

**IROQUOIS CENTRAL SCHOOL DISTRICTS TRADITIONAL PLAN  
FOR IROQUOIS CENTRAL SCHOOL DISTRICT  
EMPLOYEES AND RETIREES**

**PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION**

Effective July 1, 2018

Established and maintained by: Iroquois Central School District

## TABLE OF CONTENTS

<b>SECTION 1 – INTRODUCTION</b> .....	<b>3</b>
<b>SECTION 2 – DEFINITIONS</b> .....	<b>7</b>
<b>SECTION 3 - ELIGIBILITY, ENROLLMENT, AND CONDITIONS OF COVERAGE</b> .....	<b>22</b>
<b>SECTION 4 - PRECERTIFICATION REQUIREMENTS</b> .....	<b>28</b>
<b>SECTION 5 - COVERAGE OF HEALTH CARE SERVICES</b> .....	<b>31</b>
<b>SECTION 6 - LIMITATIONS OF COVERAGE</b> .....	<b>79</b>
<b>SECTION 7 –GENERAL EXCLUSIONS</b> .....	<b>80</b>
<b>SECTION 8 – ADDITIONAL EXCLUSIONS WHICH APPLY ONLY TO OUT-OF-NETWORK ITEMS AND SERVICES</b> .....	<b>85</b>
<b>SECTION 9 - CLAIM FILING, PAYMENT OF BENEFITS</b> .....	<b>86</b>
<b>SECTION 10 - TERMINATION OF COVERAGE</b> .....	<b>89</b>
<b>SECTION 11 - CONVERSION PRIVILEGE</b> .....	<b>91</b>
<b>SECTION 12 – CONTINUATION OF COVERAGE</b> .....	<b>92</b>
<b>SECTION 13 - COORDINATION OF BENEFITS (COB)</b> .....	<b>94</b>
<b>SECTION 14 – RIGHT OF REIMBURSEMENT AND ASSIGNMENT OF PROCEEDS</b> ....	<b>97</b>
<b>SECTION 15 - APPEAL PROCEDURES</b> .....	<b>104</b>
<b>SECTION 16 – GENERAL PROVISIONS</b> .....	<b>110</b>

## **SECTION 1 – INTRODUCTION**

**Iroquois Central School District is pleased to provide you with a copy of the Iroquois Central School District Traditional Plan Summary Plan Description. You should read this booklet carefully to acquaint yourself with its provisions for eligibility, benefits, filing a claim and other important information.**

**THE COVERED BENEFITS UNDER THIS PLAN ARE SELF-FUNDED. THIS MEANS THAT IROQUOIS CENTRAL SCHOOL DISTRICT ASSUMES TOTAL RESPONSIBILITY FOR COVERED CLAIMS THAT ARE INCURRED, SUBJECT TO ANY STOP-LOSS ARRANGEMENTS IROQUOIS CENTRAL SCHOOL DISTRICT MAKES WITH AN INSURANCE COMPANY.**

The Iroquois Central School District Traditional Plan (“Plan” or “us” or “we” or “our”) hereby agrees to provide benefits for the Health Care Services set forth herein to Covered Persons (or “you” or “your”), subject to the exclusions, limitations, conditions, and other terms of this Plan.

You will find terms starting with capital letters throughout the Plan. To help you understand the benefits payable under this Plan, see the definitions of those terms in Section 2 of the Plan.

### **Important Information**

Listed below is information that will be helpful to you if you have any questions about the administration of the Plan.

- A. The Plan is the IROQUOIS CENTRAL SCHOOL DISTRICT PLAN (hereinafter referred to as the “Plan”).
- B. This Plan Document and Summary Plan Description is effective as of July 1, 2018.
- C. The Plan is established and maintained by Iroquois Central School District, 2111 Girdle Road, Elma, NY 14059.
- D. Plan Status under the Affordable Care Act: Non-Grandfathered
- E. The Plan Year begins at 12:00 a.m. on each July 1 and ends at 11:59:59 p.m. on the following June 30. Each succeeding like period will be considered a new Plan Year.

- F. The Plan's Fiscal Year begins at 12:00 a.m. on each July 1 and ends at 11:59:59 p.m. on the following June 30. Each succeeding like period will be considered a new Fiscal Year.
- G. The Plan's Claims Administrator is Independent Health Corporation at 511 Farber Lakes Drive, Williamsville, NY 14221 (716-773-2122 or 1-800-999-5703, 8:00 a.m. until 8:00 p.m., Monday – Friday) or such other entity as designated by the Plan Administrator. The Claims Administrator is the entity providing services to the Plan in connection with the operation of the Plan and performing such functions, including processing and payment of claims, as may be delegated to it. The Claims Administrator is not a fiduciary of the Plan and does not have discretionary authority to make claims payment decisions or interpret the meaning of the Plan terms, unless the Plan authorized the Administrator to make the final decision on claims.
- H. The Plan's Case Management Consultant is the Independent Health Corporation Administrators Medical Resource Management (MRM) Department located at 511 Farber Lakes Drive, Williamsville, NY 14221 (1-800-501-3439, 24 hours per day, 365 days per year) or such other entity as designated by the Plan Administrator. The Case Management Consultant is the entity providing medical case management services to the Plan.
- I. The Plan's Pharmacy Benefit Manager (PBM) is Pharmacy Benefit Dimensions, the Independent Health PBM, located a 511 Farber Lakes Drive, Buffalo, NY 14221 (716-631-8701 or 1-800-501-3489) or such other entity as designated by the Plan Administrator. The PBM is the entity providing services to the Plan in connection with the operation of the Plan and performing such functions, including processing and payment of prescription drug claims, as may be delegated to it.
- J. The Plan Administrator (Named Fiduciary) is Iroquois Central School District, 2111 Girdle Road, Elma, NY 14059 Phone: (716) 652-3000.
- K. Service of legal process may be made upon the Plan Administrator.
- L. This is a governmental Employees' health plan providing payment and/or reimbursement for certain Hospital, surgical, medical and prescription drug expenses.

Contributions for funding benefits are provided by Iroquois Central School District and, in some cases, also by payroll deduction contributions of the Employee or contributions paid by Retirees or COBRA-eligible enrollees.

Benefits under the Plan are self-funded solely by the Plan Administrator's general assets and may be reinsured with stop loss Coverage.

- M. The persons eligible for participation in this Plan as Employees are as defined by the District, with their eligible Family Dependents, and COBRA-eligible enrollees.
- N. Authority for the Plan. The Iroquois Central School Districts Traditional Plan is not a licensed insurer.
- O. Number and Gender. All singular terms used herein shall be deemed to include the plural thereof and vice versa, and terms of the masculine gender shall be deemed to include the feminine and neutral gender and vice versa, unless the context of usage clearly requires that only the specific terminology used shall apply.
- P. Amendment or Termination of the Plan. The Plan Administrator intends to continue the Plan described herein as a permanent program. However, the Plan Administrator specifically reserves the right to amend, suspend or terminate the Plan described herein at any time and for any reason, except that: (1) no amendment, suspension or termination of the Plan shall affect any claim for any expense Incurred as of the effective date of the amendment, suspension or termination; (2) this paragraph shall not affect the rights and liabilities of any of the parties under any applicable collective bargaining agreements; and (3) no amendment of the Plan may be made which would permit any part of the Plan's funds to be used for, or diverted to, purposes other than for the exclusive benefit of the Covered Persons, or the payment of expenses of the Plan. If the Plan is terminated, the rights of the Covered Persons are limited to expenses incurred before termination. In connection with the termination, the Plan Administrator may establish a deadline by which all claims must be submitted for consideration. Benefits will be paid only for covered expenses incurred prior to the termination date and submitted in accordance with the rules established by the Plan Administrator. Upon termination, any Plan assets will be used to pay outstanding claims and all expenses of Plan termination. As it relates to distribution of assets upon termination of the Plan, any contributions paid by Covered Persons will be used for the exclusive purpose of providing benefits and defraying reasonable expenses related to Plan administration and will not inure to the benefit of the Employer.
- Q. Construction and Determination by the Plan Administrator. The Plan Administrator shall have full and exclusive discretionary authority to determine all questions of Coverage and eligibility, methods of providing or

arranging for benefits and all other related matters. The Plan Administrator shall have full and exclusive discretionary authority to construe the provisions this Plan, and the terms used herein. The Plan Administrator shall be the sole judges of the standard of proof required in any case. Any such determination, construction or judgment adopted by the Plan Administrator in good faith shall be final and binding upon all of the parties hereto and any Covered Persons and beneficiaries hereof. No decision of the Plan Administrator shall be reversed or overturned unless determined to be arbitrary and capricious. No matter respecting the foregoing or any difference arising thereunder, or any matter involved in or arising under this Plan shall be subject to the grievance or arbitration procedure established in any collective bargaining agreement between the Employer and Union, provided, however, that this paragraph shall not affect the rights and liabilities of any of the parties under any such collective bargaining agreements.

R. Legal Entity: The Plan is a legal entity.

S. Not a Contract: This Plan Document and any amendments constitute the terms and provisions of Coverage under this Plan. The Plan Document is not to be construed as a contract of any type between the Employer and any Covered Person or to be consideration for, or an inducement or condition of, the employment of any Employee. Nothing in this Plan Document shall be deemed to give any Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Employee at any time; provided, however, that the foregoing shall not be deemed to modify the provisions of any collective bargaining agreements which may be entered into by the Employer with the bargaining representatives of any Employees.

### **Covered Persons' Rights**

A Covered Person is entitled to examine all Plan documents upon written request. Questions about the Plan should be addressed to the Plan Administrator, whose address can be found in Section 1.C. of this Plan.

### **Entire Agreement**

This Plan document, together with its amendments and any applicable endorsements, constitutes the entire Plan.

## **SECTION 2 – DEFINITIONS**

**Accidental Injury:** an unforeseen and unintended injury.

**Adoptive Child:** a child or infant as described in Section 3 of the Plan.

**Adverse Benefit Determination:** any of the following:

1. A denial in benefits.
2. A reduction in benefits.
3. A rescission of Coverage, even if the rescission does not impact a current claim for benefits.
4. A termination of benefits.
5. A failure to provide or make payment (in whole or in part) for a benefit, including any such denial, reduction, termination, or failure to provide or make payment that is based on a determination of a Claimant's eligibility to participate in the Plan.
6. A denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit resulting from the application of any Utilization Review.
7. A failure to cover an item or service for which benefits are otherwise provided because it is determined to be Experimental or Investigational or not Medically Necessary or appropriate.

### *Explanation of Benefits (EOB)*

"Explanation of Benefits" shall mean a statement a health plan sends to a Covered Person which shows charges, payments and any balances owed. It may be sent by mail or e-mail. An Explanation of Benefits may serve as an Adverse Benefit Determination.

**Affordable Care Act (ACA):** the health care reform law enacted in March 2010. The law was enacted in two parts: The Patient Protection and Affordable Care Act was signed into law on March 23, 2010 and was amended by the Health Care and Education Reconciliation Act on March 30, 2010. The name "Affordable Care Act" is commonly used to refer to the final, amended version of the law. In this document, the Plan uses the name Affordable Care Act (ACA) to refer to the health care reform law.

**Allowable Expense(s):** the Maximum Allowable Charge for any Medically Necessary, eligible item of expense, at least a portion of which is Covered under this Plan. When some Other Plan pays first in accordance with the Application to Benefit Determinations provision in the Coordination of Benefits section, this Plan's Allowable Expenses shall in no event exceed the Other Plan's Allowable Expenses.

When some “Other Plan” provides benefits in the form of services (rather than cash payments), the Plan Administrator shall assess the value of said benefit(s) and determine the reasonable cash value of the service or services rendered, by determining the amount that would be payable in accordance with the terms of the Plan. Benefits payable under any Other Plan include the benefits that would have been payable had the claim been duly made therefore, whether or not it is actually made.

**Ambulance:** see Pre-Hospital Emergency Medical Services

**Application:** the form completed by an applicant requesting Coverage from us and listing all Family Dependents to be Covered on the date such Coverage takes effect. The Plan may require a copy of an eligible Employee’s or a Family Dependent’s social security card, marriage certificate, divorce decree or other forms of proof to determine eligibility.

**Approved Clinical Trial:** a phase I, II, III or IV trial that is Federally funded by specified Agencies (National Institutes of Health (NIH), Centers for Disease Control and Prevention (CDCP), Agency for Healthcare Research and Quality (AHRQ), Centers for Medicare and Medicaid Services (CMS), Department of Defense (DOD) or Veterans Affairs (VA), or a non-governmental entity identified by NIH guidelines) or is conducted under an Investigational new drug application reviewed by the Food and Drug Administration (FDA) (if such application is required).

The Affordable Care Act requires that if a “qualified individual” is in an “Approved Clinical Trial,” the Plan cannot deny Coverage for related services (“routine patient costs”).

A “qualified individual” is someone who is eligible to participate in an “Approved Clinical Trial” and either the individual’s doctor has concluded that participation is appropriate, or the Covered Person provides medical and scientific information establishing that their participation is appropriate.

“Routine patient costs” include all items and services consistent with the Coverage provided in the plan that is typically Covered for a qualified individual who is not enrolled in a clinical trial. Routine patient costs do not include 1) the Investigational item, device or service itself; 2) items and services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient; and 3) a service that is clearly inconsistent with the widely accepted and established standards of care for a particular Diagnosis. Plans are not required to provide benefits for routine patient care services provided outside of the Plan’s network area unless Out-of Network benefits are otherwise provided under the Plan.

**Assignment of Benefits:** an arrangement whereby the Covered Person, at the discretion of the Plan Administrator, assigns the right to seek and receive payment of eligible Plan benefits, less Deductibles, Copayments and the Coinsurance percentage that is not paid by the Plan, in strict accordance with the terms of this Plan Document, to a Health Care Provider. If a Health Care Provider accepts said arrangement, Health Care Providers' rights to receive Plan benefits are equal to those of a Covered Person and are limited by the terms of this Plan Document. A Health Care Provider that accepts this arrangement indicates acceptance of an "Assignment of Benefits" and Deductibles, Copayments and the Coinsurance percentage that is the responsibility of the Covered Person, as consideration in full for services, supplies, and/or treatment rendered. The Plan Administrator may revoke or disregard an Assignment of Benefits previously issued to a Health Care Provider at its discretion and continue to treat the Covered Person as the sole beneficiary.

**Assistant Surgeon:** a surgeon who assists another surgeon during the course of a surgical procedure.

**Attending Physician:** a Participating Physician or Designated Physician who is primarily responsible for attending to the care of a Covered Person with respect to any particular injury or illness.

**Calendar Year:** a twelve-month period beginning January 1 and ending at midnight of December 31 of each year.

**Claim Form:** the form provided by the Claims Administrator for Incurred Covered Expenses for treatment by Health Care Providers.

**Claimant:** a Covered Person of the Plan, or entity acting on his or her behalf, authorized to submit claims to the Plan for processing, and/or appeal an Adverse Benefit Determination.

**Clean Claim:** A "Clean Claim" is one that can be processed in accordance with the terms of this document without obtaining additional information from the Health Care Provider or a third party. It is a claim which has no defect or impropriety. A defect or impropriety shall include a lack of required sustaining documentation as set forth and in accordance with this document, or a particular circumstance requiring special treatment which prevents timely payment as set forth in this document, and only as permitted by this document, from being made. A Clean Claim does not include claims under investigation for fraud and abuse or claims under review for Medical Necessity or other Coverage criteria, or fees under review for application of the Maximum Allowable Charge, or any other matter that may prevent the charge(s) from being Covered Expenses in accordance with the terms of this document.

*Filing a Clean Claim.* A Health Care Provider submits a Clean Claim by providing the required data elements on the standard claims forms, along with any attachments and additional elements or revisions to data elements, attachments and additional elements, of which the Health Care Provider has knowledge. The Plan Administrator may require attachments or other information in addition to these standard forms (as noted elsewhere in this document and at other times prior to claim submittal) to ensure charges constitute Covered Expenses as defined by and in accordance with the terms of this document. The paper Claim Form or electronic file record must include all required data elements and must be complete, legible, and accurate. A claim will not be considered to be a Clean Claim if the Covered Person has failed to submit required forms or additional information to the Plan as well.

**Coinsurance:** your share of the costs of a Covered health care service, calculated as a percent of the allowed amount for the service. The use of the term coinsurance is not intended to mean or imply that the Plan is insured. The Plan is a self-funded plan.

**Contribution for Coverage:** the periodic amount of money we currently charge for benefits and services Covered under this Plan.

**Copayment:** a fixed amount, in addition to the Contribution for Coverage, which you are required to pay per visit for certain Covered services provided under the Plan. It is usually expressed as a fixed dollar amount payable each time a service is provided regardless of the number of times it is provided. You are responsible for the payment of any Copayment directly to the provider when In-Network Services are provided.

**Coverage or Covered:** the Health Care Services reimbursed under the Plan.

**Covered Expense(s):** a service or supply provided in accordance with the terms of this document, whose applicable charge amount does not exceed the Maximum Allowable Charge for an eligible Medically Necessary service, treatment or supply, meant to improve a condition or Covered Person's health, which is eligible for Coverage in accordance with this Plan. When more than one treatment option is available, and one option is no more effective than another, the Covered Expense is the least costly option that is no less effective than any other option.

All treatment is subject to benefit payment maximums shown in the Schedule of Coverage and as set forth elsewhere in this document.

**Covered Person or "you" or "your":** a person who meets all relevant eligibility requirements under Section 3 of the Plan, who applies and is accepted for Coverage from us, for whom the monthly Contribution for Coverage has been received by us and is Covered for benefits under this Plan.

**Deductible:** the amount you owe for Out-of-Network Health Care Services in a Calendar Year before the Plan begins to pay. The Deductible may not apply to all services. Any amounts paid for Copayments or Coinsurance shall not count toward the Deductible. The Deductible is determined as of the date(s) the claims are processed by the Claims Administrator, not the date(s) on which the services occurred.

**Designated Physician:** a Non-Participating Physician who provides a service with respect to a particular injury or illness when the service is not available from a Participating Physician.

**Diagnosis:** the act or process of identifying or determining the nature of an illness, injury or disease through examination.

**Effective Date:** the date from which you are entitled to receive Health Care benefits from us. Coverage begins at 12:01 a.m. Eastern Standard Time on the Effective Date in accordance with the following:

- a. When a person makes Application for enrollment within thirty (30) days after the date he was first eligible, Coverage will be effective on the Eligibility Date;
- b. When a person fails to enroll within thirty (30) days of his Eligibility Date, he must wait until the next Open Enrollment Period to enroll in this plan unless he is eligible for a Special Enrollment;
- c. When a person is eligible for a Special Enrollment and
- d. When Contributions for Coverage for all persons under this Plan have been received by us.

**Eligibility Date:** the date(s) when a person is eligible to participate in the health benefits plan of the Group then in effect, provided that the Contribution for Coverage under this Plan has been received by us. An eligible person must elect Coverage within the thirty (30) day period following the date he could first obtain Coverage (including eligible dependents) or when a person is eligible under Special Enrollment. If a Covered Person terminates Coverage for any reason other than termination of employment or eligibility with the Employer, Coverage may be added only during the Open Enrollment Period except where the Covered Person qualifies for a Special Enrollment.

**Emergency Medical Condition:** a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) so that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition described in clause (i), (ii), or (iii) of section 1867I(1)(A) of the Social Security Act (42 U.S.C. 1395ddl(1)(A)). In that provision of the Social Security Act, clause (i) refers to placing the health of the individual (or, with respect to a

pregnant woman, the health of the woman or her unborn child) in serious jeopardy; clause (ii) refers to serious impairment to bodily functions; and clause (iii) refers to serious dysfunction of any bodily organ or part.

**Emergency Services:** means, with respect to an Emergency Medical Condition, the following:

1. A medical screening examination (as required under section 1867 of the Social Security Act, 42 U.S.C. 1395dd) that is within the capability of the emergency department of a Hospital, including ancillary services routinely available to the emergency department to evaluate such Emergency Medical Condition.
2. Such further medical examination and treatment, to the extent they are within the capabilities of the staff and facilities available at the Hospital, as are required under section 1867 of the Social Security Act (42 U.S.C. 1395dd) to stabilize the patient.

**Employee:** a person who is employed by the Employer.

**Employer:** means the Iroquois Central School District.

**Enrollee:** an Employee of the school district or other individual (including but not limited to COBRA Enrollees, retirees, etc.) who is eligible for Coverage under the Plan.

**Essential Health Benefits:** The Affordable Care Act ensures health plans offered in the individual and small group markets, both inside and outside of the Health Insurance Marketplace, offer a comprehensive package of items and services, known as “Essential Health Benefits.” Essential health benefits must include items and services within at least the following 10 categories: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care. Any payments you make for “Essential Health Benefits” provided under the Plan count toward your “Out-of-Pocket” Maximums. Payments you may make for benefits that are considered *Non-essential* benefits do not count toward your Out-of- Pocket Maximums.

**Experimental and/or Investigational:** any medical treatment, procedure, drug, substance or device

- a. that is the subject of ongoing Phase I, II or III clinical trials or under study to determine its maximum tolerated dose, its toxicity, its efficacy, or its efficacy as compared with the standard means of treatment or diagnosis;

- or
- b. for which a written protocol or protocols or written informed consent, used by the treating facility or provider (or the protocol or written informed consent of another facility or provider studying substantially the same medical treatment, procedure, drug, substance or device), identify the medical treatment, procedure, drug, substance or device as a research or Investigational or Experimental or a clinical trial or study, unless the proposed medical treatment, procedure, drug, substance or device (1) is so identified solely for purposes of clinical data collection and statistical survival analysis and (2) is generally recognized by the medical community, as reflected in the published peer review medical journals, as the standard of care for the treatment of the Covered Person's specific illness or injury; or
  - c. that cannot be lawfully marketed without approval of the U.S. Food and Drug Administration ("USFDA") and approval for marketing has not been given at the time the drug or substance or device is furnished; or
  - d. that is a drug or substance or device which is not, at the time it is furnished, approved by the USFDA for the specific illness or injury for which the patient is being treated; or
  - e. that is a drug or substance or device which is labeled: "Caution – limited by federal law to Investigational use" or a substantially similar label or warning.
  - f. notwithstanding any provision of the Summary Plan Description to the contrary, the Medical Director shall have the authority to determine issues of Coverage raised under Section 7, Paragraph 15 in accordance with the Independent Health Clinical Trials and Experimental Procedures Policies in effect at the time the claim arises

Services or treatments that are the subject of, or in some manner related to, the conduct of an Approved Clinical Trials, as such term is defined herein, are not considered Experimental and/or Investigational.

The Plan Administrator retains maximum legal authority and discretion to determine what is Experimental.

**Family Dependent(s):** a person meeting all of the dependent eligibility requirements set forth in Section 3(a)(2).

**Group Benefit Plan(s):** health benefit plans such as: HMO; health insurance; employer self-insurance or other group health plan that covers Enrollees or Family Dependents.

**Habilitation Services** Health care services that help a person keep, learn or improve skills and functioning for daily living. Examples include therapy for a child who isn't walking or talking at the expected age. These services may

include physical and occupational therapy, speech-language pathology and other services for people with disabilities in a variety of inpatient and/or outpatient settings.

**Health Care Provider:** a person who is licensed, certified or otherwise qualified under a state's laws to provide the Covered benefits authorized pursuant to such license, certification or other qualification. All Health Care Providers are independent contractors and are not our Employees or agents.

**Health Care Services:** Medically Necessary services to treat your illness, injury or disease. Health Care Services do not include services which are not actually provided to you.

**Home Health Agency:** a public or private agency that specializes in giving skilled nursing services in the home and possesses a valid certificate of approval or a license issued pursuant to Article 36 of the Public Health Law of New York State.

**Home Health Care:** Health Care Services a person receives at home which are provided by a licensed or certified agency engaged in providing Health Care Services including, but not limited to, skilled nursing services from an agency having a valid certificate of approval or a license issued pursuant to Article 36 of the Public Health Law of New York State. This Plan does not Cover private duty nursing or custodial care.

**Hospital:** an acute general care facility operated pursuant to law which (1) is primarily engaged in providing diagnostic therapeutic services for surgical or medical Diagnosis, treatment, and care for persons having illness, injury or disease by or under the supervision of a staff of duly licensed physicians; (2) has 24-hour nursing services by registered professional nurses; (3) is not (other than incidentally) a place for rest, custodial care; for the aged; or a nursing home; convalescent home; or similar institution; and (4) is duly licensed to operate as an acute general Hospital under applicable state or local laws.

**Hospice Care:** the care and treatment of an enrolled Covered Person who has been certified by his Health Care Provider as having a life expectancy of six (6) months or less which is provided by a hospice organization certified under the New York Public Health Law or under a similar certificate process required by the state in which the Hospice is located.

**Identification Card:** the card that we issue to you showing that you are entitled to Covered Health Care Services.

**Incurred:** A Covered Expense is "Incurred" on the date the service is rendered, or the supply is obtained. With respect to a course of treatment or procedure which

includes several steps or phases of treatment, Covered Expenses are Incurred for the various steps or phases as the services related to each step are rendered and not when services relating to the initial step or phase are rendered. More specifically, Covered Expenses for the entire procedure or course of treatment are not Incurred upon commencement of the first stage of the procedure or course of treatment.

**Independent Review Organization (IRO):** an organization, independent of all affected parties, which determines whether a health care item or service is Medically Necessary and medically appropriate or Experimental/Investigational.

**Infertility:** the inability to conceive after twelve (12) consecutive months of reasonably frequent contraceptive free, unprotected sexual intercourse with an intent to conceive. A Covered Person who has the ability and/or history of conception but has a history of inability to carry the pregnancy to term does not meet the criteria of Infertility.

**Infertility Services:** medical or surgical procedures which are Medically Necessary to diagnose or correct a malformation, disease or dysfunction resulting in Infertility, and diagnostic tests and procedures that are necessary to determine Infertility, including, but not limited to, hysterosalpingogram, hysteroscopy, endometrial biopsy, laparoscopy, sono-hysterogram, post coital tests, testis biopsy, semen analysis, blood tests and ultrasound.

**In-Network Services/Benefits:** Covered Health Care Services which are provided by a Participating Provider or authorized by us.

**Maternity Care:** Coverage for Hospital, surgical or medical services and treatment relating to pregnancy, delivery, and postnatal care including:

- a. the services of a certified nurse-midwife under qualified medical direction affiliated or practicing in conjunction with a duly licensed facility, provided such services are not duplicative of services already provided by a physician.
- b. parent education, assistance and training in breast or bottle feeding, and the performance of any necessary maternal and newborn clinical assessments.

**Medical Director:** the licensed physician designated by us, considering the recommendation of the Claims Administrator, to exercise general supervision over the provision of medical care rendered under this Plan.

**Medical Emergency:** the sudden onset or behavioral condition that manifests itself by symptoms of sufficient severity, including severe pain, that a prudent layperson, possessing an average knowledge of medicine and health, could reasonably expect the absence of immediate medical attention to result in (1)

placing the health of the person afflicted with such condition in serious jeopardy, or in the case of a behavioral condition, placing the health of such persons or others in serious jeopardy, or (2) serious impairment to such person's bodily functions, or (3) serious dysfunction of any bodily organ or part of such person, or (4) serious disfigurement of such person.

**Medical Record Review:** the process by which the Plan, based upon a Medical Record Review and audit, determines that a different treatment or different quantity of a drug or supply was provided which is not supported in the billing, then the Plan Administrator may determine the Maximum Allowable Charge according to the Medical Record Review and audit results.

**Medically Necessary:** any Health Care Services required to preserve and maintain your health as determined by acceptable standards of medical practice. The Medical Director shall have authority to determine whether any health care rendered to you is Medically Necessary. Such determination is final as long as it is neither arbitrary nor capricious. The Medical Director's determination is subject to Section 15 – Appeal Procedures. The Plan Covers only Medically Necessary services.

**Medicare:** the Health Insurance for Aged and Disabled Program established pursuant to Title XVIII of the Federal Social Security Act, as it is in effect at the Effective Date of the Plan or as that Act may be subsequently amended.

**Mental Health Condition” or “Mental or Nervous Disorder**

Mental Health Condition or Mental or Nervous Disorder shall mean any disease or condition, regardless of whether the cause is organic, that is classified as a Mental or Nervous Disorder in the current edition of International Classification of diseases, published by the U.S. Department of Health and Human Services, is listed in the current edition of Diagnostic and Statistical Manual of Mental Disorders, published by the American Psychiatric Association or other relevant State guideline or applicable sources. The fact that a disorder is listed in any of these sources does not mean that treatment of the disorder is Covered by the Plan.

**Mental Health Parity Act of 1996 (MHPA) and Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA), Collectively, the Mental Health Parity Provisions:**

in the case of a group health plan (or health insurance Coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan or Coverage shall ensure that all of the following requirements are met:

1. The financial requirements applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements applied to substantially all medical and surgical benefits

Covered by the Plan (or Coverage) and that there are no separate cost sharing requirements that are applicable only with respect to mental health or substance use disorder benefits, if these benefits are Covered by the group health plan (or health insurance Coverage is offered in connection with such a plan).

2. The treatment limitations applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits Covered by the Plan (or Coverage), and that there are no separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits, if these benefits are Covered by the group health plan (or health insurance Coverage is offered in connection with such a plan).

**Non-Covered Service(s):** the Health Care Services not Covered by the Plan.

**Non-Participating Provider:** a licensed physician or other licensed or certified Health Care Provider who does not currently have a Participating Provider agreement with either Independent Health or PHCS and who provides services Covered under Section 5 of this Plan.

**Open Enrollment Period:** a period of time during which Enrollees and Covered Persons can elect coverage under the Plan. The Open Enrollment Period shall occur not more frequently than once a year and usually coincides with the Plan Year.

**Other Plan:** shall include, but is not limited to:

1. Any primary payer besides the Plan.
2. Any other group health plan.
3. Any other Coverage or policy covering the Covered Person.
4. Any first party insurance through medical payment Coverage, personal injury protection, no-fault Coverage, uninsured or underinsured motorist Coverage.
5. Any policy of insurance from any insurance company or guarantor of a responsible party.
6. Any policy of insurance from any insurance company or guarantor of a third party.
7. Workers' compensation or other liability insurance company.
8. Any other source, including but not limited to crime victim restitution funds, any medical, disability or other benefit payments, and school insurance Coverage.

**Out-of-Network Services/Benefits:** Covered Health Care Services that are provided or referred by a Non-Participating Provider which the Covered Person elects to have rendered without the necessary prior authorization from the Claims Administrator.

**Out-of-Pocket Maximum (for In-Network Services and Drugs):** the most you pay out-of-pocket each plan year before your health plan starts to pay 100% for In-Network Covered Essential Health Benefits and drugs. This limit includes Deductibles, Coinsurance, Copayments, or similar charges and any other expenditure required of an individual which is a qualified medical expense for the Essential Health Benefits and drugs. This limit does *not* include, for example, your premium equivalent contribution, penalties for failing to obtain Precertification, or spending for non-Essential Health Benefits. **Your total Out-of-Pocket maximum for In-Network Services and Drugs is \$5,000 per person; \$10,000 per family per Plan Year.**

**Your Out-of-Pocket Maximum is calculated separately for (1) In- Network Services/ Drugs and (2) Out-of-Network Services/ Drugs.**

**Out-of-Pocket Maximum (for Out-of-Network Services and Drugs):** The most you pay out of pocket each plan year before your health plan starts to pay 100% for Out-of-Network Covered Essential Health Benefits and drugs. This limit includes Deductibles, Coinsurance, Copayments, or similar charges and any other expenditure required of an individual which is a qualified medical expense for the Essential Health Benefits and drugs. This limit does not include, for example, your premium equivalent contribution, balance billing amounts for non- network providers and other out-of-network cost-sharing or spending for non- Essential Health Benefits. **Your total Out-of-Pocket maximum for Out-of- Network Services and Drugs is \$9,500 per person; \$19,000 per family per Plan Year.**

**Your Out-of-Pocket Maximum is calculated separately for (1) In- Network Services/ Drugs and (2) Out-of-Network Services/ Drugs.**

**Partial Hospitalization Program:** a structured program of outpatient active psychiatric treatment that is more intense than the care you get in a doctor's or therapist's office. This type of treatment is provided during the day and doesn't require an overnight stay.

**Participating Physician(s):** any physician who has agreed to provide Health Care Services to you as a Participating Provider.

**Participating Provider(s):** a Participating Physician; Hospital; Skilled Nursing Facility; Home Health Agency; Ambulance service; laboratory; or other duly licensed Health Care Provider that has a Participating Provider agreement with either Independent Health or PHCS and provides services Covered under Section 5 of this Plan. All Health Care Providers are independent contractors and are not Employees or agents of ours.

**Participating After Hours Care Center:** an alternative site of service which:

- a. is for the purpose of managing acute, urgent, non-life-threatening conditions other than in an Emergency Room of a Hospital during non-traditional physician office hours;
- b. is not a substitute for routine care provided in the Primary Physician's office or as a substitute for care for a Medical Emergency at the Emergency Room of a Hospital;
- c. is equipped to accommodate minor outpatient procedures;
- d. provides ancillary services such as laboratory and radiology;
- e. directs the Covered Person to receive any necessary follow-up care from the Covered Person's Primary Physician; and
- f. has entered into an agreement with Independent Health to provide care to Covered Persons.

**Patient Protection and Affordable Care Act (PPACA):** the health care reform law enacted in March 2010, Public Law 111-148; PPACA, together with the Health Care and Education Reconciliation Act, is commonly referred to as Affordable Care Act (ACA). (See "Affordable Care Act").

**Physical Therapy:** Medically Necessary short-term therapy, which can result in significant clinical improvement in your condition, as determined in our sole discretion.

**Preauthorization:** a decision by the Plan that a health care service, treatment plan, prescription drug or durable medical equipment is Medically Necessary. Sometimes called prior authorization, prior approval or Precertification. The plan may require Preauthorization for certain services before you receive them, except in an emergency. Preauthorization is not a promise that the Plan will cover the cost.

**Precertification:** a decision by the Plan that a health care service, treatment plan, prescription drug or durable medical equipment is Medically Necessary. The plan may require Precertification for certain services before you receive them, except in an emergency. Precertification is not a promise that the Plan will cover the cost.

**Pre-Hospital Emergency Medical Services (Ambulance):** the prompt evaluation and treatment of a Medical Emergency, and/or non-air-borne transportation of the Covered Person to a Hospital; provided however, where the Covered Person utilizes non-air-borne emergency transportation pursuant to this subsection, Coverage will be based on whether a prudent layperson, possessing an average knowledge of medicine and health, could reasonably expect the absence of such transportation to result in (1) placing the health of the person afflicted with such condition in serious jeopardy, or in the case of a behavioral condition placing the health of such person or others in serious jeopardy, (2)

serious impairment to such person's bodily functions; (3) serious dysfunction of any bodily organ or part of such person; or (4) serious disfigurement of such person.

**Primary Physician or Primary Care Physician:** A physician (M.D. – Medical Doctor or D.O. – Doctor of Osteopathic Medicine) who:

- a. is selected by a Covered Person with the approval of the physician; and,
- b. directly provides or coordinates a range of Health Care Services for the Covered Person. The Primary Care Physician is responsible for providing all primary care services including periodic examinations; immunizations; Diagnosis and treatment of illness and injury; coordinating the Covered Person's overall medical care and record maintenance, providing twenty-four (24) hour physician Coverage; and authorizing all Referrals to Specialty, Attending and Designated Physicians.

**Qualified Ob/Gyn Provider:** a Health Care Practitioner who:

- a. Is selected by a Covered Person with the approval of the Qualified Ob/Gyn Provider;
- b. Is duly licensed to provide obstetric and gynecological services, working within the scope of his/her practice; and
- c. Practices as a Physician specializing as an obstetrician/gynecologist; Physician specializing as a family practitioner; Professional midwife as authorized by Title VIII, Article 140 of the New York State Education Law and Regulations of the Commissioner of Education; or Nurse practitioner with a specialty in obstetrics/gynecology or women's health, as authorized by Title VIII, Article 139 of the New York State Education Law and Regulations of the Commissioner of Education.

A Covered Person may select her Qualified Ob/Gyn Provider at any time and may change her Qualified Ob/Gyn Provider at any time to any other Qualified Ob/Gyn Provider.

**Referral:** a written/electronic authorization for services written by a Participating Physician or by the Medical Director.

- a. Written authorization must be received from the Medical Director for any Out-of-Network Services to be Covered as In-Network.
- b. When determined by the Medical Director in accordance with an approved treatment plan, a Referral may remain valid for the same Diagnosis for care by the same Health Care Provider for a period of time as authorized by the approved treatment plan.

**Semi-Private Room:** a room with two (2) or more beds in a Hospital, Skilled Nursing Facility, or other participating health care facility.

**Service Area – Independent Health:** the eight (8) counties of Western New York including the following: Counties of Erie, Niagara, Orleans, Genesee,

Wyoming, Chautauqua, Cattaraugus and Allegany in the State of New York.

**Service Area – PHCS:** the remaining 54 Counties in the State of New York; the District of Columbia; and the other 49 States in the United States

**Service Provider:** a provider of services or supplies which are Covered under the Plan.

**Skilled Nursing Facility (SNF):** a facility providing therapeutic services to inpatients requiring medical and skilled nursing care as defined under Section 2801 of the New York Public Health Law or otherwise duly licensed or certified outside New York State and which is qualified to participate as an extended care facility under Title XVIII of the Social Security Act.

**Special Enrollment:** the ability of an eligible person or dependent to participate in the health benefits plan under this Plan as described in Section 3.B. of this Plan.

**Specialty Physician:** a physician who focuses on a specific area of medicine or a group of patients to diagnose, manage, prevent or treat certain types of symptoms and conditions.

**Totally Disabled:** an injury, illness or disease, which renders a working Enrollee or Covered Person incapable of performing each and every task of any employment for which he has or can be trained. In the case of a non-working Enrollee or Covered Person when, by reason of illness, injury or disease, he is wholly unable to engage in the normal activities of a person of the same sex and age. The inability to perform some, but not all, of many tasks will not be deemed to be total disability.

**Urgent Care:** care for an illness, injury or condition serious enough that a reasonable person would seek care right away, but not so severe as to require emergency room care. The Medical Director shall have the authority to determine whether any health care rendered to the Covered Person is Urgent Care. Such determination is final as long as it is neither arbitrary nor capricious.

**Utilization Review:** the process of making medical management decisions and is provided by the Claims Administrator's Medical Resource Management (MRM) department.

## **SECTION 3 – ELIGIBILITY, ENROLLMENT, AND CONDITIONS OF COVERAGE**

### **a. Eligibility**

Individuals are accepted for enrollment when they meet the requirements outlined below:

1. Employees: to be eligible to enroll for coverage under the Plan, an employee must work a minimum of 30 hours per week (Bus Drivers and Bus Attendants hired prior to June 30, 2013, 3.5 hours, hired after June 30, 2013 at least 4 hours, hired after June 30, 2017 at least 5 hours) and meet any additional eligibility requirements (such as length of service, active employment, etc.) imposed by the Employer.

Employees on Approved Leaves of Absence. If a Covered Employee goes on an approved leave of absence (without pay) for other than medical reasons, Coverage for the Employee and his Covered Family Dependent(s) may be continued for the duration of the approved leave, provided all required contributions are made by the Employee when due, and the leave is approved by the Employer. If an Employee goes on an approved leave of absence (without pay) due to Total Disability for more than three months, Coverage for the Employee and his Covered Family Dependent(s) will be continued for the duration of the approved leave of absence, not to exceed one year unless the employee has accrued sick/personal time that can be applied towards the leave. All required contributions must be made by the Employee when due.

2. Family Dependents: To be eligible to enroll as a Family Dependent, an individual must qualify under one of the following paragraphs:
  - a. Married to an Employee who is enrolled for Coverage under the Plan;
  - b. For a Covered Employee that has authorized domestic partner Coverage by formal board resolution or by a specific language in a collective bargaining agreement Coverage shall be available to the Employee's domestic partner who meets all of the following:
    1. Of the same or opposite sex; and
    2. At least eighteen (18) years of age; and
    3. Not related by marriage or by blood in a way that would bar marriage; and
    4. Not married to anyone else nor have had another domestic partner for a period of not
    5. less than one (1) year; and
    6. Registered as the Employee's domestic partner; and
    7. Provides proof of cohabitation (e.g., a driver's license, tax return or other sufficient proof); and

8. Provides evidence of two or more of the following items (at least one of the two items must be from List A) as proof of financial interdependence:

**List A:**

- a. Joint obligation on a loan (including an affidavit by a creditor for a personal loan)
- b. Joint ownership of residence
- c. Joint renters' or home owners' insurance policy
- d. Designated as beneficiary under the others' life insurance policy, retirement benefits account or will or executor of each other's will
- e. An affidavit by a corporate creditor or other disinterested third party qualified to testify to partner's financial interdependence
- f. Mutually granted durable power of attorney
- g. Designation of one partner as the representative payee for the other's government benefits
- h. Joint ownership or holding of investments
- i. Joint ownership or lease of a motor vehicle
- j. Both listed as tenants on the lease of the shared residence
- k. Mutually granted authority to make health care decisions (e.g. health care power of attorney)
- l. Share a household budget for the purpose of receiving government benefits
- m. I claim my partner as a dependent for federal tax purposes

**List B**

- a. Joint credit or charge card(s)
- b. Status as authorized signatory on the partner's bank account, credit card or charge card
- c. Other proof establishing economic interdependence
- d. Joint bank account

**NOTE: Proof submitted must show financial interdependence for at least one year.**

In order to enroll a domestic partner, the Covered Employee must execute a Domestic Partner Affidavit and pay the additional Contribution for Coverage, if any, within thirty (30) days of the Domestic Partner's Eligibility Date, during the Open Enrollment Period or during a Special Enrollment period.

- c. A child of the Employee including any stepchild; legally adopted child; grandchild, foster child, proposed Adoptive Child or child for whom the Employee is the legal guardian, who is less than twenty-six (26) years of age and is not on active duty in the armed forces of any country.

Adoptive non-infant children less than age twenty-six (26) are Covered from the date we receive notification and payment for additional Contribution for Coverage, if any, provided that the following steps resulting in final adoption are completed:

1. We are notified of the Coverage for the Adoptive Child within thirty (30) days of taking physical custody;
2. the Covered Employee files a petition for adoption pursuant to Section 115-c of the New York Domestic Relations Law within thirty (30) days of taking physical custody;
3. no notice of revocation of the adoption is filed pursuant to Section 115-b of the New York Domestic Relations Law; and
4. consent to the adoption has not been revoked and the Covered Employee retains a legal obligation for the total or partial support of the child in anticipation of adoption.

Adoptive infants are Covered from the moment of birth when the following steps resulting in final adoptions are completed:

1. we are notified of the Coverage for the adoptive infant and receive payment of additional Contribution for Coverage, if any, within thirty (30) days of the date of birth;
2. the Covered Employee takes physical custody of the adoptive infant upon release from the Hospital;
3. the Covered Employee files a petition for adoption pursuant to Section 115-c of the New York Domestic Relations Law within thirty (30) days of birth;
4. no notice of revocation of the adoption is filed pursuant to Section 115-b of the New York Domestic Relations Law; and
5. consent to the adoption has not been revoked and the Employee retains a legal obligation for the total or partial support of the infant in anticipation of adoption.

If we do not receive notification and payment of additional Contribution for Coverage, if any, on or before the thirtieth (30<sup>th</sup>) day from the date of birth or the date upon which the child is physically in the household of the Covered Employee, then Coverage will begin on the Open Enrollment Period or during a Special Enrollment event if notification and payment is received by us on or before the thirtieth (30<sup>th</sup>) day from that date. Coverage of the initial Hospital stay for a newborn adoptive infant is not provided by us if a natural parent has insurance or other Coverage available for the adoptive infant's care. Upon request, the Covered Employee must provide us with, if applicable, the legal guardianship papers.

- d. A child of the Covered Employee including any stepchild, legally adopted

child, or proposed Adoptive Child who is the age of twenty-six (26) or over and is:

1. Incapable of self-sustaining employment because of mental illness, intellectual disability or developmental disability, as defined by the N.Y.S. Mental Hygiene Law, or because of physical handicap, and
  2. Dependent upon the Employee for support and maintenance. The child must have been Covered by this Plan and must have become incapable prior to age twenty-six (26) for purposes of this provision. The child, to remain eligible, must continue to be subject to the conditions set out above. The Employee may be required by us to provide evidence of the handicapping conditions claimed to be existing for the child. The Employee will be required by us on an annual basis to provide evidence that the child is dependent upon the Employee for support and maintenance.
3. A new Family Dependent, because of marriage or adoption of a child, may be enrolled during an eligibility period extending for a period of thirty (30) days after the Family Dependent first becomes eligible for Coverage from us. If we do not receive notification and payment of additional Contribution for Coverage, if any, on or before the thirtieth (30<sup>th</sup>) day from the date the Family Dependent first becomes eligible, then Coverage will begin on the Open Enrollment Period or a Special Enrollment event if notification and payment is received by us on or before the thirtieth (30<sup>th</sup>) day from that date. Newborn natural children of the Employee shall be Covered from birth if notification is received and additional Contribution for Coverage paid, if any, within thirty (30) days of the date of such child's birth; otherwise Coverage begins on the date we receive notification and payment, provided such notification and payment is received by us reasonably close to the child's birth.
4. Persons not entitled to Coverage include:
- a. Persons who are in active duty status in the armed forces of any government other than for duty of thirty (30) days or less.
  - b. Persons who are eligible for Medicare and for whom Medicare would be primary payer but who have not enrolled in both Medicare Part A and Medicare Part B.
  - c. Any child born to a Covered Person's child, except as provided in A.2.c (where proper proof of financial dependency is submitted with the enrollment form).
  - d. Persons who, on the Effective Date of the Plan, are inpatients in a Hospital; Skilled Nursing Facility; or other health care facility; or receiving Home Health Care until such time as they are discharged or no longer receiving home medical care.
  - e. Persons with a medical condition which is Covered under another Plan's

extension of benefits Coverage until that other Plan's Coverage for that condition has terminated.

5. We reserve the right to require and be furnished with such proof as may be needed to determine eligibility status of any Enrollee or Covered Person. The Plan may require a copy of an Enrollee's or a Covered Person's social security card, marriage certificate, divorce decree or other forms of proof to determine eligibility.

## **b. Enrollment**

1. Enrollees may be enrolled with us only within thirty (30) days of their first day of eligibility for enrollment, during the Open Enrollment period, or within thirty (30) days [or sixty (60) days if loss of Coverage under a state CHIP or Medicaid program] of a Special Enrollment event and upon meeting the eligibility requirements imposed by the Plan.
2. An Enrollee may enroll other than during the Open Enrollment Period when one of the following changes in status occurs ("Special Enrollment Events") and when proof of such situation is presented to us:
  - a. a person becomes a dependent of the potential Enrollee through marriage, domestic partnership, legal guardianship, a foster child being placed with the Enrollee, birth, adoption or placement for adoption;
  - b. a person loses Coverage under a State Children's Health Insurance Program (CHIP) or Medicaid, or becomes eligible to receive premium assistance under those programs for group health plan Coverage;
  - c. exhaustion of COBRA continuation Coverage;
  - d. an involuntary loss of health insurance Coverage resulting from a loss of eligibility or the employer's contributions towards Coverage were terminated, provided that such person had such Coverage at the time Coverage hereunder was previously offered.
  - e. other events as allowable under Code Section 125 of the IRS
3. An Enrollee's spouse or family member may enroll other than during the Open Enrollment Period when the person becomes a dependent of the Enrollee through:
  - a. marriage or assumption of a domestic partnership;
  - b. legal guardianship, a foster child being placed with the Enrollee, birth, adoption or placement for adoption, and the case of the birth or adoption of a child, the spouse of the Enrollee may enroll as a dependent if otherwise eligible.
4. Enrollees may enroll themselves and their Family Dependents during an eligibility period by completing an Application and submitting it to the Employer's benefit staff; the Employer's benefit staff will enter the

enrollments into the Plan's enrollment system. The Employer agrees to give all newly hired Employees descriptive literature as soon as they become eligible for Coverage. Such Enrollees may apply for Coverage from us within thirty (30) days of the date they become eligible for Coverage. If Enrollees do not apply within thirty (30) days of the date they become eligible they must wait until the next Open Enrollment Period or Special Enrollment event to become Covered.

5. Changes to the original Application Form must be made by completing a new Application Form and submitting it to the Employer's benefits staff; the Employer's benefit staff will make the changes through the Plan's enrollment system.
6. Coverage of Enrollees and Family Dependents shall take effect on the Effective Date.
7. Enrollees or Family Dependents (other than newborn children of the Enrollee) who are confined to a Hospital; Skilled Nursing Facility; Home Health Care; or other health care facility on the date when this Coverage would otherwise take effect, will be eligible for Coverage, effective the first day following the Enrollee's or the Family Dependent's final discharge from such confinement (the date after discharge).

## **SECTION 4 – PRECERTIFICATION REQUIREMENTS for Out-of-Network Services and PHCS In-Network Services AND REVIEW of In-Network and Out-of-Network Hospital and Skilled Nursing Facility Services**

### **A. PRECERTIFICATION REQUIREMENTS**

This plan provides for a Precertification process in connection with all your Out-of-Network and PHCS In-Network inpatient hospitalization benefits and certain Out-of-Network and PHCS In-Network outpatient services.

Independent Health In-Network inpatient hospitalization benefits and certain outpatient services require pre-authorization, for which the Participating Provider is responsible. Chemotherapy and radiation therapy services require pre-certification, for which the covered person is responsible.

Pre-authorization for certain outpatient services, surgical procedures, and durable medical equipment may be waived by the Independent Health MRM Department in accord with current policies in place for the Independent Health Provider Network.

- 1. Except in the case of a Medical Emergency, all Out-of-Network and PHCS In-Network inpatient hospital services and certain Out-of-Network and PHCS In-Network outpatient services must be Precertified.**
- 2. Precertification is the process by which it is determined if Health Care Services are Medically Necessary.** In order for the Covered Person to receive Out-of-Network Coverage or benefits under this Plan, the Claims Administrator must determine that your care is Medically Necessary. In order for the Claims Administrator to make the determination, you must follow the rules set forth below.
- 3. Precertification of all inpatient Hospital services and certain outpatient services received Out-of-Network and from PHCS In-Network Providers.** Before you receive non-emergent Out-of-Network or PHCS In-Network inpatient Hospital or SNF Services or certain Out-of-Network or PHCS In-Network outpatient services, you or your physician must call the Claims Administrator so that the Medical Director can review the reason for your Hospital care, SNF care, or requested outpatient service. The Medical Director will ascertain if the Hospital services, SNF services, or requested outpatient services are Medically Necessary. This requirement applies only to non-Medical Emergency admissions to a Hospital or SNF or requested outpatient service. Outpatient services

- requiring Precertification are identified in Section 5.
4. Precertification does not apply to admissions for Medical Emergency care or admissions for the delivery of a baby.
  5. **Notification of admissions for Medical Emergency care or for delivery of a baby.** All Out-of-Network and PHCS In-Network admissions for Medical Emergency care or for delivery of a baby must be reviewed and approved by the Medical Director immediately following the admission. You must comply with the following procedure: You, a family member, your physician, or the Hospital should call the telephone number shown on your Identification Card within seventy-two (72) hours following your Medical Emergency or maternity admission.
  6. **It is your responsibility to make sure that the Precertification or Notification and review process is followed.** After the Medical Director reviews the Hospital, SNF, or outpatient service, he will notify you, your physician, and the Hospital, SNF, or provider of the requested service. If the Medical Director determines that it is not Medically Necessary for you to have a Hospital, SNF, or requested outpatient service, a representative of the Claims Administrator will notify your physician. If the physician provides the Claims Administrator with additional information, the Medical Director may reconsider the Medical Necessity of the Hospital, SNF, or requested outpatient service. The Medical Director will make the determination as to whether Hospital, SNF, or requested outpatient services are Medically Necessary. This notification will generally be made within three (3) business days, provided that all reasonably necessary information has been supplied. Notification concerning non-urgent pre-service requests will be made within 15 calendar days.
  7. **If the Medical Director does not give approval for Coverage of your Out-of-Network and PHCS In-Network admission prior to your admission to the Hospital or SNF or receipt of Out-of-Network and PHCS In-Network outpatient services, you will be notified.** You may appeal the decision in accordance with Utilization Review if the decision was based on Medical Necessity. See Section 15 for guidelines on how to appeal an MRM decision.
  8. **Failure to participate in the Precertification/Notification process will result in a reduction of Coverage or benefits.**
    - a. If your non-emergent admission is without prior approval of Coverage by the Claims Administrator, you will be responsible for the payment of the first \$1,200.00 of charges for the service for each admission

otherwise Covered under this Plan, in addition to any applicable Deductible and Coinsurance in section 5 below and any additional payments.

- b. If your admission for Medical Emergency care or for delivery of a baby is without approval of Coverage by the Claims Administrator, you will be responsible for the payment of the first \$1,200.00 of charges for the service for each admission otherwise Covered under this Plan, in addition to any applicable Deductible and Coinsurance in section 5 below and any additional payments.
- c. If your receipt of outpatient services is without prior approval of Coverage by the Claims Administrator, you will be responsible for the payment of 50% of the eligible expenses for the service for each outpatient service otherwise Covered under this Plan, in addition to any applicable Deductible and Coinsurance in section 5 below and any additional payments.

## **B. REVIEW OF YOUR IN-NETWORK AND OUT-OF-NETWORK HOSPITAL AND SNF SERVICES.**

Whenever you are admitted to a Hospital or SNF for inpatient care, the Medical Director will review your condition and your medical records at regular intervals to determine whether it is Medically Necessary for you to continue to receive inpatient care. If the Medical Director determines it is not Medically Necessary for you to continue to have inpatient Hospital or SNF care, the Claims Administrator's representative will consult your physician. If your physician provides additional information, which, in the Medical Director's opinion, justifies continued inpatient Hospital or SNF care, the Claims Administrator will approve Coverage of the care.

1. The Claims Administrator will notify you or your physician at least one day before the day payment of benefits for the stay will cease. You may appeal the decision in accordance with Utilization Review. See Section 15 for guidelines on how to appeal an MRM decision.
2. **If the Claims Administrator has notified you that your continued stay is no longer Medically Necessary, and you elect to remain in the Hospital or SNF, then you will be responsible for payment of all charges for the continued stay.**

## **SECTION 5 – COVERAGE OF HEALTH CARE SERVICES**

### **A. Health Care Services which are Medically Necessary will be Covered or reimbursed in accordance with this Section 5 as follows:**

1. Independent Health Participating Providers: Health Care Services received from Independent Health Participating Providers will be Covered in conformance with Section 5, Schedule of Coverage under the Independent Health In-Network benefits.
2. PHCS Participating Providers: Subject to Precertification requirements, Health Care Services received from PHCS Participating Providers will be Covered in conformance with Section 5, Schedule of Coverage under the PHCS In-Network benefits.
3. Non-Participating Providers. Subject to Precertification requirements, Health Care Services rendered by Non-Participating Providers will be Covered in conformance with Section 5, Schedule of Coverage under Out- of-Network benefits.
4. There may be situations where you receive services from a Participating Provider and a Non-Participating Provider renders a portion of those services. In those cases where the use of a Non-Participating Provider is beyond your control, the services will be Covered in conformance with Section 5, Schedule of Coverage under the Independent Health In-Network benefits, based on the Usual, Customary, and Reasonable (UCR) charges. The Claims Administrator has the discretionary authority to determine whether the circumstances are beyond your control. Examples of circumstances beyond your control include but are not limited to:
  - a. services provided by a Non-Participating anesthesiologist when the operating surgeon is a Participating Provider;
  - b. diagnostic laboratory and pathology tests referred to a Non-Participating laboratory or pathologist by a Participating Provider; or
  - c. consultation services by a Non-Participating Provider which are provided to you while you are confined as an inpatient at a Participating Hospital or other facility and the physician who requested the consultation is a Participating Provider.

### **B. Payments, Copayments, Deductibles, Coinsurance, Additional Payments and Out-of-Pocket Maximums.**

1. **Coverage for Medically Necessary In-Network Health Care Services is subject to applicable Copayments.**

2. **Coverage for Medically Necessary Out-of-Network Services are subject to the following Deductibles and Coinsurance payments unless otherwise stated:**
- a. Coverage is subject to a \$1,000 Deductible per person per plan year. However, once two (2) Covered Persons in a family have each met their individual Deductible, a family Covered under this Plan shall only be subject to a \$2,000 total Deductible in a plan year, and the other Covered Persons in the family will be considered to have met their Deductible for that Plan Year.
  - b. In addition to Deductibles, you must pay Coinsurance equal to 30% (50% Coinsurance for DME) of the lesser of the Non-Participating Provider's charges, the rate negotiated by the Claims Administrator, or the Maximum Allowable Charge for the Health Care Service rendered in the applicable geographic area for Non-Participating Providers. After you have met the annual Deductible, we will pay 70% (50% for DME) of the lesser of Non-Participating Provider's Charges, the rate negotiated by the Claims Administrator, or the Maximum Allowable Charge for the Health Care Service rendered in the applicable geographic area for Non- Participating Providers.
3. **Additional payments** The charges of Non-Participating Providers may exceed the amount of reimbursement we pay. Therefore, in addition to Deductibles and Coinsurance, you must pay the difference between our reimbursement and the balance due the Non-Participating Provider.

**Out-of-Pocket Maximums** In-Network Services and Drugs, and Out-of-Network Services and Drugs are found in Section 2, Definitions, on pages 10-11.

**C. SCHEDULE OF COVERAGE**

**Coverage is subject to the exclusions in Sections 7 and 8 and to the limitations of this plan.**

Medically Necessary In-Network Services will be Covered as set forth below, subject to applicable Coinsurances and Copayments. Medically Necessary Out-of-Network Services will be Covered as set forth below, subject to applicable Deductibles, Coinsurances, and additional payments.

**PROFESSIONAL SERVICES IN AN OFFICE SETTING**

<b>SERVICES</b>	<b>IN-NETWORK - INDEPENDENT HEALTH</b>	<b>IN-NETWORK - PHCS</b>	<b>OUT-OF-NETWORK</b>
<b>Office Services</b>	Covered in full.	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Home Visits</b>	Covered in Full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Diagnostic X-Ray, such as Organ Scans, Sonogram and Ultrasound</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Advanced imaging procedures (e.g., MRI, MRA, PET)</b>	These services require Preauthorization.  If Preauthorized, Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.

			Coinsurance and additional payments set forth in Section 5C.
<b>Laboratory Services</b>	Covered in Full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Mammography Screening</b> for occult breast cancer, subject to the following schedule: a. Upon recommendation of a physician, a mammogram at any age; b. A single baseline mammogram for women aged 35 through 39, inclusive; c. An annual mammogram for women aged 40 and older.	Covered in Full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Well-child visits</b> (including a medical history; physical exam; developmental assessment; anticipatory guidance; necessary and appropriate immunizations; and laboratory tests ordered at the time of the visit) for dependent children from birth through the attainment of the age of 19, provided further that the visits are scheduled in accordance with the prevailing clinical standards of the American Academy of Pediatrics.	Covered in Full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

<b>Periodic Routine Health Examinations</b>	Covered in Full	Covered in full	Not Covered
<b>Immunizations for Covered Persons over age nineteen (19)</b>	Covered in full	Covered in full	Not Covered
<b>Voluntary Family Planning</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Casts and Dressings</b>	Covered in Full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Obstetrical Services</b> , including, but not limited to, Prenatal Care, Prenatal Case Management, Delivery and Post-Partum Care. Payments for Prenatal Care, Delivery and Post-Partum Care will normally be made after delivery; when necessary payments will be made at reasonable intervals for services rendered for Prenatal Care and a separate payment for the Delivery and Post-Partum Care provided.	Covered in full	These services require Notification.  After Notification, Covered in full	These services require Notification.  After Notification, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Allergy Tests and Allergy Injections</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Hearing Examinations ordered by a Physician</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

<b>Surgical Procedures when performed in the office</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Surgical Care and Anesthesia</b> Multiple surgical procedures performed during the same operative session and through the same incision shall be reimbursed in an amount not less than the amount we would pay for the most expensive procedure then being performed. Multiple surgical procedures performed during the same operative session but through different incisions shall be reimbursed in an amount not less than the amount we would pay for the most expensive procedures then being performed, and with regard to the less expensive procedures, in an amount at least equal to 50% of the amount we would pay for these procedures (In-network providers accept this payment as payment in full).	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Second Surgical Opinions</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.

<p><b>Infertility Services</b>  In order to be eligible for Infertility Services, the Covered Person must:</p> <ul style="list-style-type: none"> <li>a. be at least twenty-one (21) years of age and no older than forty-four (44) except for Diagnosis and treatment for a correctable medical condition which incidentally results in Infertility;</li> <li>b. have a treatment plan submitted in advance to the Claims Administrator by a physician who meets the applicable training, experience and other standards for the Diagnosis and treatment of Infertility as promulgated by New York State or the applicable state where services are rendered;</li> <li>and c. have a treatment plan that is in accordance with standards and guidelines established and adopted by the American Society for Reproductive Medicine. THIS BENEFIT DOES NOT COVER TREATMENT FOR THE COVERED PERSON'S PARTNER, IF THE PARTNER IS NOT COVERED UNDER THIS PLAN. This benefit does not include prescription drugs.</li> </ul>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
---	------------------------	------------------------	--

<p><b>Annual Cervical Cytology Screening</b> including: a. pelvic exam; b. Pap smear collection and preparation; c. laboratory and diagnostic services provided in connection with examining and evaluating the Pap smear</p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
<p><b>Chemotherapy</b></p>	<p>Covered in full</p> <p>These services require Precertification.</p> <p>If Preauthorized, Covered in full</p>	<p>Covered in full</p> <p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p> <p>These services require Precertification.</p>
<p><b>Radiation Therapy</b></p>	<p>Covered in full</p> <p>These services require Precertification.</p>	<p>Covered in full</p> <p>These services require Precertification.</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p> <p>These services require Precertification.</p>

<p><b>Bone Mineral Density Measurements</b> or tests, drugs and devices pursuant to the criteria of the Federal Medicare program and the criteria of the National Institutes of Health (NIH) for the detection of osteoporosis. This benefit provides Coverage for Covered Persons meeting the criteria under the Federal Medicare program or the NIH who, at a minimum:</p> <ul style="list-style-type: none"> <li>a. have been previously diagnosed as having osteoporosis or have a family history of osteoporosis; or</li> <li>have symptoms or conditions indicative of the presence or the significant risk of osteoporosis; or</li> <li>c. are currently on a prescribed drug regimen that poses a significant risk of osteoporosis; or</li> <li>d. have lifestyle factors to such a degree as posing a significant risk of osteoporosis; or</li> <li>b. are of such age, gender and/or other physiological characteristics which pose a significant risk for osteoporosis</li> </ul>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
--	------------------------	------------------------	--

**PROFESSIONAL SERVICES WHEN THE COVERED PERSON IS IN A HOSPITAL, SKILLED NURSING FACILITY, OR AN OUTPATIENT FACILITY**

<b>SERVICES</b>	<b>IN-NETWORK - INDEPENDENT HEALTH</b>	<b>IN-NETWORK - PHCS</b>	<b>OUT-OF-NETWORK</b>
<p><b>Surgical Procedures</b> including Assistant Surgeon.</p> <p>This includes breast reconstruction surgery on one or both breasts after a mastectomy as deemed appropriate by the Attending Physician in consultation with the Covered Person to produce a symmetrical appearance. There is also Coverage for physical complications associated with all stages of mastectomy including lymphedemas and prostheses required because of a mastectomy. The Plan intends to comply with the provisions of the Women’s Health and Cancer Rights Act (WHCRA).</p>	<p>These services may require Preauthorization.</p> <p>Please contact Independent Health’s Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Preauthorized, Covered in full</p>	<p>These services may require Precertification.</p> <p>Please contact Independent Health’s Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, Covered in full</p>	<p>These services may require Precertification.</p> <p>Please contact Independent Health’s Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p>Multiple surgical procedures performed during the same operative session and through the same incision shall be reimbursed in an amount not less than the amount we would pay for the most expensive procedure then being performed. Multiple surgical procedures performed during the same operative session but through different incisions shall be reimbursed in an amount not less than the amount we would pay for the most expensive procedures then being performed, and with regard to the less expensive procedures, in an amount at least equal to 50% of the amount we would pay for these procedures (In-network providers accept this payment as payment in full).</p>			
<p><b>Second Surgical Opinions</b></p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>General and Local Anesthesia Services</b></p>	<p>Covered in full</p>	<p>Covered in Full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
<p><b>Radiotherapy Treatment</b></p>	<p>Covered in Full</p>	<p>Covered in Full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>

<b>Burn Treatment</b>	Covered in Full	Covered in Full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Surgical Pathology</b>	Covered in Full	Covered in Full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Obstetrical Services</b>, including, but not limited to, Prenatal Care, Prenatal Case Management, Delivery and Post-Partum Care.</p> <p>Payments for Prenatal Care, Delivery and Post-Partum Care will normally be made after delivery; when necessary payments will be made at reasonable intervals for services rendered for Prenatal Care and a separate payment for the Delivery and Post-Partum Care provided.</p>	Covered in full	Covered in Full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Initial Newborn Care</b>	Covered in full	Covered in Full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Inpatient Professional Care</b> while the Covered Person is a bed patient in a Hospital or SNF during a Covered <b>Non-emergent stay</b></p>	<p>The Hospital or SNF stay requires Preauthorization.</p> <p>If Preauthorized, Covered in full</p>	<p>The Hospital or SNF stay requires Precertification.</p> <p>If Precertified, Covered in full</p>	<p>The Hospital or SNF stay requires Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>

<b>Inpatient Professional Care</b> while the Covered Person is a bed patient in a Hospital during a Covered <b>Emergency hospitalization</b>	The Hospital services require Notification of Admission.  If approved by the Medical Director, Covered in full	The Hospital services require Notification of Admission.  If approved by the Medical Director, Covered in full	The Hospital services require Notification of Admission.  If approved by the Medical Director, Covered in full
<b>Dialysis Services</b>	Covered in full	Covered in Full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

### INPATIENT HOSPITAL SERVICES

<b>SERVICES</b>	<b>IN-NETWORK - INDEPENDENT HEALTH</b>	<b>IN-NETWORK - PHCS</b>	<b>OUT-OF-NETWORK</b>
<b>Non-emergent hospitalization, Semi-Private Room</b>	These services require Preauthorization.  If Preauthorized, Covered in full	These services require Precertification.  If Precertified, Covered in full	These services require Precertification.  If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Emergency hospitalization, Semi-Private Room</b>	These services require Notification of Admission.  If approved by the Medical Director, Covered in full	These services require Notification of Admission.  If approved by the Medical Director, Covered in full	These services require Notification of Admission.  If approved by the Medical Director, Covered in full

<p><b>Inpatient care for lymph node dissection, lumpectomy or mastectomy</b></p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, covered in full with length of stay to be determined by Covered Person's Attending Physician in consultation with Covered Person.</p>	<p>These services require Precertification.</p> <p>If Precertified, covered in full with length of stay to be determined by Covered Person's Attending Physician in consultation with Covered Person.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
--	--	---	---

<p><b>Maternity Care</b>  Maternity Care, other than care for prenatal complications, such shall include Hospital care for mother and newborn for at least forty-eight (48) hours after childbirth for any delivery other than a Caesarian section, and for at least ninety-six (96) hours after a Caesarian section. The mother shall have the option to be discharged earlier than provided above, in which case the inpatient Hospital care shall include at least one Home Care visit. The Plan intends to comply with the Newborns' and Mothers' Health Protection Act (NMHPA).</p>	<p>Covered in full.   Early discharge Home Care visit is Covered in Full.</p>	<p>Covered in full.   Early discharge Home Care visit is Covered in Full.</p>	<p>Subject to Deductibles and, Coinsurance and additional payments set forth in Section 5C.   Early discharge Home Care visit is Covered subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
<p><b>Newborn and Infant Nursery Care</b></p>	<p>Covered in Full</p>	<p>Covered in Full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>
<p><b>Intensive/Cardiac Care</b> during a Covered <b>non-emergent hospitalization</b></p>	<p>The Hospital or SNF stay requires Preauthorization.   If Preauthorized, Covered in full</p>	<p>The Hospital or SNF stay requires Precertification.   If Precertified, Covered in full</p>	<p>The Hospital or SNF stay requires Precertification.   If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C</p>

<p><b>Intensive/Cardiac Care</b> during a Covered <b>emergency hospitalization</b></p>	<p>The Hospital services require Notification of Admission.</p> <p>If approved by the Medical Director, Covered in full</p>	<p>The Hospital services require Notification of Admission.</p> <p>If approved by the Medical Director, Covered in full</p>	<p>The Hospital services require Notification of Admission.</p> <p>If approved by the Medical Director, Covered in full</p>
--	---	---	---

<b>Transplants – Recipient</b>	<p>These services require Preauthorization.</p> <p>If Preauthorized, covered in full – costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>	<p>These services require Precertification.</p> <p>If Precertified, covered in full – costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p> <p>Costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>
<b>Transplants – Donor</b>	<p>These services require Preauthorization.</p> <p>If Preauthorized, covered in full if the donor is a Covered Person; if the donor is not Covered by the Plan, charges not Covered by the donor's plan will be Covered in full – costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>	<p>These services require Precertification.</p> <p>If Precertified, covered in full if the donor is Covered Person; if the donor is not Covered by the Plan, charges not Covered by the donor's plan will be Covered in full – costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C - costs and/or services related to searches and/or screenings for donors of organs to be transplanted are not Covered.</p>

**OUTPATIENT HOSPITAL SERVICES OR AMBULATORY SURGERY**

<b>SERVICES</b>	<b>IN-NETWORK - INDEPENDENT HEALTH</b>	<b>IN-NETWORK - PHCS</b>	<b>OUT-OF-NETWORK</b>
<b>Use of Operating and Recovery Room for Ambulatory Surgery</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

<b>Diagnostic X-Ray, such as Organ Scans, Sonogram and Ultrasound</b>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Advanced imaging procedures (e.g., MRI, MRA, PET)</b>	These services require Preauthorization.  If Preauthorized, Covered in full.	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Chemotherapy</b>	These services require Precertification.  If Precertified, Covered in full.	These services require Precertification.  If Precertified, Covered in full.	These services require Precertification.  If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<b>Radiation Therapy</b>	These services require Precertification.  If Precertified, Covered in full.	These services require Precertification.  If Precertified, Covered in full.	These services require Precertification.  If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

<p><b>Preadmission Testing</b> if performed in Hospital facilities prior to a scheduled admission. The tests must be Medically Necessary and consistent with the Diagnosis and treatment of the condition for which surgery is to be performed; reservation for a Hospital bed and operating room are made prior to the tests; surgical tests; and the Patient is physically present at the Hospital for the test.</p>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Pulmonary Rehabilitation</b> – limited to twenty-four (24) visits per Calendar Year. In-Network Services plus Out-of-Network Services combined equals the total benefit.</p>	Covered in full.	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Dialysis Services</b></p>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Laboratory Services</b></p>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C

## MEDICAL EMERGENCY SERVICES

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<b>Hospital Emergency Department</b>	\$50 Copayment	\$50 Copayment	\$50 Coinsurance
<b>Prehospital Emergency Medical Services (Ambulance)</b> Ambulance services must be provided by a licensed Ambulance, Medically Necessary, and required as a result of a Medical Emergency. Services include Medically Necessary Ambulance services between Hospitals, and between a Hospital and SNF. Use of Ambulance services other than PreHospital Emergency Medical Services will be reviewed retrospectively for Medical Necessity.	\$25 Copayment	\$25 Copayment	\$25 Coinsurance

<p><b>Urgent Care Services</b></p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>A Covered Person is entitled to Urgent Care Services outside the Service Area provided that the Covered Person is unable to obtain care within the Service Area.</p> <p>Medically Necessary Services required due to the Urgent Care condition will be Covered until the Covered Person can reasonably access care within the Service Area by a Participating Provider. We will reimburse Urgent Care Services provided outside the Service Area including all Preauthorized follow-up care at the lesser of billed charges or the Maximum Allowable Charge.</p>
------------------------------------	------------------------	------------------------	---

## DIABETES SERVICES

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<p><b>Insulin and oral agents</b> Subject to the Pharmacy Benefit Dimensions Formulary, up to a thirty (30) day supply of insulin and Tier 1 and Tier 2 oral agents for controlling blood sugar</p>	<p><b>Insulin and oral agents must be obtained from a Pharmacy Benefit Dimensions Participating Pharmacy to be Covered.</b></p> <p>Covered in full</p>	<p><b>Insulin and oral agents must be obtained from a Pharmacy Benefit Dimensions Participating Pharmacy to be Covered.</b></p> <p>Covered in full</p>	Not Covered
<p><b>Supplies</b> Subject to the Pharmacy Benefit Dimensions Formulary, up to a thirty (30) day supply of test strips for glucose monitors and visual reading and urine testing strips, syringes, lancets, and cartridges for the visually impaired.</p>	Covered in full	Covered in full	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Equipment</b> Medically Necessary durable medical equipment for the management of diabetes. This equipment includes items such as: injection aids, insulin pumps and appurtenances thereto, insulin infusion devices, data management systems, blood glucose monitors and blood glucose monitors for the visually impaired.</p>	<p>Preauthorization by the Medical Director may be required for Medically Necessary durable medical equipment for the management of diabetes.</p> <p>Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Preauthorized, covered in full</p>	<p>Precertification by the Medical Director may be required for Medically Necessary durable medical equipment for the management of diabetes.</p> <p>Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, covered in full</p>	<p>Precertification by the Medical Director may be required for Medically Necessary durable medical equipment for the management of diabetes.</p> <p>Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, subject to</p>

			to Deductibles, Coinsurance and additional payments set forth in Section 5C
<p><b>Education</b> Medically Necessary self management education and education relating to diet for persons Diagnosed with diabetes provided by the physician or other licensed Health Care Provider legally authorized to prescribe under Title Eight of the Education Law, or their staff, as part of an office visit for diabetes Diagnosis or treatment or by a certified nutritionist, certified dietician or registered dietician when recommended by a physician or other licensed Health Care Provider legally authorized to prescribe under Title Eight of the Education Law.</p>	Covered in full	Covered in full	Subject to Deductibles, Coinsurances, and additional payments set forth in Section 5C.

## ACUTE MENTAL HEALTH CARE SERVICES

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<b>Inpatient Services –</b>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<b>Partial Hospitalization Program</b>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<b>Outpatient Services</b>	Covered in full	Covered in full	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Autism Spectrum Disorder Services</b>  The Plan covers services and equipment for the screening, diagnosis, and treatment of autism spectrum disorders. Covered treatment includes behavioral health treatment, psychiatric and psychological care, medical care, therapeutic care including facilitative/non-restorative care, and pharmacy care.</p>	<p>Behavioral health treatment, psychiatric and psychological care – Covered in full</p> <p style="text-align: center;">***</p> <p>Medical, therapeutic, and pharmacy care are Covered subject to any applicable Preauthorization, Copayments and limitations for the type of service provided.</p>	<p>Behavioral health treatment, psychiatric and psychological care – Covered in full</p> <p style="text-align: center;">***</p> <p>Medical, therapeutic, and pharmacy care are Covered subject to any applicable Preauthorization, Copayments and limitations for the type of service provided.</p>	<p>Behavioral health treatment, psychiatric and psychological care – Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p> <p style="text-align: center;">***</p> <p>Medical, therapeutic, and pharmacy care are Covered subject to any applicable Preauthorization, Deductibles, Coinsurance and additional payments set forth in Section 5C and limitations for the type of service provided.</p>
--	---	---	--

<p><b>Assisted Communication Device for the treatment of Autism Spectrum Disorder Services</b></p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, subject to 50% Coinsurance.</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, subject to 50% Coinsurance.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductible and 50% Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Applied Behavioral Analysis for Autism Spectrum Disorder Services</b></p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full to a maximum benefit of \$45,000 per Calendar Year.</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full to a maximum benefit of \$45,000 per Calendar Year.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C, to a maximum benefit of \$45,000 per Calendar Year.</p>

## ALCOHOLISM, ALCOHOL ABUSE, AND SUBSTANCE ABUSE TREATMENT

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<p><b>Inpatient Detoxification</b> – Medically Necessary detoxification for alcoholism, alcohol abuse and substance abuse or addiction.</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C1.</p>

<p><b>Inpatient Rehabilitation</b> – for diagnosis and treatment of chemical dependency, which for purposes of this benefit shall mean alcoholism; alcohol abuse; and substance abuse.</p> <p>a. Services must be provided in: Facilities in New York State which are certified by the Division of Alcoholism and Alcohol Abuse or the Division of Substance Abuse Services and in other states, to those accredited by the J.C.A.H.O. as alcoholism or substance abuse treatment programs.</p> <p>b. The services must be provided pursuant to a treatment plan, which has been submitted by the facility to the Claims Administrator within ten (10) days of the first treatment and approved in writing by</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
---	---	---	--

<p>the Medical Director. Services rendered after the initial ten (10) day period will not be Covered without Medical Director approval of the treatment plan.</p> <p>c. Persons whose primary Diagnosis is alcohol abuse or alcoholism may be treated only in a facility certified to treat such Diagnoses.</p> <p>d. Persons whose primary Diagnosis is substance abuse or substance dependence may be treated only in a program approved to treat such Diagnoses.</p> <p>e. Care must be as a result of alcohol dependence or substance dependence</p> <p>f. Treatment of associated health conditions will be Covered under basic Health Care Services of the Plan.</p>			
--	--	--	--

<p><b>Outpatient services.</b>  Visits for Diagnosis and treatment of alcoholism; alcohol abuse; and substance abuse. On a family policy, visits may be used for family therapy related to alcoholism; alcohol abuse; or substance abuse by a Covered Family Member.</p> <p>Limitations: a. Services must be provided in: Facilities in New York State which are certified by the Division of Alcoholism and Alcohol Abuse or the Division of Substance Abuse Services, and in other states, to those accredited by the J.C.A.H.O. as alcoholism or substance abuse treatment facilities/programs.  b. The services must be provided pursuant to a treatment plan, which has been submitted by the facility to the Claims Administrator within ten (10) days of the first treatment and approved in writing by the Medical Director. Services rendered after the initial ten (10) day period will not be Covered without Medical Director approval of the treatment plan.  c. Persons whose primary Diagnosis is alcohol abuse or alcoholism may be treated only in a</p>	<p>Covered in full.</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
---	-------------------------	------------------------	---

<p>facility certified to treat such Diagnoses. d. Persons whose primary Diagnosis is alcohol abuse or alcoholism may be treated only in a facility certified to treat such Diagnoses. e. Care must be as a result of alcohol dependence or substance dependence. f. Treatment of associated health conditions will be Covered under basic Health Care Services of the Plan.</p>			
---	--	--	--

## HOSPICE

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<b>Inpatient Services</b> – Care in a hospice or in a Hospital including Medically Necessary supplies and drugs.	Covered in full.	Covered in full.	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Outpatient Services</b> – Home care and outpatient services provided by hospice including Medically Necessary supplies and drugs.	Covered in Full.	Covered in Full.	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Family visits</b> – Five (5) visits for bereavement counseling, either before or after the terminally ill Covered Person’s death.  In-Network visits plus Out-of-Network visits equals the total benefit.	Covered in Full.	Covered in Full.	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.
<b>Advance Care Planning (ACP)</b> prior to admittance to a hospice program or facility. Advance Care Planning (ACP) means home visits from a program sponsored by a hospice to assist the Covered Person with preparation for issues following a life threatening or terminal diagnosis.	Covered in Full.	Covered in Full.	Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C of this Plan.

## OTHER SERVICES

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
<p><b>Acute Inpatient Medical Rehabilitation Therapy</b> Inpatient treatment in an approved rehabilitation unit or facility which can result in a significant clinical improvement in a Covered Person's condition. Must be prior approved by the Medical Director after a Hospital stay for the same injury or illness. Admission must be within one (1) day of Hospital discharge.</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Inpatient Skilled Nursing Facility (SNF)</b> in a Semi-Private Room; must be ordered by a Covered Person's physician as an alternative to Hospitalization. Central supply items, drugs, medications, biological and vaccines are Covered when provided by a Skilled Nursing Facility. Benefits limited to 45 days per Calendar Year.</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Home Health Care</b> When ordered by a physician and approved in writing by the Medical Director as an alternative to Hospitalization or treatment in a Skilled Nursing Facility (as defined in 42 USC</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, Covered in full.</p> <p>Limit of 40 Visits per Calendar Year</p>	<p>These services require Precertification.</p> <p>If Precertified, Covered in full</p> <p>Limit of 40 Visits per Calendar Year</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to Deductibles, Coinsurance and additional payments</p>
--	---	---	---

<p>Sec. 1935 et seq).</p> <p>The Covered services include part-time or intermittent home nursing care by or under the supervision of a registered professional nurse; part-time or intermittent home health aide which consists primarily of caring for the patient; physical, occupational or speech therapy if provided by the home health service or agency; and medical supplies. Up to four (4) continuous hours of home health aide services are counted as one home care visit.</p> <p>The Medical Director has the right to determine if home care is Medically Necessary. This determination can be made at any time during an episode of care. Drugs and medications, including Home Infusion therapy prescribed by a physician, and laboratory services by or on behalf of the Home Health Agency are Covered to the extent such items would have been Covered or provided if the Covered Person were hospitalized or confined in a Skilled Nursing Facility.</p> <p>Medically Necessary home infusion is Covered. Long-term physical therapy,</p>			<p>set forth in Section 5C.</p> <p>Limit of 40 Visits per Calendar Year</p>
---	--	--	---



<p>long-term rehabilitation, private duty nursing, respite care and custodial care are excluded.</p>			
<p><b>Durable Medical Equipment (DME)</b> DME is equipment which:</p> <ul style="list-style-type: none"> <li>a. Is able to withstand use by more than one person;</li> <li>b. Is primarily and customarily used to serve a medical purpose;</li> <li>c. Is not useful in the absence of illness or injury; and</li> <li>d. Is for use in the home.</li> </ul> <p>We may determine to rent, purchase, and repair or replace DME, at our sole discretion.</p> <p>Replacement, repair, and maintenance are Covered when functionally necessary if it is not Covered under a manufacturer's warranty or purchase agreement.</p> <p>We will determine what is considered DME that is safe and sufficient for a Covered Person.</p>	<p>These services may require Preauthorization. Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Preauthorized, subject to 50% Coinsurance.</p>	<p>These services may require Precertification. Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, subject to 50% Coinsurance.</p>	<p>These services may require Precertification. Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, subject to Deductible and 50% Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Prosthetic Devices</b> Prosthetics are devices which replace all or part of a body organ (e.g., artificial eyes, artificial limbs)</p>	<p>These services require Preauthorization.</p> <p>If Preauthorized, subject to 50% Coinsurance.</p>	<p>These services require Precertification.</p> <p>If Precertified, subject to 50% Coinsurance.</p>	<p>Not Covered.</p>
<p><b>Medical Appliances</b> are devices which are used to support a weak or deformed part of a body (e.g. trusses, rigid and semi-rigid devices which support the orthopedic system. Medical appliances include ostomy supplies.</p>	<p>These services May Require Preauthorization. Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Preauthorized, subject to 50% Coinsurance.</p>	<p>These services May Require Precertification. Please contact Independent Health's Customer Service Department at 716-773-2122 or 1-800-999-5703 to confirm.</p> <p>If Precertified, subject to 50% Coinsurance.</p>	<p>Not Covered.</p>
<p><b>Physical Therapy, Speech Therapy and Occupational Therapy Services</b> We will pay for 30 visits for each therapy (physical, occupational and speech therapy) in each Plan Year. Services must be Medically Necessary and expected to result in the significant improvement of your condition. Additional Medically Necessary visits may be Covered only when Preauthorized.</p> <p>Long-term therapy is not Covered and payment for long-term therapy is your responsibility.</p>	<p>Covered in full, for 30 visits for each therapy (physical, occupational and speech therapy) in each PlanYear. Additional Medically Necessary visits may be Covered only if Preauthorized.</p>	<p>Covered in full, for 30 visits for each therapy (physical, occupational and speech therapy) in each Plan Year. Additional Medically Necessary visits may be Covered only if Preauthorized.</p>	<p>Up to 30 visits per Plan Year, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C. Additional Medically Necessary visits may be Covered only if Preauthorized, subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Chiropractic Services</b> Medically Necessary  Chiropractic Care: Coverage will be provided for care by a licensed chiropractor for the purpose of removing nerve interference and the effects thereof which are the result of or related to distortion, misalignment, or subluxation of or in the vertebral column, when determined to be a Medically Necessary service by the Medical Director. This care must be provided in connection with the detection or correction by manual or mechanical means, of any structural imbalance, distortion or subluxation in the human body.</p>	<p>Covered in full</p> <p>Pre-authorization is not required. However, benefits are subject to post-service denial if the treatment is determined to be maintenance, rather than Medically Necessary treatment as described above.</p>	<p>Covered in full</p> <p>Pre-authorization is not required. However, benefits are subject to post-service denial if the treatment is determined to be maintenance, rather than Medically Necessary treatment as described above.</p>	<p>Covered in full</p> <p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Cardiac Rehabilitation</b> – Cardiac rehab after a heart transplant, bypass surgery or a heart attack.</p> <p>Long-term therapy is not Covered and payment for long-term therapy is your responsibility.</p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Second Medical Opinion Regarding Cancer</b> – A Covered Person who receives a positive or negative Diagnosis of cancer or a recurrence of cancer or a recommendation of a course of treatment for cancer is entitled to a second medical opinion by an appropriate Specialty Physician, including but not limited to a Specialty Physician affiliated with a specialty care center for the treatment of cancer.</p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Diagnostic Screening for Prostate Cancer</b> Standard diagnostic testing including, but not limited to, a digital rectal examination and a prostate specific antigen (PSA) test; annual standard diagnostic examination including, but not limited to, a digital rectal examination and PSA test.</p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p><b>Blood plasma and packed blood cells,</b> except when participation in a volunteer blood replacement program is available to the Covered Person.</p>	<p>Covered in full</p>	<p>Covered in Full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Medically Necessary autologous blood</b></p>	<p>Covered in full</p>	<p>Covered in Full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>
<p><b>Planned Ambulance Transport</b> Ambulance services must be provided by a licensed Ambulance and Medically Necessary. Services include Medically Necessary Ambulance services between Hospitals, and between a Hospital and SNF.</p>	<p>These services require Preauthorization.  If Preauthorized, \$25 Copayment</p>	<p>These services require Precertification.  If Precertified, \$25 Copayment</p>	<p>These services require Precertification.  If Precertified, \$25 Coinsurance</p>
<p><b>Accidental Dental</b> Medically Necessary dental care and treatment due to Accidental Injury to sound natural teeth which is provided within twelve (12) months from the date of the Accidental Injury.  An Accidental Injury is</p>	<p>Covered in full</p>	<p>Covered in full</p>	<p>Subject to Deductibles, Coinsurance and additional payments set forth in Section 5C.</p>

<p>caused by an external force or element such as a blow or fall. Injury to the teeth while eating is not considered an Accidental Injury. A sound natural tooth is defined as one that has not been weakened by existing dental pathology such as decay or periodontal disease, or has not been previously restored by a crown, inlay, onlay, porcelain restoration or treatment by endodontics or orthodontia.</p> <p>Covered dental services are limited to procedures that will restore an injured tooth to a usual condition. Examples include, but are not limited to, emergency root canal, extraction if the tooth cannot be saved, and re-implantation of the injured tooth.</p> <p>The use of dental implants is not Covered.</p>			
---	--	--	--

### VISION SERVICES

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF-NETWORK
	<p><b>Vision services must be obtained from an EyeMed Participating Provider to be Covered.</b></p>	<p><b>Vision services must be obtained from an EyeMed Participating Provider to be Covered.</b></p>	<p>Not Covered</p>

<b>Refractive (Routine) Eye Exam</b>	Covered in full Limit of One Eye Exam every 12 months	Covered in full Limit of One Eye Exam every 12 months	Not Covered
<b>Frames</b> Coverage is not subject to quantity limits	Subject to Coinsurance of 60% of retail price Limit of One Set every 12 months	Subject to Coinsurance of 60% of retail price Limit of One Set every 12 months	Not Covered
<b>Standard Plastic Lenses</b> Coverage is not subject to quantity limits	Single Vision - \$50 Copayment  Bifocal - \$70 Copayment  Trifocal - \$105 Copayment  Lenticular - \$105 Copayment  Progressive - \$135 Copayment  Limit of One Set every 12 months	Single Vision - \$50 Copayment  Bifocal - \$70 Copayment  Trifocal - \$105 Copayment  Lenticular - \$105 Copayment  Progressive - \$135 Copayment  Limit of One Set every 12 months	Not Covered
<b>Lens Options</b> Coverage is not subject to quantity limits	UV Coating - \$15 Copayment  Tint - \$15 Copayment  Standard Anti- Reflective Coating - \$45 Copayment  Standard Poly carbonate - \$40 Copayment  Standard Scratch Resistant Coating - \$15 Copayment  Other Services are available at a 20% discount  Limit of One Set every	UV Coating - \$15 Copayment  Tint - \$12 Copayment  Standard Anti- Reflective Coating - \$45 Copayment  Standard Poly carbonate - \$35 Copayment  Standard Scratch Resistant Coating - \$12 Copayment  Other Services are available at a 20% discount  Limit of One Set every	Not Covered

<b>Contact Lenses</b> Benefits are limited to conventional contact	Unlimited contact lenses are available at a 15% discount	Unlimited contact lenses are available at a 15% discount	Not Covered
lenses, materials only. Fitting and follow up are not Covered.	(applies to materials only). Limit of One Set every 12 months	(applies to materials only). Limit of One Set every 12 months	
<b>Laser Vision Correction</b>	U.S. Laser Network for LASIK or PRK: services are available with a 15% discount on standard fees or 5% off promotional pricing	U.S. Laser Network for LASIK or PRK: services are available with a 15% discount on standard fees or 5% off promotional pricing	Not Covered

## PRESCRIPTION DRUGS

SERVICES	IN-NETWORK - INDEPENDENT HEALTH	IN-NETWORK - PHCS	OUT-OF- NETWORK
<p><b>Prescription Drugs</b> – Up to a thirty (30) day supply at each fill, in most instances, of Medically Necessary prescription drugs including enteral formulas for home use.</p> <p>Enteral formulas are only Covered if the Covered Person has an order from a duly licensed physician or other Health Care Provider. The order must state that the enteral formula is Medically Necessary and proven effective as a disease specific treatment for any of the following diseases:            Phenylketonuria (PKU);            Inherited diseases of amino acid or organic acid metabolism; Crohn's Disease; gastroesophageal reflux with failure to thrive; Gastrointestinal disorders such as chronic intestinal pseudo-obstruction; multiple, severe food allergies; or any other disease which, without the specified enteral formula, would cause malnourishment, chronic physical disability, intellectual disability</p>	<p><b>Prescription drugs must be obtained from a Pharmacy Benefit Dimensions Participating Pharmacy to be Covered.</b></p> <p>Except as provided below, when dispensed in accordance with Pharmacy Benefit Dimensions' Drug Formulary, the Covered Person is responsible for:</p> <p>\$0 Copayment for Formulary Tier 1 drugs, insulin, and Tier 1 and Tier 2 oral agents to control blood sugar;</p> <p>\$15 Copayment for each 30-day supply of Formulary Tier 2 drugs;</p> <p>\$30 Copayment for each 30-day supply of Tier 3 drugs.</p>	<p><b>Prescription drugs must be obtained from a Pharmacy Benefit Dimensions Participating Pharmacy to be Covered.</b></p> <p>Except as provided below, when dispensed in accordance with Pharmacy Benefit Dimensions' Drug Formulary, the Covered Person is responsible for:</p> <p>\$0 Copayment for Formulary Tier 1 drugs, insulin, and Tier 1 and Tier 2 oral agents to control blood sugar;</p> <p>\$15 Copayment for each 30-day supply of Formulary Tier 2 drugs;</p> <p>\$30 Copayment for each 30-day supply of Tier 3 drugs.</p>	<p>Not Covered</p>

<p>or death. Enteral formulas include modified solid food products that are low protein or which contain modified protein.</p> <p>This plan Covers prescription drugs approved by the Federal Food and Drug Administration for the diagnosis and treatment of Infertility (“Infertility Drugs”), which are prescribed to an eligible Covered Person who meets the definition of Infertility as set forth under the Plan and is at least twenty-one (21) years old and no older than forty-four (44). All prescriptions for Infertility Drugs must be specifically Preauthorized and must be prescribed pursuant to a treatment plan which has been submitted in advance to us. Infertility Drugs (self-injectable or otherwise) related to the following procedures are NOT Covered: Reversal of Elective Sterilization; Reversal of tubal ligation; Reversal of vasectomy; In vitro fertilization (IVF); Gamete intrafallopian tube transfer (GIFT); Zygote intrafallopian tube transfer (ZIFT); Cloning or any services incident to cloning; Infertility Services that are deemed to be Experimental in accordance with clinical guidelines promulgated by New York State; Sex change procedures.</p> <p>All prescriptions must be filled using FDA approved generic equivalents if available. All other</p>			
--	--	--	--

<p>prescriptions must be filled using FDA approved brand name pharmaceuticals. Drugs must be prescribed by a duly licensed physician or other Health Care Provider who is licensed to write prescriptions. Enteral formulas must be prescribed by a physician or other licensed Health Care Provider. Drugs must also be obtained at a Participating Pharmacy. Prescription drugs obtained at a Non-Participating Pharmacy are not Covered. Certain injectable and high cost specialty prescriptions must be filled through a specific Participating Pharmacy which specializes in these drugs. These drugs are identified in the Formulary. Coverage of prescribed drugs for certain types of cancer shall not exclude Coverage of any prescribed drug on the basis that such drug has been prescribed for the treatment of a type of cancer for which the drug has not been approved by the FDA, provided however that such drug must be recognized for treatment of the specific type of cancer for which the drug has been prescribed in one of the following: (i) American Medical Association Drug Evaluations, (ii) American Hospital Formulary Service Drug Information, or (iii) United States Pharmacopeia Drug Information, or recommended by a review article or editorial comment in a major peer-reviewed professional journal. Notwithstanding the above, there is no Coverage for any Experimental or Investigational drugs unless directed by an external appeal agent or any drug</p>			
---	--	--	--

<p>which the FDA has determined to be contra-indicated for treatment of the specific type of cancer for which the drug has been prescribed. Certain drugs must have written pre-approval by the Medical Director.</p> <p>The Plan does Cover smoking cessation prescription drugs. The Covered Person's provider will need to obtain prior authorization from Pharmacy Benefit Dimensions® prior to use, documenting the Covered Person's participation in an approved smoking cessation program. The initial prior authorization will be valid for one month and will be extended based upon documentation of the Covered Person's continued participation and compliance in the smoking cessation program.</p> <p>The Plan does not Cover nicotine replacement therapy (nicorette gum or nicotine patches), weight loss medications, cosmetic medications, or enteral formulas which are not Medically Necessary and/or taken electively. The amount that the Covered Person will have to pay depends on whether the prescription is filled with a drug that appears on the Formulary. A Formulary is a list of appropriate and cost-effective medications from which physicians prescribe. The Covered Person may obtain a Formulary upon request or from Independent</p>			
--	--	--	--

## **SECTION 6 – LIMITATIONS OF COVERAGE**

### **A. Non-Participating Providers**

1. You must obtain Covered Health Care Services from Participating Providers to receive the Coverages stated in Section 5 In-Network provisions.
2. You may obtain Health Care Services from Non-Participating Providers subject to the Out-of-Network provisions of Section 5 of this Plan. If services are obtained from Non-Participating Providers, you may have to submit your own Claim Forms to the Claims Administrator and you will be responsible for payment to the Non-Participating Provider.

### **B. Medical Emergency Health Care Services**

You are responsible for the applicable Copayment for Emergency Department Health Care Services unless you are admitted to the Hospital within twenty-four (24) hours of the Emergency room services for the same illness or injury. Covered Persons must contact the Claims Administrator within forty-eight (48) hours of receiving Emergency Department treatment. Whether you seek treatment at a Participating or Non-Participating Hospital, the Emergency room charges will be paid in full, subject to the same applicable Coinsurance or Copayment in the provisions above.

## **SECTION 7 –GENERAL EXCLUSIONS**

### **IN ADDITION TO CERTAIN EXCLUSIONS AND LIMITATIONS SET FORTH ELSEWHERE IN THIS PLAN, THE FOLLOWING ARE NOT COVERED UNDER THIS PLAN, EXCEPT AS REQUIRED BY LAW:**

1. Benefits Covered by Medicare Parts A and/or B for Covered Persons who are eligible for Medicare, whether or not they are actually enrolled in Parts A or B. This exclusion shall not apply to:
  - a. Covered Persons who are eligible for Medicare by reason of age and who are Covered under this Plan by virtue of the Covered Employee's or spouse's current employment status with an employer group with twenty (20) or more full- time Employees,
  - b. Covered Persons who are eligible for Medicare by reason of disability who are under age sixty-five (65) and are Covered under this Plan by virtue of the Covered Person's or a family member's current employment status with an employer who has at least one hundred (100) Employees, or
  - c. Covered Persons who are eligible for or are entitled to Medicare on the basis of end-stage renal disease (ESRD) for the first thirty (30) months of ESRD-based Medicare eligibility to entitlement.
2. Benefits for any medical condition which is Covered under any state or federal workers' compensation, employers' liability or occupational disease law; benefits provided for any loss for which mandatory automobile no-fault benefits are recovered or recoverable including but not limited to benefits which would have been recoverable except for the fact that a timely claim was not filed by you or by a Health Care Provider.
3. Benefits for any medical condition which is Covered under another Plan's extension of benefits Coverage until that other Plan's Coverage for that condition has terminated.
4. Any Health Care Services rendered after the Termination of Coverage (see Section 10), except in the case you are determined to be eligible for benefits under the Continuation of Coverage provision of the Plan (for Continuation of Coverage, see Section 12).
5. Experimental and/or Investigational medical treatments, procedures, drugs, substances or devices (notwithstanding any provision of this Summary Plan Description to the contrary, the Medical Director shall have the authority to determine issues of Coverage raised under Section 7, Paragraph 15 in accordance with the Independent Health Clinical Trials and Experimental Procedures Policies in effect at the time the claim arises).
6. Orthotic devices and supplies except as explicitly provided in the Schedule of Coverage.
7. In no case is Coverage provided for replacement or repair of Durable Medical Equipment or prosthetics due to loss or misuse; replacement of parts or supplies used in conjunction with prosthetic and orthotic devices except as explicitly provided in the Schedule of Coverage.

8. Any dental care and treatment including procedures involving teeth or areas surrounding the teeth, orthognathic surgery, including shortening of the mandible or maxilla for correction of malocclusion and all professional, hospital and anesthesia services. This exclusion does not apply to Accidental Dental benefits as described in Section 5 or to dental care and treatment Medically Necessary due to congenital disease or anomaly. Covered dental care and treatment is subject to Deductible and Coinsurance and any additional payments. Services for dental care and treatment due to congenital disease or anomaly require Precertification under Section 4.
9. Treatment for temporomandibular disease (TMJ) which is dental in nature.
10. Any cosmetic device, procedure, or operation, including any further procedures which do not require Medically Necessary services, or any Hospital services connected with a cosmetic operation. A cosmetic operation is Covered when it is Medically Necessary. Reconstructive surgery is Covered when it is incidental to or when it follows surgery resulting from trauma, infection or other diseases of the involved part, including but not limited to, breast reconstruction surgery after a mastectomy or when it is needed because of congenital disease or anomaly of a Covered dependent child which results in a functional impairment. These services require Precertification under Section 4 for Non-Participating Providers and PHCS Participating Providers and Preauthorization for Independent Health Participating Providers.
11. Rhinoplasty, unless Medically Necessary. These services require Precertification under Section 4 for Non-Participating Providers and PHCS Participating Providers and Preauthorization for Independent Health Participating Providers.
12. Reconstructive surgery shall not include surgery for scar repair/revision only, where no physiological functional defect is present unless it is Medically Necessary.
13. Health Care Services which are not Medically Necessary for the Diagnosis and treatment of an Accidental Injury or sickness or to maintain your health. The Plan Covers only Medically Necessary services.
14. Medical, surgical or other treatments, procedures, techniques, and drug or pharmacological therapies (hereinafter referred to as "Procedures") not proved to be safe and/or efficacious, or, because of your condition, an efficacious procedure that will have no effect on the outcome of your illness, injury or disease are not Covered. Benefits are limited to scientifically established Procedures that have been evaluated by recognized authorities or governmental agencies and have been found to have a demonstrable curative or significantly ameliorative effect for an illness, injury or disease. Procedures that are ineffective or in the stage of being tested or researched with question(s) as to safety and/or efficacy are not Covered. Investigational or Experimental procedures which are proven to be safe and efficacious for an illness, injury or disease which have received approval from the Food and Drug Administration and/or the National Institute of Health Technology

Assessment are Covered. We reserve the right to determine Coverage on a case by case basis. Notwithstanding any provision of this Summary Plan Description to the contrary, the Medical Director shall have the authority to determine issues of Coverage raised under Section 7, Paragraph 15 in accordance with the Independent Health Clinical Trials and Experimental Procedures Policies in effect at the time the claim arises. Such determination is final as long as it is neither arbitrary nor capricious. The Medical Director's determination is subject to appeal.

15. The expense of purchasing or fitting hearing aids.
16. Services performed by your immediate family including spouse, brother, sister, parent, or child.
17. Physical and mental examinations and immunizations, and drug testing required by third parties in the absence of Medical Necessity for obtaining or maintaining employment or insurance; medical research; travel; school; or camp.
18. Free care or care where no charge, in the absence of any health plan or insurance plan, would be made to you.
19. Any injury or sickness resulting from war or any act of war (declared or undeclared) or services in the armed forces of any country to the extent Coverage of such injury or sickness is provided through any governmental plan or program.
20. Travel and transportation expenses even though prescribed by a physician, except as provided in Section 5 of the Plan.
21. Benefits otherwise provided in the Plan which we are unable to provide because of any law or regulation of the federal, state, or local government or any action taken by any agency of the federal, state, or local government in reliance on said law or regulation.
22. Long-term Physical Therapy or Long-Term Rehabilitation.
23. Any expense as a result of your failure to vacate a Hospital bed beyond the discharge date established by the Hospital, your physician, and us.
24. All charges in connection with treatments or medications where the Covered Person is discharged from any facility against medical advice.
25. Medical equipment; appliances; cosmetics; orthotics; computer assisted communication devices or electronic communication devices other than those provided to treat autism spectrum disorders, which are not incorporated into the body such as air conditioners; humidifiers; wigs; cranial prostheses; hair replacements; and athletic equipment even though prescribed by a physician. Not included here is equipment which would be identified as Covered under the Schedule of Coverage.
26. Routine and palliative foot care; including, but not limited to, services or care in connection with any of the following: corns; calluses; flat feet; fallen arches; weak feet; chronic foot strain; symptomatic complaints of the feet; or orthotics/shoe inserts.
27. Custodial care or rest cures and services rendered for the convenience of you or a provider.

28. Court-ordered treatment for Mental Health Conditions and/or Health Care Services unless such treatment is determined to be Medically Necessary.
29. Storage of Blood or Blood Products. This does not apply to autologous (one's own blood) blood donations. Benefits for transfusion services, including storage, for autologous donations of blood and blood components are available when associated with a scheduled, Covered surgical procedure.
30. Devices or equipment used solely for the purpose of athletic activities.
31. Health Care Services prescribed by a physician but not Covered by the Plan.
32. Services or procedures to correct vision.
33. Self-administered injectables. This exclusion does not apply to self-injectable drugs included on the Formulary, to diabetic supplies, or to insulin as provided in the Schedule of Coverage.
34. Any services which were not received in accordance with this Plan, including without limitation, services provided by a Participating or Non-Participating Health Care Provider without appropriate authorization, or when a procedure, treatment, or service is not a Covered health care benefit.
35. Special nurses and attendants or their board, except as allowed under Section 5.D.
36. Care for military service connected disabilities, when you are legally entitled to services and facilities are reasonably available to you.
37. Care for conditions that federal, state or local law requires be treated in a public facility.
38. Services provided for bed rest, custodial care, maintenance care or respite care are not Covered under this Plan and are your responsibility for payment.
39. Any fees for the services of Health Care Providers employed by a Hospital or institution to which a global or case-based payment is made.
40. Care or treatment provided in a governmental hospital, except to the extent that the care or treatment is provided at Roswell Park Cancer Institute and is otherwise Covered under this Plan.
41. Services required by third parties. Examples of non-Covered services are employment physicals, physicals for camp and school, and court-ordered examinations and hospitalizations except when Medically Necessary.
42. Television or phone charges while an inpatient in a Hospital.
43. The following reproductive health services are not Covered under this Plan:
  - a. Infertility Services except as specifically provided in the Schedule of Coverage;
  - b. Reversal of Elective Sterilization: reversal of tubal ligation or reversal of vasectomy;
  - c. All costs associated with the following assisted reproductive technologies: in vitro fertilization (IVF), gamete intrafallopian tube transfer (GIFT) and zygote intrafallopian tube transfer (ZIFT), as well as drugs, self-injectable or otherwise, used in conjunction with any of these procedures;
  - d. Infertility Services provided to persons who are not Covered Persons;
  - e. Cloning or any services incident to cloning;

f. Infertility Services that are deemed to be Experimental in accordance with clinical guidelines promulgated by New York State.

The above does not exclude Coverage for Medically Necessary medical and surgical care for Diagnosis and treatment of a correctable medical condition, solely because the medical condition results in Infertility.

44. Hearing aid evaluation.
45. Wheelchair van transportation.
46. Optifast program or other programs with dietary supplements.
47. Expendable medical supplies.
48. Methadone maintenance.
49. Psychometric services which are primarily the responsibility of the education system, such as developmental psychometric testing, special education classes, etc.
50. Clinical laboratory services, pharmacy services, X-ray or imaging services furnished pursuant to a Referral prohibited by Public Health Law Section 238-a (1).
51. Anything except the items of care listed in the Plan.
52. Services for which a contributing cause was your commission of or attempt to commit a felony or to which a contributing cause was you being engaged in an illegal occupation.
53. Costs and/or services related to searches and/or screenings for donors of organs to be transplanted; costs related to travel, food or lodging for transplant recipient or donor.
54. Gender reassignment surgery, unless required by law.
55. Alternative therapies including but not limited to acupuncture, massage therapy, aromatherapy.
56. Marriage and/or family counseling
57. The reproduction and furnishing of X-rays and medical records, or any costs associated with the reproduction or furnishing of X-rays and/or medical records.
58. Benefits for which you are eligible under any governmental program other than Medicare, except Title XIX of the Social Security Act.

## **SECTION 8 – ADDITIONAL EXCLUSIONS WHICH APPLY ONLY TO OUT-OF-NETWORK ITEMS AND SERVICES**

In addition to certain exclusions and limitations set forth elsewhere in this Plan, the following are not Covered Out-of-Network under this Plan:

1. Prosthetic devices and medical appliances; eyeglass corrective lenses and frames, contact lenses, services and procedures to correct vision; cranial prostheses, wigs, hair replacements; orthotics/shoe inserts; cosmetic devices; computer-assisted communication devices or electronic communications devices other than those provided to treat autism spectrum disorders; items such as air conditioners, humidifiers and athletic equipment.
2. Primary and preventive care other than as specifically listed in the Schedule of Coverage as a Covered service.
3. Immunizations for Covered Persons over age nineteen (19).
4. Refractive (Routine) Vision Exams
5. Prescription drugs

## **SECTION 9 – CLAIM FILING, PAYMENT OF BENEFITS**

### **A. Filing a Claim**

In order to process claims, they must be submitted properly and completely. Many claims will be submitted directly by the Service Provider.

For those claims not submitted by the Service Provider, the Covered Person must submit the claim. Submission of a claim for reimbursement shall, to the extent not prohibited by applicable law or regulation, be deemed an authorization to release medical information for Plan administration purposes. A Covered Person should submit a claim even if he isn't certain the expense is Covered. In this way benefits can be paid whenever possible. To file a claim, proceed as follows:

- 1. Obtain a Claim Form** Claim Forms for all types of benefits Covered by the Plan are available through the Employer or the Claims Administrator. Service Providers may use a standardized Claim Form to file a claim on behalf of a Covered Person.
- 2. Complete the Claim Form** It is important that you carefully follow the instructions included on the Claim Forms. Failure to properly and completely supply necessary information will probably delay benefit payments. Service Providers filing a claim on behalf of a Covered Person must provide all required information.
  - a. Complete the Claim Form, making certain all questions are answered and that you sign the form. Your address should be your home address, not your work address.
  - b. Attach an original itemized statement showing the name of the patient; the date of service, treatment or purchase; a description (using the CPT code if possible) of the treatment or service performed; the amount charged for each item; and the reason for the treatment (diagnosis or nature of illness or injury).
  - c. Separate Claim Forms should be submitted for each person for whom a claim is being filed.
  - d. The completed Claim Form (with originals of appropriate bills or statements attached) should then be mailed to the Claims Administrator's Office for processing. The completed Claim Form should always be signed by the Covered Person.
  - e. If you are eligible for Medicare, when you receive the Medicare

explanation of what was – and was not – paid by Medicare, you must send that explanation and a copy of the itemized bill to the Claims Administrator in order to process your claim for the expenses not paid by Medicare.

- f. If another plan is primary to this Plan, you should submit a copy of the other plan's explanation of benefits to this Plan.
- 3. Recovery of Overpayments** The Plan may make a payment in error. This might occur because the Covered Person is not Covered under this Plan, or the service is not Covered, or the payment is more than should have been made. If that happens, the Plan will provide an explanation to the Covered Person who must return the amount of the overpayment to the Plan within 60 days of the Plan's notice to the Covered Person.
- 4. Notices** The Plan will mail notices to a person's address as it appears on the Plan's records. Covered Persons must notify the Claims Administrator and their Employer of any change in their address. All notices to a Covered Person who is a minor or otherwise not legally competent to receive such notices shall be sent to that Covered Person's parent or legal guardian, who is the Covered Employee or Covered Retiree.
- 5. Medical Records** Covered Persons agree that, to the extent not prohibited by applicable law or regulation, any Physician, Hospital, Skilled Nursing Facility or other Licensed Provider or facility that has rendered services to them are authorized to give the Plan's Claims Administrator, Case Management Consultant and stop-loss carrier all information and records relating to those services for Plan use in determining whether the person is entitled to Coverage for those services, in processing that person's claim, and in calculating the amount of Plan Coverage. Any further authorization to release information that may be required by applicable law or regulation is part of all Covered Persons' obligations under this Plan.
- 6. Questions Regarding a Claim** If a Covered Person has any questions concerning the Plan, the status of a claim or a specific claim payment, the question(s) should be communicated to the Claims Administrator.

## **B. Proof of Claim**

All events which determine the fact that the Plan is liable for a Covered Expense take place on the date the Covered Expense is Incurred, which is when the services are performed or the purchases are made. Written proof of claim should be furnished to the Plan at the Claims Administrator's office on the appropriate forms. The filing of a claim by the Service Provider or the Covered Person is not

a precondition to the Plan's liability for a Covered Expense. However, the filing of a claim is a precondition to payment of a claim and the Plan needs written proof of claim as soon as reasonably possible in order to process a claim.

**C. Payment of Benefits**

Payment of benefits described in the Plan will be made as determined on the basis of the submission of proof that a Covered charge, fee or expense has been Incurred. Payment of unpaid Covered Hospital expenses will be sent directly to the Hospital. Payment of all other Covered Expenses may be made only to the Covered Person or to the Service Provider. Any assignment of benefits to a Hospital or a provider of medical services or supplies will not be accepted by, or binding on, the Plan unless approved by the Plan's Claims Administrator.

**D. Legal Action**

Subject to exhaustion of the Appeal Procedures at Section 15, no action at law or in equity shall be brought to recover under the Plan prior to the expiration of ninety (90) days after submission of the itemized bill or Claim Form and any requested supporting information, nor shall such action be brought after twelve (12) months from the date of completion of a particular course of treatment.

## **SECTION 10 – TERMINATION OF COVERAGE**

Your Coverage shall automatically be terminated on the first of the following to apply:

1. The date that the Plan is terminated, or with respect to any specific Health Care Services Covered by the Plan, the date such Coverage terminates.
2. The end of the plan month in which a family dependent ceases to be eligible for coverage due to attaining the age of 26.
3. The date on which the Employee ceases to be eligible with the Employer.
4. The end of the Plan Month during which the Employer receives written notice from you requesting Termination of Coverage, or on such later date requested for such termination by the notice.
5. The date on which the Employee is retired or pensioned unless Coverage is specifically provided for retired or pensioned individuals by the Employer.
6. Death of a Covered Employee or the Divorce from a Covered Employee or the dissolution of a domestic partnership with a Covered Employee:
  - a. Upon the death of the Covered Employee, Coverage of the Employee under this Plan shall automatically terminate as of the date of death and Coverage of any Family Dependents shall automatically terminate at the end of the month in which the Employee's death occurs, except to the extent that a surviving Family Dependent elects to continue coverage his/her Coverage in accordance with the Continuation Rights described in Section 12;
  - b. Upon divorce from a Covered Employee, or the dissolution of a domestic partnership with the Covered Employee, Coverage for the spouse or domestic partner under this Plan shall automatically terminate as of the date of divorce decree or dissolution of the domestic partnership.
7. You have performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the Plan. We shall give the Covered Person at least one month's prior written notice.
8. No Benefits after termination of Coverage. Upon termination of Coverage, the Covered Person shall cease to be entitled to any Benefits, including but not limited to, lifetime benefits, unlimited benefits or benefits provided to the Covered Person who is, at the time of termination undergoing a course of treatment. Hospital or SNF Benefits shall be extended for a Covered Person who is hospitalized or in a SNF at the time of termination. Payment will be for the Hospital or SNF charges for that particular confinement unless the Covered Person has obtained

other health care Coverage, in which case such other Coverage shall apply. This extension of benefits after termination only applies to Hospital and SNF services; physician and other services are not Covered.

9. Benefits will be provided after termination for persons who have a Total Disability on the date Coverage terminates if service or care was received for the illness, condition or injury which caused the Total Disability while Covered under this Plan, until the person no longer has a Total Disability or twelve (12) months from the date Coverage terminates, whichever occurs first, unless Coverage is afforded for Total Disability under another Group Benefit Plan.

### **Reinstatement of Coverage**

An Employee who is terminated and rehired will be treated as a new Employee upon rehire only if the Employee was not credited with an hour of service, as defined under the ACA, with the Employer (or any member of the controlled or affiliated group) for a period of at least 13 consecutive weeks immediately preceding the date of rehire.

Upon return, Coverage will be effective immediately.

## **SECTION 11 – CONVERSION PRIVILEGE**

There is no conversion privilege associated with the benefits provided under the Plan.

## **SECTION 12 – CONTINUATION OF COVERAGE**

- A. If the Covered Employee's Coverage under the Plan ends due to termination of employment or eligibility with the Employer, he may continue Coverage at a monthly Contribution for Coverage no more than 102% of the Plan Contribution for Coverage. Coverage may be continued for the Covered Employee and any of the Employee's Covered Family Dependents. Such Coverage is subject to the terms of the Plan. Continuation of Coverage will not be available for:
1. Any person who is, becomes, or could be Covered under Medicare; or
  2. Any person who is, becomes, or could be Covered as an Employee, member, or dependent by an alternative health benefits plan which provides group health Coverage, pursuant to Section 4305I(1) of the Insurance Law.
- B. Under certain circumstances, a Covered Person may be entitled to a continuation of group health Coverage under federal COBRA law. Nova is the Plan administrator for COBRA.. A Covered Employee who wishes to continue Coverage under the Plan following the loss of eligibility must request such continuation in writing within sixty (60) days following the latter of the date of termination of employment or the date the Covered Employee is given notice of the right to continuation by the Employer. Continuation of Coverage under shall terminate on the date eighteen (18) months after the date of the Covered Employee's termination from employment. In the case of an eligible Family Dependent of the Covered Employee, Continuation of Coverage shall terminate on a date thirty-six (36) months after the date such person's benefits under the Plan would otherwise have terminated by reason of:
1. The death of the Covered Employee;
  2. The divorce or legal separation of the Covered Employee from his or her spouse;
  3. The dissolution of a domestic partnership with the Covered Employee;
  4. The Covered Employee becoming entitled to benefits under Medicare; or
  5. A child ceases to be a Covered Person under the requirements of the Plan.
- C. In the case of a Covered Person who is determined to be disabled at the time of termination of employment pursuant to Medicare law, continuation of Coverage shall terminate twenty-nine (29) months after the date the Covered Employees's Coverage under the Plan would otherwise have terminated.

Continuation of Coverage under the Plan shall terminate if the Covered

Person fails to make timely payment of the required Contribution for Coverage. Future monthly Contribution for Coverage payments must be made in advance to Independent Health. Any questions regarding continuation rights should be directed to the Plan Administrator or Nova Healthcare Administrators.

- D. Continuation of Coverage will end at the first of the following to occur:
1. Termination under COBRA; or
  2. The end of the period for which Contribution for Coverage payments were made. This will apply if Contributions for Coverage are not paid on time; or
  3. The date on which the Plan is terminated.

### **Continuation of Medical Insurance Coverage at Termination of Employment**

Under the provisions of the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Employees and their dependents are eligible to continue their insurance Coverage when termination of their insurance is due to a reduction in their hours worked, or upon termination of their employment.

Under COBRA, Employees generally may continue their group health insurance Coverage for up to eighteen (18) months.

Dependents of Employees are eligible to continue their insurance for up to thirty-six (36) months upon occurrence of one (1) of the following events:

- a) Death of the Covered Employee; or
- b) Divorce or legal separation from the Covered Employee; or
- c) An Employee becomes eligible for Medicare and ceases to participate in the employer sponsored plan; or
- d) The dependents of a Covered Employee reach the maximum age for dependent Coverage.

Those who are eligible to continue Coverage have up to sixty (60) days to complete the Continuation of Coverage Election Form. Premiums and administrative costs will be paid in accordance with law.

## SECTION 13 – COORDINATION OF BENEFITS (COB)

- A. If you are eligible for services or benefits under two or more Group Benefit Plans; providing or paying for Health Care Services rendered to you, the Coverage under those Group Benefit Plans will be coordinated so that up to, but no more than, 100% of any of our Covered Expenses will be paid for; or provided by, all the benefit plans less any Copayments or Deductible and Coinsurance. When we have paid the allowable amount or you have received from other payment sources the rate negotiated by the Claims Administrator or the Maximum Allowable Charge, no further payment will be made. We will be responsible, as either a primary or secondary payer, for Health Care Services rendered by Participating Providers; Medical Emergency care; or the services of Non-Participating Providers and as a secondary payer for any item of Allowable Expense up to the rate negotiated by the Claims Administrator or the Maximum Allowable Charge as required by the Insurance Department's regulations. The term "Allowable Expense" is the necessary, reasonable, and customary item of expense for Covered health care. Primary responsibility for providing these services or benefits will be determined in the following order:
1. The benefits of a plan that does not have a COB provision or that has a COB provision which does not comply with New York State Insurance Department regulations will be primary.
  2. The benefits of a plan which covers the person as an Employee or Subscriber are determined before those of a plan which covers the person as a dependent.
  3. When a plan and another plan cover the child as a dependent of different persons, called "parents":
    - a. The benefits of the plan of the parent whose birthday falls earlier in the Calendar Year are determined before those of the plan of the parent whose birthday falls later in that Calendar Year; but
    - b. If both parents have the same birthday, the benefits of the plan which Covered the parent longer are determined before those of the plan which Covered the other parent for a shorter period of time;
    - c. If the other plan does not have the rule described above, but instead, has the rule based upon the gender of the parent; and if, as a result, the plans do not agree on the order of benefits, the rule in the other plan will determine the order of benefits;
    - d. The word "birthday" refers only to month and day in a Calendar Year, not the year in which the person was born.
  4. If two or more plans cover a person as a dependent child of divorced or separated parents, benefits for the child are determined in the order shown below. This paragraph shall not apply with respect to any Claim Determination Period of a plan year during which any benefits are actually paid or provided before the entity has that actual knowledge.
    - a. First, the plan of the parent with custody of the child is primary;

- b. Then, the plan of the spouse of the parent with custody of the child;
  - c. Finally, the plan of the parent not having custody of the child;
  - d. If the specific terms of a court decree or separation agreement state that one of the parents is responsible for the health care expenses of a child, any entity obligated to pay or to provide the benefits of the plan of such parent that has actual knowledge of those terms, shall have benefits determined first.
5. The benefits of a plan, which covers a person as an Employee who is neither laid off nor retired (or as the Employee's dependent) are determined before those of a plan, which covers that person as a laid off or retired Employee (or as that Employee's dependent). If the other plan does not have this rule; and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.
  6. If none of the above rules determines the order of benefits, the benefits of the plan which Covered an Employee or Subscriber longer are determined before those of the Plan which Covered that person for the shorter period of time.

B. We shall be entitled to:

1. Determine whether and to what extent you have indemnity or other Coverage for the Health Care Services provided under the Plan;
2. Establish priorities for primary responsibility among the Health Plans obligated to provide Health Care Services or indemnity benefits;
3. Release to or obtain from any other Health Plan any information needed to implement this provision; and
4. Recover the value of Health Care Services rendered to the Covered Person under the Plan to the extent that such Health Care Services are Covered by any other Health Plan with primary responsibility for paying for such Health Care Services.

C. When our Coverage is the primary Coverage, it will pay for all necessary Health Care Services in accordance with the Plan. The secondary health plan may be obligated to pay any Copayment, Deductible, Coinsurance, or other charges not Covered by us if you file a claim with that group health plan. When our Coverage is secondary, we reserve the right to request that you submit claims to the other group health plan; recover any claim payment that you receive from that group health plan to the extent such payment is for services actually received from or paid by that group health plan; or to bill the group health plan for Health Care Services provided or paid for by us.

D. For purposes of this Section, "other plans" include: Group or blanket Coverage; Blue Cross Blue Shield, or other prepayment Coverage; no fault Coverage to the extent required in policies or Plans by a motor vehicle

insurance statute or similar legislation; Coverage under a labor-management trustee plan, union welfare plan, or an Employee welfare benefit plan as defined in the Federal Welfare and Pension Plan Disclosure Act, including any federal or state or other governmental plan or law; or Coverage under any plan largely or solely tax supported or otherwise provided by or through action of any government, except Medicaid.

- E. If the amount of the payments made by the Plan is more than should have been paid under this COB provision, the Plan, directly or through the Claims Administrator, may recover the excess from one or more of the following:
  - 1. The persons the Plan has paid or for whom the Plan has paid; or
  - 2. Insurance companies; or
  - 3. Other organizations.
  
- F. This Plan may repay to any other health plan the amount that it paid for Covered Expenses if this Plan decides it should have paid those expenses. These payments are the same as benefits paid to the Covered Person and they satisfy the Plan's obligation to the Covered Person under this Plan.
  
- G. Excess Insurance: If at the time of injury, sickness, disease or disability there is available, or potentially available any other source of Coverage (including but not limited to Coverage resulting from a judgment at law or settlements), the benefits under this Plan shall apply only as an excess over such other sources of Coverage.

The Plan's benefits will be excess to, whenever possible, any of the following:

- 1. Any primary payer besides the Plan.
- 2. Any first party insurance through medical payment Coverage, personal injury protection, no-fault Coverage, uninsured or underinsured motorist Coverage.
- 3. Any policy of insurance from any insurance company or guarantor of a third party.
- 4. Workers' compensation or other liability insurance company.
- 5. Any other source, including but not limited to crime victim restitution funds, any medical, disability or other benefit payments, and school insurance Coverage.

## **SECTION 14 – RIGHT OF REIMBURSEMENT AND ASSIGNMENT OF PROCEEDS**

### **A. Payment Condition**

The Plan, in its sole discretion, may elect to conditionally advance payment of benefits in those situations where an injury, illness, disease or disability is caused in whole or in part by, or results from the acts or omissions of Covered Persons, and/or their dependents, beneficiaries, estate, heirs, guardian, personal representative, or assigns (collectively referred to hereinafter in this section as “Covered Person(s)”) or a third party, where any party besides the Plan may be responsible for expenses arising from an incident, and/or other funds are available, including but not limited to no-fault, uninsured motorist, underinsured motorist, medical payment provisions, third party assets, third party insurance, and/or guarantor(s) of a third party (collectively “Coverage”).

Covered Person(s), his or her attorney, and/or legal guardian of a minor or incapacitated individual agrees that acceptance of the Plan’s conditional payment of medical benefits is constructive notice of these provisions in their entirety and agrees to maintain 100% of the Plan’s conditional payment of benefits or the full extent of payment from any one or combination of first and third-party sources in trust, without disruption except for reimbursement to the Plan or the Plan’s assignee. The Plan shall have an equitable lien on any funds received by the Participant(s) and/or their attorney from any source and said funds shall be held in trust until such time as the obligations under this provision are fully satisfied. The Participant(s) agrees to include the Plan’s name as a co-payee on any and all settlement drafts.

In the event a Covered Person(s) settles, recovers, or is reimbursed by any Coverage, the Covered Person(s) agrees to reimburse the Plan for all benefits paid or that will be paid by the Plan on behalf of the Covered Person(s). If the Covered Person(s) fails to reimburse the Plan out of any judgment or settlement received, the Covered Person(s) will be responsible for any and all expenses (fees and costs) associated with the Plan’s attempt to recover such money.

If there is more than one party responsible for charges paid by the Plan or may be responsible for charges paid by the Plan, the Plan will not be required to select a particular party from whom reimbursement is due. Furthermore, unallocated settlement funds meant to compensate multiple injured parties of which the Covered Person(s) is/are only one or a few, that unallocated settlement fund is considered designated as an “identifiable” fund from which the plan may seek reimbursement.

## **B. Subrogation**

As a condition to participating in and receiving benefits under this Plan, the Covered Person(s) agrees to assign to the Plan the right to subrogate and pursue any and all claims, causes of action or rights that may arise against any person, corporation and/or entity and to any Coverage to which the Covered Person(s) is entitled, regardless of how classified or characterized, at the Plan's discretion, if the Covered Person(s) fails to so pursue said rights and/or action.

If a Covered Person(s) receives or becomes entitled to receive benefits, an automatic equitable lien attaches in favor of the Plan to any claim, which any Covered Person(s) may have against any Coverage and/or party causing the illness or injury to the extent of such conditional payment by the Plan plus reasonable costs of collection. The Covered Person is obligated to notify the Plan or its authorized representative of any settlement prior to finalization of the settlement, execution of a release, or receipt of applicable funds. The Covered Person is also obligated to hold any and all funds so received in trust on the Plan's behalf and function as a trustee as it applies to those funds until the Plan's rights described herein are honored and the Plan is reimbursed.

The Plan may, at its discretion, in its own name or in the name of the Covered Person(s) commence a proceeding or pursue a claim against any party or Coverage for the recovery of all damages to the full extent of the value of any such benefits or conditional payments advanced by the Plan.

If the Covered Person(s) fails to file a claim or pursue damages against:

1. The responsible party, its insurer, or any other source on behalf of that party;
2. Any first party insurance through medical payment Coverage, personal injury protection, no-fault Coverage, uninsured or underinsured motorist Coverage;
3. Any policy of insurance from any insurance company or guarantor of a third party;
4. Workers' compensation or other liability insurance company; or
5. Any other source, including but not limited to crime victim restitution funds, any medical, disability or other benefit payments, and school insurance Coverage;

the Covered Person(s) authorizes the Plan to pursue, sue, compromise and/or settle any such claims in the Covered Person's/Covered Persons' and/or the Plan's name and agrees to fully cooperate with the Plan in the prosecution of any such claims. The Covered Person(s) assigns all rights to the Plan or its assignee to pursue a claim and the recovery of all expenses from any and all sources listed above.

### **C. Right of Reimbursement**

The Plan shall be entitled to recover 100% of the benefits paid, without deduction for attorneys' fees and costs or application of the common fund doctrine, made whole doctrine, or any other similar legal or equitable theory, without regard to whether the Covered Person(s) is fully compensated by his/her recovery from all sources. The Plan shall have an equitable lien which supersedes all common law or statutory rules, doctrines, and laws of any State prohibiting assignment of rights which interferes with or compromises in any way the Plan's equitable lien and right to reimbursement. The obligation to reimburse the Plan in full exists regardless of how the judgment or settlement is classified and whether or not the judgment or settlement specifically designates the recovery or a portion of it as including medical, disability, or other expenses. If the Covered Person's/Covered Persons' recovery is less than the benefits paid, then the Plan is entitled to be paid all of the recovery achieved. Any funds received by the Covered Person are deemed held in constructive trust and should not be dissipated or disbursed until such time as the Covered Person's obligation to reimburse the Plan has been satisfied in accordance with these provisions. The Covered Person is also obligated to hold any and all funds so received in trust on the Plan's behalf and function as a trustee as it applies to those funds until the Plan's rights described herein are honored and the Plan is reimbursed.

No court costs, experts' fees, attorneys' fees, filing fees, or other costs or expenses of litigation may be deducted from the Plan's recovery without the prior, express written consent of the Plan.

The Plan's right of subrogation and reimbursement will not be reduced or affected as a result of any fault or claim on the part of the Covered Person(s), whether under the doctrines of causation, comparative fault or contributory negligence, or other similar doctrine in law. Accordingly, any lien reduction statutes, which attempt to apply such laws and reduce a subrogating Plan's recovery will not be applicable to the Plan and will not reduce the Plan's reimbursement rights.

These rights of subrogation and reimbursement shall apply without regard to whether any separate written acknowledgment of these rights is required by the Plan and signed by the Covered Person(s).

This provision shall not limit any other remedies of the Plan provided by law. These rights of subrogation and reimbursement shall apply without regard to the location of the event that led to or caused the applicable illness, injury, disease or disability.

#### **D. Covered Person is a Trustee Over Plan Assets**

Any Covered Person who receives benefits and is therefore subject to the terms of this section is hereby deemed a recipient and holder of Plan assets and is therefore deemed a trustee of the Plan solely as it relates to possession of any funds which may be owed to the Plan as a result of any settlement, judgment or recovery through any other means arising from any injury or accident. By virtue of this status, the Covered Person understands that he or she is required to:

1. Notify the Plan or its authorized representative of any settlement prior to finalization of the settlement, execution of a release, or receipt of applicable funds.
2. Instruct his or her attorney to ensure that the Plan and/or its authorized representative is included as a payee on all settlement drafts.
3. In circumstances where the Covered Person is not represented by an attorney, instruct the insurance company or any third party from whom the Covered Person obtains a settlement, judgment or other source of Coverage to include the Plan or its authorized representative as a payee on the settlement draft.
4. Hold any and all funds so received in trust, on the Plan's behalf, and function as a trustee as it applies to those funds, until the Plan's rights described herein are honored and the Plan is reimbursed.

To the extent the Covered Person disputes this obligation to the Plan under this section, the Covered Person or any of its agents or representatives is also required to hold any/all settlement funds, including the entire settlement if the settlement is less than the Plan's interests, and without reduction in consideration of attorneys' fees, for which he or she exercises control, in an account segregated from their general accounts or general assets until such time as the dispute is resolved.

No Covered Person, beneficiary, or the agents or representatives thereof, exercising control over plan assets and incurring trustee responsibility in accordance with this section will have any authority to accept any reduction of the Plan's interest on the Plan's behalf.

#### **E. Excess Insurance.**

If at the time of injury, illness, disease or disability there is available, or potentially available any Coverage (including but not limited to Coverage resulting from a judgment at law or settlements), the benefits under this Plan shall apply only as an excess over such other sources of Coverage, except as otherwise provided for under the Plan's Coordination of Benefits section.

The Plan's benefits shall be excess to:

1. The responsible party, its insurer, or any other source on behalf of that party;
2. Any first party insurance through medical payment Coverage, personal injury protection, no-fault Coverage, uninsured or underinsured motorist Coverage;
3. Any policy of insurance from any insurance company or guarantor of a third party;
4. Workers' compensation or other liability insurance company; or
5. Any other source, including but not limited to crime victim restitution funds, any medical, disability or other benefit payments, and school insurance Coverage.

**F. Separation of Funds.**

Benefits paid by the Plan, funds recovered by the Covered Person(s), and funds held in trust over which the Plan has an equitable lien exist separately from the property and estate of the Covered Person(s), such that the death of the Covered Person(s), or filing of bankruptcy by the Covered Person(s), will not affect the Plan's equitable lien, the funds over which the Plan has a lien, or the Plan's right to subrogation and reimbursement.

**G. Wrongful Death.**

In the event that the Covered Person(s) dies as a result of his or her injuries and a wrongful death or survivor claim is asserted against a third party or any Coverage, the Plan's subrogation and reimbursement rights shall still apply, and the entity pursuing said claim shall honor and enforce these Plan rights and terms by which benefits are paid on behalf of the Covered Person(s) and all others that benefit from such payment.

**H. Obligations.**

1. It is the Covered Person's/Covered Persons' obligation at all times, both prior to and after payment of medical benefits by the Plan:
  - a. To cooperate with the Plan, or any representatives of the Plan, in protecting its rights, including discovery, attending depositions, and/or cooperating in trial to preserve the Plan's rights;
  - b. To provide the Plan with pertinent information regarding the illness, disease, disability, or injury, including accident reports, settlement information and any other requested additional information;
  - c. To take such action and execute such documents as the Plan may require to facilitate enforcement of its subrogation and reimbursement rights;
  - d. To do nothing to prejudice the Plan's rights of subrogation and reimbursement;

- e. To promptly reimburse the Plan when a recovery through settlement, judgment, award or other payment is received;
  - f. To notify the Plan or its authorized representative of any settlement prior to finalization of the settlement;
  - g. To not settle or release, without the prior consent of the Plan, any claim to the extent that the Covered Person may have against any responsible party or Coverage;
  - h. To instruct his or her attorney to ensure that the Plan and/or its authorized representative is included as a payee on any settlement draft;
  - i. In circumstances where the Covered Person is not represented by an attorney, instruct the insurance company or any third party from whom the Covered Person obtains a settlement to include the Plan or its authorized representative as a payee on the settlement draft; and
  - j. To make good faith efforts to prevent disbursement of settlement funds until such time as any dispute between the Plan and Covered Person over settlement funds is resolved.
2. If the Covered Person(s) and/or his or her attorney fails to reimburse the Plan for all benefits paid or to be paid, as a result of said injury or condition, out of any proceeds, judgment or settlement received, the Covered Person(s) will be responsible for any and all expenses (whether fees or costs) associated with the Plan's attempt to recover such money from the Covered Person(s).
  3. The Plan's rights to reimbursement and/or subrogation are in no way dependent upon the Covered Person's/Covered Persons' cooperation or adherence to these terms.

#### **I. Offset.**

If timely repayment is not made, or the Covered Person and/or his/her attorney fails to comply with any of the requirements of the Plan, the Plan has the right, in addition to any other lawful means of recovery, to deduct the value of the Covered Person's amount owed to the Plan. To do this, the Plan may refuse payment of any future medical benefits and any funds or payments due under this Plan on behalf of the Covered Person(s) in an amount equivalent to any outstanding amounts owed by the Covered Person to the Plan. This provision applies even if the Covered Person has disbursed settlement funds.

#### **J. Minor Status**

1. In the event the Covered Person(s) is a minor as that term is defined by applicable law, the minor's parents or court-appointed guardian shall

cooperate in any and all actions by the Plan to seek and obtain requisite court approval to bind the minor and his or her estate insofar as these subrogation and reimbursement provisions are concerned.

2. If the minor's parents or court-appointed guardian fail to take such action, the Plan shall have no obligation to advance payment of medical benefits on behalf of the minor. Any court costs or legal fees associated with obtaining such approval shall be paid by the minor's parents or court-appointed guardian.

#### **K. Language Interpretation**

The Plan Administrator retains sole, full and final discretionary authority to construe and interpret the language of this provision, to determine all questions of fact and law arising under this provision, and to administer the Plan's subrogation and reimbursement rights with respect to this provision. The Plan Administrator may amend the Plan at any time without notice.

#### **L. Severability**

In the event that any section of this provision is considered invalid or illegal for any reason, said invalidity or illegality shall not affect the remaining sections of this provision and Plan. The section shall be fully severable. The Plan shall be construed and enforced as if such invalid or illegal sections had never been inserted in the Plan.

## **SECTION 15 – APPEAL PROCEDURES**

### **A. Notification**

If your claim for benefits is denied, in whole or in part, you will be notified by the Claims Administrator, in writing, advising you of the specific reason for the denial and explaining the Plan's appeal procedure. If additional information or documentation is required to perfect a claim, you will be notified and told why the additional material is necessary. You, or your authorized representative, may review the pertinent documents upon which the denial is based.

### **B. Internal Appeal**

You, or your authorized representative, may request claim appeal by the Claims Administrator within 180 days of notification of a denial of initial claim. You can file a verbal or written contractual appeal or clinical appeal regarding:

- an urgent/expedited pre-service denial (a denial for concurrent care or Urgent Care services that have not yet been provided to you),
- a standard pre-service denial (a request to change a denial for other services or care that have not yet been provided to you), or
- a post-service denial (a request to change a denial for care or service already rendered).

You can file the appeal by contacting the Member Services department during normal business hours, 8:00 a.m. until 8:00 p.m., Monday – Friday. When filing an appeal, you have the opportunity to submit any written documents or other information relating to the appeal.

Upon receipt of your Claim Appeal and such additional information as supports the appeal, the Claims Administrator will review the appeal, make a determination, and respond in writing to the Claimant:

- within 24 hours of receipt of the appeal and such additional information as supports the request for appeal for urgent/expedited pre-service appeals,
- within 15 days of receipt of the appeal and such additional information as supports the request for appeal for standard pre-service appeals, and
- within 30 days of receipt of the appeal and such additional information as supports the request for appeal for post-service appeals.

The response will clearly identify the specific reasons for the decision with appropriate references to the relevant provisions of the Plan.

If your Internal Appeal is denied or if the Plan fails to adhere to the requirements of an Internal appeal, you may file an External Appeal. The Claims Administrator will provide information regarding the Independent Review Organization (IRO) and the process for making an External Appeal. Please note that the IROs are independent from the Claims Administrator. Neither the Claims Administrator nor

the Plan Administrator makes External Appeal determinations. The Plan will maintain contracts with no fewer than 3 IROs for assignments and the assignments will be made in a random and unbiased fashion.

### **C. External Appeal**

If you wish to make an External Appeal, your request must be received by the Independent Review Organization (IRO) within four (4) months after the receipt of a notice of a final Adverse Benefit Determination (the denial of your Internal Appeal).

You or your authorized representative may file your Appeal either orally or in writing as follows:

1. You can call the IRO. You should have your claim denial notice, ID card and any other information you would like to have considered in connection with the Appeal with you when you make your call.
2. You can write a letter to the IRO, stating your position. You should include copies of your claim denial notice, ID card and any other information you would like to have considered in connection with the Appeal.

The address and telephone number of the IRO will be provided to you by the Claims Administrator.

### **D. Determination of Appeal**

Within 5 business days from the receipt of the External Appeal, the IRO will complete a preliminary review of your request in order to determine your eligibility for an External Appeal.

Within 1 business day after completion of the preliminary review, the IRO will issue you or your authorized representative and the Plan a written notification of your eligibility for an External Appeal. If your request is complete but not eligible for External Appeal, the notice will include the reasons for ineligibility. If your request is incomplete, the notice will describe the information or materials needed to make the request complete and you will have an opportunity to complete the request.

Within 5 business days after the request has been determined to be eligible for an External Appeal, the Claims Administrator and the Plan Administrator, if necessary, must provide to the IRO the documents and any information considered in making the Adverse Benefit Determination. If Claims Administrator and/or the Plan Administrator fail to timely provide the information, the IRO may terminate the External Appeal and reverse the Adverse Benefit Determination in your favor.

Upon receipt by the IRO the documents and information, the IRO will review the

appeal and make a determination:

- within 24 hours of receipt of the appeal and such additional information as supports the request for appeal for urgent pre-service appeals,
- within 15 days of receipt of the appeal and such additional information as supports the request for appeal for standard pre-service appeals, and
- within 30 days of receipt of the appeal and such additional information as supports the request for appeal for post-service appeals.

The response will clearly identify the specific reasons for the decision with appropriate references to the relevant provisions of the Plan, in a manner calculated to be understood by an average person. The decision shall not be final and binding on you.

#### **E. Payment of Benefits**

Where benefit payments are allowable in accordance with the terms of this Plan, payment shall be made in U.S. Dollars (unless otherwise agreed upon by the Plan Administrator). Payment shall be made, in the Plan Administrator's discretion, to an assignee of an Assignment of Benefits, but in any instance, may alternatively be made to the Claimant, on whose behalf payment is made and who is the recipient of the services for which payment is being made. Should the Claimant be deceased, payment shall be made to the Claimant's heir, assign, agent or estate (in accordance with written instructions), or, if there is no such arrangement and in the Plan Administrator's discretion, the institute and/or Health Care Provider who provided the care and/or supplies for which payment is to be made – regardless of whether an Assignment of Benefits occurred.

#### ***Assignments***

Assignment by a Claimant to the Health Care Provider of the Claimant's right to submit claims for payment to the Plan, and receive payment from the Plan, may be achieved via an Assignment of Benefits, if and only if the Health Care Provider accepts said Assignment of Benefits as consideration in full for services rendered. If benefits are paid, however, directly to the Claimant – despite there being an Assignment of Benefits – the Plan shall be deemed to have fulfilled its obligations with respect to such payment, and it shall be the Claimant's responsibility to compensate the applicable Health Care Provider(s). The Plan will not be responsible for determining whether an Assignment of Benefits is valid; and the Claimant shall retain final authority to revoke such Assignment of Benefits if a Health Care Provider subsequently demonstrates an intent not to accept it as payment in full for services rendered. As such, payment of benefits will be made directly to the assignee unless a written request not to honor the assignment, signed by the Claimant, has been received.

No Claimant shall at any time, either during which he or she is a Claimant in the Plan, or following his or her termination as a Claimant, in any manner, have any

right to assign his or her right to sue to recover benefits under the Plan, to enforce rights due under the Plan or to any other causes of action which he or she may have against the Plan or its fiduciaries. This prohibition applies to Health Care Providers as well.

A Health Care Provider which accepts an Assignment of Benefits, in accordance with this Plan as consideration in full for services rendered, is bound by the rules and provisions set forth within the terms of this document.

Benefits due to any In-Network Health Care Provider will be considered "assigned" to such Health Care Provider and will be paid directly to such Health Care Provider, whether or not a written Assignment of Benefits was executed. Notwithstanding any assignment or non-Assignment of Benefits to the contrary, upon payment of the benefits due under the Plan, the Plan is deemed to have fulfilled its obligations with respect to such benefits, whether or not payment is made in accordance with any assignment or request.

Health Care Providers and any other person or entity accepting payment from the Plan or to whom a right to benefits has been assigned, in consideration of services rendered, agrees to be bound by the terms of this Plan and agrees to submit claims for reimbursement in strict accordance with applicable law, ICD, and/or CPT standards, Medicare guidelines, HCPCS standards, or other standards approved by the Plan Administrator or insurer.

### ***Non U.S. Providers***

A Health Care Provider of medical care, supplies, or services, whose primary facility, principal place of business or address for payment is located outside the United States shall be deemed to be a "Non U.S. Provider." Claims for medical care, supplies, or services provided by a Non U.S. Provider and/or that are rendered outside the United States of America, may be deemed to be payable under the Plan by the Plan Administrator, subject to all Plan exclusions, limitations, maximums and other provisions. Assignment of Benefits to a Non U.S. Provider is prohibited absent an explicit written waiver executed by the Plan Administrator. If Assignment of Benefits is not authorized, the Claimant is responsible for making all payments to Non U.S. Providers, and is solely responsible for subsequent submission of proof of payment to the Plan. Only upon receipt of such proof of payment, and any other documentation needed by the Plan Administrator to process the claims in accordance with the terms of the Plan, shall reimbursement by the Plan to the Claimant be made. If payment was made by the Claimant in U.S. currency (American dollars), the maximum reimbursable amount by the Plan to the Claimant shall be that amount. If payment was made by the Claimant using any currency other than U.S. currency (American dollars), the Plan shall utilize an exchange rate in effect on the Incurred date as established by a recognized and licensed entity authorized to so establish said exchange rates. The Non U.S. Provider shall be subject to, and shall act in

compliance with, all U.S. and other applicable licensing requirements; and claims for benefits must be submitted to the Plan in English.

### ***Recovery of Payments***

Occasionally, benefits are paid more than once, are paid based upon improper billing or a misstatement in a proof of loss or enrollment information, are not paid according to the Plan's terms, conditions, limitations or exclusions, or should otherwise not have been paid by the Plan. As such this Plan may pay benefits that are later found to be greater than the Maximum Allowable Charge. In this case, this Plan may recover the amount of the overpayment from the source to which it was paid, primary payers, or from the party on whose behalf the charge(s) were paid. As such, whenever the Plan pays benefits exceeding the amount of benefits payable under the terms of the Plan, the Plan Administrator has the right to recover any such erroneous payment directly from the person or entity who received such payment and/or from other payers and/or the Claimant or Family Dependent on whose behalf such payment was made.

A Claimant, Family Dependent, Health Care Provider, another benefit plan, insurer, or any other person or entity who receives a payment exceeding the amount of benefits payable under the terms of the Plan or on whose behalf such payment was made, shall return or refund the amount of such erroneous payment to the Plan within 30 days of discovery or demand. The Plan Administrator shall have no obligation to secure payment for the expense for which the erroneous payment was made or to which it was applied.

The person or entity receiving an erroneous payment may not apply such payment to another expense. The Plan Administrator shall have the sole discretion to choose who will repay the Plan for an erroneous payment and whether such payment shall be reimbursed in a lump sum. When a Claimant or other entity does not comply with the provisions of this section, the Plan Administrator shall have the authority, in its sole discretion, to deny payment of any claims for benefits by the Claimant and to deny or reduce future benefits payable (including payment of future benefits for other injuries or illnesses) under the Plan by the amount due as reimbursement to the Plan. The Plan Administrator may also, in its sole discretion, deny or reduce future benefits (including future benefits for other injuries or illnesses) under any other group benefits plan maintained by the Plan Administrator. The reductions will equal the amount of the required reimbursement.

Health Care Providers and any other person or entity accepting payment from the Plan or to whom a right to benefits has been assigned, in consideration of services rendered, payments and/or rights, agrees to be bound by the terms of this Plan and agree to submit claims for reimbursement in strict accordance with their State's health care practice acts, ICD or CPT standards, Medicare guidelines, HCPCS standards, or other standards approved by the Plan

Administrator or insurer. Any payments made on claims for reimbursement not in accordance with the above provisions shall be repaid to the Plan within 30 days of discovery or demand or incur prejudgment interest of 1.5% per month. If the Plan must bring an action against a Claimant, Health Care Provider or other person or entity to enforce the provisions of this section, then that Claimant, Health Care Provider or other person or entity agrees to pay the Plan's attorneys' fees and costs, regardless of the action's outcome.

Further, Claimants and/or their Family Dependents, beneficiaries, estate, heirs, guardian, personal representative, or assigns (Claimants) shall assign or be deemed to have assigned to the Plan their right to recover said payments made by the Plan, from any other party and/or recovery for which the Claimant(s) are entitled, for or in relation to facility-acquired condition(s), Health Care Provider error(s), or damages arising from another party's act or omission for which the Plan has not already been refunded.

The Plan reserves the right to deduct from any benefits properly payable under this Plan the amount of any payment which has been made for any of the following circumstances:

1. In error.
2. Pursuant to a misstatement contained in a proof of loss or a fraudulent act.
3. Pursuant to a misstatement made to obtain Coverage under this Plan within two years after the date such Coverage commences.
4. With respect to an ineligible person.
5. In anticipation of obtaining a recovery if a Claimant fails to comply with the Plan's Right of Reimbursement and Assignment of Proceeds provisions.
6. Pursuant to a claim for which benefits are recoverable under any policy or act of law providing for Coverage for occupational injury or disease to the extent that such benefits are recovered. This provision (6) shall not be deemed to require the Plan to pay benefits under this Plan in any such instance.

The deduction may be made against any claim for benefits under this Plan by a Claimant or by any of his Covered Family Dependents if such payment is made with respect to the Claimant or any person Covered or asserting Coverage as a Family Dependent of the Claimant.

If the Plan seeks to recoup funds from a Health Care Provider, due to a claim being made in error, a claim being fraudulent on the part of the Health Care Provider, and/or the claim that is the result of the Health Care Provider's misstatement, said Health Care Provider shall, as part of its assignment to benefits from the Plan, abstain from billing the Claimant for any outstanding amount(s).

## **SECTION 16 – GENERAL PROVISIONS**

### **A. Entire Plan**

The Plan, your individual Application, and our policies and procedures as adopted or amended from time to time, shall constitute the entire Plan.

### **B. Time Limit on Certain Defense**

No statement, except a fraudulent misstatement, shall be used to void the Plan after it has been in force for a period of two (2) years.

### **C. Alteration**

No alteration of the Plan and no waiver of any of its provisions shall be valid unless evidenced by an endorsement or an amendment attached to the Plan, which is signed by Plan Administrator. No agent has authority to change the Plan or to waive any of its provisions.

### **D. Consent to Release & Use of Health Information**

1. You consent to the release of all health information to us or our designees for you and your other enrolled Family Dependents when you become Covered under this Plan. You also consent to our using and disclosing your health information for our payment and health care operations activities and for another Health Care Provider or institution's treatment, payment and health care operations activities. Such uses and disclosures shall be made in accordance with applicable laws, rules and regulations.
2. The Plan, at its own expense, shall have the right and opportunity through its medical representative to examine any person when and as often as it may reasonably require during the pendency of a claim under the Plan, but only with regard to the condition upon which the claim is based.
3. Unless otherwise prohibited by law, you give implied consent to release health information upon presenting your Identification Card to any Health Care Provider.
4. We shall have the right to deny Health Care Services or to refuse reimbursement for Health Care Services to any Covered Person who refuses to consent to the release of health information.
5. You agree to execute any releases for health information which we request of you at no charge to us.

### **E. Forms**

The Employer shall keep on file copies of all documents, forms, and descriptive literature provided by us for distribution to you. The Employer agrees to give all new Employees our descriptive literature, provided by us, at the time that the Employee is hired.

#### **F. Records**

1. A Covered Person shall furnish us with all information and proofs, which we may reasonably require with regard to any matters pertaining to the Plan. All documents furnished by a Covered Person and any other records which may have a bearing on the Coverage under the Plan shall be open for inspection by us at any reasonable time and shall be kept confidential by us in accordance with applicable laws, rules and regulations.
2. You authorize and direct any person or institution that has examined or treated you to furnish us at any and all reasonable time, upon our request; any or all information and records or copies of records relating to the examination or treatment rendered to you. We shall have the right to submit any and all records concerning Health Care Services rendered you to appropriate medical review personnel.
3. In the event of a question or dispute concerning the provision of Health Care Services or payment for such services under the Plan, we may reasonably require that you be examined, at our expense, by a Participating Physician designated by us.

#### **G. Covered Benefits**

In no event shall you be responsible to pay for Health Care Services Covered by the Plan except as otherwise provided in the Plan.

#### **H. Severability**

The unenforceability or invalidity of any provision of the Plan shall not affect the validity and enforceability of the remainder of the Plan.

#### **I. Workers' Compensation Not Affected**

The Coverage provided under the Plan is not in lieu of and does not affect any requirements for Coverage by Workers' Compensation Insurance or Law.

## **J. Conformity with Statutes/Venue**

The Plan shall be governed by the Laws of the State of New York and venue for any dispute shall be in Erie County, New York.

## **K. Events Beyond Our Control**

In the event of circumstances not reasonably within our control (such as complete or partial destruction of health care facilities; war; riot; civil insurrection; or similar causes), we shall not be responsible for the performance of our obligations under this Plan provided however that we shall resume performance of our obligations under this Plan as soon as reasonably possible.

## **L. Waiver**

Either party's waiver or failure to insist on strict performance of the Plan shall not be considered a waiver or act as a bar to any action for subsequent acts of non-performance.

## **M. Interpretation**

We may adopt and amend from time to time reasonable and uniform policies; procedures; rules; regulations; guidelines; and interpretations in order to promote the orderly and efficient administration of this Plan, all of which shall be binding upon the Employer and you upon reasonable notification to you.

## **N. Examinations**

The Plan, at its own expense, shall have the right and opportunity through its medical representative to examine any person when and as often as it may reasonably require during the pendency of a claim under the Plan, but only with regard to the condition upon which the claim is based.

## **O. Legal Incompetence**

Payments made to the Covered Person or his beneficiaries, rather than to a Service Provider, are subject to provisions allowing for payment to someone else where either the Covered Person or his beneficiary is a minor or otherwise not legally competent to give a valid receipt for payment.

When payment is due to a minor, it will be paid to the minor's parent or legal guardian. When payment is due to an incompetent, it will be paid to the incompetent's legal guardian. In the event that a Covered Person dies prior to

the date that all benefits are paid hereunder, payment will be made to any of the following living relatives: spouse, child or children, parents, or brothers or sisters, or to the executors or administrators of the Estate. Payment as made above will release the Plan from any further liability with regard to those payments.

#### **P. Legal Proceedings**

No action at law or in equity shall be brought to recover under this Plan of benefits prior to the expiration of the later of 69 days after proof of claim has been furnished to the Claims Administrator or 30 days after the exhaustion of all appeal rights under Section 15 of this Plan, nor shall any such action be brought at all unless commenced within two (2) years from the date the Covered Expense was Incurred.

#### **Q. Non-Waiver of Plan Provisions**

Failure of the Plan to insist upon compliance with any provision of the Plan at any given time, or under any given set of circumstances, shall not operate to waive or modify such provision, or in any manner render it unenforceable as to any other time or as to any other occurrence, whether the circumstances are the same or not.

#### **R. Fraud**

Under this Plan, Coverage may be retroactively canceled or terminated (rescinded) if a Covered Person acts fraudulently or intentionally makes material misrepresentations of fact. It is a Covered Person's responsibility to provide accurate information and to make accurate and truthful statements, including information and statements regarding family status, age, relationships, etc. It is also a Covered Person's responsibility to update previously provided information and statements. Failure to do so may result in Coverage of Covered Persons being canceled, and such cancellation may be retroactive.

If a Covered Person, or any other entity, submits or attempts to submit a claim for or on behalf of a person who is not a Covered Person of the Plan; submits a claim for services or supplies not rendered; provides false or misleading information in connection with enrollment in the Plan; or provides any false or misleading information to the Plan as it relates to any element of its administration; that shall be deemed to be fraud. If a Covered Person is aware of any instance of fraud, and fails to bring that fraud to the Plan Administrator's attention, that shall also be deemed to be fraud. Fraud will result in immediate termination of all Coverage under this Plan for the Covered Person and their entire family unit of which the Covered Person is a member.

A determination by the Plan that a rescission is warranted will be considered an Adverse Benefit Determination for purposes of review and appeal. A Covered Person whose Coverage is being rescinded will be provided a 30-day notice period as described under the Affordable Care Act (ACA) and regulatory guidance. Claims Incurred after the retroactive date of termination shall not be further processed and/or paid under the Plan. Claims Incurred after the retroactive date of termination that were paid under the Plan will be treated as erroneously paid claims under this Plan.

**Adoption of the Plan Document**

The Plan Administrator, as the settlor of the Plan, hereby adopts this Plan Document as the written description of the Plan. This document is intended to serve as both the Plan Document and the Summary Plan Description for the Plan. It amends and replaces any prior statement of the health care Coverage or any predecessor to the Plan.

IN WITNESS WHEREOF, the Plan Administrator has caused this Plan Document to be executed.

**Iroquois Central School District**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_