these might occur:

1. Serious risk to one's health. If a woman is pregnant, this includes her health or her unborn child's health; or
2. Serious damage to body functions; or
3. Serious damage to any organs or body parts.

**Family Plan:** A policy of insurance covering you and one or more of your Dependents.

**Full-time Student:** A Dependent child age 22 or younger and enrolled in and attending one of these:

- High school; or
- An accredited or licensed school commonly recognized as a vocational, technical or trade school, with attendance qualifying the Dependent child as a full-time student under the rules of the institution; or
- A college or university with full enrollment in at least enough regular academic courses to reach the status of a full-time student at the college or university.

Periods between semesters, such as summer periods will be included if the child was attending as a Full-time Student during the past regular semester, quarter or summer school session. Correspondence course participation doesn't count as attendance as a Full-time Student.

A time period between graduation from high school and vocational, technical or trade school or college entry, or between college graduation and graduate school entry will be included only if the child has applied for admission beginning with the next regular semester immediately following graduation.

You must send us a letter stating the Dependent child is a Full-time Student. Your letter must include a tuition receipt from the school's Bursar's office or a letter from the school verifying its accreditation and the student's full-time status.

**Genetic Information:** Information about genes, gene products or genetic characteristics (hair and eye color, risks for certain diseases, etc.) that are passed down from parents to children. "Gene product" is a scientific term that means messenger RNA and translated protein. Genetic Information doesn't include:

- Routine physical measurements;
- Chemical, blood and urine analysis, unless purposely done to diagnose a genetic characteristic;
- Tests for drug abuse; and
- Tests for the presence of HIV.

**Health Insurance (Other Policies):** A Policy that provides insurance, reimbursement, or service benefits for Hospital, surgical or medical costs. This includes, but isn't limited to, coverage under: 1) individual or group insurance policies; 2) nonprofit health service plans; 3) health maintenance organization (HMO) subscriber contracts; 4) preferred provider organization (PPO) subscriber contracts; 5) self-insured group plans; 6) prepayment plans; 7) Medicare; and 8) any state or federal mandated Health Insurance plan.

**Health Status-related Factor:** Any one of these: health status, medical condition (including both physical and mental illnesses), claims experience, receipt of healthcare, medical history, Genetic Information, evidence of insurability or disability.

**Home Health Care:** Home Health Care includes services you get in the home that are normally provided in a Hospital or Skilled Nursing Facility. You must receive Home Health Care from a home health agency that is licensed by the state in which it operates. We must approve benefits for Home Health Care in advance.

**Hospice Care:** A program of care for terminally ill people who aren't expected to live more than six months. Hospice Care requires Preauthorization Review. It must be provided in lieu of Inpatient care at a Hospital or Skilled Nursing Facility to a patient who would otherwise need Inpatient care.

**Hospital:** A short-term, acute care Facility that:

1. Is licensed and operated according to the law; and
2. Is primarily and continuously engaged in providing or operating medical, diagnostic, therapeutic and major surgical Facilities for the medical care and treatment of injured or sick people on an Inpatient basis either on its premises or in Facilities available to the Hospital on a prearranged basis. It must also be under the supervision of a staff of duly licensed Physicians; and
3. Provides 24-hour nursing services by or under the supervision of registered nurses (RNs).

The term Hospital doesn't include long-term, chronic care institutions or institutions that are, other than incidentally:

1. Convalescent, rest or nursing homes or Facilities; or
2. Facilities primarily affording custodial, educational or rehabilitatory care; or
3. For the treatment of substance or alcohol abuse; or
4. For the treatment of mental or nervous conditions.

The term Hospital doesn't include a long-term, chronic care institution or Facility that mainly provides care for items (1) through (4) above, whether or not such institution or Facility is affiliated with or part of a Hospital.

**Inpatient:** A Covered Person who is a registered bed patient in a Hospital, Skilled Nursing Facility, Rehabilitation Facility or Psychiatric/Substance Abuse Facility for whom a room and board charge is made.

**Investigational or Experimental:** The use of services or supplies that we don't recognize as standard medical care for the treatment of conditions, diseases, illnesses or injuries. These include, but aren't limited to: treatments, procedures, facilities, equipment, drugs or devices. Here are the criteria used to base our decision on whether a service or supply is Investigational or Experimental:

1. Services or supplies requiring Federal or other governmental agency approval, such as drugs and devices that have restricted market approval from the Food and Drug Administration (FDA) or from any other governmental regulatory agency for use in treatment of a specified condition. Any approval that is granted as an interim step in the regulatory process isn't a substitute for final or unrestricted market approval. A drug that has not been approved by the FDA for the treatment of a specific type of cancer for which a Physician has prescribed the drug, however, may not be excluded if any of these criteria are met:
  - a. The drug is recognized for treatment of a specific type of cancer in at least one standard reference compendia; or
  - b. The drug is recommended for that particular type of cancer and found to be safe and effective in formal clinical studies. These results must have been published in peer-reviewed professional medical journals.

Standard reference compendia means any of the following:

- a. *The United States Pharmacopoeia* dispensing information; or
- b. The American Hospital Formulary Service drug information.
2. There is insufficient or inconclusive scientific evidence in peer-reviewed medical literature to let us evaluate the therapeutic value of the service or supply.
3. There is inconclusive evidence that the service or supply has a beneficial effect on a person's health.
4. The service or supply under consideration isn't as beneficial as any established alternatives.
5. There is insufficient information or inconclusive scientific evidence that the service or supply is beneficial to a person's health and is as beneficial as any established alternatives when used in a noninvestigational setting.

If a service or supply meets one or more of these criteria, it is Investigational or Experimental. We solely make these determinations after independent review of scientific data. We may also consider opinions of professionals in a particular field and/or opinions and assessments of nationally recognized review organizations, but they aren't determinative or conclusive.

Our Medical Director, in making such determinations, may use one or more of these sources of information:

1. The approval of market rulings from the FDA;
2. *The United States Pharmacopoeia and National Formulary*;
3. Drug Evaluation publications from the American Medical Association;
4. The annotated publication titled, *Drugs, Facts, and Comparisons*, published by J. B. Lippincott Company;
5. The available peer review literature; and
6. Appropriate consultation with specialists on a local and national level.

**Legal Guardian:** The guardian of a minor child other than an institution or agency appointed by a court of any state.

**Medicaid:** Cooperative federal-state programs providing medical assistance and other services to certain classes of financially needy persons as established by Title XIX of the Social Security Act of 1965, as amended.

**Medical Supplies:** Syringes and related supplies for conditions such as diabetes; dressings for conditions such as cancer or burns; catheters, external opening (ostomy) bags and related supplies; test tape; necessary supplies for renal dialysis equipment or machines; surgical trays; and splints or such supplies as needed for orthopedic conditions. However, supplies and equipment that have non-therapeutic uses aren't covered medical expenses.

**Medically Necessary:** The service, supply or equipment you receive must be used to identify or treat the illness or injury that a Physician has diagnosed or reasonably suspects. The service, supply or equipment must, in our judgment, be:

- Consistent with the diagnosis and treatment of the patient's condition;
- In accordance with standards of good medical practice, as determined by a Physician's peers in the same profession, as designated by us;
- Required for reasons other than the convenience of the patient or the Physician; and
- Done in the least costly setting required by the patient's condition.

Even though a Physician prescribes or suggests a service, supply or equipment, it doesn't mean that it's Medically Necessary.

**Medicare:** The program of healthcare for the aged, disabled and individuals with end stage renal disease established by Title XVIII of the Social Security Act of 1965, as amended.

**Mental Health Services:** The treatment of mental and nervous conditions or other conditions. These conditions are defined, described or classified as psychiatric disorders or conditions in the publication of The American Psychiatric Association, *Diagnostic and Statistical Manual of Mental Disorders*. Substance Abuse care or treatment isn't included.

**Non-contracting Facility:** A Hospital, Skilled Nursing Facility, Ambulatory Surgical Center or Clinic with whom we do not have a written agreement. We won't pay benefits for services or supplies provided by a Non-contracting Facility, except for the treatment of an Emergency Medical Condition and services provided by a Non-contracting Facility located outside the State of South Carolina.

**Orthotic Devices:** A rigid or semi-rigid supportive device that restricts or eliminates motion of a weakened or diseased body part. A Physician must order the device and we must determine it to be Medically Necessary.

**Out-of-pocket Expense Limit:** The maximum amount of Deductible (unless specified otherwise on the Schedule Page) and/or Coinsurance that you must pay for Covered Services during a Benefit Period. It doesn't include any charges in excess of the Allowable Charge; amounts exceeding any Maximum Payments for benefits; Coinsurance amounts for maternity when the Optional Maternity Endorsement is purchased; or any expense not allowed according to any provisions of this Policy.

**Outpatient:** A Covered Person who receives services or supplies in a setting that doesn't require an overnight stay.

**Over-the-counter Drug:** A drug that doesn't require a prescription.

**Pharmacy:** A facility that is licensed to prepare and dispense medications that a doctor prescribes. It doesn't include a Physician's office or a Pharmacy affiliated with or a part of a Hospital, Skilled Nursing Facility or other type of similar institution.

**Pharmacy Benefit Manager (PBM):** A company that has a written contract with us to manage the Prescription Drug benefits according to this Personal BluePlan Policy.

**Physician:** A person (other than an intern, resident or house Physician), duly licensed as a medical doctor, oral surgeon, osteopath, chiropractor, optometrist, ophthalmologist, dentist, podiatrist or licensed doctoral psychologist legally entitled to practice, within the scope of his or her license and who normally bills for his or her services.

**Policyholder:** You, a parent or Legal Guardian who obtained this insurance Policy to cover you and/or your Dependents and who is the owner of the Policy and payer of the premiums. The Policyholder is responsible for assuring that all required Preauthorization and Approvals for services and supplies are obtained.

**Preadmission Testing:** Tests and studies done on an Outpatient basis that are necessary in connection with and prior to a Covered Person's surgical procedure. Preadmission Testing doesn't include tests or studies performed to establish a diagnosis.

**Preauthorization and Approval:** The approval that must be obtained from Medical Services or Companion Benefit Alternatives, Inc. prior to receiving benefits for certain Covered Services. Preauthorization and Approval is required for Inpatient Hospital and Skilled Nursing Facility services and a number of services and medical procedures. Please refer to your Schedule Page for a list of the services or procedures and what penalty will apply if Preauthorization and Approval isn't obtained.

**Preferred Blue Provider:** A Provider that has entered into a Preferred Blue Provider Agreement with us.

**Preferred Blue Provider Agreement:** A written agreement between Blue Cross and Blue Shield of South Carolina and a Provider where the Provider agrees to accept our allowance as payment in full for Covered Services except that you are responsible for Deductibles and Coinsurance.

**Prescription Drug:** A drug that has been approved by the FDA and labeled "Caution, Federal Law Prohibits Dispensing Without Prescription," or labeled in a similar manner. Only a licensed registered pharmacist can dispense it according to a Physician's Prescription Order. Injectable insulin is also included.

**Brand-name Drug:** A Prescription Drug that is manufactured under a registered trade name or trademark. A Brand-name Drug may be a Preferred Drug or a Non-preferred Drug.

**Generic Drug:** A drug that has the same active ingredient(s) as the Brand-name Drug but isn't manufactured under a registered Brand-name or trademark.

**Non-preferred Drug:** A Prescription Drug that has not been chosen by us, or our designated Pharmacy Benefit Manager, to be a Preferred Drug. This includes any Brand-name Drug that has an "A" rated Generic Drug available.

**Preferred Drug:** A Prescription Drug that has been reviewed for cost and clinical effectiveness and quality. Preferred Drugs are Brand-name Drugs or Generic Drugs that are preferred by us, or our designated Pharmacy Benefit Manager, for dispensing to Covered Persons when appropriate. The Preferred Drug List is subject to periodic review and updates by us, or our designated Pharmacy Benefit Manager without notice.

**Prescription Order:** The request by a Physician for each separate Prescription Drug and each authorized refill.

**Prosthetic Appliances:** Prosthetic devices and supplies that replace all or part of an absent body part (including adjacent tissue) or replace all or part of the function of a permanently inoperative or malfunctioning body part. A Physician must order the appliance or device and we must determine it to be Medically Necessary.

**Provider:** A Facility, Hospital, Skilled Nursing Facility, Rehabilitation Facility, Psychiatric/Substance Abuse Facility, Physician, Psychologist, other mental health clinicians (when Preauthorized) and Ambulatory Surgical Center licensed as required by the state where located, performing within the scope of the license and acceptable to us or as listed:

1. Durable Medical Equipment Suppliers
2. Independent Clinical Laboratory
3. Occupational Therapist
4. Pharmacy
5. Physical Therapist
6. Speech Therapist
7. Home Health Care Supplier
8. Hospice Care Supplier

**Psychiatric Conditions:** See Mental Health Services and/or Substance Abuse.

**Psychiatric/Substance Abuse Facility:** A Facility accredited by the Joint Commission on Accreditation of Health Care Organizations for the purpose of Mental Health Services and/or Substance Abuse care. This Facility may also be a ward, floor or other area contained within a Hospital whose primary purpose is treatment of mental health and Substance Abuse.

**Rate of Payment:** The percentage of Allowable Charges we'll pay for Covered Services as shown on the Schedule Page after the Deductible is satisfied.

**Rehabilitation Facility:** A Hospital or other freestanding medical Facility that has a written agreement with us, that on an Inpatient or Outpatient basis, provides a multi-disciplinary therapeutic program that includes physical therapy, occupational therapy and other therapeutic interventions directed toward the restoration of full function and independent living for patients with neurological or other physical illnesses or injuries.

**Single Plan:** A policy of insurance covering only you.

**Skilled Nursing Facility:** A licensed institution, other than a Hospital, that has a written agreement with us or with another Blue Cross plan which meets all six of these requirements:

1. Maintains permanent and full-time Facilities for bed care of resident patients; and
2. Has the services of a Physician available at all times; and
3. Has a registered nurse (RN) or Physician on full-time duty who's in charge of patient care, along with one or more registered nurses (RNs) or licensed practical nurses (LPNs) on duty at all times; and
4. Keeps a daily medical record for each patient; and
5. Is primarily working to provide continuous skilled nursing care for sick or injured patients during the recovery stage of their illnesses or injuries and is not, other than incidentally, a rest home or a home for Custodial Care for the aged; and
6. Is operating lawfully as a nursing home in the area where it is located.

In no event, however, will the term "Skilled Nursing Facility" include an institution that primarily provides care and treatment of substance or alcohol abuse.

**Specialty Drugs (including generic Specialty Drugs):** FDA approved Prescription Drugs that treat a complex clinical condition and/or require special handling such as refrigeration. They normally require unusual/complex clinical monitoring and special training. Specialty Drugs include but aren't limited to infusible specialty drugs for acute and chronic diseases, injectable and self-injectable drugs for acute and chronic diseases, biotechnology medicines and specialty oral drugs or other dosage forms. A generic Specialty Drug has the same active ingredients as a brand name Specialty Drug but isn't manufactured under a registered brand name or trademark.

**Substance Abuse:** The use of drugs or alcohol where you require medical services that are defined, described or classified as psychiatric disorders or conditions in the latest publication of The American Psychiatric Association, *Diagnostic and Statistical Manual of Mental Disorders*. This doesn't include services for treatment of Mental Health Services.

**Surgery:** 1) the performance of generally accepted operative and cutting procedures including specialized instrumentations, endoscopic examinations and other invasive procedures; 2) the correction of fractures and dislocations; and 3) other procedures as reasonable and as approved by us. This includes the usual and related pre-operative and post-operative care.

**Transplant Benefit Period:** For an organ, the period begins on the admission date in which a transplant is performed and continues for 12 months. For bone marrow, the period begins on the first date of mobilization therapy, marrow/stem cell harvest date or Inpatient admission date for the transplant procedure, whichever occurs first, and will continue for 12 months.

**Transplant Lifetime Maximum:** The maximum amount of benefits provided in a lifetime for each Covered Person for each of the transplants listed on the Schedule Page. Once the Transplant Lifetime Maximum has been met, no additional transplant benefits will be provided for that type of transplant.

**Waiting Period:** The period that must pass before you are eligible to be covered for benefits under the terms of this Policy. The Waiting Period begins on the day you substantially filled out your application and ends on the first day of coverage.

## C. PREAUTHORIZATION AND APPROVAL

To make the most of your benefits, Blue Cross has an approval process in place. Our Medical Services personnel (a group of medical professionals employed by us) must give advance approval for all Hospital admissions and certain other specified services for you to receive maximum benefits. Their responsibility is to review all requests for preapproval. Inpatient and Outpatient services you receive for treatment of Mental Health Services and/or Substance Abuse care require Preauthorization by Companion Benefit Alternatives, Inc. (CBA). Companion Benefit Alternatives, Inc. is a mental health and Substance Abuse subsidiary of Blue Cross and Blue Shield of South Carolina.

An approval from Medical Services or Companion Benefit Alternatives, Inc. means that a service is Medically Necessary for treatment of the patient's condition. **It isn't a guarantee or verification of benefits. Payment is subject to patient eligibility, Pre-existing Condition Limitations and all other limitations or exclusions of the Policy. We'll make our final benefit determination when we process your claims.** If you have any questions about whether a certain service will be covered, please contact a Claims Service Representative.

If your Physician recommends these services and/or supplies for you or your Dependent for any reason, make sure you tell your Physician that your Health Insurance Policy requires advance approval. Preferred Blue Providers will be familiar with this requirement and will get the necessary approvals.

If you or your Dependent doesn't use a Preferred Blue Provider, it's your responsibility to contact us before receiving these services and supplies. If you don't get preapproval, then you'll pay more of your own money for these services and supplies.

If you or a Dependent is undergoing a human organ and/or tissue transplant, written approval from us must be obtained in advance. **If we don't preapprove these services in writing, then we won't pay any benefits.**

Please note that if your request is denied for Preauthorization or preapproval for services or benefits, you may request further review under the guidelines set out in the *Grievance/Appeals Procedures* Section of this Policy. Also note that a Preauthorization and Approval denial will be considered a denied claim for purposes of appeals and grievances.

## Types of Approval

There are five different types of approval:

1. Preadmission Review
2. Emergency Admission Review
3. Continued Stay Review
4. Preauthorization Review
5. Preauthorization for Mental Health Services and/or Substance Abuse care

Here are more details about each one:

1. **Preadmission Review** – Before you or a Dependent is admitted to a Hospital or Skilled Nursing Facility, Preadmission Review approval must be obtained. If you've just had a baby, approval must be obtained within 24 hours of your discharge if your newborn is sick and must stay in the Hospital.

If approval isn't obtained, or if we don't approve the admission and you or your Dependent is still admitted, we won't pay benefits for any part of the room and board charges. If a Preferred Blue Hospital or Skilled Nursing Facility doesn't get approval for you, it can't bill you for room and board charges but a non-Preferred Blue Provider can bill you for the penalty.

An admission for physical rehabilitation requires use of Designated Providers and Preauthorization from us. If the admission for physical rehabilitation isn't Preauthorized and/or the service isn't performed at a Designated Provider, we won't pay benefits.

2. **Emergency Admission Review** – If you or one of your Dependents experiences an emergency illness or injury, go to the nearest emergency room right away, or call 911 for help. We don't expect you to wait for approval before you go to the Hospital.

Medical Services must be notified within 24 hours of the emergency admission, or by 5 p.m. of the next working day following the admission. (Exceptions may be made for reasons beyond your control.)

If Emergency Admission Review approval isn't obtained within 24 hours or by the next working day, we won't pay benefits for any part of the room or board charges. If a Preferred Blue Hospital or Skilled Nursing Facility doesn't get approval for you, it can't bill you for room and board charges but a non-Preferred Blue Provider can bill you for the penalty.

3. **Continued Stay Review** – It's possible that you or a Dependent has to remain in the Hospital or Skilled Nursing Facility for a period longer than we originally approved. In this case, Continued Stay Review Approval must be obtained from Medical Services.

If a Continued Stay Review approval isn't obtained, or if we don't approve the continued stay, but you or your Dependent remains in the Hospital or Skilled Nursing Facility, we won't pay benefits for any part of the room and board charges for the period of the continued stay. If a Preferred Blue Hospital or Skilled Nursing Facility doesn't get approval for you, it can't bill you for room and board charges for the continued stay but a non-Preferred Blue Provider can bill you for the continued stay.

4. **Preauthorization Review** — A number of services and medical procedures require Preauthorization Review. Please refer to your Schedule Page for a list of the services or procedures and what penalty will apply if Preauthorization isn't obtained.

If a Preferred Blue Provider doesn't get Preauthorization for you, it can't bill you for the denied or reduced benefits due to Preauthorization not being obtained, but a Non-preferred Blue Provider can bill you for the penalty.

For more information about services and supplies that require Preauthorization Review, please see the *Covered Services* section. If you have specific questions, please call or write the Member Services Center.

5. **Preauthorization for Mental Health Services and/or Substance Abuse care** – Companion Benefit Alternatives, Inc. (CBA) must preapprove any Inpatient or Outpatient treatment for Mental Health Services and/or Substance Abuse care.

If approval isn't obtained for Inpatient Mental Health Services and/or Substance Abuse care, we'll deny covered charges for room and board. If a Preferred Blue Hospital doesn't get approval for you, it can't bill you for room and board charges. If approval isn't obtained for Outpatient Mental Health Services and/or Substance Abuse care, we'll reduce benefits as shown on the Schedule Page. If a Preferred Blue Provider doesn't get approval for you, it can't bill you for the reduction but a non-Preferred Blue Provider can bill you for the reduction.

If you need approval, be sure to call Medical Services or Companion Benefit Alternatives, Inc. **Please don't call the Claims Service Center. A Claims Service Representative cannot give approval. Please refer to the *How to Contact Us* provision of this Policy for the telephone numbers to call for approval.**

If you call for review and approval, you'll talk with a medical professional. He or she will ask you for this information:

- Your name and ID number
- The patient's name and relationship to you
- The Physician's name, address and phone number
- The Hospital or Skilled Nursing Facility's name, address and phone number
- The reason the patient needs care

After careful review, we'll let your Physician and Hospital know if we approved the admission or service as Medically Necessary and how long the approval is valid.

## **D. COVERED SERVICES**

We'll pay benefits for Covered Services according to the provisions described in this Policy. We base benefit payments on a percentage of Allowable Charges. Benefits are subject to Deductibles, Benefit Period Maximum Payments and Lifetime Maximum Payments as shown on the Schedule Page.

Covered Services include only the services and supplies described below to the extent the charges aren't limited or excluded in any provisions of this Policy. The services and supplies must:

1. Be prescribed by or performed by or upon the direction of a Physician; and
2. Be done for diagnosis or treatment of a Covered Person's illness or injury, except as specifically noted herein; and
3. Be approved as Medically Necessary and appropriate; and
4. Not be Investigational or Experimental in nature; and
5. Be provided after the Effective Date and before the termination of coverage, unless otherwise specified.

Covered Services don't include treatment for complications resulting from any non-covered procedure or condition. **Medical Services or Companion Benefit Alternatives, Inc. must be used in order to receive maximum benefits available under this Policy. Refer to the *Preauthorization and Approval* section of this Policy for specific Covered Services that must be Preauthorized and Approved.**

The following are Covered Services:

**Ambulance Service** – Ambulance service providing local transportation by means of a vehicle used only for transporting the sick and injured from a Covered Person's home or scene of accident or medical emergency to a Hospital or between Hospitals when such Hospital is the closest Facility that can provide Covered Services appropriate to the Covered Person's condition. If there is no Hospital in the local area that can provide Covered Services appropriate to the Covered Person's condition, the ambulance service provides transportation to the closest Hospital outside the local area that can provide the necessary service.

Benefits will also be provided for ambulance service providing local transportation by means of a vehicle used only for transporting the sick and injured from a Hospital to the Covered Person's home.

**Cleft Lip and Palate** – The Medically Necessary care and treatment of a Cleft Lip and Palate and any condition or illness that is related to or caused by a Cleft Lip and Palate. Cleft Lip and Palate means a congenital cleft in the lip or palate or both.

Care and treatment will include, but isn't limited to, these types of Medically Necessary care:

1. Oral and facial Surgery, surgical management and follow-up care;
2. Prosthetic treatment such as obdurators, speech appliances and feeding appliances;
3. Orthodontic treatment and management;
4. Treatment and management for missing teeth (prosthodontics);
5. Ear, nose and throat (otolaryngology) treatment and management;
6. Hearing (audiological) assessment, treatment and management including surgically implanted hearing aids; and
7. Physical therapy assessment and treatment.

If a Covered Person with a Cleft Lip and Palate is also covered by a dental policy, then the dental policy will cover teeth capping, prosthodontics and orthodontics to the limit of coverage provided and any excess after that will be provided by this Policy.

**Complications of Pregnancy** – A condition needing medical treatment before or after the end of a pregnancy. The condition must be diagnosed as separate or distinct from the pregnancy or caused by it. Examples are:

- Kidney disease or inflammation of kidneys (acute nephritis);
- Heart failure (cardiac decompensation);
- Miscarriage;
- Disease of the blood vessels (vascular), blood cells (hemopoietic), nervous or hormone (endocrine) systems; and
- Similar conditions that can't be classified as a distinct complication of pregnancy but are connected with managing a difficult pregnancy. Also includes:
  - Non-elective cesarean section;
  - Termination of ectopic or tubal pregnancy;
  - Excessive vomiting during pregnancy (hyperemesis gravidarum); and
  - Hypertension or toxemia (pre-eclampsia).

**Dental Services Related to Accidental Injury** – Only when such care is for treatment, Surgery or appliances caused by accidental bodily injury (except dental injuries occurring through the natural act of chewing). Benefits are limited to care completed within one year of such accident and while the patient is still covered under this Policy.

**Diabetes** – Equipment, supplies and Outpatient self-management training, and education for the treatment of Covered Persons with diabetes if it's Medically Necessary, and a healthcare professional prescribes it. This healthcare professional must be legally authorized to prescribe such items and follow minimal standards for care for diabetes. These minimal standards of care are adopted and published by the Diabetes Initiative of South Carolina.

Diabetes self-management training and education will be provided on an Outpatient basis when done by a registered or licensed healthcare professional that is certified in diabetes.

**Diagnostic Services** – Medically Necessary procedures ordered by a Physician because of specific symptoms to determine a definite condition or disease. Benefits will be provided on an Inpatient and Outpatient basis. Diagnostic services include, but aren't limited to:

1. Radiology, ultrasound and nuclear medicine;
2. Laboratory and pathology. This doesn't include services for sexual dysfunction and infertility;
3. ECG, EEG, and other electronic diagnostic medical procedures and physiological medical testing;
4. Surgical pathology – pathological examination of tissue removed surgically, by resection or biopsy, on an Outpatient basis. This does not include smear techniques;
5. Magnetic Resonance Imaging (MRI); and
6. Gastrointestinal Endoscopies.

Room and board charges will be denied for diagnostic services provided on an Inpatient basis that could have been safely done on an Outpatient basis.

**Durable Medical Equipment, Prosthetic Appliances and Orthotic Devices** – If prescribed by a Physician and approved by us as Medically Necessary for the treatment of the patient's condition, then we'll provide benefits for the purchase price or the rental cost up to the purchase price for Durable Medical Equipment, Prosthetic Appliances or Orthotic Devices. We'll reduce benefits to standard equipment allowances when deluxe/specialized equipment is used. The rental benefits cannot exceed the purchase price of the equipment.

Benefits aren't available for a penile prosthesis that is necessary due to any medical condition or organic disease. A penile prosthesis will be considered for payment only after Medically Necessary prostate Surgery.

Preauthorization and Approval is required when the purchase price or rental cost is more than the amount shown on your Schedule Page.

**Emergency Medical Care by Non-contracting Facilities** – If you or a covered Dependent receives Emergency Medical Care from a Non-contracting Facility, we'll provide benefits for Covered Services at a Rate of Payment shown on the Schedule Page if you meet all of these conditions:

- Care must be for an Emergency Medical Condition or it must be determined by us that you or your covered Dependent had no control over the administration of Emergency Medical Care; and
- We must be notified within 24 hours or the next workday, whichever is later, if an Inpatient admission is Medically Necessary due to an Emergency Medical Condition.

Benefits under this provision are subject to the applicable Deductibles and Out-of-pocket Expense Limits and to all Policy maximums, limits and exclusions.

Coverage under these circumstances continues only so long as the Emergency Medical Condition exists. A Preferred Blue Provider or Non-preferred Blue Provider must provide any follow-up care for services to be covered.

If you have claims that meet all these conditions, you should write or call the Claims Service Center. We'll review your claims to see if we can pay benefits at a Rate of Payment shown on the Schedule Page.

**Home Health Care Services** – If approved, we'll provide benefits for the first 40 Home Health Care Visits. Home Health Care includes:

1. Services by a registered nurse (RN);
2. Physical, respiratory, speech and occupational therapy (the Home Health Care 40 visit maximum applies);
3. Services by a home health aide or medical social worker;
4. Nutritional guidance;
5. Diagnostic services;
6. Administration of Prescription Drugs;
7. Medical and surgical supplies;
8. Oxygen and its administration; and
9. Durable Medical Equipment (A separate Preauthorization Review isn't needed when we approve the entire Home Health Care plan).

**Hospice Care** – If approved, we'll provide benefits for Hospice Care provided by a licensed Hospice Care Provider. Hospice Care includes:

1. Services provided by a registered nurse (RN) or licensed practical nurse (LPN);
2. Physical, respirator and speech therapy (the Short-term Therapy Maximum Payment applies);
3. Services by a home health aide or medical social worker;
4. Nutritional guidance;
5. Diagnostic services;
6. Administration of Prescription Drugs;
7. Medical and surgical supplies;
8. Oxygen and its administration;
9. Durable Medical Equipment (A separate Preauthorization Review isn't needed when we approved the entire Hospice Care plan);
10. Respite Care; and
11. Family counseling concerning the patient's terminal condition.

### **Hospital Services**

1. Inpatient Hospital Services – Include:
  - a. A semi-private room and intensive care unit – When a Covered Person is admitted to a Hospital in which all rooms are private, the most prevalent semi-private room rate, as determined by us, will be considered the private room allowance;
  - b. Bed and board – including meals, special diets and general nursing services;
  - c. Ancillary Services, such as:
    1. Use of operating, delivery and treatment rooms;
    2. Prescribed drugs;
    3. Administration of blood and blood processing;
    4. Anesthesia, anesthesia supplies and services provided by an employee of the Hospital;
    5. Medical and surgical dressings, supplies, casts and splints;
    6. Diagnostic services;
    7. Therapy services; and
    8. Rental of Hospital equipment up to the purchase price during the Inpatient stay.

The day that a Covered Person leaves a Hospital, with or without permission, is treated as the day of discharge and won't be counted as an Inpatient care day, unless he or she returns to the Hospital by midnight of the same day. The day the Covered Person returns to the Hospital is treated as the day of admission and is counted as an Inpatient care day. The days during which a Covered Person isn't physically present for Inpatient care aren't counted as Inpatient days.

2. Outpatient Hospital Services – Include:
  - a. Emergency Medical Care
  - b. Surgery
  - c. Other services not specified above and not specifically excluded

**Human Organ and/or Tissue Transplant** – In order for benefits to be provided for covered transplant procedures, Preauthorization must be obtained from us. If written Preauthorization isn't obtained, we won't pay benefits for any transplant procedure.

Benefits for covered transplants are subject to Deductibles and the Transplant Lifetime Maximums and a Transplant Benefit Period. Transplant Lifetime Maximums are shown on the Schedule Page. All benefits provided during a Transplant Benefit Period will apply toward the Transplant Lifetime Maximum. Prescription Drugs, however, don't apply toward the Transplant Lifetime Maximum.

Organ transplant coverage includes all expenses for medical and surgical services and supplies you receive for human organ and/or tissue transplants while you are covered under this Policy. This includes donor organ procurement.

1. The only living donor, human organ transplants covered under this Policy are kidney transplants for patients with dialysis-dependent kidney failure and liver transplants. All other living donor, human organ transplants aren't covered. Benefits will be subject to the following conditions:
  - a. When both the transplant recipient and the donor are Covered Persons, benefits will be provided for both;
  - b. When the transplant recipient is a Covered Person and the donor isn't, benefits will be provided for both the recipient and the donor to the extent that benefits to the donor aren't provided by any other source. This includes, but isn't limited to: other insurance coverage, any government program or any employee welfare plan. Benefits provided to the donor will be charged against the recipient's coverage under this Policy;
  - c. When the transplant recipient isn't a Covered Person and the donor is, no benefits will be provided to either the donor or the recipient.
2. Limited benefits are provided for the specified major human organ transplant procedures listed below. These benefits are subject to all other provisions of the Policy.
  - Kidney single/double, pancreas and kidney, heart, lung single/double, liver, pancreas, heart and lung single/double and bone marrow transplants.
3. Benefits may be available when a malignancy is present for high dose chemotherapy followed by hematopoietic stem support, either autologous (the patient is the donor) bone marrow transplant, peripheral stem cell or allogeneic bone marrow transplant when the procedure is considered Medically Necessary.
4. Benefits may be available for allogeneic bone marrow transplantation in the treatment of developmental and non-malignant diseases of bone marrow when the procedure is considered Medically Necessary.

Benefits for allogeneic or syngeneic bone marrow transplants as described in items 3 and 4 above are available only if there are at least four out of six histocompatibility complex antigen matches between the patient and the donor and the mixed lymphocyte culture is nonreactive.

5. Transplants of tissue (rather than whole major organs), except fetal tissue, are covered expenses under this Policy, subject to all the provisions of this Policy only as follows:
  - Blood transfusions (but not whole blood and blood plasma);
  - Autologous parathyroid transplants;
  - Corneal transplants;
  - Bone and cartilage grafting; or
  - Skin grafting.

**Mastectomy** – Hospitalization will be provided for at least 48 hours following a mastectomy. If you're released early, then we'll provide benefits for at least one home care visit if the attending Physician orders it.

We'll also provide benefits for prosthetic devices and reconstruction of the breast on which the mastectomy was performed. This includes Surgery and reconstruction of the non-diseased breast to produce a symmetrical appearance as determined in consultation with the attending Physician and the patient.

**Medical Supplies** – Benefits are payable for Medically Necessary supplies.

**Mental Health Services and/or Substance Abuse Care** – We'll provide benefits for Mental Health Services and/or Substance Abuse care when a Covered Person is a patient in a Hospital or Psychiatric/Substance Abuse Facility or is receiving Outpatient services. Mental Health Services and/or Substance Abuse care don't include conditions related to attention deficit disorder, learning disabilities, behavioral problems or Inpatient confinement for environmental changes; marriage, family or child counseling for the treatment of premarital, family or child relationship dysfunctions.

The day that a Covered Person leaves a Hospital, with or without permission, is treated as the day of discharge and won't be counted as an Inpatient care day, unless he or she returns to the Hospital by midnight of the same day. The day the Covered Person returns to the Hospital is treated as the day of admission and is counted as an Inpatient care day. The days during which a Covered Person isn't physically present for Inpatient care aren't counted as Inpatient days.

The Lifetime Maximum Payment for Inpatient and Outpatient treatment for Mental Health Services and/or Substance Abuse care is combined and is shown on the Schedule Page.

The Deductible (unless specified otherwise on the Schedule Page) and Coinsurance amounts a Covered Person pays for Mental Health Services and/or Substance Abuse care will apply toward the Out-of-pocket Expense Limit. The Rate of Payment for these services will be increased to 100% when the Out-of-pocket Expense Limit is met.

**Out-of-country** – We'll provide Out-of-country benefits based on the Preferred Blue Provider allowance or the total charge, whichever is less. Out-of-country benefits consist of all services provided or supplies received outside the United States.

**Physician Services** – Benefits don't include: the reversal of sterilization, infertility or impotency treatment, treatment of sexual dysfunction, or for the enhancement of sexual performance; transsexual procedures; refractive care, such as radial keratotomy, laser eye Surgery or LASIK; dorsal rhizotomy in the treatment of spasticity; the treatment of obesity or for the purpose of weight reduction (even if morbid obesity is present) including, but not limited to: gastric-by-pass or gastric banding, intestinal bypass, liposuction and any related procedures as well as any complications from or the reversal of such restrictive and diversionary procedures. Reconstructive procedures made necessary by weight loss and any Hospital services associated with any of the above services or procedures are also not included in these benefits.

1. Surgical Services

- a. Special Services – Reconstructive Surgery to restore bodily function or correct deformity resulting from disease, trauma, congenital anomalies or developmental anomalies.
- b. Multiple Surgical Procedures – When multiple surgical procedures are performed through the same incision or body opening during one operation, benefits are provided only for the primary procedure, unless more than one body system is involved or the procedures are required for management of multiple trauma.

If two or more surgical procedures are performed through different incisions or body openings during one operation, benefits are provided for the additional procedures at 50% of the Allowable Charge for each procedure. No additional benefits are payable for more than four procedures performed during one operation.

When more than one skin lesion is removed at one time, the Allowable Charge is covered for the largest lesion, 50% of the Allowable Charge is covered for the removal of the second largest lesion, and 25% of the Allowable Charge is covered for removing any other lesions.

Certain surgical procedures, which are normally exploratory in nature, are designated as "Independent Procedures" by us, and the Allowable Charge is covered when such a procedure is performed as a separate and single entity. However, when an Independent Procedure is performed as an integral part of another Surgical service, the total amount covered will be the Allowable Charge for the major procedure only.

- c. Anesthesia – Administration of anesthesia ordered by the attending Physician and provided by a Physician other than the surgeon or assistant at Surgery.

2. Inpatient Services – Medical care (except for routine nursery charges and the first medical exam of a newborn well baby) provided by a Physician to a Covered Person, as a patient in a Hospital for a condition not related to Surgery or pregnancy, except as specifically provided herein. Benefits won't be provided for tests or treatment as an Inpatient that could have been safely done as an Outpatient.

- a. Inpatient Medical Care Visits – Visits are limited to one per day. Inpatient medical services also include diagnostic services and therapy services done concurrently with medical care.
- b. Intensive Medical Care – If a Covered Person's condition requires intensive medical care, benefits are payable for one intensive medical care visit a day by the attending Physician.
- c. Consultation – A consultation from another Physician may be ordered by a patient's attending Physician. For each consulting Physician, benefits are payable for one consultation during a single admission to a Hospital or Skilled Nursing Facility.

We won't pay benefits for daily medical visits by more than one Physician unless the Covered Person has a separate medical condition the attending Physician can't treat. In this type of situation, we may pay benefits for one daily visit by each Physician.

Daily care by the surgeon, as well as pre- and post-operative care, is included in the benefits for Surgery. Unless the Covered Person has a medical condition a surgeon can't treat, we won't provide benefits for medical care visits if the Covered Person is hospitalized for Surgery.

3. Outpatient Medical Services – Medical care provided by a Physician to a Covered Person in an Outpatient setting for a condition not related to Surgery or pregnancy, except as specifically provided. Outpatient medical services don't include charges for telephone consultations, failure to keep a scheduled appointment, completion of claim forms or for furnishing medical records.
  - a. Emergency Medical Care – The treatment of an Emergency Medical Condition.
  - b. Non-Routine Office Visits – Medical care visits and consultation for the examination, diagnosis and treatment of an injury or illness. Eligible Physician charges don't include "virtual office visits". A "virtual office visit" occurs when the Physician, "treating," consulting, diagnosing, writing or approving a prescription, has never physically seen or physically examined the Covered Person.
  - c. Home and Other Outpatient Visits – Medical care visits and consultations for the examination, diagnosis and treatment of an injury or illness.

**Prescription Drugs** – After you have met the Deductible, we'll provide benefits for Prescription Drugs as specified on the Schedule Page. We pay higher benefits for the most cost-effective Prescription Drugs available at the time you fill your prescription. This includes the use of Generic Drugs, according to all legal and ethical standards.

Prescription Drugs must be consistent with the diagnosis and treatment of a covered illness, injury or condition; or not excessive in terms of the scope, duration or intensity of drug therapy that is needed to provide safe, adequate and appropriate care. Benefits for the daily dosage of a Prescription Drug will be provided as recommended as described in the current *Physician's Desk Reference* or as recommended under the guidelines of our Pharmacy Benefit Manager, whichever is lower.

If a Physician prescribes a Brand-name Drug for a specific medical reason and says there is to be no substitution of that drug, then benefits are payable as shown on the Schedule Page. If a Physician allows the substitution of a Brand-name Drug and you still request the Brand-name Drug, then any difference between the cost of a Generic Drug and the higher cost of a Brand-name Drug will be your responsibility.

We treat insulin as a Prescription Drug whether it's injectable or otherwise. Prescription Drugs don't include devices of any type, except contraceptive devices when shown on the Schedule Page; artificial appliances; Medical Supplies (Medical Supplies are paid under the regular Policy benefits); food supplements; Prescription Drugs for which there is an Over-the-counter Drug equivalent; and Over-the-counter Drugs, devices, supplies or supplements.

Prescription Drugs must be dispensed in a licensed Pharmacy. Eligible Prescription Drugs don't include drugs obtained from a "virtual office visit". A "virtual office visit" occurs when the Physician, "treating," consulting, diagnosing, writing or approving a prescription, has never physically seen or physically examined the Covered Person.

The Pharmacy Benefit Manager (PBM) for us and some of our subsidiaries, contracts with and manages the Pharmacy network, negotiates prices with the contracting Pharmacies and performs other administrative services. We receive financial credits directly from drug manufacturers and through the PBM. The credits are used to help stabilize overall rates and to offset expenses. Reimbursements to Pharmacies, or discounted prices charged at Pharmacies, aren't affected by these credits.

Any Coinsurance percentage that you must pay for Prescription Drugs is based on the Allowable Charge at the Pharmacy and does not change when we receive any financial credit. Copayments are flat amounts and likewise don't change when we receive drug manufacturer or PBM credits.

Some Prescription Drugs require Preauthorization by us prior to being filled. Please contact the Claims Service Center to see if a specific drug requires Preauthorization.

Anti-rejection drugs (immunosuppressants) are covered under this benefit.

Specialty Drugs are not covered under this benefit.

Benefits won't be provided or paid for the following:

1. Service charges or handling fees for a Prescription Drug; or
2. Prescription Drugs that aren't Medically Necessary.

**Whether you buy drugs from a contracting or non-contracting Pharmacy, you must pay the Pharmacy at that time.**

When you buy drugs from a contracting Pharmacy, you must show the pharmacist your Blue Cross ID card. The pharmacist will know not to charge you more than the Allowable Charge for the drugs. Non-contracting Pharmacies can charge you more than the Allowable Charge. Benefits for drugs purchased from non-contracting Pharmacies will be paid at a lower percentage.

**Routine Mammography Services** – We'll provide routine mammography benefits for any female Covered Person according to the most recently published American Cancer Society (ACS) guidelines. The most recently published ACS guidelines, dated July 1, 1998, recommend an annual mammography for women age 40 and over. The ACS guidelines are subject to change. If you have access to the Internet, you can find more details about mammograms and breast cancer or see the latest guidelines on ACS' Web site: [www.cancer.org](http://www.cancer.org). A Contracting Mammography Provider must provide the services. These Providers are listed separately from the regular Preferred Blue Providers in the directory.

#### **Preventive Benefits**

1. **Pap Smears** – We'll provide benefits for one routine pap smear screening for any female Covered Person per Benefit Period, or more often if recommended by a medical doctor. A pap smear is an examination of cervical cells for the purpose of detecting cancer. A Preferred Blue Provider must provide the services.
2. **Prostate Examinations** – We'll provide benefits for routine prostate examinations, screening and lab work according to the most recently published American Cancer Society (ACS) guidelines. As of July 1, 1998, ACS recommends all men over age 50 and in high-risk groups have an annual Prostate Specific Antigen (PSA) blood test and a Digital Rectal Exam (DRE). The ACS guidelines are subject to change. If you have access to the Internet, you can find more details about prostate cancer or see the latest guidelines on ACS' Web site: [www.cancer.org](http://www.cancer.org). A Preferred Blue Provider must provide the services.

Prostate examinations, screening and lab work help detect prostate cancer.

Prostate examinations, screening and lab work for other than routine purposes will be paid as Outpatient diagnostic services.

3. **OB-GYN Examinations** – We'll provide benefits for two routine OB-GYN examinations annually, for any female Covered Person. A Preferred Blue Provider must provide the services.
4. **Physical Examinations** – We'll provide benefits for routine physical examinations or well-baby care and immunizations for any Covered Person, limited to the amount shown on the Schedule Page. A Preferred Blue Provider must provide the services.

**Rehabilitation** – Benefits for taking part in a multi-disciplinary team-structured rehabilitation program following severe neurological or physical disability are available. The Lifetime Maximum Payment is shown on the Schedule Page.

For these benefits to be available, you must meet these requirements:

1. A Physician must order all such care; and
2. Blue Cross must preapprove all such care in writing and it must be done at a Designated Provider; and
3. The documentation that goes with a request for a Preadmission/Preauthorization Review must have a detailed patient evaluation from a Physician. This evaluation must document to a reasonable degree of medical certainty that the patient has rehabilitation potential, and there is belief that this patient will be able to provide self-care and carry out his or her activities of daily living.

In order for benefits to continue, all care is subject to periodic review. This review will require documentation that the patient is making substantial progress toward set goals and that there continues to be significant potential for the patient to achieve these rehabilitation goals.

**Skilled Nursing Facility Services** – Services in a Skilled Nursing Facility. These services must: 1) follow the onset of an injury or illness that occurred after the Effective Date; and 2) begin within 14 days after being discharged from a Hospital following an authorized hospitalization.

**Specialty Drugs (including generic Specialty Drugs):** A Physician must prescribe Specialty Drugs. The prescription must be filled by a Specialty Drug Network Provider. Benefits for covered Specialty Drugs dispensed to you shall not exceed the quantity and benefit maximum, if any, as shown on your Schedule Page. You may obtain a list of Specialty Drugs by contacting the Claims Service Center or you can get the list from our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com). Preauthorization is required for benefits to be available.

Specialty Drugs must be consistent with the diagnosis and treatment of a covered illness, injury or condition; or not excessive in terms of the scope, duration or intensity of drug therapy that is needed to provide safe, adequate and appropriate care.

The Pharmacy Benefit Manager (PBM) for us and some of our subsidiaries, contracts with and manages the Specialty Drug Network Provider network, negotiates prices with the Specialty Drug Network Providers and performs other administrative services. We receive financial credits directly from drug manufacturers through our PBM. The credits are used to help stabilize overall rates and to offset expenses. Reimbursements to Specialty Drug Network Providers, or discounted prices charged at Specialty Drug Network Providers, are not affected by these credits.

Any Coinsurance percentage that you must pay for Specialty Drugs is based on the Allowable Charge at the Specialty Drug Network Provider. It does not change when we receive any financial credit. Copayments are flat amounts and likewise do not change when we receive drug manufacturer or PBM credits.

Benefits will not be provided or paid for the following:

1. Service charges or handling fees for a Specialty Drug; or
2. Specialty Drugs that are not Medically Necessary.

### Therapy Services

1. Short-term Therapy Services – Services must be Medically Necessary, ordered by a Physician, performed by a licensed therapist and provided to promote the restoration of the Covered Person from an illness, disease or injury. The Maximum Payment per Covered Person per Benefit Period for Short-term Therapy Services is shown on the Schedule Page. Benefits are available for the following therapies:
  - a. Occupational Therapy — Covered only when a part of a Preauthorized Home Health Care plan. Treatment must promote the restoration of the person's ability to satisfactorily accomplish the ordinary tasks of daily living and those required by the person's particular occupational role.
  - b. Physical Therapy — The treatment by physical means and devices to relieve pain, restore maximum function and prevent disability following disease, injury or loss of body part.
  - c. Respiratory Therapy — Covered only when a part of a Preauthorized Home Health or Hospice Care plan.
  - d. Speech Therapy — Treatment for the correction of a speech impairment resulting from disease, Surgery, injury, congenital and developmental anomalies, or previous therapeutic processes.

Short-Term Services don't include any type of therapy for learning disabilities and communication delay, perceptual disorders, behavioral disorders, mental retardation and vocational rehabilitation; recreational, educational or play therapy; biofeedback or psychological testing or any testing to determine if a learning disability or behavior disorder exists.

2. Other Therapy Services
  - a. Chemotherapy — The treatment of malignant disease by chemical or biological antineoplastic agents that have received full, unrestricted market approval from the FDA.
  - b. Dialysis Treatment — The treatment of acute renal failure or chronic irreversible renal insufficiency for removal of waste materials from the body to include hemodialysis or retinol dialysis. Dialysis treatment includes home dialysis.
  - c. Radiation Therapy — The treatment of disease by x-ray, radium or radioactive isotopes.

## D.1 ADDITIONAL SERVICES

### Discounted Services

Discounts for certain additional services and products are available to Covered Persons through networks that Blue Cross contracts with for a wide range of health and wellness programs. Services may include, but aren't limited to: chiropractic, massage therapy, acupuncture, vitamin and herbal supplements, laser eye surgery (LASIK) and hearing aids. All services and programs may not be available in all areas and at all times.

These are added-value discount programs. The discounts on services and products are offered to Blue Cross Policyholders in addition to the benefits covered under your Policy. **Blue Cross is not responsible for any costs associated with these programs.**

To receive these special discounts, all you have to do is show your ID card when you receive any of these services. There are no claims to file.

For more details on these programs, visit our Web site at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com) or refer to your Value Added Advantage Brochure.

## E. THE BLUECARD® PROGRAM

The “BlueCard Program” means the program in which all Blue Cross and Blue Shield Plans participate. This program benefits Blue Cross and Blue Shield members who receive Covered Services outside the geographic area that Blue Cross and Blue Shield of South Carolina serves. Blue Cross and Blue Shield of South Carolina is your home plan – the entity with which you have the policy. The Blue Cross and Blue Shield Plan where you are is treated as the “Host Plan”.

The Host Plan is only responsible for contracting with its participating out-of-area Providers and handling all interaction with its participating out-of-area Providers under the BlueCard Program.

Whenever you receive healthcare services through BlueCard outside our service area, the amount you pay for Covered Services is calculated on the **lower** of:

- The billed charges for your Covered Services; or
- The negotiated price that the Host Blue Cross and/or Blue Shield Plan passes on to us.

Often, this “negotiated price” will be a simple discount that reflects the actual price the Host Plan pays. Sometimes, it is an estimated price that takes into account special arrangements with the Provider or Provider group that includes settlements, withholds, non-claims transactions (such as provider advances) and other types of variable payments. Occasionally, it may be an average price, based on a discount that results in expected average savings after taking into account the same special arrangements used to obtain an estimated price. Average prices tend to vary more from actual prices than estimated prices.

Negotiated prices may be adjusted going forward to correct for over- or underestimation of past prices. However, the amount you pay is considered a final price.

Laws in a small number of states may require the Host Plan 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 the applicable statute in effect when you received care.

## F. PRE-EXISTING CONDITION LIMITATION

Services or supplies for Pre-existing Conditions aren’t covered until the patient has been insured for 12 months under this Policy.

A Pre-existing Condition is a condition:

1. That is misrepresented or not fully revealed in the application and for which symptoms existed before the Effective Date of coverage under this Policy that would cause a reasonable person to seek diagnosis, care or treatment; or
2. For which medical advice or treatment was recommended by or received from a Physician.

A diagnosis isn’t required for a condition to be a Pre-existing Condition.

Pre-existing Conditions don’t include congenital anomalies of a covered Dependent child.

Genetic Information won’t be treated as a Pre-existing Condition in the absence of a diagnosis of the condition related to such information.

## G. EXCLUSIONS AND LIMITATIONS

Except as specifically provided in this Policy, no benefits will be provided for:

1. Treatment provided in a government Hospital that you aren’t legally responsible for; or for which benefits are provided under Medicare or other governmental programs (except Medicaid);
2. Any charges for services or supplies for which you’re entitled to payment or benefits (whether or not you have applied for such payment or benefits) under any motor vehicle no-fault law;
3. Injuries or diseases paid by Workers’ Compensation or settlement of a Workers’ Compensation claim;
4. Separate charges for services provided by employees of Hospitals, laboratories or other institutions; for services or supplies performed or furnished by a member of the Covered Person’s immediate family; and for services for which a charge is normally not made in the absence of insurance;
5. Cosmetic Surgery: Cosmetic Surgery does not include reconstructive Surgery when services are incidental to or following Surgery resulting from trauma, infection or other diseases of the involved part, except as allowed in the Policy, or reconstructive Surgery because of congenital disease or anomaly of a covered Dependent child which has resulted in a functional defect;

6. Illness contracted or injury sustained as the result of: war or act of war (whether declared or undeclared); participation in a felony, riot or insurrection; service in the armed forces or an auxiliary unit;
7. Rest cures and Custodial Care;
8. Transportation, except as shown in *Covered Services*;
9. Foot care in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain or symptomatic complaints of the feet. This exclusion does not include corrective Surgery or treatment for metabolic or peripheral vascular disease;
10. Dental care or treatment, except as shown in *Covered Services*;
11. Eyeglasses; contact lenses (except after cataract Surgery) and hearing aids and examinations for their prescribing or fitting;
12. Normal pregnancy or childbirth, except as provided when the Optional Maternity Endorsement is purchased. Your Schedule Page will show if you have purchased the Optional Maternity Endorsement;
13. Treatment, services or supplies received as a result of suicide, attempted suicide or intentionally self-inflicted injuries whether the patient was sane or insane;
14. Treatment, services or supplies received in connection with the detection and correction by manual or mechanical means of structural imbalance, distortion, or subluxation in the body for purposes of removing nerve interference and the effects of such nerve interference, where such interference is the result of or related to distortion, misalignment or subluxation of, or in, the spinal column;
15. Any service or supply related to dysfunctional conditions of the muscles of mastication or derangement of the temporomandibular joint (TMJ), including office visits, splints, braces, guards, etc. This exclusion, however, won't apply to Medically Necessary surgical correction of disorders of TMJ. As used in this exclusion, Medically Necessary surgical correction of TMJ means: surgical correction of skeletal malrelationships or deformities of the jaws that cause documented chronic, persistent pain or debilitating loss of function and have required treatment or medication. The presence of a documented congenital anomaly alone does not establish medical necessity. Preauthorization is required.

## H. OTHER POLICY PROVISIONS

1. **Claim Forms:** When we receive notice of a claim, we'll send the claimant forms for filing proof of loss.
2. **Conformity with State Statutes:** Any provision of this Policy, which, on its Effective Date, is in conflict with the laws of the state in which it is delivered on that date is amended to conform to the minimum requirements of such laws.
3. **Entire Policy; Changes:** This Policy, together with the application and any attached papers, is the entire Policy between you and Blue Cross and Blue Shield of South Carolina. No agent can change it in any way. Only an officer of ours can approve a change. That change must be shown on your Policy.
4. **Governing Law:** This Policy and all endorsements and amendments issued hereunder will be construed according to and controlled by the applicable laws and regulations of the State of South Carolina.  
  
The Health Insurance Portability and Accountability Act of 1996 (HIPAA) became a law on August 21, 1996. This law affects group and individual health plans. It includes important protections for individuals, including those who move from one job to another or who are self-employed, and who have Pre-existing Conditions.
5. **Grace Period:** This Policy has a 31-day grace period. This means that if a renewal premium isn't paid on or before the date it is due, it may be paid during the following 31 days. During the Grace Period the Policy will stay in force.
6. **Illegal Occupation:** We aren't liable for any loss that results from the Covered Person committing, or attempting to commit a felony or from a Covered Person engaging in an illegal occupation.
7. **Intoxicants and Narcotics:** We aren't liable for any services or treatment received resulting from the Covered Person being intoxicated or under the influence of any narcotic unless taken on the advice of a Physician.
8. **Legal Actions:** You may not bring any legal action to recover on this Policy until 60 days after we have received a claim (notice and proof of loss) as required by this Policy. You can't bring any such action after six years from the time you are required to give written proof of loss.

9. **Meetings of Insured Persons:** While this Policy is in force, you are a member of Blue Cross and Blue Shield of South Carolina. You are entitled to vote at any meeting of members. Our annual meeting is held at our Home Office in Columbia, South Carolina, on the first Thursday of April. Notice of the annual meeting is given by your acceptance of this Policy. We'll mail you notice of any special meeting of members 30 days before such meeting.
10. **Misstatements:** If any relevant fact about a person to whom the insurance relates has been misstated, the true facts will be used to determine whether the insurance is in force and in what amount. If the age of a Covered Person has been misstated and if the amount of the premiums is based on age, an adjustment in premiums, coverage, or both, will be made based on the Covered Person's true age. No misstatement of age will continue insurance otherwise validly terminated or terminate insurance otherwise validly in force. This Policy is issued to individuals from birth up to 64½ years of age or Medicare eligibility, whichever occurs first.
11. **Non-Assessable:** This is a Non-assessable Policy. You, the Policyholder, aren't subject to any assessment for any contingent liability. This means that if, for any reason, we owe money, you aren't responsible for paying it.
12. **Notice of Claim:** You must give written notice of a claim must be given within 20 days after a covered loss starts or as soon as reasonably possible. The notice may be given to us at our home office or to our agent. Notice should include the name of the Covered Person and the Policy number.
13. **Other Valid Coverage; Proration:** This Policy isn't meant to duplicate other valid coverage you have with other Health Insurance policies. "Other Valid Coverage" is Health Insurance coverage that is similar to the coverage provided by this Policy, coverage provided by hospital or medical service organizations, coverage provided by union welfare plans or employee benefit organizations, but not group or individual Health Insurance with us.  

If you have Other Valid Coverage, we'll "prorate" benefit payments when your claim is received. We'll carefully consider all of the valid Health Insurance that covers your claim. We'll determine our responsibility for your loss in proportion to the responsibility that should be accepted by other insurance companies, and we'll pay the portion of your claim we are responsible for.

If your claim is prorated, the portion of the premiums you paid for coverage that we did not accept as our responsibility will also be prorated. This will be based on premiums paid during the time both policies were in effect and the treatment was being provided.
14. **Payment of Claims:** We'll pay all benefits directly to the Policyholder when we receive written proof of loss. The Policyholder is expressly prohibited from assigning any benefits due unless we determine otherwise. We'll pay benefits as described in this Policy directly to the Provider if we have a written agreement for direct payment of benefits with that Provider.
15. **Physical Examinations:** We have the right to have a Physician examine any person as often as reasonably necessary while a claim is pending or after our Medical Services staff has been contacted for review of medical services. We'll pay for the cost of these examinations. We may also have an autopsy done during the period of contestability unless prohibited by law. The autopsy must be performed in South Carolina.
16. **Proofs of Loss:** You must give written proof of loss to us within 90 days after the date of such loss. Failure to furnish such proof within the time required won't invalidate nor reduce any claim if it was not reasonably possible to furnish proof. In no event, except in the absence of legal capacity, will written proofs of loss be furnished later than one year from the time the proof is otherwise required.
17. **Reinstatement:** If any renewal premium isn't paid within the time granted, the Policy will lapse. We may reinstate the Policy, provided:
  - a. You complete an application for reinstatement; and
  - b. The unpaid premium isn't more than 60 days overdue; and
  - c. You pay all overdue premiums (note: you will be given a conditional receipt for the premium); and
  - d. You furnish evidence of insurability, if required; and
  - e. We approve your request for reinstatement.

If your request is approved, the Policy will be reinstated on the date the Policy lapsed. Lacking such approval, the Policy will be reinstated on the 45<sup>th</sup> day after the date of the conditional receipt unless we have previously written you of our disapproval. The Policy will be reinstated on the date the Policy lapsed, if requirements (a) through (d) above have been met. If your request is disapproved, we'll refund the premium submitted.

Reinstated insurance will provide benefits, subject to all conditions in this Policy, for:

- a. Injury sustained on or after the reinstatement date; and
- b. An illness that begins more than 10 days after the reinstatement date.

Reinstated insurance will provide benefits under any Endorsement(s) attached to the Policy only for services that begin after the date of reinstatement. After the Policy is reinstated, you and Blue Cross will have the same rights as existed just before the due date.

18. **Right of Recovery**

Whenever we have made payments with respect to Allowable Charges in a total amount which is, at any time, in excess of the maximum amount of payment necessary at that time, we'll have the right to recover such payments, to the extent of such excess, from among one or more of the following, as we'll determine: any person to or for with respect to which such payments were made, as an offset against future benefits payable under this Policy, and any other insurance companies or any other organizations.

19. **Right to Transfer:** If you buy an individual accident, health or accident and Health Insurance policy, you have the right to transfer to any individual policy of equal or lesser benefits offered for sale by Blue Cross and Blue Shield of South Carolina at the time of transfer. Any special provision excluding coverage for a specified condition may remain after the transfer, and any waiting period or Pre-existing Condition limitation period specified in the Policy to which transfer is made may be required to be served after the transfer.

20. **Subrogation Right:** Subrogation means that we are allowed to recover the amount of medical benefits we have paid at the time you settle a lawsuit or a judge or jury awards you money resulting from an accident.

We may subrogate if:

- a. A claim is made to us for an injury that results in charges under this Policy; and
- b. We believe a third party is liable and reasonably expect the third party to reimburse you for those charges.

If you sue the responsible third party or if you accept a settlement from the third party, then we have the right to recover the amount of benefits we paid under this Policy. You must, at our request, give us any information we may need and sign any documents that may be required to assist us in recovering this amount, and do nothing to prejudice our subrogation rights. We'll pay our portion of attorney fees and costs incurred in pursuing our subrogation recovery.

You have the right to petition the Director of the Department of Insurance, or his designee, to determine if our subrogation action is inequitable or unjust.

21. **Time Limit On Certain Defenses:** After two years from the issue date, only fraudulent misstatements in the application may be used to void the Policy or deny any claim for loss incurred or disability that starts after the two-year period.

22. **Time of Payment of Claim:** Indemnities payable under this Policy for any loss will be paid upon receipt of due written proof of such loss.

23. **Unpaid Premium:** When we pay a claim, we may deduct any premium due from the claim payment.

# AMENDMENT TO THE PERSONAL BLUE<sup>SM</sup> POLICY

(Policy form numbers listed below)

## Health Care Reform Amendment

This Amendment is subject to all the provisions of the Personal Blue Policy, form number listed below, which are not otherwise specified in the provisions of this Amendment.

12100M-A, 12326M-A, 12130M-A, 12133M-A, 12099M-A, 12327M-A, 12136M-A, 12139M-A, 12992M-A, 12994M-A, 13034M-A, 13036M-A, 13038M-A, 13040M-A, 12221M-A and 12906M-A

**This Amendment to the Policy is effective on or after the Benefit Period of your Policy starting October 1, 2010.**

The Policy is revised as follows:

### **Preventive Benefits**

**Preventive Benefits** is deleted in its entirety and the following substituted:

Preventive Screenings are covered according to the following:

- The United States Preventive Services Task Force (USPSTF) recommended Grade A or B screenings.
- Immunizations as recommended by the Center for Disease Control (CDC).
- Screenings recommended for children and women by Health Resources and Services and Administration.
- Preventive prostate screenings and lab work according to the American Cancer Society (ACS) guidelines

These services are provided In-network only.

### **Pre-existing Condition Limitation**

Any reference to the Policy's Pre-Existing Condition Limitation will not apply to a Covered Person/Member who obtained coverage prior to age 19.

### **Lifetime Maximum**

All references to Lifetime Maximums are removed.

### **Benefit Period Maximum**

Any references to Benefit Period maximums for essential health benefits have been deleted. Benefit Period Maximums for non-essential health benefits remain. In addition, the Policy will have a \$750,000 Benefit Period Maximum for essential health benefits. Beginning on your next Benefit Period after September 22, 2011, the Benefit Period Maximum will be \$1, 250,000. Then beginning on the next Benefit Period after September 22, 2012, the Benefit Period Maximum will be \$2,000,000.

### **Rescissions**

Any references in the policy to coverage being rescinded due to a person misstating the facts on the application for insurance are revised to state the following: Coverage may only be rescinded when the covered person has performed an act or practice that constitutes fraud or makes an intentional misrepresentation of material facts related to insurability.

### **Dependent Child**

The definition of Dependent is revised to the following:

**Dependent:** Your lawful spouse and children through age 25. Dependent children are natural or adopted children, stepchildren, foster children or children who are under your legal guardianship or for whom a court order requires you to provide Health Insurance.

The Policy is further revised to remove all references to Full-time Student and all dependent age references are revised to state through age 25.

## Internal (Appeals) Review

The following Definitions are added:

**Post-service Claim:** Any claim that is not a Pre-service Claim or any claim that is submitted to the Company after the medical care, service or supply has been provided.

**Pre-service Claim:** Any claim or request for a Benefit where prior authorization or Approval must be obtained from the Company before receiving the medical care, service or supply. An Approval means only that a service is Medically Necessary for treatment of a Covered Person/Member's condition, but is not a guarantee or verification of Benefits. Payment is subject to Covered Person/Member's eligibility, Pre-existing Condition Limitations and all other Contract limitations and exclusions. Final Benefit determination will be made when the Company processes the Covered Person/Member's claim.

**Urgent Care Claim:** Any claim made by the Covered Person/Member or by a Provider or Physician (with knowledge of the Covered Person/Member's current medical condition), where, if the normal Pre-service Claim review time frames of this Contract were used:

- a. The Covered Person/Member's life, health or ability to regain maximum function could be seriously jeopardized; or
- b. The Covered Person/Member, in the opinion of the Physician, would be subject to severe pain that cannot be adequately managed without the care or treatment that is the subject of the claim.

The *Appeals* Section of your policy is deleted in its entirety and replaced with the following:

There are three types of claims. They are Pre-service Claims, Urgent Care Claims (a type of Pre-service Claim) and Post-service Claims. The time frames allowed for the Company to provide a determination for each of these claims are listed below:

- a. Pre-service Claim – A determination, based on Medical Necessity, must be provided in writing or in electronic form within 15 calendar days.

An extension of 15 calendar days may be provided if the Company determines that for reasons beyond the control of the Company, an extension is necessary. If an extension is required, the Company will notify the Covered Person/Member within the initial 15-day time period that an extension is necessary.

If the Company receives incomplete information from the Covered Person/Member and additional information is required to make a determination, the Covered Person/Member will be notified within five calendar days. The Covered Person/Member has 60 calendar days to provide the required information. If the Company does not receive the required information within the 60-day time period, the claim may be denied.

When the Company requires an extension due to incomplete information, the Company is entitled to the rest of the initial determination period to reach a Benefit determination after the additional information is received from a Covered Person/Member or Provider.

- b. Urgent Care Claim – A determination, based on Medical Necessity, must be provided to the Covered Person/Member in writing or in electronic form within 24 hours of the original Urgent Care Claim. A Provider may be considered an authorized representative without a specific designation by the Covered Person/Member when the Approval request is for Urgent Care Claims (medical conditions which require immediate treatment).

The Company will notify the Covered Person/Member or his authorized representative of the lack of information from which to render a decision within 24 hours from receipt of the original Urgent Care Claim. An extension of 48 hours may be required if the Company does not receive complete information in which to make a Medical Necessity decision. If the Company does not receive the required information from the Covered Person/Member within 48 hours after notifying the Covered Person/Member, the claim may be denied.

- c. Post-service Claim – A determination must be provided to the Covered Person/Member in writing or in electronic form within 30 calendar days if the decision is adverse to the Covered Person/Member. An adverse decision includes any amount due that the Covered Person/Member may be held responsible for other than Copayment amounts previously paid to the Provider or any rescission of coverage

An extension of 15 calendar days may be provided if the Company determines that for reasons beyond the control of the Company, an extension is necessary. If an extension is required, the Company will notify the Covered Person/Member within the initial 30-day time period that an extension is necessary.

If the Company receives incomplete information from the Covered Person/Member and additional information is required to make a determination, the Covered Person/Member will be notified within 30 calendar days. The Covered Person/Member has 60 calendar days to provide the required information. If the Company does not receive the required information within the 60-day time period, the claim may be denied.

When the Company requires an extension due to incomplete information, the Company is entitled to the rest of the initial determination period to reach a Benefit determination after the additional information is received from a Covered Person/Member or the Provider.

- d. Concurrent Care Decision – If the Company makes a decision to reduce or stop Benefits for Concurrent Care that had previously been approved, the Covered Person/Member must be notified sufficiently in advance of the reduction or termination of Benefits to allow the Covered Person/Member time to appeal the decision before the Benefits are reduced or terminated.

If the Covered Person/Member requests that Concurrent Care Benefits be extended and the request involves urgent care, the request to extend a course of treatment beyond the initially approved period of time or number of treatments must be made at least 24 hours prior to the expiration of the initially approved period. The Company must make a decision within 24 hours.

### Appeal Process

If a Covered Person/Member wishes to file a formal **appeal**, the Covered Person/Member must write to Blue Cross and Blue Shield of South Carolina, Member Service Center, P.O. Box 100300, Columbia, SC 29202. The letter must state that a formal appeal has been requested and all pertinent information regarding the claim in question must also be included in the letter.

Requests to cover services and supplies which are specifically excluded in the Contract will not be treated as appeals and such requests will not be forwarded to the Claims Review Committee. The following guidelines apply for each type of claim (including the appropriate claim with regard to a Concurrent Care decision), unless both parties agree to an extension:

- a. Pre-service Claim – The Covered Person/Member has 180 days to appeal the Company's decision on a Pre-service Claim or a Concurrent Care decision. The Company must complete the appeal process within 15 calendar days after receiving the appeal. If the Covered Person/Member still does not agree with the Company's decision, the Covered Person/Member can file a second appeal within 90 days after receiving the Company's decision on the first appeal. The Company must complete the second appeal process within 15 calendar days after receiving the second appeal.
- b. Urgent Care Claim – The Covered Person/Member has 180 days to appeal the Company's decision on an Urgent Care Claim. The Company must complete the appeal process within 72 hours after receiving the appeal.
- c. Post-service Claim – The Covered Person/Member has 180 days to appeal the Company's decision on a Post-service Claim. The Company must complete the appeal process within 30 calendar days after receiving the appeal. If the Covered Person/Member still does not agree with the Company's decision, the Covered Person/Member can file a second appeal within 90 days after receiving the Company's decision on the first appeal. The Company must complete the second appeal process within 30 calendar days after receiving the second appeal.

Nothing contained in this Amendment will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

### BLUE CROSS® AND BLUE SHIELD® OF SOUTH CAROLINA

(An Independent Licensee of the Blue Cross and Blue Shield Association,  
an association of independent Blue Cross and Blue Shield Plans)  
(www.SouthCarolinaBlues.com)



**James A. Deyling**  
**President**

**Blue Cross and Blue Shield Division**

**AMENDMENT TO THE PERSONAL BLUE<sup>SM</sup> POLICY**  
(Policy form numbers listed below)

**Student Amendment**

This Amendment is subject to all the provisions of the Personal Blue Policy, form number listed below, which are not otherwise specified in the provisions of this Amendment.

12100M-A, 12326M-A, 12130M-A, 12133M-A, 12099M-A, 12327M-A, 12136M-A, 12139M-A, 12104M-A, 12328M-A, 12106M-A, 12329M-A, 12992M-A, 12994M-A, 13034M-A, 13036M-A, 13038M-A, 13040M-A, 12221M-A, 12906M-A and 12791M-A

**This Amendment is a supplement to the Policy and is effective on or after November 1, 2009.**

The Policy is revised as follows:

**Section B. Definitions**, is revised by the deletion of **Full-time Student** and the following substituted:

**Full-time Student:** A Dependent child age 22 or younger and enrolled in and attending one of these:

- a. High school; or
- b. An accredited or licensed school commonly recognized as a vocational, technical or trade school, with attendance qualifying the Dependent child as a full-time student under the rules of the institution; or
- c. A college or university with full enrollment in at least enough regular academic courses to reach the status of a full-time student at the institution.

Periods between school terms, such as summer periods, will be included if the child was attending as a Full-time Student during the last regular school term session. Correspondence-course participation does not constitute attendance as a Full-time Student.

A time period between graduation from high school and vocational, technical or trade school or college entry, or between college graduation and graduate school entry, will be included only if the child has applied for admission beginning with the next regular school term or session immediately following graduation.

You must send us a letter stating the Dependent child is a Full-time Student. Your letter must include a tuition receipt from the school's Bursar's office or a letter from the school verifying its accreditation and the student's full-time status.

A Dependent child who is a Full-time Student on the day prior to beginning a Medically Necessary Leave of Absence may remain covered under this health plan until the earlier of: 1) one year from the first day of the Medically Necessary Leave of Absence; or 2) the date on which the coverage would otherwise terminate under the terms of the Policy.

A Dependent child must enroll as a Full-time Student the next regular term following the end of a Medically Necessary Leave of Absence to remain classified as a Full-time Student.

**Section B. Definitions**, is revised by the addition of the following definition:

**Medically Necessary Leave of Absence:** Occurs when a Full-time Student stops attending school, or drops to part-time attendance, due to a serious illness or injury that prevents full-time attendance. We must receive documentation from the Full-time Student's treating Physician certifying that he or she is suffering from a serious illness or injury and that the leave of absence is Medically Necessary.

Nothing contained in this Amendment will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

The Effective Date of this Amendment is the Effective Date of the Policy to which it is attached or the Amendment date, whichever is later.

**BLUE CROSS<sup>®</sup> AND BLUE SHIELD<sup>®</sup> OF SOUTH CAROLINA**

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(www.SouthCarolinasBlues.com)



**James A. Deyling**  
President

**Blue Cross and Blue Shield Division**

**AMENDMENT TO THE PERSONAL BLUE<sup>SM</sup> POLICY**  
(Policy form numbers listed below)

**Appeals and Definitions Amendment**

This Amendment is subject to all the provisions of the Personal Blue Policy, form number listed below, which are not otherwise specified in the provisions of this Amendment.

12100M-A, 12326M-A, 12130M-A, 12133M-A, 12099M-A, 12327M-A, 12136M-A, 12139M-A, 12104M-A, 12328M-A, 12106M-A, 12329M-A, 12221M-A and 12906M-A

**This Amendment is a supplement to the Policy and is effective on or after April 1, 2010.**

The Policy is revised as follows:

**Section A. General, Appeals/Grievance Procedures**, has been deleted and the following substituted:

**Appeals/Grievance Procedures**

Please direct any complaints or disagreements you have regarding claims for services or benefits to us at 803-264-3475 from Columbia, or 800-868-2500, extension 43475 from anywhere else. You can also send us a secure e-mail through the Ask Customer Service feature of My Insurance Manager<sup>SM</sup> on our Web site at www.SouthCarolinaBlues.com.

A Preauthorization and Approval denial will be considered a denied claim for purposes of this provision. You can direct any complaints or disagreements you have regarding a Preauthorization and Approval to us at 803-736-5990 from Columbia, or 800-327-3238 from anywhere else.

**Grievances**

If you choose to file a formal grievance, submit it in writing to us at the Claims Service Center, Post Office Box 100300, Columbia, South Carolina 29202. The grievance should include your name, address, Policy number, Social Security Number and any other information, documentation or evidence to support your request. You must submit your formal grievance within 90 days of the event that resulted in your complaint.

We will acknowledge a formal grievance within 10 working days of its receipt. We will send you our decision in writing within 30 days after we receive your formal grievance. If there are extraordinary circumstances requiring a more extensive review, we may take up to 90 days to review your case before making a decision.

**Appeals**

If you are still not satisfied with our decision, you can request an appeal. You have 30 days after you receive our decision on the formal grievance to request an appeal. Send your request for an appeal to the Claims Service Center, Post Office Box 100300, Columbia, South Carolina 29202.

**External Reviews**

After your internal appeals are completed, you will be notified in writing of your right to request an external review. You should file a request for external review within 60 days of receiving that notice. You will be required to authorize the release of any medical records that may be needed for the external review. If you need assistance during the external review process, you can contact the South Carolina Department of Insurance at the following address and telephone number:

South Carolina Department of Insurance  
Post Office Box 100105  
Columbia, SC 29202-3105  
800-768-3467

## Standard External Reviews

You can request an external review if we deny your claim, either in whole or in part. The claim in question must be greater than \$500 and you may be held financially responsible for the covered benefits. You can only request an external review after you have completed the grievance and appeal process above. You can request an external review without completing the grievance and appeal process above if:

1. Your Physician has certified in writing that you have a serious medical condition; or
2. The denial of coverage was due to the service being Investigational or Experimental and your Physician certifies:
  - a. Your condition is a serious disability or you have a life-threatening disease; and
    - i. Standard health care services or treatments have not been effective in improving your condition; or
    - ii. Standard health care services or treatments are not medically appropriate; or
    - iii. The recommended or requested service or treatment is more beneficial than the standard health care service or treatment covered by us; and
  - b. Medical and scientific evidence shows that treatment that was denied is more beneficial to you than available standard health services or treatments and the adverse risks of the recommended or requested health care service or treatment would not be substantially increased over those of the standard services or treatments.

Within five business days of your request for an external review, we will respond by either assigning your review to an independent review organization (IRO) and forwarding your records to it or telling you in writing that your situation doesn't meet the requirements for an external review and explaining the reasons. Where your request is for an expedited review, we will respond by either assigning your review to an IRO and forwarding your records to it by overnight delivery or telling you in writing that your situation doesn't meet the requirements for an external review and explaining the reasons as quickly as possible.

If your request is assigned to an IRO, the IRO will determine within five business days after receiving your request whether all the information, certifications and forms required to process an external review have been provided. If the IRO needs additional information, you will be allowed to submit additional information in writing to them within seven business days.

If your request is not accepted for external review, the IRO will inform you and us in writing of the reason(s) your request was not accepted.

The IRO will provide written notice of its decision within 45 days after it receives the request, including:

1. A general description of the reason for the request for external review;
2. The date the independent review organization received the request from us;
3. The date the external review was conducted;
4. The date of its decision;
5. The principal reason or reasons for its decision;
6. The rationale for its decision;
7. References to evidence or documentation, including the practice guidelines, considered in reaching its decision; and
8. The written opinions of the clinical review panel, if any.

If the IRO's decision is to allow benefits, within five business days of our receipt of the notification, we must approve the benefit as covered, subject to applicable policy exclusions, limitations and other provisions.

## Expedited External Review

You can file a request for an expedited external review within 15 days after receiving a notice of a denied claim if you meet the requirements under Standard Review listed above in paragraph 2 or if the denial concerns an admission, availability of care, continued stay or health care service for which you received Emergency Medical Care, but have not been discharged from a Facility, if you may be held financially responsible for the Emergency Medical Care.

When we receive your request for an expedited external review, we will assign your review to an IRO and forward your records by overnight delivery, or tell you in writing that your situation doesn't meet the requirements for an external review and explain the reasons.

No more than three business days after it receives your request for an expedited external review, the IRO must provide a notice of its decision to you and us. If the IRO's decision is to allow benefits, we must approve the benefit as covered, subject to applicable policy exclusions, limitations and other provisions.

All requests for external review will be at our expense.

**Section B. Definitions**, is revised by the deletion of **Investigational or Experimental** and **Medically Necessary** and the following substituted:

**Investigational or Experimental:** The use of treatments, procedures, facilities, equipment, drugs, devices, services or supplies (herein collectively referred to as a "service") that we don't recognize as standard medical care for the treatment of conditions, diseases, illnesses or injuries. We may use the following criteria to determine whether a service is Investigational or Experimental:

1. The service requires Federal or other governmental agency approval such as drugs and devices that have restricted market approval from the Food and Drug Administration (FDA) or from any other governmental regulatory agency for use in treatment of a specified condition. Any approval that is granted as an interim step in the regulatory process is not a substitute for final or unrestricted market approval.

We will, however, allow coverage for a Prescription Drug that hasn't been approved by the FDA:

- a. For a specific medical condition when there are at least two formal clinical studies recognizing the use of the drug for the medical condition; or
  - b. For the treatment of a specific type of cancer, provided the Prescription Drug is recognized for the treatment of that specific cancer in at least one standard reference compendium or the drug is found to be safe and effective in formal clinical studies. These results must have been published in peer-reviewed professional medical journals.
2. There is insufficient or inconclusive scientific evidence in peer-reviewed medical literature to let us evaluate the therapeutic value of the service.
3. There is inconclusive evidence that the service has a beneficial effect on a person's health.
4. The service under consideration is not as beneficial as any established alternatives.
5. There is insufficient information or inconclusive scientific evidence that the service is beneficial to the person's health and is as beneficial as any established alternatives when used in a noninvestigational setting.

If a service meets one or more of these criteria, it is Investigational or Experimental. We solely make these determinations after independent review of scientific data. We may also consider opinions of professionals in a particular field and/or opinions and assessments of nationally recognized review organizations, but they are not determinative or conclusive.

Our Medical Director, in making such determinations, may consult with or use one or more of these sources of information:

1. FDA-approved market rulings;
2. *The United States Pharmacopoeia and National Formulary*;
3. The annotated publication titled, *Drugs, Facts, and Comparisons*, published by J. B. Lippincott Company;
4. Available peer review literature; and
5. Consultation with professionals and/or specialists on a local and national level.

**Medically Necessary:** Health care services that a Physician, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating diagnosing or treating an illness, injury, disease or its symptoms, and that are:

1. In accordance with generally accepted standards of medical practice;
2. Clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease;
3. Not primarily for the convenience of the patient, Physician, or other health care Provider; and
4. Not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient's illness, injury or disease.

For these purposes, "generally accepted standards of medical practice" means standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, Physician Specialty Society recommendations and the views of Physicians practicing in relevant clinical areas and any other relevant factors.

Nothing contained in this Amendment will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

The Effective Date of this Amendment is the Effective Date of the Policy to which it is attached or the Amendment date, whichever is later.

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**James A. Deyling**  
**President**

**Blue Cross and Blue Shield Division**

**AMENDMENT TO THE PERSONAL BLUE<sup>SM</sup> POLICY**  
(Policy form numbers listed below)

**Preauthorization Amendment**

This Amendment is subject to all the provisions of the Personal Blue Policy, form number listed below, which are not otherwise specified in the provisions of this Amendment.

12100M-A, 12326M-A, 12130M-A, 12133M-A, 12099M-A, 12327M-A, 12136M-A, 12139M-A, 12221M-A and 12906M-A

**This Amendment is a supplement to the Policy and is effective on or after April 1, 2010.**

The Policy is revised as follows:

**Section A. General, How to Contact Us**, is revised by the deletion of For Preadmission Reviews and Preauthorizations and the following substituted:

**For Preadmission Reviews and Preauthorizations:**

Please refer to the *Preauthorization and Approval* section of this Policy for a detailed list of the services and supplies that require Preadmission Review and Preauthorization.

For MRIs, MRAs, CT Scans or PET Scans in an Outpatient Facility or a Physician's Office, call National Imaging Associates at:

866-500-7664

On behalf of Blue Cross and Blue Shield of South Carolina, National Imaging Associates, provides utilization management services for certain radiological procedures. National Imaging Associates is an independent company that preauthorizes certain radiological procedures.

For Preadmission Review or Preauthorization for all other medical care, please call:

<u>803-736-5990</u>	(from the Columbia area)
<u>800-327-3238</u>	(from all other South Carolina locations)
<u>800-334-7287</u>	(from outside South Carolina)

For Preadmission Review and Preauthorization of Mental Health Services and/or Substance Abuse care, call Companion Benefit Alternatives, Inc. (CBA) at:

<u>803-699-7308</u>	(from the Columbia area)
<u>800-868-1032</u>	(from all other areas)

On behalf of Blue Cross and Blue Shield of South Carolina, Companion Benefit Alternatives, Inc. preauthorizes Mental Health Services and Substance Abuse services. Companion Benefit Alternatives, Inc. is a separate company that preauthorizes behavioral health benefits.

**Section C. Preauthorization and Approval, paragraph 1**, is deleted in its entirety and replaced by the following:

To make the most of your benefits, Blue Cross has an approval process in place. Our Medical Services personnel (a group of medical professionals employed by us) must give advance approval for all Hospital admissions and certain other specified services for you to receive maximum benefits. Their responsibility is to review all requests for preapproval. Inpatient and Outpatient services you receive for treatment of Mental Health Services and/or Substance Abuse care require Preauthorization by Companion Benefit Alternatives, Inc. (CBA). MRIs, MRAs, CT Scans, PET Scans and Nuclear Cardiology exams performed in an Outpatient Facility or a Physician's office require Preauthorization by National Imaging Associates.

Nothing contained in this Amendment will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

The Effective Date of this Amendment is the Effective Date of the Policy to which it is attached or the Amendment date, whichever is later.

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**James A. Deyling**  
President

**Blue Cross and Blue Shield Division**

**AMENDMENT TO THE PERSONAL BLUE<sup>SM</sup> POLICY**  
(Policy form numbers listed below)

**Amendment**

This Amendment is subject to all the provisions of the Personal Blue Policy, form number listed below, which are not otherwise specified in the provisions of this Amendment.

12100M-A, 12326M-A, 12130M-A, 12133M-A, 12099M-A, 12327M-A, 12136M-A, 12139M-A, 12221M-A and 12906M-A

**This Amendment is a supplement to the Policy and is effective on or after September 1, 2011.**

The Policy is revised as follows:

**Section B. Definitions**, is revised by the deletion of **Durable Medical Equipment** and the following substituted:

**Durable Medical Equipment:** Equipment your doctor orders that has exclusive medical use. These items must be reusable and may include wheelchairs, hospital-type beds, walkers, oxygen tanks, respirators, etc. To qualify for benefits, your Physician must order the medical equipment and it must be Medically Necessary for a specific need. Equipment such as air conditioners, whirlpool baths, spas, (de)humidifiers, wigs, fitness supplies, vacuum cleaners or air filters do not qualify because they do not have exclusive medical uses. To be considered Durable Medical Equipment, the device or equipment's use must be limited to the patient for whom it was ordered. This means others cannot use the device or equipment.

**Section B. Definitions**, is revised by the deletion of **Hospice Care** and the following substituted:

**Hospice Care:** A program of care for terminally ill people who are not expected to live more than six months.

**Section B. Definitions**, is revised by the deletion of **Orthotic Devices** and the following substituted:

**Orthotic Devices:** Special devices such as splints, cervical collars, back braces or hip-knee-ankle or foot orthosis used to treat problems of the muscles, ligaments, connective tissues or bones of the skeletal system. Orthotic Devices does not include adjustable cranial orthosis (band or helmet) for positional plagiocephaly or craniosynostoses in the absence of cranial vault remodeling surgery.

**Section B. Definitions**, is revised by the deletion of **Physician** and the following substituted:

**Physician:** A person (other than an intern, resident or house Physician), duly licensed as a medical doctor, oral surgeon, dentist, osteopath, podiatrist, chiropractor, optometrist, ophthalmologist, Physician's assistant or licensed doctoral psychologist, legally entitled to practice within the scope of his or her license and who normally bills for his or her services.

**Section B. Definitions**, is revised by the deletion of **Prosthetic Appliances** and the following substituted:

**Prosthetic Devices:** Artificial replacement body parts needed to ease or correct a condition caused by an illness, injury or birth defect, disease or anomaly. A Physician must order the appliance or device and we must determine it to be Medically Necessary. Prosthetics do not include bioelectric, microprocessor or computer programmed prosthetic components.

**Section B. Definitions**, is revised by the addition of the following:

**Serious Medical Condition:** A health condition or illness that requires medical attention, and for which failure to provide the current course of treatment through the current Provider would place your health in serious jeopardy. This includes cancer, acute myocardial infarction and pregnancy.

**Section D. Covered Services**, is revised by the deletion of **first three paragraphs** and the following substituted:

Benefits for Covered Services will be paid according to the provisions described in this Policy. Benefit payments are based on a percentage of Allowable Charges and are subject to Deductibles, Copayments and Benefit Period Maximums as shown on the Schedule Page.

Covered Services include only the services and supplies described below to the extent the charges are not limited or excluded in any provisions of this policy. The services and supplies must:

1. Be prescribed by or performed by or upon the direction of a Physician; and
2. Be done for diagnosis or treatment of a Covered Person's illness or injury, except as specifically noted herein; and
3. Be approved as Medically Necessary and appropriate; and

4. Not be Investigational or Experimental in nature; and
  - Uses of allogeneic bone marrow transplantation (between two related or unrelated people) or syngeneic bone marrow transplantation (from one identical twin to the other) along with other forms of stem cell transplant (with or without high doses of chemotherapy or radiation) in cases in which less than four of the six complex antigens match; cases in which mixed leukocyte culture is reactive; and AIDS and HIV infection;
  - Adrenal tissue to brain transplants;
  - Islet cell transplants;
  - Procedures that involve the transplantation of fetal tissues into a living recipient; and
5. Not be for charges for services or supplies from an independent health care professional whose services are normally included in Facility charges;
6. Not be for pre-conception testing, pre-conception counseling or pre-conception genetic testing;
7. Be for which you are legally responsible for paying and not for luxury or convenience; and
8. Be provided after the Effective Date and before the termination of coverage, unless otherwise specified.

Covered Services do not include treatment for complications resulting from any non-covered procedure or condition, acupuncture, hypnotism or travel expenses.

**Section D. Covered Services**, is revised by the deletion of **Complications of Pregnancy** and the following substituted:

**Complications of Conditions due to Pregnancy** – A life-threatening condition needing medical treatment during or after a pregnancy. The condition must be diagnosed as separate or distinct from the pregnancy but caused or exacerbated by the pregnancy. An elective abortion is not considered a Complication of Pregnancy.

**Section D. Covered Services**, is revised by the deletion of **Dental Services Related to Accidental Injury** and the following substituted:

**Dental Services to Sound Natural Teeth** – Care for the treatment, Surgery or appliances caused by accidental bodily injury (except dental injuries occurring during the natural act of chewing). Benefits are limited to care completed within six months of such accident and while the patient is still covered under this Certificate.

**Section D. Covered Services**, is revised by the deletion of **Durable Medical Equipment, Prosthetic Appliances and Orthotic Devices** and the following substituted:

**Durable Medical Equipment** – If a Physician prescribes Durable Medical Equipment and it is Medically Necessary for the treatment of the member's condition, then we will provide benefits for the purchase price or the total rental cost up to the purchase price for Durable Medical Equipment as shown in your Schedule of Benefits. Please refer to your Schedule of Benefits to see what benefit limitations apply. We will provide benefits for deluxe/specialized equipment at the standard equipment allowance. The rental benefits cannot exceed the purchase price of the equipment. Preauthorization and Approval is required when the purchase price or total rental cost is more than the amount shown in the Schedule of Benefits. Benefits do not include a TENS unit; or manual or motorized wheelchairs or power operated scooters for mobility outside the home setting. We must determine the devices are Medically Necessary to assist with mobility in the home for benefits to be available. No Benefits are provided for repair, replacement or duplicates, nor are benefits provided for services related to the repair or replacement of DME, except when necessary due to a change in the Member's medical condition, and with prior authorization from us. Repair or replacement for routine wear and tear is not a covered expense.

**Section D. Covered Services**, is revised by the deletion of **Home Health Care Services** and the following substituted:

**Home Health Care Services** – When provided to a homebound Member in the Member's home. Home Health Care must be provided by, or through a community home health agency, must be provided on a part-time visiting basis and must be provided according to a Physician-prescribed course of treatment. Preauthorization based on established Home Health Care treatment must be obtained from us before you are eligible. Please refer to your Schedule of Benefits to see what benefit limitations apply. Home Health Care includes:

1. Services by a registered nurse (RN) or licensed practical nurse (LPN);
2. Physical, speech and occupational therapy (the short-term therapy Benefit Period Maximum applies)
3. Services provided by a home health aide or medical social worker;
4. Nutritional guidance;
5. Diagnostic services;
6. Administration of Prescription Drugs;
7. Medical and surgical supplies;
8. Oxygen and its use; and
9. Durable Medical Equipment (A separate Preauthorization Review is not needed when we approve the entire Home Health Care plan).

**Section D. Covered Services**, is revised by the deletion of **Hospice Care** and the following substituted:

**Hospice Care** – We must Preauthorize Hospice Care before you are eligible for this care. Benefits are payable as specified in the Schedule of Benefits. The services must be provided according to a Physician prescribed treatment plan. Please refer to your Schedule of Benefits to see what benefit limitations apply. Hospice Care includes:

1. Services provided by a registered nurse (RN) or licensed practical nurse (LPN);
2. Physical, speech and occupational therapy (the short-term therapy Benefit Period Maximum applies)
3. Services provided by a home health aide or medical social worker;
4. Nutritional guidance;
5. Diagnostic services;
6. Administration of Prescription Drugs;
7. Medical and surgical supplies;
8. Oxygen and its use;
9. Durable Medical Equipment (A separate Preauthorization Review is not needed when we approved the entire Hospice Care plan);
10. Respite care; and
11. Family counseling concerning the patient's terminal condition.

**Section D. Covered Services**, is revised by the deletion of **Mental Health Services and/or Substance Abuse Care** and the following substituted:

**Mental Health Services and/or Substance Abuse Care** – We will provide benefits as shown in the Schedule of Benefits, for Mental Health Services and/or Substance Abuse care when a Member is a patient in a Hospital or Psychiatric/Substance Abuse Facility or is receiving Outpatient services. Mental Health Services and/or Substance Abuse care do not include conditions related to attention deficit disorder, learning disabilities, behavioral problems or Inpatient confinement for environmental changes; marriage, family or child counseling for the treatment of premarital, family or child relationship dysfunctions. It also does not include services for Animal Assisted Therapy, rTMS, Eye Movement Desensitization and Reprocessing (EMDR), behavioral therapy for solitary maladaptive habits or Rapid Opiate Detoxification.

The Benefit Period Maximum is shown in the Schedule of Benefits.

Amounts a Member pays for the Mental Health Services and/or Substance Abuse care will not apply toward the Out-of-Pocket Maximum and the payment for these services do not increase when the Out-of-Pocket Maximum is met.

All Mental Health Services and/or Substance Abuse Care must be preauthorized. If Mental Health Services and/or Substance Abuse Care are not preauthorized, the benefits will be reduced as shown in the Schedule of Benefits.

**Section D. Covered Services**, is revised by the deletion of first paragraph of **Physician Services** and the following substituted:

**Physician Services** – Benefits don't include: treatment of excessive sweating; sterilization, the reversal of sterilization, infertility or impotency treatment, treatment of sexual dysfunction, or for the enhancement of sexual performance; transsexual procedures; reduction mammoplasty for macromastia unless the Member is within 20% of the ideal body weight; charges for medicine, drugs, appliances, supplies, blood and blood products; services for chronic pain management programs (including any program developed by centers with multidisciplinary staffs intended to provide interventions needed to allow the patient to develop pain coping skills and freedom from analgesic medication dependence); varicose veins, including but not limited to, endovenous ablation, vein stripping or sclerosing solutions injection; refractive care, such as radial keratotomy, laser eye Surgery or LASIK, lamellar keratoplasty or any such procedures that are designed to alter the refractive properties of the cornea; and dorsal rhizotomy in the treatment of spasticity. Benefits also don't include the treatment of obesity or for the purpose of weight reduction or control (even in cases of morbid obesity) including, but not limited to, gastric bypass or gastric banding, intestinal bypass, liposuction, wiring mouth shut and any related procedures as well as any complications from or the reversal of such restrictive and diversionary procedures. Reconstructive procedures made necessary by weight loss and any Hospital services associated with any of the above services or procedures; or Cosmetic Surgery are also not included in these benefits. Benefits are payable for the following:

**Section D. Covered Services**, is revised by the deletion of fourth paragraph of **Prescription Drugs** and the following substituted:

We treat insulin as a Prescription Drug whether it's injectable or otherwise. Prescription Drugs don't include devices of any type, except contraceptive devices when shown on the Schedule of Benefits; artificial appliances; vitamins; infertility drugs; drugs for treatment of sexual dysfunction; Medical Supplies (Medical Supplies are paid under the regular Policy benefits); orthomolecular therapy including infant formula, nutrients, food supplements and external feedings when not a sole source of nutrition; Prescription Drugs for which there is an Over-the-counter Drug equivalent, Prescription Drugs used for or related to weight control, obesity, cosmetic purposes (such as Tretinoin or Retin-A), hair growth, hair removal, smoking cessation and Over-the-counter Drugs (except when specified on the Schedule of Benefits), devices, supplies or supplements. Prescription Drugs also do not include prescription drugs used for or related to growth hormone therapy for patients over 18 years of age. For patients 18 years of age or younger, growth hormone therapy is covered when a growth hormone deficiency is documented. Benefits are not available for Prescription Drugs used for or related to non-covered services or conditions.

**Section D. Covered Services**, is revised by the deletion of **Rehabilitation** and the following substituted:

**Rehabilitation** – Benefits for taking part in a multi-disciplinary, team-structured Rehabilitation program following severe neurological or physical disability are available. Benefits do not include pulmonary rehabilitation, except in conjunction with a covered lung transplant.

For these benefits to be available, you must meet these requirements:

1. A Physician must order all such care; and
2. Preauthorization and Approval in writing must be obtained; and
3. The documentation that goes with a request for a Preadmission/Preauthorization Review must have a detailed patient evaluation from a Physician. This evaluation must document to a reasonable degree of medical certainty that the patient has Rehabilitation potential, and there is belief that this patient will be able to provide self-care and carry out his or her activities of daily living.

In order for benefits to continue, all care is subject to periodic review. This review will require documentation that the patient is making substantial progress toward set goals and that there continues to be significant potential for the patient to achieve these Rehabilitation goals.

**Section D. Covered Services**, is revised by the deletion of **Therapy Services 1.** and the following substituted:

1. Short-Term Therapy Services – Services must be Medically Necessary, ordered by a Physician, performed by a licensed therapist and provided to promote the recovery of the Member from an illness, disease or injury.
  - a. Physical Therapy — The treatment by physical means, hydrotherapy, heat or similar modalities, physical agents, bio-mechanical and neuro-physiological principals and devices to relieve pain, restore maximum function and prevent disability following disease, injury or loss of body part.
  - b. Occupational Therapy — Treatment of a physically disabled person by means of constructive activities designed and adapted to promote the restoration of the person's ability to satisfactorily accomplish the ordinary tasks of daily living and those required by the person's particular occupational role.
  - c. Speech Therapy — Treatment for the correction of a speech impairment resulting from disease, Surgery, injury, congenital and developmental anomalies, or previous therapeutic processes.

The Benefit Period Maximum payment is shown in the Schedule of Benefits.

**Section D. Covered Services**, is revised by the addition of the following:

**Orthotic and Prosthetic Devices** – Coverage is provided for Orthotic and Prosthetic Devices, other than a dental or cranial prosthetic, which meets minimum specifications for the body part it is replacing regardless of the functional activity level. Coverage is provided for the standard, non-luxury item only (as determined by us). Coverage for specialty items such as bionics or microprocessor components is also limited to the cost of the standard item. Only the initial temporary and permanent prosthesis is a Covered Expense. No Benefits are provided for repair, replacement or duplicates, nor are Benefits provided for services related to the repair or replacement of such prosthetics, except when necessary due to a change in the Member's medical condition, and with prior authorization from us. Repair or replacement for routine wear and tear is not a covered expense.

The Policy is further revised by the addition of the following Section:

#### **Section J. Continuation of Care**

If a Preferred Blue<sup>®</sup> Provider's contract ends or is not renewed for any reason other than suspension or revocation of the Provider's license, you may be eligible to continue to receive in-network Benefits for that Provider's services.

If you are receiving treatment for a Serious Medical Condition at the time a Preferred Blue Provider's contract ends, you may be eligible to continue to receive treatment from that Provider. In order to receive this continuation of care for a Serious Medical Condition, you must submit a request to us on the appropriate form.

You may get the form for this request from us by going to the website at [www.SouthCarolinaBlues.com](http://www.SouthCarolinaBlues.com) or calling 1-800-868-2500, extension 43475. You will also need to have the treating Provider include a statement on the form confirming that you have a Serious Medical Condition. Upon receipt of your request, we will notify you and the Provider of the last date the Provider is part of our network and a summary of continuation of care requirements. We will review your request to determine if you qualify for the continuation of care. If additional information is necessary to make a determination, we may contact you or the Provider for such information.

If we approve your request, we will provide in-network Benefits for that Provider for 90 days or until the end of the Benefit Period, whichever is greater. During this time, the Provider will accept the network allowance as payment in full. Continuation of care is subject to all other terms and conditions of this Contract, including regular Benefit limits.

Nothing contained in this Amendment will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

The Effective Date of this Amendment is the Effective Date of the Policy to which it is attached or the Amendment date, whichever is later.

**BLUE CROSS® AND BLUE SHIELD® OF SOUTH CAROLINA**

(An Independent Licensee of the Blue Cross and Blue Shield Association,  
an association of independent Blue Cross and Blue Shield Plans)  
([www.SouthCarolinasBlues.com](http://www.SouthCarolinasBlues.com))



**James A. Deyling**  
**President**  
**Blue Cross and Blue Shield Division**

The following Optional Endorsements are only included in your coverage if you purchased them. Your application will show if these optional endorsements are included in your coverage.

## OPTIONAL MATERNITY ENDORSEMENT

The consideration for this Endorsement is the additional premium shown in the Schedule Page or Endorsement to the Policy. The Policy to which this Endorsement is attached is amended to provide the following:

Maternity Care – When this endorsement is purchased, we will pay Allowable Charges for the Covered Services shown below at the percentage payable shown on the Maternity Schedule if: 1) A Physician determines the Pregnancy began more than 30 days after the Effective Date of this Endorsement; and 2) the Pregnancy terminates while this Endorsement is in force.

Benefits are payable based on the length of time the endorsement has been in force at the time the Pregnancy terminates and do not apply to the Benefit Period Deductible. The period of time is measured from the Effective Date of this Endorsement. Coinsurance amounts paid for maternity services as provided by this Endorsement do not apply to Out-of-Pocket Expense Limits.

You must contact our Medical Services Staff within 12 weeks of medical confirmation of the Pregnancy by a Physician. In addition, you must call within the first 24 hours of an admission for delivery or as soon as reasonably possible. Any other admissions during a Pregnancy must be authorized according to the Preauthorization and Approval procedures described in the Policy.

Policy benefits for the hospitalization and attendant professional services of the mother and the newborn child will be provided for at least 48 hours after a vaginal delivery, not including the day of delivery, and at least 96 hours following a cesarean section, not including the day of surgery, or to the date of discharge, whichever occurs first.

As used in this Endorsement, "Pregnancy" is the period of time from conception to delivery. The Pregnancy will be considered terminated on the date of the resulting childbirth, miscarriage or abortion.

Covered Services to the Covered Person include only:

1. Pre-natal services normally associated with a Pregnancy. Pre-natal services include the following when Medically Necessary: pre-natal profile; Pregnancy test and blood tests including immunoglobulin, hemoglobin and glucose tolerance tests; ultrasound/echography; urinalysis; vaginal culture; chlamydia study; pelvimetry, fetal non-stress or stress tests; rhogam injection and cerclage.
2. Medically Necessary services normally associated with a vaginal delivery, cesarean section or stillbirth after 26 weeks, including the use of pitocin and other labor inducing drugs. When a cesarean section is performed due to a Complication of Pregnancy, as defined in the Policy, benefits are covered under the Policy and not under this Endorsement. Charges incurred due to Complications of Pregnancy will be subject to any Policy Deductible, Rate of Payment provisions and all other Policy provisions.
3. Routine newborn nursery care from the moment of birth until the child is discharged from the Hospital.

### MATERNITY SCHEDULE

<b>Period of Time</b>	<b>Percentage of Allowable Charges Payable</b>
Allowable Charges incurred during the first 12 months the optional endorsement is in force	5%
Allowable Charges incurred during the 13 <sup>th</sup> month through 24 <sup>th</sup> month the optional endorsement is in force	60%
Allowable Charges incurred during the 25 <sup>th</sup> month through 36 <sup>th</sup> month the optional endorsement is in force	80%
Allowable Charges incurred from the 37 <sup>th</sup> month and after the optional endorsement is in force	100%

The following are not covered:

1. Charges for educational materials.
2. Charges for infertility diagnosis and treatment, including but not limited to: drugs, artificial insemination, in-vitro fertilization, surrogate Pregnancy, fees associated with sperm banking or reversal of sterilization.

Nothing contained in this Endorsement will be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Policy other than as stated above.

If you chose the Optional Maternity Endorsement, it will be shown on your Application, which is a part of your Policy. Under this Endorsement benefits are not payable for dependent children. Benefits are provided only for a wife under Family Plan or a female Policyholder.

The Effective Date of this Endorsement is the Effective Date of the Policy to which it is attached, or the Endorsement Date, whichever is later.

**Endorsement Effective Date, if other than the Policy Effective Date:**

This Endorsement Terminates:

1. When your coverage terminates under the Policy to which this Endorsement is attached; or
2. When any premium for this Endorsement is not paid before the end of the Grace Period; or
3. When you give Blue Cross<sup>®</sup> and Blue Shield<sup>®</sup> of South Carolina a written request to do so.

Coverage for any Covered Person terminates under this Endorsement when such person ceases to be an eligible Covered Person, as defined in the Policy.

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James A. Deyling  
President  
Blue Cross and Blue Shield Division

\_\_\_\_\_  
Signature of Applicant, Parent, Grandparent or Legal Guardian

\_\_\_\_\_  
Date