



BlueSelect[®]
Health Plans
FOR INDIVIDUALS AND FAMILIES

OUTLINE OF COVERAGE
for Non-Grandfathered Plans

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You should read your policy carefully. This Outline of Coverage for Blue Select health plans provides a brief description of the important features of your policy. This is not your policy. Only the actual benefit provisions in your policy will determine your benefits. The policy itself sets forth in detail the rights and obligations of both you and Wellmark Blue Cross and Blue Shield of South Dakota.

THEREFORE, IT IS IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY.

Premium payments may be made on a calendar month, calendar quarter, semi-annual calendar year or calendar year basis. For example:

Payment Frequency	Description
Monthly	Premium would be for the first day of the month through the last day of such month through electronic funds transfer (EFT) only.
Quarterly	Premium payment is made through electronic funds transfer (EFT) only. Standard quarterly periods are: <ul style="list-style-type: none"> January 1 through March 31 April 1 through June 30 July 1 through September 30 October 1 through December 31
Semi-Annual	Premium payment would be for the calendar period of either: <ul style="list-style-type: none"> January 1 through June 30, or July 1 through December 31
Annual	Premium payment would be for January 1 through December 31 of the applicable year.

In any year in which there is a mid-year adjustment in the amount of premium(s), the member will have the following obligation:

Payment Frequency	Obligation
Monthly	Monthly payments will continue to be made through electronic funds transfer (EFT) only. For monthly premium payments, any increase will be deducted from the member's designated account in the first month the increase becomes effective. For each month thereafter, the increased monthly premium will automatically be deducted.
Quarterly	Quarterly payments will continue to be made through electronic funds transfer (EFT) only. For quarterly premium payments, any increase for the remaining portion of a quarter will be deducted from the member's designated account in the month the increase becomes effective. For each quarter thereafter, the increased monthly premium will automatically be deducted.
Semi-Annual	For semi-annual payments, the member must pay a bill for a premium payment representing the difference between the new semi-annual premium amount and the amount previously paid for such period. The member also will be required to pay subsequent semi-annual premium amounts that include the premium increase.
Annual	For an annual premium payment, the member must pay a bill for a premium payment that equals the difference between the new annual premium amount and the previously paid annual premium amount.

The amount of your periodic premium payment will change as provided in the policy and from time to time based on changes in your coverage, including but not limited to, changes in benefits, payment obligations (such as deductible, coinsurance and copayments), the number of covered family members, members' ages, changes in tobacco use status, or other factors that require adjustments to the total premium. These changes may occur at times other than an annual or other policy renewal.

If you elected to authorize automatic premium withdrawals from a deposit account, the automatic withdrawal will change periodically to correspond with the applicable premium. Your authorization for automatic premium withdrawals shall include authorization for automatic withdrawal of any changed amount unless you call or provide your bank with written notice not less than three (3) business days before a scheduled withdrawal to stop the payment. If you call your bank to stop payment, you may be required to provide a written request within fourteen (14) days after your call. You will be responsible for any fee assessed by your bank for stop-payment orders that you make.

Terms to Know

Blue Select Provider Network is Wellmark's preferred provider organization (PPO), a unique network of contracted providers that offers financial incentives to seek care from those providers. Some key features of the Blue Select Provider Network include:

- You may see any provider you choose – in South Dakota or outside the state, but you have financial incentives to see Blue Select or BlueCard PPO providers.
- The coinsurance you pay may be less for services from Blue Select providers.
- Office services from Blue Select practitioners are subject to an office visit copayment. See note below.
- Blue Select providers accept our settlement as payment in full for covered services.
- Blue Select providers take care of necessary notification requirements.

In the event of an emergency, if you cannot reasonably reach a Blue Select provider, covered emergency care will be reimbursed as though the services were received from a Blue Select provider, subject to certain restrictions. You are responsible for any excess of the provider's billed charge over our settlement amount.

Deductible is the fixed dollar amount you pay for most covered services before benefits are available during a benefit period. There are individual and family deductibles.

Family deductible can be met through any combination of family members. No one member will be required to meet more than the single deductible amount before he or she receives benefits for a covered service during a benefit period.

Coinsurance is the amount, calculated using a fixed percentage, you pay each time you receive services. For example, if the coinsurance is 20 percent, you are responsible for 20 percent of the maximum allowable fee and your health plan pays 80 percent.

The provider you choose affects how your coinsurance is calculated and is based on:

- The payment arrangement amount minus deductible and contract limitations for all covered services provided by other providers in South Dakota and Iowa.
- The local Plan's payment arrangement amount minus deductible and contract limitations for covered services received outside of South Dakota and Iowa.

Copayments are specific dollar amounts you pay at the time you receive covered services.

Out-of-Pocket Maximum (OPM) is the amount you pay out of your pocket for most covered services during a benefit period. Your out-of-pocket maximum equals the deductible and coinsurance amounts you pay during a benefit period. You will pay more than this amount if you receive services from a provider who does not accept our payment arrangement amount (a "non-participating" or "out-of-network" provider), or if you receive services that are subject to limitations.

Network savings is the amount saved due to contracts Wellmark Blue Cross and Blue Shield of South Dakota has with providers.

Payment arrangements are determined using various methods, including negotiated fees, based upon our contracting relationships with providers. These payment arrangements usually result in provider savings and can affect how your coinsurance is calculated.

Types of payment arrangements are:

- **Billed Charge** — The amount a provider bills for any services whether or not they are covered under this policy.
- **Covered Charge** — The amount a provider charges for services and supplies covered under this policy.
- **Maximum Allowable Fee** — The amount we establish, using various methods, for covered services.
- **Balance Billing** — The difference between a provider's charge and our maximum allowable fee for a specific service, procedure, or product. When you visit a non-participating provider, you are responsible for this difference. Balance billed amounts do not apply toward your deductible or out-of-pocket maximum. You are responsible for 100 percent of balance billed amounts.

BlueSelect®

THE BLUE SELECT PLANS outlined here and detailed in the policies are designed to provide coverage for hospital, medical, and surgical expenses incurred as a result of a covered illness or injury. Coverage is provided for daily hospital room and board, miscellaneous hospital services, surgical services, anesthesia services, in-hospital medical services, and out-of-hospital care. Covered services are subject to deductible, coinsurance and copayment provisions, or other limitations set forth in the policy. This coverage is available to you (“single” coverage); to you and your spouse or to your unmarried dependent child (“two-person” coverage); to you and your spouse and/or unmarried dependent children (“family” coverage); or to your dependents only (“child-only” coverage). A child-only policy is a single policy in which the primary applicant is under 19 years of age, or a policy with multiple siblings in which the primary applicant is the youngest child and is under 19 years of age. You will pay the premium required for coverage directly to Wellmark.

Office services received from a Blue Select network provider

Under our Blue Select plans, you are not required to pay any deductible or coinsurance amount for covered office services performed by a Blue Select network provider. You are responsible for:

- A \$10 copayment per office visit (for *Blue Select 500* plan)
- A \$15 copayment per office visit (for *Blue Select 1000* plan)
- A \$20 copayment per office visit (for *Blue Select 1500*, *2500*, and *5000* plans)

Some laboratory testing performed in the office is sent outside the office for processing.

- If lab testing is sent to a Blue Select or BlueCard PPO network practitioner for processing, you are responsible for:
 - An additional \$10 copayment for the lab testing (for *Blue Select 500* plan)
 - An additional \$15 copayment for the lab testing (for *Blue Select 1000* plan)
 - An additional \$20 copayment for the lab testing (for *Blue Select 1500*, *2500*, and *5000* plans)
- If lab testing is sent to a Blue Select or BlueCard PPO network facility for processing, you are responsible for:
 - Benefit period deductible
 - Coinsurance amount of 10 percent of our maximum allowable fee (for *Blue Select 500* plans)
 - Coinsurance amount of 15 percent of our maximum allowable fee (for *Blue Select 1000* plan)
 - Coinsurance amount of 20 percent of our maximum allowable fee (for *Blue Select 1500*, *2500*, and *5000* plans)

Office services received from a non-Blue Select network provider

For covered office services received by a non-Blue Select network provider, you are responsible for:

- Benefit period deductible
- Any difference between our maximum allowable fee and the provider’s charge

You are also responsible for:

- A coinsurance amount of 20 percent of our maximum allowable fee (for *Blue Select 500* plan)
- A coinsurance amount of 25 percent of our maximum allowable fee (for *Blue Select 1000* plan)
- A coinsurance amount of 40 percent of our maximum allowable fee (for *Blue Select 1500*, *2500*, and *5000* plans)

Some laboratory testing performed in the office is sent outside the office for processing. If lab testing is sent to a non-Blue Select or non-BlueCard PPO network practitioner or facility for processing, you are responsible for:

- Benefit period deductible
- A coinsurance amount of 20 percent of our maximum allowable fee (for *Blue Select 500* plan)
- A coinsurance amount of 25 percent of our maximum allowable fee (for *Blue Select 1000* plan)
- A coinsurance amount of 40 percent of our maximum allowable fee (for *Blue Select 1500*, *2500*, and *5000* plans)

Plan Comparison Chart

The Blue Select plans featured in this outline of coverage have varying benefits. You may select one of the plans below:

Plan Name	Blue Select Plans				
	500	1000	1500	2500	5000
Benefit Period Deductible					
Single	\$500	\$1,000	\$1,500	\$2,500	\$5,000
Two-person	\$1,000	\$2,000	\$3,000	\$5,000	\$10,000
Family ¹	\$1,500	\$3,000	\$4,500	\$7,500	\$15,000
Coinsurance — You Pay					
Blue Select Providers	10%	15%	20%	20%	20%
Non-Blue Select Providers	20%	25%	40%	40%	40%
Out-of-Pocket Maximum² (OPM)					
Single	\$1,500	\$2,000	\$2,500	\$3,500	\$6,000
Two-person	\$3,000	\$4,000	\$5,000	\$7,000	\$12,000
Family ¹	\$4,500	\$6,000	\$7,500	\$10,500	\$18,000
Office Visit — You Pay					
Blue Select Providers	\$10	\$15	\$20	\$20	\$20
Non-Blue Select Providers	Deductible followed by coinsurance				
Emergency Room (ER) Visit — You Pay	Deductible followed by coinsurance				
Preventive Care (including well-child care up to age 2)					
Blue Select Providers	Covered. Deductible, copayments, and coinsurance waived.				
Non-Blue Select Providers	Covered. Deductible, copayments, and coinsurance apply.				
Maternity Coverage	Covered			Complications only	
Prescription Drugs	Covered under your health plan as a non-Blue Select provider				
BlueCard® (Out-of-State) Coverage	Yes				
Chiropractic Care	Covered				
Mental Health Treatment	Covered				
Alcohol/Chemical Dependency Treatment	Covered; limited			Alcoholism treatment only; limited	
\$500 Supplemental Accident Coverage (Optional)	Available for an additional premium				

¹ The family deductible can be met through any combination of family members. No one member will be required to meet more than the single deductible amount to receive benefits for covered services during a benefit period.

² Out-of-pocket maximum amounts you pay for Blue Select or non-Blue Select covered services apply to both the Blue Select and non-Blue Select out-of-pocket maximums.

Benefits

Approved hospital/health care facility services

Blue Select health plans provide coverage for medically necessary services and supplies related to the treatment of an illness or injury when care is received in a facility.

Approved health care facilities include ambulatory surgical facilities, community mental health centers, facilities for the treatment of chemical dependency, hospitals, and nursing facilities.

Note: Blue Select plans are supported by the Blue Select network. Even though a facility may participate with the Blue Select network, other providers within the facility, such as emergency room practitioners, anesthesiologists, home medical equipment suppliers, and others may not participate with the Blue Select network. It is important to ask if the provider participates in the Blue Select network before you receive covered services.

Facility services

The following list describes approved facility services that are covered on an inpatient and outpatient basis, unless specifically stated otherwise:

- Accidental injury services.
- Anesthetics and their administration.
- Blood administration.
- Chemotherapy services.
- Complications of pregnancy.
- Corneal grafts.
- Dietary services, but only as an inpatient or prescribed by a physician for treatment of Phenylketonuria (PKU).
- Dressing and casts.
- Drugs and biologicals.
- Hemodialysis services.
- Inhalation therapy.
- Intravenous injections and solutions.
- Medical emergency care.
- Medical and surgical supplies.
- Mental health and chemical dependency services (for Blue Select 2500 and 5000 plans, treatment of chemical dependency only covers alcoholism treatment).
- Occupational therapy to treat the upper extremities.
- Physical therapy.
- Rehabilitative speech therapy treatment (must be coordinated through home health services if provided through a home health agency).

- Rooms, including general nursing care and meals as an inpatient, or meals when prescribed by a physician for the treatment of Phenylketonuria (PKU).
- Routine maternity care, including delivery room (for Blue Select 500, 1000, and 1500 plans only).
- Special care units including burn care units, cardiac care units, delivery rooms, intensive care units, isolation rooms, operating rooms, and recovery rooms.

Approved practitioner services

Some approved practitioners include: audiologists, certified registered nurse anesthetists, chiropractors, dentists, doctors of osteopathy, licensed independent social workers, medical doctors, nurse midwives, nurse practitioners, occupational therapists, optometrists, oral surgeons, physical therapists, physician assistants, podiatrists, psychologists, qualified mental health professionals, and speech pathologists.

The following list describes approved practitioner services:

- Accidental injury services.
- Anesthetics and their administration.
- Assisting surgeon services.
- Chemotherapy services.
- Concurrent care.
- Consultation services.
- Corneal grafts.
- Dental treatment for accidental injury.
- Dental treatment for children and disabled persons.
 - Anesthesia and hospital charges for dental care, whether services are provided in a hospital or a dental office, for a member who (1) is under age 14; or (2) is severely disabled or otherwise suffers from a developmental disability as determined by a licensed physician which places such person at serious risk.
- Diagnostic screening for prostate cancer including:
 1. An annual medically recognized diagnostic examination, including a digital rectal examination and a prostate specific antigen test, for:
 - Asymptomatic men age 50 and older.
 - Men age 45 and older at high risk for prostate cancer.
 2. Males of any age who have a prior history of prostate cancer, medically indicated diagnostic testing at intervals recommended by a physician, including the digital rectal exam, prostate-specific antigen test, and bone scan.

- Genetic testing and counseling in certain circumstances.
- Hemodialysis services.
- Maternity services including pre- and postnatal care and delivery (for *Blue Select 500, 1000, and 1500* plans only). Complications of pregnancy are covered under all plans.
- Medical emergency care.
- Medical services-other than surgical or obstetrical.
- Mental health and chemical dependency services subject to certain limitations (for *Blue Select 2500 and 5000* plans, treatment of chemical dependency only includes alcoholism treatment).
- Occupational therapy to treat the upper extremities.
- Physical therapy.
- Preventive care, including:
 - One routine gynecological examination per member per benefit period
 - One routine mammography x-ray per member per benefit period (mammograms may be more frequent if recommended by your practitioner)
 - One routine physical examination and related services per member per benefit period
 - Routine immunizations
 - Routine pap smears
 - Routine medical care of a newborn during the mother's hospitalization
 - Well-child care including physical exams, immunizations and laboratory services until the child reaches age 2
- Radiation therapy.
- Rehabilitative speech therapy treatment (must be coordinated through home health services if provided through a home health agency).
- Surgical services.
- Tubal ligation or vasectomy (only covered under *Blue Select 500, 1000, and 1500* plans).
- X-ray and laboratory services including electrocardiograms, and ultrasound.

Transplant coverage

Coverage is available under all *Blue Select* plans for transplants of the heart, heart and lung, lung, pancreas, kidney, simultaneous pancreas/kidney, small bowel, and liver and for certain autologous and allogenic bone marrow/stem cell transfer transplants.

You should follow written prior approval requirements for all transplants, except kidney.

Other covered services

Other medically necessary covered services and supplies related to the treatment of illness and injury include:

- Ambulance services (professional air or ground).
- Certified diabetes education program (including insulin, insulin supplies, insulin syringes, and glucose strips).
- Home infusion therapy.
- Home medical equipment, including wheelchairs and hospital beds that are purchased or rented.
- Home skilled nursing, if given by a registered nurse (R.N.) or licensed practical nurse (L.P.N.) from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency, and if coordinated by a case manager.
- Oxygen and equipment.
- Most prescription drugs and medicines.
- Private-duty nursing.
- Prosthetic appliances.

Continued on next page

Home health services

Coverage includes care provided by an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) and/or a Medicare-certified agency. Services must be prescribed by a practitioner, approved by our case manager, and not more costly than alternative services that would be effective for diagnosis and treatment of your condition.

Covered services and supplies include (see limitations on page 8):

- Home health aide services.
- Home skilled if given by a registered nurse (R.N.) or licensed practical nurse (L.P.N.) from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency, and if coordinated by a case manager.
- Inhalation therapy.
- Medical equipment and supplies.
- Medical social services.
- Occupational therapy to treat the upper extremities.
- Oxygen and equipment.
- Parenteral and enteral nutrition.
- Physical therapy.
- Most prescription drugs and medicines.
- Prosthetic appliances and braces.
- Rehabilitative speech therapy treatment provided through a home health agency must be coordinated through home health services. Speech therapy benefits are not available for the treatment of certain developmental learning or communication disorders, such as stuttering and stammering.

Hospice services

Coverage is provided to terminally ill patients with a life expectancy of six months or less. Covered hospice services include the same services as described under home health services as well as respite care from a facility approved by Medicare or JCAHO. Respite care offers rest and relief help for the family caring for a terminally ill patient.

Supplemental accident option

If you chose the \$500 supplemental accidental injury benefit on your application for coverage and you have paid the specific premium for this benefit, you have supplemental accidental injury benefits in the dollar amount specified in your policy. If this supplemental accidental injury applies to you and you are injured accidentally and are treated within 90 days of the accident, covered charges related to such treatment are not subject to a copayment, deductible or coinsurance until after the covered charges exceed the supplemental accidental injury benefit amount.

This supplemental accidental injury benefit is applied to covered charges relating to an accidental injury in the order in which such charges are received by us for payment up to the supplemental accidental injury benefit amount specified in your policy. In the event that your policy already covers such charges, the supplemental accidental injury benefit will not be available. The supplemental accidental injury benefit applies only to hospital services, practitioner services, services of a registered nurse (R.N.), x-ray and laboratory services.

You do not have supplemental accidental injury benefits for disease or infection (except pyogenic infection caused by an accidental cut or wound), services or supplies excluded by your policy, or dental treatment, if currently listed in your benefits policy as not covered for supplemental accidental injury.

Limitations

Your Blue Select coverage is limited as follows:

Pre-existing condition exclusion period

A pre-existing condition waiting period of 11 consecutive months applies if the covered person, age 19 or older, requiring services or supplies has a pre-existing condition and:

- Neither you nor any covered person had creditable coverage within 63 days of the application date for the Blue Select Plans; or
- The covered person's creditable coverage was not in effect for a sufficient amount of time to satisfy the 11 consecutive month waiting period for pre-existing conditions under this coverage. In this case, the 11-month waiting period for pre-existing conditions applicable to each family member under this coverage will be credited for the amount of time each family member was covered under the previous creditable coverage.

The pre-existing exclusion period will be waived for individuals under age 19.

Note: These plans are medically underwritten. When you apply for one of these plans, we will do one of the following:

- Approve coverage; or
- Deny coverage (only individuals 19 years of age or older may be denied coverage)

Note: If a child(ren)-only policy, you may be offered coverage at a substandard (higher) premium.

Cosmetic surgery

Coverage is limited to corrective surgery that has the primary purpose of restoring function lost or impaired as a result of an illness or accidental injury, or as a result of a birth or physical defect.

Breast reconstruction after a mastectomy

If you have a mastectomy and elect breast reconstruction in connection with the mastectomy, you are covered for the following:

- Reconstruction of the breast on which the mastectomy has been performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses and treatment of physical complications of the mastectomy.

Chemical dependency and alcoholism treatment

Coverage for chemical dependency treatment is limited to:

- 30 days for the inpatient treatment of alcoholism in each six month period, and 90 days lifetime.
- 30 days per benefit period for the inpatient treatment of chemical dependency, excluding treatment for alcoholism.

Respite care

Benefits for respite care are limited to a lifetime of 15 days for inpatient and 15 days for outpatient care. Benefits must be used in increments of five days or less.

Exclusions

The following services are excluded or are not considered medically necessary by Wellmark Blue Cross and Blue Shield of South Dakota and will not be covered under these Blue Select plans:

Mental health and chemical dependency treatment

All Blue Select plans exclude coverage for:

- Bereavement counseling or services.
- Certain developmental and learning disorders.
- Certain disorders of early childhood (such as academic underachievement disorder).
- Communication disorders (such as stuttering and stammering).
- Impulse-control disorders (such as pathological gambling).
- Marriage and family counseling.
- Nicotine dependence.
- Residential treatment of mental health conditions or chemical dependency except those services received in a Residential Treatment Facility as described in the benefits policy.
- Sensitivity, shyness and social withdrawal disorder.
- Sexual identification or gender disorders (including sex-change surgery).

Fertility and infertility

All Blue Select plans exclude coverage for:

- Collection of donor semen, oocytes, or the services of a surrogate parent
- Contraceptives (unless medically necessary)
- Infertility treatment
- Sterilization reversal
- Subcutaneous implants
- Treatment of impotence unless it is the result of a physical illness or injury

Miscellaneous

All Blue Select plans exclude coverage for:

- Anesthesia, local or topical when not billed with a surgical procedure, except anesthesia related to the provision of certain dental services as specified and limited in the policy.
- Arch supports.
- Blood, purchase of.
- Complications of a non-covered procedure.
- Dental services except as specified and limited in the policy.
- Elastic stockings and bandages.
- Hearing aids and exams.

- Investigational or experimental treatment.
- Maxillary and mandibular implants.
- Motor vehicles.
- Non-medical services.
- Personal convenience items.
- Services furnished to you prior to the date the policy begins.
- Travel or lodging costs.
- Vision care.
- Wigs.

Transplants

All Blue Select plans exclude coverage for:

- Expenses for purchase of any organ.
- Mechanical or non-human organs.
- Transplant services or supplies other than heart, heart and lung, lung, pancreas, kidney, simultaneous pancreas/kidney, small bowel, liver, or bone marrow/stem cell transfers.
- Transportation of a living organ donor.

Provider types

These providers are excluded for all Blue Select plans:

- Athletic trainer
- Certified registered nurse (other than an anesthetist)
- Provider is an immediate family member (exclusion does not apply in those areas in which the immediate family member is the only provider within a 30-mile radius of the provider's main office)
- Social workers

Covered by other programs or laws

All Blue Select plans exclude coverage for:

- Military-related illness or injury.
- Services and supplies that are paid under Workers' Compensation including any services or supplies applied toward satisfaction of any deductible under your employer's Workers' Compensation coverage.
- Services or supplies when someone else has the legal obligation to pay for your care.

Therapy, self-motivation, and other programs

All Blue Select plans exclude coverage for:

- Acupuncture.
- Cosmetic services and supplies.
- Custodial or sanitarium care or rest cures.
- Educational or recreational therapy.
- Massage therapy.
- Occupational therapy supplies.
- Rehabilitative speech therapy that is not coordinated through home health services when services are received through a home health agency. Speech therapy benefits are not available for the treatment of certain developmental learning or communication disorders, such as stuttering and stammering.
- Self-help or self-cure programs.
- Services and supplies as an inpatient provided primarily for diagnostic evaluation, physical therapy, or occupational therapy.
- Weight-reduction programs, except weight reduction surgery.

Additional exclusions that apply to all plans

- Routine foot care.
- Routine periodic physical or health examinations, immunizations or screening procedures that are performed solely for school, sport, employment, insurance, licensing, or travel.

Additional exclusions that apply only to Blue Select 2500 and 5000 plans

- Abortion
- Chemical dependency, except for inpatient treatment of alcoholism
- Outpatient treatment for alcoholism
- Routine maternity services
- Sterilization
- Treatment of temporomandibular joint disorder (TMJ)

Prescription Drug Coverage

Prescription drug benefits for Blue Select plans are provided as part of the health coverage, so they are subject to plan deductible and out-of-network coinsurance.

Catalyst Rx,[®] Wellmark's contracted pharmacy benefit manager, contracts with more than 65,000 pharmacies nationwide.¹ If you choose to get a prescription from a pharmacy that does not contract with Catalyst Rx, you will need to submit a paper claim to Catalyst Rx in order to receive reimbursement, and you will be responsible for your cost-share plus any difference between the maximum allowable fee and the pharmacy's billed charge.

Wellmark Drug List

Often there is more than one medication available to treat the same medical condition. The Wellmark Drug List is a list of safe and cost-effective medications that serves as a guide to physicians when deciding which medications to prescribe for their patients.

The Wellmark Drug List was developed by a local committee of physicians and pharmacists in cooperation with our contracted pharmacy benefit manager. The list suggests medications a physician might prescribe when there is a choice of medications to treat the same condition. This list is continually revised to reflect changes in the drug industry.

Practitioners are not limited to prescribing only the drugs that appear on the Wellmark Drug List. Physicians may prescribe any medication, and that medication will be covered unless it is specifically excluded from the policy.

Rebates

Using the Wellmark Drug List helps manage the overall cost of prescription medications by promoting the use of more cost-effective drugs. Drug manufacturers sometimes offer rebates to pharmacy benefit managers based on the inclusion of their drugs on the drug list and associated utilization. We expect to receive rebates from our contracted pharmacy benefit manager. The rebates we receive as a result of your prescription claims processed by our pharmacy benefit manager will be retained by Wellmark and applied first to reduce the costs of administering the pharmacy program. The rebates will not be allocated to your specific claims, and they will not be considered when determining your benefit period deductible, copayment, coinsurance amount, or out-of-pocket maximum.

Prior authorization

Certain drugs, listed in the Wellmark Drug List, are covered by your benefits policy only with prior authorization. Prior authorization allows us to verify that the drug is medically necessary and part of a specific treatment plan. Your practitioner must call us to obtain prior authorization.

You have the right to one full and fair review in case of an adverse decision in response to a prior authorization request. An adverse decision is one that denies or reduces benefits. You (or your authorized representative, if you have designated one) may appeal an adverse decision.

¹ Catalyst Rx, August 2012

BlueCard® Program (out-of-state coverage)

This program, offered by all Blue Cross and Blue Shield Plans around the world, gives you a simple means to save money — no matter where you live or travel in the United States and numerous other countries. When you need medical attention, all you have to do is show your ID card to a provider who participates with the local Blues Plan.

When you use a BlueCard PPO provider:

- Most covered services you receive in the provider's office are not subject to a deductible or coinsurance. You pay the applicable copayment amount.
 - You'll get Blue Plan PPO-provider negotiated prices.
 - Claims subject to coinsurance will be processed at the Blue Select in-network coinsurance level.
 - Participating providers have agreed not to collect from you any difference between their billed charge and the negotiated charge.
- Nationwide, more than 90 percent of hospitals and 80 percent of physicians contract with Blue Cross and Blue Shield companies worldwide.¹
 - Participating providers and many non-participating providers will honor your ID card and file your claims for you.
 - BlueCard providers do not handle notification requirements for you.

¹ *Blue Cross and Blue Shield Association, 2011*

Notification Requirements

The following are notification requirements you or your Blue Select network provider should follow to receive the maximum benefits available under your policy.

Precertification

The purpose of precertification is to determine whether a service or admission discussed below meets the medical necessity criteria of your benefits policy. If you choose to have these services performed even though we were unable to certify the medical necessity of the services, you will be responsible for the charges.

Precertification is required for:

- Nursing Facility
- Acute Rehabilitation Facility
- Home Health Services
- Hospice Services
- Home Infusion Therapy
- Facilities Outside of South Dakota or Iowa

You, your Blue Select provider, or someone acting on your behalf must contact us to precertify your admission.

If you do not notify us for precertification as required, the benefits may be reduced if they are medically necessary, covered benefits. They may be denied if not medically necessary or not covered under your policy. The amount of any reduction for failure to obtain authorization will not be more than \$1,000 per admission. You are subject to this benefit reduction only if you (not your provider) are responsible for notification.

Reduced or denied amounts that are the result of failure to follow proper notification requirements will not be applied to your out-of-pocket maximum.

You may appeal our decision to deny or reduce benefits.

Continued stay review

Continued Stay Review is a review of your care when you are in a hospital, nursing facility, or other health facility or when you use home health services, hospice services, or home infusion therapy. Wellmark Blue Cross and Blue Shield of South Dakota will initiate the review. If it is determined your current level of care is no longer medically necessary, we will notify you, your attending practitioner, and the facility 24 hours before your benefits for services end.

Note: We will notify you of the date when coverage for services ends. We will not provide benefits for services received after this date.

Prior approval

Before you receive treatment for certain services, supplies, or procedures, we recommend you or your provider request our prior approval. Prior approval helps determine whether a proposed treatment plan is medically necessary, and a covered benefit under the policy.

Without prior approval for certain services, we cannot confirm that a proposed treatment plan is a benefit of your policy. A service will be approved for a specific time period. (Even if you receive prior approval for a service, inpatient admissions may be subject to inpatient admission notification.)

For a complete list of services for which we recommend prior approval, or to ask about any other service, call the phone number listed on your ID card, or visit Wellmark.com.

General Provisions

Eligibility: You are eligible to apply for Blue Select coverage if you are a resident of South Dakota, under 65 years of age, and not eligible for Medicare. If you become enrolled in Medicare during the term of this policy, this policy will provide benefits secondary to Medicare unless application of federal law determines this benefits policy must provide benefits primary to Medicare. For child(ren)-only coverage, eligibility rules vary based on when you apply for coverage: (1) **During the annual open enrollment period** (July 1 through August 14), anyone under age 19 listed on the application who is **enrolled in other coverage*** at the time of application is not eligible for child(ren)-only coverage. (2) **Outside the open enrollment period** (August 15 through June 30), anyone under age 19 listed on the application who is **eligible for or enrolled in other coverage*** at the time of application is not eligible for child(ren)-only coverage.

* Other coverage includes Group Health coverage or other creditable coverage (not including high risk pool, an individual health benefit plan with exclusionary riders, Medicaid, CHIP, STMM or a plan providing less than basic benefits.

Coverage renewability

- Coverage is automatically renewed by payment of your premium.
- A grace period of 31 days will be granted for the payment of each premium due after the first premium. During this grace period, your policy will continue in force.
- We will refuse renewal of this policy only if we refuse renewal on all policies of this form and class or if you use this policy fraudulently. If we refuse to renew all policies of this form and class, we will give you 90 days written notice prior to termination. In this event, you will have the option to purchase any other health insurance coverage currently being offered by us to individuals with no additional underwriting.
- To keep the policy in force, you must pay each premium on its due date or within the grace period. We may change the premium only if we change the premium for all policies of this form and class. Premium changes will be reflected on your premium notice or other notification.
- When you no longer qualify as a dependent or spouse under this policy, you may obtain continuous coverage from Wellmark Blue Cross and Blue Shield of South Dakota with no additional underwriting if you apply for a plan with equal or lesser benefits within 31 days of the date you become ineligible.

Medicare eligibility

When you become eligible for Medicare, you may convert to one of our Medicare Supplement plans without answering health questions if you still reside in South Dakota, and you have Medicare Parts A and B, and you apply during your six-month guaranteed enrollment period. This period begins with the first month that you are age 65 or older or enrolled in Medicare Part B (medical insurance).

Medicare enrollment

If you are enrolled in Medicare and your employer contributes to the premiums of this benefits policy or is otherwise involved in the offering of this policy, the benefits under this policy will be paid in accordance with the federal Medicare Secondary Payer rules.

Subrogation

Once you receive benefits under this policy arising from an illness or injury, we will assume any legal right you have to collect compensation, damages, or any other payment related to that illness or injury. We will assume all rights for recovery, to the extent of our payment, regardless of whether our payment is made before or after settlement of any third-party claim, and regardless of whether you have received full or complete compensation for any injury or illness. You and your covered family member(s) agree to notify us if you have the potential right to receive payment from someone else and to cooperate with us to ensure that our rights to subrogation are protected. We reserve the right to offset any amounts owed to us against any future claim settlement amounts.

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Coordination of benefits

Coordination of benefits applies when you have more than one insurance policy or plan that provides the same or similar benefits as this policy, including other individual or group sponsored coverage in which you are enrolled.

Benefits payable under this policy, when combined with those paid under your other coverage, will not be more than 100 percent of either our payment arrangement amount or the other plan's payment arrangement amount. The method we use to calculate the payment arrangement amount may be different from the other plan's method.

Notwithstanding the foregoing provisions on Coordination of Benefits, Wellmark will always pay as though it is the primary carrier when you use your ID card for prescription drugs purchased at a pharmacy.

Other information

The monthly premiums are based on the age of the oldest person covered under the policy. The following factors will be reflected in your individual rates:

- A reduced premium rate is available for persons who do not currently use tobacco products and have not used tobacco products for a minimum of 12 consecutive preceding months.
- Health status of the block of business is determined by the claims experience of that block of business. The annual change due to the claims experience or health status of that block of business is limited to 15 percent above the increase for any other block of business.

Health and Wellness Programs

Helping you maintain or improve your health is important. That's why Wellmark Blue Cross and Blue Shield of South Dakota is more than just a health insurance company — we are people helping people. In support of your health care coverage, we provide programs and services with your health and wellness needs in mind.

Personal Health Assistant 24/7

Getting answers to health care questions just got easier. By calling a toll-free hotline, we can provide a direct connection to specially trained health professionals who can provide tools and support your needs.

- **Care Navigation 24/7** — provides help in locating health care resources and understanding medical treatments.
- **Decision Support 24/7** — provides support to assist you in making wise health care decisions.
- **Nurse Support 24/7** — provides advice on urgent care concerns.

Pregnancy Care Program

Our Pregnancy Care program provides valuable information and support for moms-to-be and new mothers, from the first trimester through the early weeks of parenthood. This program provides resources to help all expecting mothers better understand and manage their pregnancy. The goal is to help moms-to-be avoid complications and preterm birth, as well as provide nurse support for high-risk pregnancies.

Complex Case Management Program

Our Complex Case Management program is designed to provide you with long-term health care needs resulting from extreme illness or injury. You, your practitioner, and the hospital work with our case managers to identify and arrange treatment plans in an effort to meet your special needs and to assist in preserving your health insurance benefits.

Wellmark may from time to time make available to you certain health support services for a fee or for no fee. Wellmark may offer financial and other incentives to you to use such services. As part of the provision of such services, Wellmark may: (1) use your personal health information (including but not limited to: substance abuse, mental health, and AIDS/HIV information), and (2) disclose such information to your health care providers and Wellmark's vendors, for purposes of providing such services to you. When using such information, Wellmark will do so according to the terms of Wellmark's Privacy Practices Notices, which can be accessed at Wellmark.com/footer/HIPAA-AS.aspx. Wellmark may also, from time to time, make available to you certain value-added benefits for a fee or no fee. Examples include, discounts on alternative/preventive therapies, fitness, exercise and diet assistance and elective procedures, as well as resources to help you make more informed health decisions.

This is a general description of coverage for non-grandfathered plans. It is not a statement of contract. Actual coverage is subject to the terms and conditions specified in the policy itself and enrollment regulations in force when the policy becomes effective.

If You Have Questions or Need Additional Information:

Please call your agent or Wellmark Blue Cross and Blue Shield of South Dakota.



Your Health. Well Protected.™

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