

Employer Guide



*HSA*Blue



BlueCross BlueShield
of Oklahoma

Your Health Is a Personal Matter

And we have taken measures to keep it that way.

We understand that your health care information should be treated confidentially, so we have procedures in place to help ensure that occurs.

Your doctors and other contracting providers must also comply with applicable laws, professional standards and policies regarding the confidential treatment of medical information.



**BlueCross BlueShield
of Oklahoma**

The Choice for Nearly 1 in 3 Americans

Nearly 1 in 3 Americans who have health coverage is covered by a Blue Cross and Blue Shield plan.

With a 79-year history of helping members with health care coverage and a nationwide network of contracting doctors and hospitals, Blue Cross and Blue Shield is the most widely recognized name in health plans.





Overview | *HSA BlueSM Gives You Choices*

Today's employers are concerned about rising health care costs, while employees are demanding more choice and flexibility in their health plans. You want a plan design that best suits your company's needs as well as your budget. Your employees want to decide how their health care dollars are spent. And you and your employees both want tools to help manage health care and health care spending.

Your Dollars —
Your Choices

HSA Blue is a new kind of health plan – a consumer-centered plan – that meets this challenge by allowing your employees to decide how, when and where their health care dollars are spent. The HSA Blue health benefit plan has four important components:

- **Preventive care and wellness visits** for adults and children are paid up to the preventive maximum limit when your employees use in-network providers. They don't need to meet the deductible to enjoy these benefits.
- **Health savings account (HSA)** funds can be used to pay for qualified medical expenses. The account can be funded by you, or your employees or both. PPO eligible expenses deducted from the HSA count toward the annual deductible.
- **PPO benefits** begin after the employee meets the deductible. They have the freedom to choose any doctor whenever they need care.
- **Online decision tools** help increase your employees' awareness and knowledge of health issues and help them keep track of their health care expenses.

HSA Blue helps
you make the
best use of your
health care dollars.



Flexible | *An Exciting New Option*



Health savings account

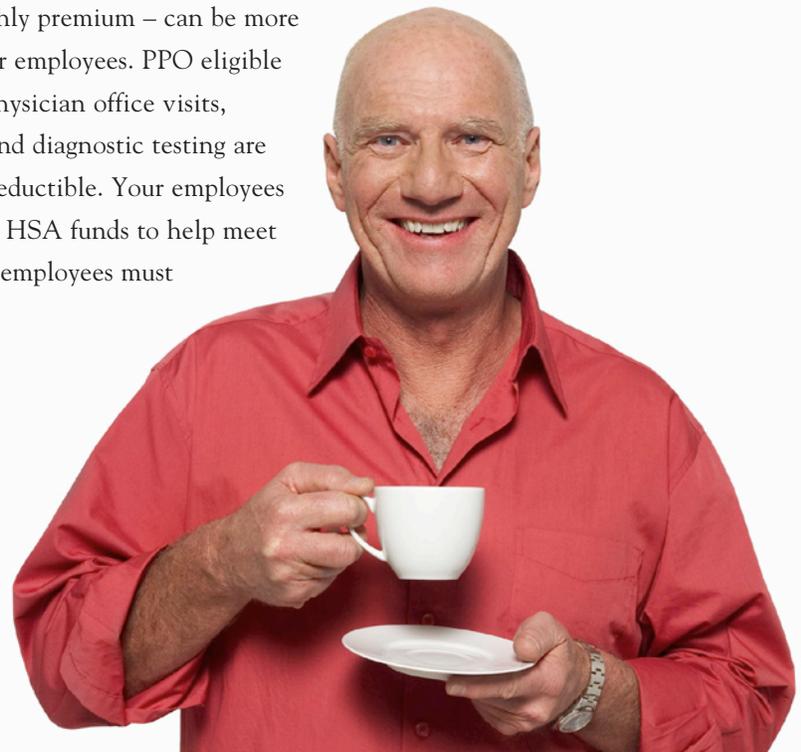
A health savings account is a tax-exempt savings account available to your employees when they are covered by a high-deductible health plan such as HSA Blue.

Contributions, potential interest gains and distributions (when used for qualified HSA medical expenses) are tax free. Deposits to the account can be made by you, your employees or both. Funds in the account can be used to pay for qualified medical expenses, and PPO eligible expenses count toward the employee's annual deductible. HSA balances roll over from year to year and the account is portable, which means that your employees keep the account balance even if they change jobs or retire.

The health savings account is administered by a separate trustee – not BCBSOK. If you choose a **Blue Cross and Blue Shield integrated HSA administrator**, and your employees seek care from contracting PPO providers, eligible services are automatically paid from the health savings account at our discounted PPO rate – with no out-of-pocket expenses or paperwork. Your employees may opt out of this automated process by contacting the HSA administrator.

Deductible

HSA Blue – a high-deductible PPO plan combined with a lower monthly premium – can be more economical for your employees. PPO eligible expenses, such as physician office visits, outpatient surgery and diagnostic testing are applied toward the deductible. Your employees can choose to use the HSA funds to help meet the deductible, which employees must meet each benefit year.



The HSA Blue Plan

HSA Blue provides varying plan designs to choose from, so you can select the contribution, deductible amount, and coinsurance percentage that are best for your company. You can offer **HSA Blue** by itself or along with other Blue Cross and Blue Shield of Oklahoma health plans.



What's Different About HSA Blue

- ▶ The HSA can pay for any covered health care expenses first, before your employees meet their portion of the deductible.
- ▶ The amount in the HSA can help your employees meet their deductible—they pay only any remaining deductible balance.

What's Different About HSA Blue

- ▶ To encourage members to take good care of themselves, the PPO covers preventive and well child care services up to the preventive maximum – they do not need to meet the deductible first.
- ▶ You, your employees or both can deposit a set amount of money each year in a health savings account to help pay for health care costs – other than wellness and preventive services.
- ▶ Claims for covered health care services can be paid automatically from the account until the balance is spent – if you select a Blue Cross and Blue Shield integrated HSA administrator. This amount can be used to help meet the member's PPO deductible.
- ▶ If the member doesn't spend all the money in their health savings account, the balance rolls over to the next year and is added to any new contributions. If they leave the plan, they take the account with them.
- ▶ The tools to help your employees manage their well-being and their health care dollars are available



Network | *Direct Access Gives You Control*



When it comes to the rising cost of health care, Blue Cross and Blue Shield of Oklahoma understands. And although cost-saving results are a priority, access still plays a significant role. Blue Cross and Blue Shield of Oklahoma offers a variety of managed care benefit plans and a selection of networks to meet employers' cost management objective.

NETWORK

THE BLUE CHOICE PPO NETWORK

- The most widespread network in Oklahoma
- More than 5,6000 participating physicians/professional providers
- More than 120 participating hospitals
- Access to the national BlueCard network
 - More than 800,000 doctors and 6,000 hospitals contracting with Blue Cross and Blue Shield Plans nationwide

Out-of-Network Alternatives Can Still Save Time and Money

Members always have the option to receive care from providers outside their network, but covered services will be paid at a lower benefit level and members will be responsible for charges in excess of the allowable amount. Visiting a participating network provider can help save time and money. These providers will usually file claims for the member and won't balance bill for charges that exceed allowable amounts – a cost-saving feature that's not available with all carriers.

Emergency Care Anywhere You Go

When employees need emergency care, they can go immediately to the nearest emergency facility. However, they will need to be sure to have someone notify Blue Cross and Blue Shield of Oklahoma of any hospital admission or treatment received within 48 hours or as soon as possible.

Coverage Away From Home

Traveling away from home? Off to school out of state? Through the BlueCard and BlueCard Worldwide® programs, your employees and their covered family members can receive health care coverage at lower out-of-pocket costs from Blue Cross and Blue Shield contracting doctors and hospitals almost anywhere in the country and around the world.

Just like at home, it's easy to find a provider when you're away. To find a contracting network doctor or hospital in the U.S., go to BlueCard Doctor and Hospital Finder at www.bcbs.com. To find a contracting network hospital outside the U.S., look for the BlueCard Worldwide link. When your employees become members they'll be able to call our dedicated BlueCard line at 1-800-810 BLUE (2583).

Access | *Stay Connected, Stay Healthy*

Online Tools to Help Manage Member Health and Health Care

Employers and employees can access online tools to help decide if HSA Blue is right for them and to access resources to help manage their health plan and health care after enrollment.

For Employers

With HSA Blue you have secure access to online tools to help manage your company's health care benefit plan. Your employees can access tools to help decide if HSA Blue is right for them and, after enrollment, they can use online resources to help manage their plan and health care.

Blue Access® for Employers lets you review membership, employee eligibility and activity, billing, and account summary and product information, make membership changes and request reports. Go to www.bcbsok.com/employers to obtain a password. (This service may not be available to all groups.)

BlueAccess for Employers is the gateway to the secured online resources you need to manage your group's health coverage.





For Employees

After they've enrolled in HSA Blue, your employees can use Blue Access® for Members, Blue Cross and Blue Shield of Oklahoma's secure online service, to check the status of a claim, view the Explanation of Benefits (EOB), print or request a new ID card and confirm who is covered under their plan. Another feature gives them the option to receive e-mail notifications when their claims have been finalized by BCBSOK. They can access Explanation of Benefits information online for up to 12 months and even opt out of receiving paper copies.

HSA Blue members can access the HSA administrator's site through Blue Access for Members to review status of the HSA, including current balance and payments made to date. Also, members can use the Treatment Cost Advisor to obtain cost information for common health care services based on demographics and geographic data.

Plus, extensive health and wellness information is available to members online through a Personal Health Manager. Key features of the Personal Health Manager include:

- A health risk assessment to evaluate personal health status;
- A personal health record to keep track of and manage health information within one secure Web location;
- Targeted wellness information via e-mail to help manage specific medical conditions, including alerts for screening tests, and reminders for medical appointments and medication refills;
- Access to the online health content, including wellness tracking tools, videos and interactive tutorials; and
- Access to information on exercise, nutrition and lifestyle issues in the For Your Health area of Personal Health Manager.

Health and wellness resources include:

- A health risk assessment that evaluates members' health status and gives them personalized health information and guidance
- Self-management tools for common health care problems, such as asthma, lower back pain and headaches
- Information about specific conditions, diseases and treatments
- Interactive health and lifestyle tools that can help members lose weight, quit smoking or start an exercise program
- Decision-making tools to help members understand the right medical treatments



Freedom | *Benefits Overview*

The national PPO network includes more than 800,000 doctors and 6,000 hospitals contracting with Blue Cross and Blue Shield Plans nationwide.

HSA Blue gives your employees freedom of choice, flexibility and a broad range of benefits. As PPO members, your employees have direct access to a large network of providers in Oklahoma, including facilities, physicians and professional providers who participate in the Blue Cross and Blue Shield of Oklahoma Blue Choice network.

What's Different About HSA Blue

To encourage your employees to take good care of themselves, HSA Blue covers preventive and well-child care services from in-network providers – up to their preventive maximum. Members do not need to meet a deductible first. Other PPO benefits begin after the deductible is met. The HSA can help your employees meet the deductible before having to pay out-of-pocket.

When members receive care from network providers, their covered services are paid at the highest level of benefits. They do not complete claim forms or pay up front for medical services. They are not responsible for any charges above the Blue Cross and Blue Shield of Oklahoma allowable amount when they receive care in network; providers agree to accept allowable amount as full payment. And employees do not need a referral to see the doctor of their choice. Once the PPO plan deductible is met, out-of-pocket expenses include any plan-specific coinsurance payments for covered services.

There is no need for members to select a primary care physician because they may choose any licensed provider whenever they need care. Unlike some other managed care plans, members do not need a referral to see a specialist or to get another opinion about a medical condition. When members use network providers, they receive the highest level of benefits.

Your employees can check to see if their doctors are in the network or find another network physician by visiting www.bcbsok.com and select “Locate a Health Care Provider.” Or, they can call the toll-free customer service number on the back of their ID card.

Members always have the option to receive care from providers outside the network, but covered services will be paid at a lower level of benefits, and members will also be responsible for charges in excess of the allowable amount.

For specific information, read the summary of benefits or contact your benefits administrator.

National and International Coverage

PPO members have nationwide access to contracting providers in the Blue Cross and Blue Shield PPO networks linked through the BlueCard® PPO program when they or a covered family member lives, works or travels anywhere in the country.

Members can locate PPO network doctors and hospitals at www.bcbsok.com or by calling (800) 810-BLUE (2583).



When members use BlueCard PPO providers, they receive the highest level of benefits. They don't have to file claim forms and they take advantage of the savings the local plan has negotiated with area providers.

Members traveling outside the United States have access to contracting providers in more than 200 countries. To locate providers, members can call (800) 810-BLUE (2583) or call collect at (804) 673-1177. If they receive care from a non-BlueCard Worldwide® provider, they will have to pay the doctor or hospital for care at the time of service and then submit a claim for reimbursement.



HSA Blue | How it Works

Liz

Liz has HSA Blue employee-only coverage. Her plan is paired with a health savings account through the BCBSOK HSA administrator. Liz can contribute an amount equal to her plan’s deductible each year. The health savings account administrator issues Liz a debit card that can be used to pay for eligible health care expenses that aren’t covered by the PPO.

Year One

Liz’s health savings account annual contribution (Liz contributes \$750 and her employer contributes \$750)	\$1,500
Liz’s annual deductible	\$1,500
Liz had a physical and preventive care lab tests.	\$225 was paid by the PPO preventive care benefit.
She injured her back and saw a specialist who is part of the PPO network.	The allowable amount was \$315, which Liz paid with her health savings account debit card. This amount was also applied to the deductible.
She had six physical therapy visits for her back with a physical therapist that is part of the PPO network.	Each therapy session cost \$175, for a total of \$1,050. Liz paid for this with her debit card and the total was applied to her deductible.
Liz broke her leg.	The total allowable amount was \$3,000. Liz paid \$135 from her debit card, which satisfied the annual \$1,500 deductible, leaving \$2,865. PPO benefits paid 80 percent (\$2,292) and Liz paid her 20 percent coinsurance (\$573).
	Liz used all the funds in her health savings account.

Year Two

Liz’s health savings account annual contribution (Liz contributes \$750 and her employer contributes \$750)	\$1,500
Liz’s annual deductible	\$1,500
Liz had an annual physical and several preventive care lab tests.	\$280 was paid by the PPO preventive care benefit.
She had an eye exam and purchased a year’s supply of contact lenses.	The total allowable amount was \$320, which Liz paid with her debit card. This expense did not count toward the deductible.
	Midway through the year, Liz decided to change jobs. Her health savings account is completely portable and she kept the \$1,180.



Frank and Christine

Frank, Christine and their two children have HSA Blue family coverage through Christine's employer. The plan is paired with a health savings account, through the BCBSOK HSA administrator, which includes a debit card and a checkbook. At the beginning of the year, Frank and Christine put \$3,000 into their health savings account.

Year One

Christine's health savings account annual contribution	\$3,000
Christine's annual family deductible	\$3,000
Frank and Christine had physicals and preventive care lab tests.	\$580 was paid by the PPO preventive care benefit.
Both children had annual physicals and routine immunizations.	\$320 was paid by the PPO preventive care benefit.
Frank tore a ligament in his knee that required surgery.	The allowable amount of \$675 for the emergency room visit was paid with the health savings account debit card, which counts toward the deductible. The allowable amount for the surgery was \$6,000. Frank paid \$2,325 with the debit card. With this, the \$3,000 family deductible had been satisfied and PPO benefits began. Of the remaining \$3,675, PPO paid 80 percent (\$2,940) and Frank paid his 20 percent coinsurance (\$735).
Christine saw a dermatologist and had several moles removed.	The allowable amount of \$1,200 was paid by the PPO (80 percent or \$960) and Christine paid her 20 percent coinsurance (\$240).
	All of the health savings account money was spent, so there was no amount to roll over to the next year.

Year Two

Frank and Christine decide to contribute \$3,000 once again to their health savings account at the beginning of the year	\$3,000
Frank and Christine had physicals and preventive care lab tests.	\$525 was paid by the PPO preventive care benefit.
Both children had annual physicals.	\$275 was paid by the PPO preventive care benefit.
Christine saw her dermatologist for a follow up visit.	She paid for the \$175 office visit with the health savings account debit card, which also counted toward the deductible.
Frank participated in a smoking cessation program.	The program cost \$450 and he paid for it with a check from the health savings account. This expense did not count toward the deductible.
	At the end of Year Two, \$2,375 remains in the health savings account and this rolls over to the next year. Frank and Christine can contribute an additional \$3,000 to the account in Year Three.

FAQ | *Frequently Asked Questions*



Q. How is HSA Blue different from a traditional health plan?

A. A traditional plan generally pays a percentage of the charges for covered medical expenses only after you satisfy a plan deductible or copayment. With HSA Blue, routine preventive care and wellness services are covered without first meeting the deductible. This plan is compatible with health savings accounts, so employees can set aside funds tax free to help pay health care costs, including the annual deductible, or accumulate like a savings account. Once the deductible is met, PPO benefits begin. Any unused HSA funds roll over year to year and the account stays with the employee even if he or she change's jobs or retires.

Q. What is a qualified health savings account?

A. If you offer a high deductible health plan, members can establish tax-exempt health savings accounts with funds from the employer and/or the employee. They can use these funds to pay for qualified medical care services. PPO eligible expenses also count toward the annual deductible. Balances roll over from year to year and the account is portable, which means it stays with the employee.

Q. What happens to the health savings account balance if the employee leaves the HSA Blue plan?

A. The employee owns the account, so any funds are theirs to keep.

Q. How does the HSA Blue family deductible work?

A. The family deductible is "aggregate," which means that the entire family deductible must be satisfied before PPO benefits begin for any family member.

Q. Does a member have to pay for preventive medical services from the health savings account?

A. No. Most preventive medical services (e.g., routine physical exams, age-based testing and vaccinations) are covered up to the preventive maximum when care is received from in-network providers. Check the summary of benefits for specific coverage details.

Q. How do my employees access their health savings account funds?

A. If you select our HSA administrator, and your employee uses a network provider, the provider will automatically submit the claim for your employee. BCBSOK's integrated claims process automatically deducts the appropriate funds from the HSA and/or pays the claim from the PPO. The employee may opt out of the automatic process by contacting the HSA administrator. Your employees can also use their HSA funds to pay for medical expenses with the debit card or checkbook issued by the HSA administrator.

Q. How can my company decide if HSA Blue meets our benefit strategy?

A. Your agent or marketing representative can help you define the benefit package that best meets your company's needs, explore how HSA Blue fits in, and then help you design the most appropriate employee contribution strategy.

Q. Why should my company consider a consumer-centered health plan like HSA Blue?

A. HSA Blue empowers your employees to become more active in managing their health



and health care costs – potentially saving you money over time. As a fully integrated model, HSA Blue provides a seamless approach to claims processing – paying claims from the HSA or the PPO benefit plan.

You can choose from a variety of HSA Blue plan designs, which can be offered alone or with other Blue Cross and Blue Shield of Oklahoma health plans. Plus, when you choose HSA Blue, members have access to the extensive PPO network and discounts, online resources and customer service from the trusted name of Blue Cross and Blue Shield of Oklahoma.

Q. How can employees decide if HSA Blue is right for them?

A. Employees should compare covered benefits, network providers, cost of the premium contributions and other out-of-pocket expenses when deciding on a health plan.

HSA Blue

Make the HSA Blue choice and save

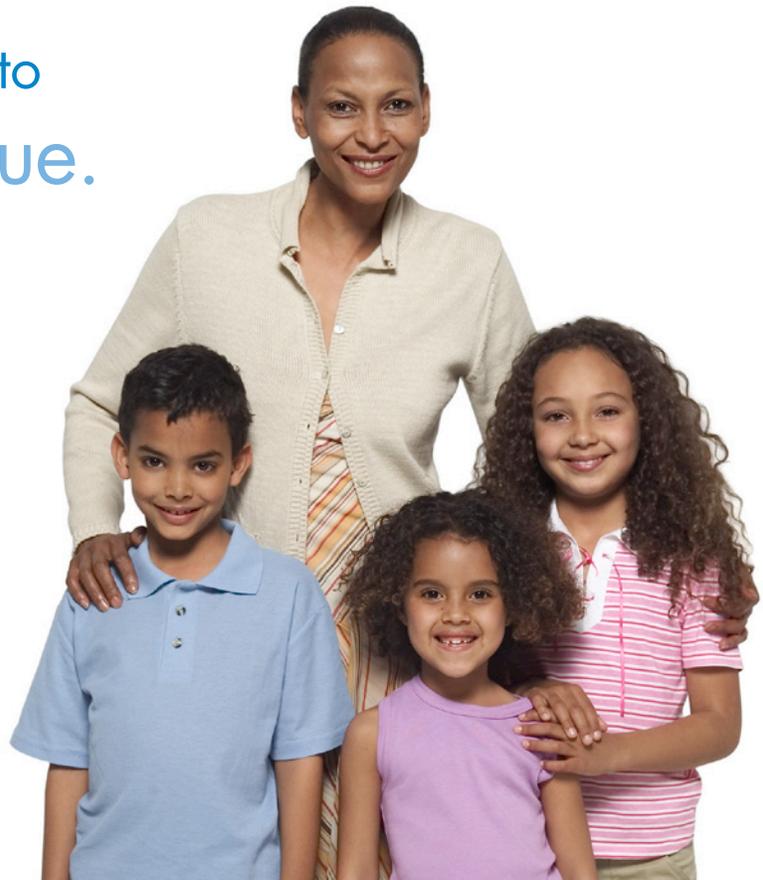


HSA Blue May Be the Right Health Plan for You If You:

- Want your employees to take a more active role in managing their health care
- Prefer the freedom of choice that comes with a PPO
- Like the idea of your employees having a health savings account (HSA) to pay for health care and are willing to accept a higher deductible before benefits start
- Value preventive care coverage
- Are looking for tools for your employees to help manage their health and wellness, as well as your health care spending – and enjoy using the Internet

To search for contracting doctors in Oklahoma, go to www.bcbsok.com. For a network doctor in the U.S., go to BlueCard Doctor and Hospital Finder at www.bcbs.com.

Welcome to HSA Blue.



Important Information | *HIPAA Notice*

Notice of Enrollment Rights. If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in this plan, provided that you request enrollment within 30 days after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption or placement for adoption.

Notice of Pre-existing Condition Exclusion. Under HIPAA, a “pre-existing condition” is a condition for which medical advice, diagnosis, care or treatment was given during a six-month period ending on the enrollment date in a health plan.

Your plan may include a pre-existing condition exclusion. If so, the pre-existing condition exclusion waiting period will not exceed 12 months beginning on the enrollment date. (For a late enrollee, the maximum waiting period is 18 months from the date coverage begins.) A pre-existing condition exclusion is inapplicable to a pregnancy or to a newborn child or adopted child under age 18 who becomes covered within 30 days of birth or adoption. A genetic condition without advice, care or treatment is not a pre-existing condition.

If your plan contains a pre-existing condition exclusion, the existence of a pre-existing condition will be determined using information obtained relating to an individual’s health status before his or her enrollment date.

The pre-existing condition waiting period is reduced by any creditable coverage (prior coverage under various plans including, but not limited to, group health plans, individual health policies, Medicare and Medicaid). You may obtain a certificate of creditable coverage from a prior plan sponsor or health insurance issuer. Should you disagree with the length of creditable coverage determined by your current plan, you have the right to appeal that determination and provide evidence of creditable coverage.

You should read and consult your schedule of benefits to see if your health plan contains a pre-existing condition exclusion. For further information, contact your benefits administrator. Sources for information in this guide available upon request.

In 1996, Congress passed the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA impacts group health plans by improving the availability and portability of health coverage. HIPAA also requires that group health plan participants be given the notices listed on this page.



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www.bcbsok.com