

## **Blue**Medicare Supplement<sup>SM</sup>

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# Outline of Coverage

The federal government has asked us to provide this outline of coverage to help you decide which plan best fits your needs and meets your budget.



## Benefit Chart of Medicare Supplement Plans sold on or after June 1, 2012

This chart shows the benefits included in each of the standard Medicare supplement plans. Every company must make Plan "A" available. Some plans may not be available in your state.

| Attained-Age Plans <sup>1</sup>          |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
| A  | B  | C  | D  | F  | High-Deductible F <sup>2</sup>           | G  | K  |
| Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance | Hospitalization and preventive care paid at 100%; other basic benefits paid at 50% |
|  |  | Skilled Nursing Facility Coinsurance     | Skilled Nursing Facility Coinsurance     | Skilled Nursing Facility Coinsurance     | Skilled Nursing Facility Coinsurance     | Skilled Nursing Facility Coinsurance     | 50% Skilled Nursing Facility Coinsurance   |
|  | Part A Deductible                        | Part A Deductible                        | Part A Deductible                        | Part A Deductible                        | Part A Deductible                        | Part A Deductible                        | 50% Part A Deductible  |
|  |  | Part B Deductible                        |  | Part B Deductible                        | Part B Deductible                        |  |  |
|  |  |  |  | Part B Excess (100%)                     | Part B Excess (100%)                     | Part B Excess (100%)                     |  |
|  |  | Foreign Travel Emergency                 | Foreign Travel Emergency                 | Foreign Travel Emergency                 | Foreign Travel Emergency                 | Foreign Travel Emergency                 |  |
|  |  |  |  |  |  |  | Out-of-pocket limit \$4,660; paid at 100% after limit reached                      |

| AGE      | MONTHLY PREMIUMS: |            |           |          |          |         |          |         |
|----------|-------------------|------------|-----------|----------|----------|---------|----------|---------|
| Under 65 | \$378.75†         | \$431.25 ‡ | \$542.00† |          |          |         |          |         |
| 65       | \$88.00           | \$108.75   | \$131.50  | \$118.50 | \$122.50 | \$46.75 | \$110.25 | \$62.50 |
| 66-69    | \$97.00           | \$119.75   | \$145.00  | \$130.75 | \$135.00 | \$51.50 | \$121.50 | \$69.00 |
| 70-74    | \$111.50          | \$137.50   | \$166.50  | \$150.00 | \$155.00 | \$59.00 | \$139.50 | \$79.25 |
| 75+      | \$137.50          | \$169.50   | \$205.25  | \$185.00 | \$191.00 | \$72.75 | \$172.00 | \$97.50 |

## Basic Benefits

- **Hospitalization** – Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.
- **Medical Expenses** – Part B coinsurance (generally 20% of Medicare-approved expenses) or copayments for hospital outpatient services. Plans K, L and N require insureds to pay a portion of Part B coinsurance or co-payments.
- **Blood** – First three pints of blood each year.
- **Hospice** – Part A coinsurance

| <b>Attained-Age Plans<sup>1</sup></b>  |  |   |
|--|--|---|
| <b>L</b>   | <b>M</b>                                 | <b>N</b>  |
| Hospitalization and preventive care paid at 100%; other basic benefits paid at 75% | Basic, including 100% Part B coinsurance | Basic, including 100% Part B coinsurance, except up to \$20 copayment for office visit, and up to \$50 copayment for ER |
| 75% Skilled Nursing Facility Coinsurance   | Skilled Nursing Facility Coinsurance     | Skilled Nursing Facility Coinsurance  |
| 75% Part A Deductible  | 50% Part A Deductible                    | Part A Deductible   |
|  |  |   |
|  |  |   |
|  | Foreign Travel Emergency                 | Foreign Travel Emergency  |
| Out-of-pocket limit \$2,330; paid at 100% after limit reached                      |  |   |

Rates are effective through May 31, 2013.

- 1 When you enroll in an attained-age plan, your rates will increase as you age, due to your age. Our rates will only increase due to age when you move from one age band to the next. In addition, rate adjustments will also be due to medical inflation or overall claims experience. Rates are subject to change June 1 of each year and are guaranteed for 12 months. Any change in your rate will be preceded by a 30-day notice.
- 2 Plan F also has an option called a high-deductible Plan F. This high-deductible plan pays the same benefits as Plan F after one has paid a calendar year \$2,070 deductible. Benefits from high-deductible Plan F will not begin until out-of-pocket expenses exceed \$2,070. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.

† Medicare supplement rates for individuals who are on Medicare due to disability.

‡ Plan B rate is only available to current Blue Cross and Blue Shield of North Carolina Subscribers who qualify for Medicare due to disability.

### Policy Form Numbers:

BMS A, 2/11, BMS B, 2/11, BMS C, 2/11, BMS D, 2/11, BMS F, 2/11, BMS HDF, 2/11, BMS L, 2/11, BMS N, 2/11, BMS G, 2/11, BMS K, 2/11, BMS M, 2/11

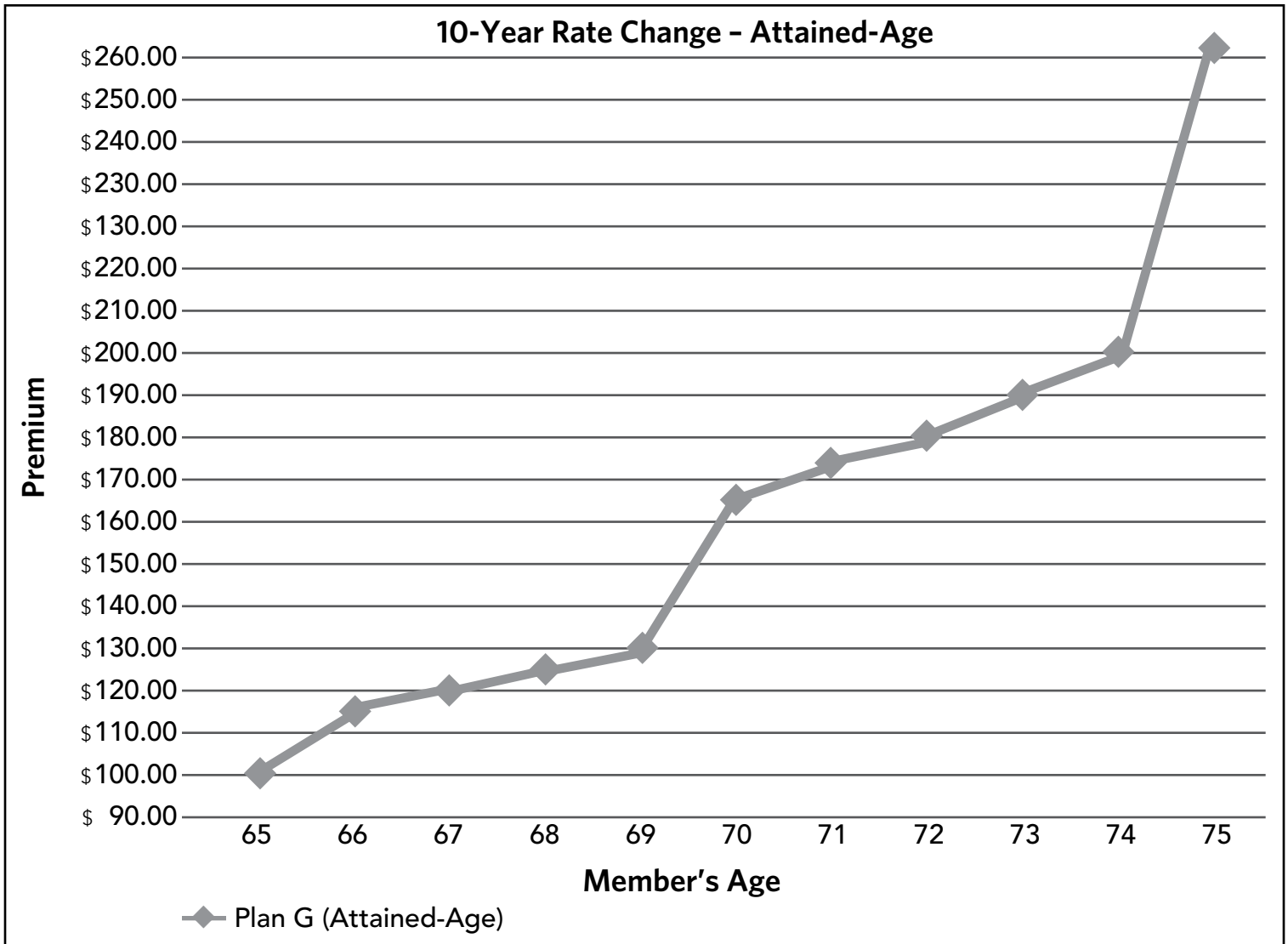
| <b>MONTHLY PREMIUMS:</b> |          |          | <b>AGE</b> |
|--------------------------|----------|----------|------------|
|                          |          |          | Under 65   |
| \$84.25                  | \$108.25 | \$106.50 | 65         |
| \$93.00                  | \$119.50 | \$117.25 | 66-69      |
| \$106.75                 | \$137.00 | \$134.75 | 70-74      |
| \$131.50                 | \$169.00 | \$166.00 | 75+        |

## ATTAINED-AGE PLANS

Blue Cross and Blue Shield of North Carolina offers Medicare supplement plans with attained-age rates. When you enroll in an attained-age plan, your rates will increase as you age, due to your age. Our rates will only increase due to age when you move from one age band to the next. In addition, rate adjustments will also be due to medical inflation or overall claims experience. Rates are subject to change June 1 of each year and are guaranteed for 12 months. Any change in your rate will be preceded by a 30-day notice. Medicare policies that are attained-age rated should be compared to entry-age rated policies (also known as issue-age rated policies). Premiums for entry-age policies do not increase due to age as the insured ages.

## EXAMPLE OF INDIVIDUAL RATE CHANGES IN ATTAINED-AGE PLANS

The chart below illustrates attained-age rate changes due to age and claims trend over a 10-year period.



Source: Internal Blue Cross and Blue Shield of North Carolina data, 2010.

The chart illustrates Plan G cost over a 10 year period. Attained age plans will adjust on medical trends, however the premium will increase due to age.

## PREMIUM INFORMATION

Blue Cross and Blue Shield of North Carolina can only raise your premium if we raise the premium for all policies like yours in this State. For Attained Age policies, your premium will increase on June 1 each year as you age.

## DISCLOSURES

Use this outline to compare benefits and premiums among policies.

**This outline shows benefits and premiums of policies sold for effective dates on or after June 1, 2012. Policies sold for effective dates prior to June 1, 2012 have different benefits and premiums.**

## READ YOUR POLICY VERY CAREFULLY

This is only an outline describing your policy's most important features. The policy is your insurance contract. You must read the policy itself to understand all of the rights and duties of both you and your insurance company.

## RIGHT TO RETURN POLICY

If you find that you are not satisfied with your policy, you may return it to Blue Cross and Blue Shield of North Carolina, Attention: Blue Medicare Supplement<sup>SM</sup> Enrollment, PO Box 17168, Winston-Salem, NC 27116.

If you send the policy back to us within 30 days after you receive it, we will treat the policy as if it had never been issued and return all of your payments.

## POLICY REPLACEMENT

If you are replacing another health insurance policy, do **NOT** cancel it until you have actually received your new policy and are sure you want to keep it.

## NOTICE

This policy may not fully cover all of your medical costs.

Neither Blue Cross and Blue Shield of North Carolina nor its agents are connected with Medicare.

This outline of coverage does not give all the details of Medicare coverage. Contact your local Social Security office or consult *Medicare & You* for more details.

## COMPLETE ANSWERS ARE VERY IMPORTANT

When you fill out the application for the new policy, be sure to answer truthfully and completely all questions about your medical and health history. The company may cancel your policy and refuse to pay any claims if you leave out or falsify important medical information.

Review the application carefully before you sign it. Be certain that all information has been properly recorded.

# PLAN A

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS   | PLAN PAYS                          | YOU PAY                        |
|--|---|------------------------------------|--------------------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156   | \$0                                | \$1,156<br>(Part A Deductible) |
| 61st through 90th day  | All but \$289 a day   | \$289 a day                        | \$0                            |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day   | \$578 a day                        | \$0                            |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0   | 100% of Medicare eligible expenses | \$0 <sup>2</sup>               |
| Beyond the additional 365 days   | \$0   | \$0                                | All costs                      |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts  | \$0                                | \$0                            |
| 21st through 100th day   | All but \$144.50 a day  | \$0                                | Up to \$144.50 a day           |
| 101st day and after  | \$0   | \$0                                | All costs                      |
| <b>BLOOD</b><br>First three pints  | \$0   | 3 pints                            | \$0                            |
| Additional amounts   | 100%  | \$0                                | \$0                            |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/ coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/ coinsurance    | \$0                            |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN A (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS     | YOU PAY                      |
|---|---------------|---------------|------------------------------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20% | \$0                          |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0           | All costs                    |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs     | \$0                          |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%           | \$0                          |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0           | \$0                          |

### Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN B

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS   | PLAN PAYS                          | YOU PAY              |
|--|---|------------------------------------|----------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156   | \$1,156<br>(Part A deductible)     | \$0                  |
| 61st through 90th day  | All but \$289 a day   | \$289 a day                        | \$0                  |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day   | \$578 a day                        | \$0                  |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0   | 100% of Medicare eligible expenses | \$0 <sup>2</sup>     |
| Beyond the additional 365 days   | \$0   | \$0                                | All costs            |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts  | \$0                                | \$0                  |
| 21st through 100th day   | All but \$144.50 a day  | \$0                                | Up to \$144.50 a day |
| 101st day and after  | \$0   | \$0                                | All costs            |
| <b>BLOOD</b><br>First three pints  | \$0   | 3 pints                            | \$0                  |
| Additional amounts   | 100%  | \$0                                | \$0                  |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/ coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/ coinsurance    | \$0                  |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN B (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS     | YOU PAY                      |
|---|---------------|---------------|------------------------------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20% | \$0                          |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0           | All costs                    |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs     | \$0                          |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%           | \$0                          |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0           | \$0                          |

## Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN C

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS  | PLAN PAYS                          | YOU PAY          |
|--|--|------------------------------------|------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$1,156<br>(Part A deductible)     | \$0              |
| 61st through 90th day  | All but \$289 a day  | \$289 a day                        | \$0              |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day                        | \$0              |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses | \$0 <sup>2</sup> |
| Beyond the additional 365 days   | \$0  | \$0                                | All costs        |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0                                | \$0              |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$144.50 a day               | \$0              |
| 101st day and after  | \$0  | \$0                                | All costs        |
| <b>BLOOD</b><br>First three pints  | \$0  | 3 pints                            | \$0              |
| Additional amounts   | 100%   | \$0                                | \$0              |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/coinsurance     | \$0              |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN C (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS                    | YOU PAY   |
|---|---------------|------------------------------|-----------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$140<br>(Part B Deductible) | \$0       |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20%                | \$0       |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0                          | All costs |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs                    | \$0       |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$140<br>(Part A Deductible) | \$0       |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%                          | \$0       |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0                          | \$0       |

### Medicare Parts A and B

|  |      |                              |     |
|--|------|------------------------------|-----|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0                          | \$0 |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$140<br>(Part B Deductible) | \$0 |
| Remainder of Medicare-Approved Amounts   | 80%  | 20%                          | \$0 |

### Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN D

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS   | PLAN PAYS                          | YOU PAY          |
|--|---|------------------------------------|------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156   | \$1,156<br>(Part A deductible)     | \$0              |
| 61st through 90th day  | All but \$289 a day   | \$289 a day                        | \$0              |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day   | \$578 a day                        | \$0              |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0   | 100% of Medicare eligible expenses | \$0 <sup>2</sup> |
| Beyond the additional 365 days   | \$0   | \$0                                | All costs        |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts  | \$0                                | \$0              |
| 21st through 100th day   | All but \$144.50 a day  | Up to \$144.50 a day               | \$0              |
| 101st day and after  | \$0   | \$0                                | All costs        |
| <b>BLOOD</b><br>First three pints  | \$0   | 3 pints                            | \$0              |
| Additional amounts   | 100%  | \$0                                | \$0              |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/ coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/ coinsurance    | \$0              |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN D (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS     | YOU PAY                      |
|---|---------------|---------------|------------------------------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20% | \$0                          |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0           | 100%                         |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs     | \$0                          |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%           | \$0                          |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0           | \$0                          |

### Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

### Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN F

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS  | PLAN PAYS                          | YOU PAY          |
|--|--|------------------------------------|------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$1,156<br>(Part A deductible)     | \$0              |
| 61st through 90th day  | All but \$289 a day  | \$289 a day                        | \$0              |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day                        | \$0              |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses | \$0 <sup>2</sup> |
| Beyond the additional 365 days   | \$0  | \$0                                | All costs        |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0                                | \$0              |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$144.50 a day               | \$0              |
| 101st day and after  | \$0  | \$0                                | All costs        |
| <b>BLOOD</b><br>First three pints  | \$0  | 3 pints                            | \$0              |
| Additional amounts   | 100%   | \$0                                | \$0              |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/coinsurance     | \$0              |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN F (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS                    | YOU PAY |
|---|---------------|------------------------------|---------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$140<br>(Part B Deductible) | \$0     |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20%                | \$0     |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | 100%                         | \$0     |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs                    | \$0     |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$140<br>(Part B Deductible) | \$0     |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%                          | \$0     |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0                          | \$0     |

### Medicare Parts A and B

|  |      |                              |     |
|--|------|------------------------------|-----|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0                          | \$0 |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$140<br>(Part B Deductible) | \$0 |
| Remainder of Medicare-Approved Amounts   | 80%  | 20%                          | \$0 |

### Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# HIGH-DEDUCTIBLE PLAN F

## Medicare (Part A) — Hospital Services — Per Calendar Year

| SERVICES   | MEDICARE PAYS  | After you pay \$2070 deductible <sup>1</sup><br>PLAN PAYS | In addition to \$2070 deductible <sup>1</sup><br>YOU PAY |
|--|--|---|--|
| <b>HOSPITALIZATION<sup>2</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$1,156<br>(Part A deductible)                            | \$0  |
| 61st through 90th day  | All but \$289 a day  | \$289 a day   | \$0  |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day   | \$0  |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses                        | \$0 <sup>3</sup>   |
| Beyond the additional 365 days   | \$0  | \$0   | All costs  |
| <b>SKILLED NURSING FACILITY CARE<sup>2</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0   | \$0  |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$144.50 a day                                      | \$0  |
| 101st day and after  | \$0  | \$0   | All costs  |
| <b>BLOOD</b><br>First three pints  | \$0  | 3 pints   | \$0  |
| Additional amounts   | 100%   | \$0   | \$0  |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/coinsurance                            | \$0  |

- 1 This high-deductible plan pays the same benefits as Plan F after one has paid a calendar year \$2,070 deductible. Benefits from the high deductible Plan F will not begin until out-of-pocket expenses are \$2,070. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's separate foreign travel emergency deductible.
- 2 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 3 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# HIGH-DEDUCTIBLE PLAN F (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | After you pay \$2070 deductible <sup>1</sup><br>PLAN PAYS | In addition to \$2070 deductible <sup>1</sup><br>YOU PAY |
|---|---------------|---|--|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>2</sup> | \$0           | \$140<br>(Part B Deductible)                              | \$0  |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20%   | \$0  |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | 100%  | \$0  |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs   | \$0  |
| Next \$140 of Medicare-Approved Amounts <sup>2</sup>  | \$0           | \$140<br>(Part B Deductible)                              | \$0  |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%   | \$0  |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0   | \$0  |

### Medicare Parts A and B

|  |      |                              |     |
|--|------|------------------------------|-----|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0                          | \$0 |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>2</sup>                                       | \$0  | \$140<br>(Part B Deductible) | \$0 |
| Remainder of Medicare-Approved Amounts   | 80%  | 20%                          | \$0 |

### Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

1 This high-deductible plan pays the same benefits as Plan F after one has paid a calendar year \$2,070 deductible. Benefits from the high deductible Plan F will not begin until out-of-pocket expenses are \$2,070. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's separate foreign travel emergency deductible.

2 Once you have been billed \$140 of Medicare-Approved amounts for covered services, your Part B Deductible will have been met for the calendar year.

# PLAN G

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS  | PLAN PAYS                          | YOU PAY          |
|--|--|------------------------------------|------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$1,156<br>(Part A Deductible)     | \$0              |
| 61st through 90th day  | All but \$289 a day  | \$289 a day                        | \$0              |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day                        | \$0              |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses | \$0 <sup>2</sup> |
| Beyond the additional 365 days   | \$0  | \$0                                | All costs        |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0                                | \$0              |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$144.50 a day               | \$0              |
| 101st day and after  | \$0  | \$0                                | All costs        |
| <b>BLOOD</b><br>First three pints  | \$0  | 3 pints                            | \$0              |
| Additional amounts   | 100%   | \$0                                | \$0              |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/coinsurance     | \$0              |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN G (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS     | YOU PAY                      |
|---|---------------|---------------|------------------------------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20% | \$0                          |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | 100%          | \$0                          |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs     | \$0                          |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%           | \$0                          |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0           | \$0                          |

## Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

## Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN K

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS   | PLAN PAYS                           | YOU PAY <sup>2</sup>                                |
|--|---|-------------------------------------|---|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156   | \$578<br>(50% of Part A Deductible) | \$578<br>(50% of Part A Deductible) <sup>3</sup>    |
| 61st through 90th day  | All but \$289 a day   | \$289 a day                         | \$0   |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day   | \$578 a day                         | \$0   |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0   | 100% of Medicare eligible expenses  | \$0 <sup>4</sup>                                    |
| Beyond the additional 365 days   | \$0   | \$0                                 | All costs   |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts  | \$0                                 | \$0   |
| 21st through 100th day   | All but \$144.50 a day  | Up to \$72.25 a day                 | Up to \$72.25 a day <sup>3</sup>                    |
| 101st day and after  | \$0   | \$0                                 | All costs   |
| <b>BLOOD</b><br>First three pints  | \$0   | 50%                                 | 50% <sup>3</sup>                                    |
| Additional amounts   | 100%  | \$0                                 | \$0   |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/ coinsurance for out-patient drugs and in-patient respite care | 50% of copayment/ coinsurance       | 50% of Medicare copayment/ coinsurance <sup>3</sup> |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 You will pay one-half of the cost-sharing of some covered services until you reach the annual out-of-pocket limit of \$4,660 each calendar year. **However, this limit does NOT include charges from your provider that exceed Medicare-approved amounts (these are called "Excess Charges") and you will be responsible for paying this difference in the amount charged by your provider and the amount paid by Medicare for the item or service.**
- 3 This amount counts toward your annual out-of-pocket limit. Once you reach the annual limit, the plan pays 100% of your Medicare copayment and coinsurance for the rest of the calendar year.
- 4 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN K (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS                                      | PLAN PAYS                              | YOU PAY <sup>2</sup>  |
|---|--|--|---|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>5</sup> | \$0  | \$0                                    | \$140<br>(Part B Deductible) <sup>3, 5</sup>  |
| Preventive Benefits for Medicare covered services   | Generally 75% or more of Medicare approved amounts | Remainder of Medicare approved amounts | All costs above Medicare approved amounts   |
| Remainder of Medicare-Approved Amounts  | Generally 80%                                      | Generally 10%                          | Generally 10% <sup>3</sup>  |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0  | \$0                                    | All costs; and they do not count toward out-of-pocket limit of \$4,660 <sup>2</sup> |
| <b>BLOOD</b><br>First three pints   | \$0  | 50%                                    | 50% <sup>3</sup>  |
| Next \$140 of Medicare-Approved Amounts <sup>5</sup>  | \$0  | \$0                                    | \$140<br>(Part B Deductible) <sup>3, 5</sup>  |
| Remainder of Medicare-Approved Amounts  | Generally 80%                                      | Generally 10%                          | Generally 10% <sup>3</sup>  |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%   | \$0                                    | \$0   |

## Medicare Parts A and B

|  |      |     |   |
|--|------|-----|---|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                                       |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>6</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) <sup>3</sup> |
| Remainder of Medicare-Approved Amounts   | 80%  | 10% | 10% <sup>3</sup>                          |

- 2 You will pay one-half of the cost-sharing of some covered services until you reach the annual out-of-pocket limit of \$4,660 each calendar year. **However, this limit does NOT include charges from your provider that exceed Medicare-approved amounts (these are called "Excess Charges") and you will be responsible for paying this difference in the amount charged by your provider and the amount paid by Medicare for the item or service.**
- 3 This amount counts toward your annual out-of-pocket limit. Once you reach the annual limit, the plan pays 100% of your Medicare copayment and coinsurance for the rest of the calendar year.
- 5 Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.
- 6 Medicare benefits are subject to change. Please consult the latest *Guide to Health Insurance for People with Medicare*.

# PLAN L

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS  | PLAN PAYS                           | YOU PAY <sup>2</sup>                             |
|--|--|-------------------------------------|--|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$867<br>(75% of Part A Deductible) | \$289<br>(25% of Part A Deductible) <sup>3</sup> |
| 61st through 90th day  | All but \$289 a day  | \$289 a day                         | \$0  |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day                         | \$0  |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses  | \$0 <sup>4</sup>                                 |
| Beyond the additional 365 days   | \$0  | \$0                                 | All costs  |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0                                 | \$0  |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$108.38 a day                | Up to \$36.12 a day <sup>3</sup>                 |
| 101st day and after  | \$0  | \$0                                 | All costs  |
| <b>BLOOD</b><br>First three pints  | \$0  | 75%                                 | 25% <sup>3</sup>                                 |
| Additional amounts   | 100%   | \$0                                 | \$0  |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for outpatient drugs and inpatient respite care | 75% of copayment/coinsurance        | 25% of copayment/coinsurance <sup>3</sup>        |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 You will pay one-fourth of the cost-sharing of some covered services until you reach the annual out-of-pocket limit of \$2,330 each calendar year. **However, this limit does NOT include charges from your provider that exceed Medicare-approved amounts (these are called "Excess Charges") and you will be responsible for paying this difference in the amount charged by your provider and the amount paid by Medicare for the item or service.**
- 3 This amount counts toward your annual out-of-pocket limit. Once you reach the annual limit, the plan pays 100% of your Medicare copayment and coinsurance for the rest of the calendar year.
- 4 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN L (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS                                      | PLAN PAYS                              | YOU PAY <sup>2</sup>   |
|---|--|--|--|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>5</sup> | \$0  | \$0                                    | \$140 <sup>3, 5</sup><br>(Part B Deductible)   |
| Preventive Benefits for Medicare covered services   | Generally 75% or more of Medicare approved amounts | Remainder of Medicare approved amounts | All costs above Medicare approved amounts  |
| Remainder of Medicare-Approved Amounts  | Generally 80%                                      | Generally 15%                          | Generally 5% <sup>3</sup>  |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0  | \$0                                    | All costs; and they do not count toward annual out-of-pocket limit of \$2,330 <sup>2</sup> |
| <b>BLOOD</b><br>First three pints   | \$0  | 75%                                    | 25% <sup>3</sup>   |
| Next \$140 of Medicare-Approved Amounts <sup>5</sup>  | \$0  | \$0                                    | \$140<br>(Part B Deductible) <sup>3</sup>  |
| Remainder of Medicare-Approved Amounts  | Generally 80%                                      | Generally 15%                          | Generally 5% <sup>3</sup>  |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%   | \$0                                    | \$0  |

### Medicare Parts A and B

|  |      |     |   |
|--|------|-----|---|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                                       |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>6</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) <sup>3</sup> |
| Remainder of Medicare-Approved Amounts   | 80%  | 15% | \$5% <sup>3</sup>                         |

2 You will pay one-fourth of the cost-sharing of some covered services until you reach the annual out-of-pocket limit of \$2,330 each calendar year. **However, this limit does NOT include charges from your provider that exceed Medicare-approved amounts (these are called "Excess Charges") and you will be responsible for paying this difference in the amount charged by your provider and the amount paid by Medicare for the item or service.**

3 This amount counts toward your annual out-of-pocket limit. Once you reach the annual limit, the plan pays 100% of your Medicare copayment and coinsurance for the rest of the calendar year.

5 Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

6 Medicare benefits are subject to change. Please consult the latest *Guide to Health Insurance for People with Medicare*.

# PLAN M

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS   | PLAN PAYS                           | YOU PAY                             |
|--|---|-------------------------------------|-------------------------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156   | \$578<br>(50% of Part A Deductible) | \$578<br>(50% of Part A Deductible) |
| 61st through 90th day  | All but \$289 a day   | \$289 a day                         | \$0                                 |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day   | \$578 a day                         | \$0                                 |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0   | 100% of Medicare eligible expenses  | \$0 <sup>2</sup>                    |
| Beyond the additional 365 days   | \$0   | \$0                                 | All costs                           |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts  | \$0                                 | \$0                                 |
| 21st through 100th day   | All but \$144.50 a day  | Up to \$144.50 a day                | \$0                                 |
| 101st day and after  | \$0   | \$0                                 | All costs                           |
| <b>BLOOD</b><br>First three pints  | \$0   | 3 pints                             | \$0                                 |
| Additional amounts   | 100%  | \$0                                 | \$0                                 |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/ coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/ coinsurance     | \$0                                 |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN M (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS     | YOU PAY                      |
|---|---------------|---------------|------------------------------|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Generally 20% | \$0                          |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0           | All costs                    |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs     | \$0                          |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0           | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%           | \$0                          |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0           | \$0                          |

## Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

## Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# PLAN N

## Medicare (Part A) — Hospital Services — Per Benefit Period

| SERVICES   | MEDICARE PAYS  | PLAN PAYS                          | YOU PAY          |
|--|--|------------------------------------|------------------|
| <b>HOSPITALIZATION<sup>1</sup></b><br>Semi-private room and board, general nursing and miscellaneous services and supplies<br>First 60 days  | All but \$1,156  | \$1,156<br>(Part A Deductible)     | \$0              |
| 61st through 90th day  | All but \$289 a day  | \$289 a day                        | \$0              |
| 91st day and after:<br>While using 60 lifetime reserve days  | All but \$578 a day  | \$578 a day                        | \$0              |
| Once lifetime reserve days are used —<br>Additional 365 days   | \$0  | 100% of Medicare eligible expenses | \$0 <sup>2</sup> |
| Beyond the additional 365 days   | \$0  | \$0                                | All costs        |
| <b>SKILLED NURSING FACILITY CARE<sup>1</sup></b><br>You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-Approved facility within 30 days after leaving the hospital<br>First 20 days | All approved amounts   | \$0                                | \$0              |
| 21st through 100th day   | All but \$144.50 a day   | Up to \$144.50 a day               | \$0              |
| 101st day and after  | \$0  | \$0                                | All costs        |
| <b>BLOOD</b><br>First three pints  | \$0  | 3 pints                            | \$0              |
| Additional amounts   | 100%   | \$0                                | \$0              |
| <b>HOSPICE CARE</b><br>You must meet Medicare's requirements, including a doctor's certification of terminal illness.  | All but very limited copayment/coinsurance for out-patient drugs and in-patient respite care | Medicare copayment/coinsurance     | \$0              |

- 1 A **benefit period** begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- 2 **Notice:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

**Note: Medicare deductibles and copayments are effective through December 31, 2012.**

# PLAN N (Continued)

## Medicare (Part B) — Medical Services — Per Calendar Year

| SERVICES  | MEDICARE PAYS | PLAN PAYS  | YOU PAY  |
|---|---------------|--|--|
| <b>MEDICAL EXPENSES —<br/>IN OR OUT OF THE HOSPITAL AND<br/>OUTPATIENT HOSPITAL TREATMENT</b><br>Such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup> | \$0           | \$0  | \$140<br>(Part B Deductible)   |
| Remainder of Medicare-Approved Amounts  | Generally 80% | Balance, other than up to \$20 per office visit and up to \$50 per emergency room visit. The copayment of up to \$50 is waived if the insured is admitted to any hospital and the emergency visit is covered as a Medicare Part A expense. | Up to \$20 per office visit and up to \$50 per emergency room visit. The copayment of up to \$50 is waived if the insured is admitted to any hospital and the emergency visit is covered as a Medicare Part A expense. |
| <b>PART B EXCESS CHARGES</b><br><i>(Above Medicare-Approved Amounts)</i>  | \$0           | \$0  | All costs  |
| <b>BLOOD</b><br>First three pints   | \$0           | All costs  | \$0  |
| Next \$140 of Medicare-Approved Amounts <sup>3</sup>  | \$0           | \$0  | \$140<br>(Part B Deductible)   |
| Remainder of Medicare-Approved Amounts  | 80%           | 20%  | \$0  |
| <b>CLINICAL LABORATORY SERVICES</b><br>Tests for Diagnostic Services  | 100%          | \$0  | \$0  |

### Medicare Parts A and B

|  |      |     |                              |
|--|------|-----|------------------------------|
| <b>HOME HEALTH CARE<br/>MEDICARE-APPROVED SERVICES</b><br>Medically necessary skilled care services and medical supplies | 100% | \$0 | \$0                          |
| Durable medical equipment<br>First \$140 of Medicare-Approved Amounts <sup>3</sup>                                       | \$0  | \$0 | \$140<br>(Part B Deductible) |
| Remainder of Medicare-Approved Amounts   | 80%  | 20% | \$0                          |

### Other Benefits Not Covered By Medicare

|  |     |   |  |
|--|-----|---|--|
| <b>FOREIGN TRAVEL —<br/>NOT COVERED BY MEDICARE</b><br>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA<br>First \$250 each calendar year | \$0 | \$0   | \$250  |
| Remainder of Charges   | \$0 | 80% to a lifetime maximum benefit of \$50,000 | 20% and amounts over the \$50,000 lifetime maximum |

<sup>3</sup> Once you have been billed \$140 of Medicare-Approved amounts for covered services your Part B Deductible will have been met for the calendar year.

# LIMITATIONS AND EXCLUSIONS

Blue Cross and Blue Shield of North Carolina does not provide benefits for services, supplies or charges that are:

- Not a Medicare eligible expense under the Medicare program, unless otherwise noted;
- For treatment of a pre-existing condition before a required waiting period ends; or
- Payable under Medicare.

## **Please Note Regarding Waiting Periods for Pre-existing Conditions:**

Pre-existing conditions are conditions for which medical advice was given or treatment was recommended by or received from a doctor within six months of the effective date of coverage. Coverage for such conditions may be subject to a six-month waiting period after the effective date of coverage.

The six-month waiting period will be reduced by the amount of time you have been enrolled under other health insurance coverage so long as the coverage terminated no more than 63 days prior to your date of application. The six-month waiting period will not apply and your policy is guaranteed issue regardless of health status if you fit into one of the following categories and you applied for this policy within 63 days of terminating your old coverage (if applicable):

- If you have six months of prior health coverage.
- If, after becoming eligible for Medicare Part A at age 65, you first choose to enroll in a Medicare Advantage plan and disenroll within 12 months and now have enrolled in this Medicare supplement plan;
- If, within 12 months of enrolling in your first Medicare Advantage plan, you disenroll and choose Medicare Supplement Plans A, B, C, F, K, or L you are re-enrolling with Blue Cross and Blue Shield of North Carolina and this coverage is the same Medicare supplement plan you had prior to enrolling in Medicare Advantage coverage. (**Note:** If you first enroll in a Medicare Advantage Plan at 65 and disenroll within 12 months, you may choose any Medicare supplement plan.)

## **Additionally, waiting periods will not apply (and your policy is guaranteed issue) if:**

- Your employer's Medicare supplement plan ended;
- You disenroll from a Medicare Advantage plan or other similar state or federal Medicare program because: your plan lost its federal certification; you moved outside the plan's service area; or, you terminated the coverage because your previous issuer materially misrepresented the provisions of the plan when marketing it to you;
- Your previous Medicare supplement plan's issuer went bankrupt; or
- Your previous Medicare supplement plan's issuer materially misrepresented or substantially violated provisions of your coverage.

## **Your Policy is Guaranteed Renewable**

This policy is guaranteed renewable and may not be canceled or non-renewed for any reason other than your failure to pay premiums or misstatements in or omissions of information from your application. Any change in your rate will be preceded by a 30-day notice and is guaranteed for 12 months.

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**CAUTION: POLICY BENEFITS ARE LIMITED TO THOSE APPROVED BY MEDICARE FOR PAYMENT.**

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