

B E N E F I T D E S C R I P T I O N

(Herein called "Description")

HEALTH CARE PROGRAM FOR:

**GROUP NAME: Kansas State Employees Health Care Commission
(Kansas Senior Plan C)**

This booklet describes the health benefits which

KANSAS STATE EMPLOYEES HEALTH CARE COMMISSION

provides to its members . These benefits are underwritten by

KANSAS STATE EMPLOYEES HEALTH CARE COMMISSION

Blue Cross and Blue Shield of Kansas, Inc., has been retained to administer claims under this Program. Blue Cross and Blue Shield of Kansas, Inc. is not the insurer under this Program. Blue Cross and Blue Shield of Kansas, Inc. provides administrative claims payment services and does not assume any financial risk or obligation with respect to claims. For answers to questions regarding claims payments, eligibility for benefits, and other information about this Program, contact Blue Cross and Blue Shield of Kansas, Inc., 1133 Topeka Boulevard, Topeka, Kansas 66629.

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How to Report Claims

You should carry Your Identification Card with You at all times. When You receive a service, show Your Identification Card.

Your Medicare coverage always pays **first**. To collect Your Medicare benefits, follow the instructions in “Your Medicare Handbook”.

The Kansas Senior Plan C pays **second**. In most cases Your claim will be processed automatically if Your identification number is shown on Your Medicare claim form and if Your Medicare claim is processed by Blue Cross and Blue Shield of Kansas. If Your Medicare claim is **not** processed by Blue Cross and Blue Shield of Kansas You should send in the “Explanation of Medicare Benefits” form Medicare sent You for the service You received. Be sure to show Your Kansas Senior Plan C identification number on it.

H The benefits of this Benefit Description assume that all Kansas Senior Plan C Members are eligible for both Medicare Part A and Medicare Part B benefits. Regardless of whether You have Medicare coverage, Your benefits will still be determined on that basis.

All coverage under this Benefit Description is subject to the conditions described in this Benefit Description, including exclusions.

PART 1. DEFINITIONS

This Part gives You the meanings of words You will find in this Benefit Description. If You read this Part carefully, You will better understand the rest of the Benefit Description.

A. Accidental Injury means an injury or injuries for which benefits are provided and which is the direct result of an accident, independent of disease or bodily infirmity or any other cause, and which occurs while this coverage is in force.

Accidental Injuries shall not include injuries for which benefits are provided or available under any workers' compensation, employers' liability or similar law, or motor vehicle no-fault plan, unless prohibited by law.

B. Benefit Period – For services covered by Medicare Part A, Benefit Period has the same meaning as in Medicare Part A, which is:

Your first Medicare Benefit Period starts the first time You enter a Hospital, or Skilled Nursing Facility, after Your Medicare Part A insurance begins. That Benefit Period ends when, for 60 days in a row, You have been out of a Hospital or Skilled Nursing Facility. A new Benefit Period would start the next time You go into a Hospital or Skilled Nursing Facility.

For services covered by Medicare Part B, Benefit Period means a calendar year (January 1 through December 31).

C. Charges means the "reasonable" charges for Hospital, Doctor, or other medical or health services under this Benefit Description. Medicare determines what a "reasonable" charge is.

D. Company Service Area means the State of Kansas except Johnson and Wyandotte Counties.

E. Doctor means a licensed Doctor of Medicine, Doctor of Osteopathy, and Doctor of Dental Surgery.

Doctor also means the following practitioners who are licensed or certified to practice: Podiatrist; Optometrist; Chiropractor; Certified psychologist.

To qualify under this Benefit Description, the Doctor must also be classified as eligible under Medicare.

F. Home Health Agency means an agency that:

provides skilled nursing services and other therapeutic services in the patient's home; and is certified to participate in the Medicare program.

G. Hospital means a facility that:

1. Is primarily engaged in providing, by or under the supervision of doctors of medicine or osteopathy, inpatient services for the diagnosis, treatment, and care or rehabilitation of persons who are sick, injured, or disabled;

2. Is not primarily engaged in providing skilled nursing care and related services for inpatients who require medical or nursing care;

3. Provides 24-hour nursing service in accordance with Medicare;

4. If it is a U.S. hospital, is licensed, or approved as meeting the standards for licensing, by the State or local licensing agency; and

5. If it is a foreign hospital, is licensed, or approved as meeting the standards for licensing, by the appropriate Canadian or Mexican licensing agency, and for purposes of furnishing non-emergency services to U.S. residents, is accredited by the Joint Commission on Accreditation of Hospitals (JCAH), or by a Canadian or Mexican program under standards that the Health Care Financing Administration finds to be equivalent to those of the JCAH.

H. Identification Card means a card issued by Blue Cross and Blue Shield of Kansas to identify You as covered by this Kansas Senior Plan C.

I. Medicare means the Health Insurance for the Aged Act (Title XVIII of the Social Security Act Amendments of 1965, as amended now and in the future). The term "Medicare" includes any rules and regulations authorized by that Act and any law designed specifically to replace that Act.

J. Medicare Part A means the part of Medicare insurance that includes hospital in-patient, Skilled Nursing Facility, and home health care benefits. It is sometimes referred to as Medicare hospital insurance.

1. **Medicare Part A Deductible:** Medicare Part A provides coverage for the first through 60th days of hospital in-patient care in each Benefit Period except for the Medicare Part A Deductible. Medicare Part A Deductible means the portion of Medicare Part A covered services for which You are responsible before Medicare makes any payment. Medicare sets the amount of the Deductible, and it changes from year to year.

2. **Medicare Part A Coinsurance:**

a. Medicare Part A provides coverage for the 61st through the 90th days of hospital in-patient care in each Benefit Period except for the Medicare Part A Coinsurance. The coinsurance amount is a daily amount equal to one-fourth (1/4) of the Medicare Part A Deductible.

b. Medicare Part A provides coverage for 60 lifetime reserve days of hospital in-patient care except for the Medicare Part A Coinsurance. The coinsurance amount is a daily amount equal to one-half (1/2) of the Medicare Part A Deductible.

- c. Medicare Part A provides coverage for the 21st through 100th days of Skilled Nursing Facility care except for the Medicare Part A Coinsurance. The coinsurance amount is a daily amount equal to one-eighth (1/8) of the Medicare Part A Deductible.
- K. Medicare Part B** means the part of Medicare insurance that includes doctors' services, out-patient hospital care, home health care, and many other health services and supplies not covered by Medicare hospital insurance.
 - 1. **Medicare Part B Deductible** means the portion of Medicare Part B covered services for which You are responsible before Medicare makes any payment.
 - 2. **Medicare Part B Coinsurance:** After the Medicare Part B Deductible, Medicare provides 80% coverage of allowable charges in each calendar year. The 20% of allowable charges not covered is the Medicare Part B Coinsurance.
- L. Member** means the person named on the Identification Card.
- M. Skilled Nursing Facility** means a licensed facility that is certified to participate in the Medicare program as an eligible provider of post-hospital extended care services.
- N. United States** means all of the States; the District of Columbia; Puerto Rico; the Virgin Islands; Guam; American Samoa; the Northern Mariana Islands; and for purposes of services rendered on board ship, the territorial waters adjoining the land areas of the United States.
- O. You and Your** refer to the Member.
- P. Underwriter of this Program** means the State of Kansas.

PART 2. BENEFITS

This Part states the benefits of this Benefit Description. You have the right to select Your own Hospital or Doctor. However, The Underwriter of this Program does not guarantee the availability of any service. This benefit program is not designed to pay for expenses not covered by Medicare, unless specified in this Benefits section.

- H Just a reminder – all terms of this Benefit Description, especially the Exclusions, control Your benefits.
- The benefits of this Benefit Description are:
 - A.** The Medicare Part A Deductible that applies to each Benefit Period.

After the Medicare Part A Deductible has been met, Medicare pays 100% of eligible services provided during the first 60 days of in-patient Hospital care.
 - B.** The Medicare Part A Coinsurance amount that applies to the 61st through 90th days of each Benefit Period.

- C.** The Medicare Part A Coinsurance amount that applies to lifetime reserve days.

NOTE: Benefits are not available if You do not use Your Medicare lifetime reserve days.

NOTE: The benefits of this Benefit Description in paragraph D below are not available until You have used Your Medicare lifetime reserve days.

- D.** Upon exhaustion of the Medicare hospital in-patient coverage including the lifetime reserve days, coverage of the Medicare Part A eligible expenses for hospitalization paid at the Diagnostic Related Group (DRG) day outlier per diem or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional 365 days.
- E.** Billed charges up to the Medicare Part A Coinsurance that applies to the 21st through 100th days for Skilled Nursing Facility care in each Benefit Period.

This benefit does not provide coverage on days for which Medicare would not provide coverage.

Medicare pays 100% of eligible services provided during the first 20 days for Skilled Nursing Facility care. There is no coverage provided by Medicare or this Kansas Senior Plan C after the 100th day for Skilled Nursing Facility care.

- F.** The Medicare Part B Deductible regardless of hospital confinement.
- G.** Coverage for the coinsurance amount (or in the case of hospital out-patient department services under a prospective payment system, the copayment amount) of Medicare eligible expenses under Part B regardless of hospital confinement, subject to the Medicare Part B Deductible.
- H.** The first three (3) pints of blood (or equivalent units of packed red blood cells) that You use in a calendar year, as a Hospital or Skilled Nursing Facility in-patient, or as an out-patient. Medicare provides coverage starting with the fourth pint or equivalent unit in a calendar year.
- I.** Medically Necessary Emergency Care in a Foreign Country.

Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-eligible expenses for medically necessary emergency hospital, physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a calendar year deductible of two hundred fifty dollars (\$250) and a lifetime maximum benefit of fifty thousand dollars (\$50,000). For purposes of this benefit, "emergency care" shall mean care needed immediately because of an injury or an illness of sudden and unexpected onset.

PART 3. EXCLUSIONS

Please read the following list carefully. This is a list of services, which will not be covered.

- A. You will not receive benefits for services to the extent that Medicare will pay for them. If You are not enrolled in Part A and/or Part B of Medicare, the benefits of this Benefit Description are still available to You, but only in the same amount as if You were enrolled in Medicare Part A and Part B.
- B. No payment will be made for services which are not listed as benefits in this Benefit Description.
- C. No payment will be made for services and supplies which Medicare excludes, unless specifically covered as a benefit of this Benefit Description.
- D. When Medicare does not provide benefits for a service but benefits are available under this Benefit Description, benefits are available only for services which Blue Cross and Blue Shield of Kansas determines to be Medically Necessary. As used in this paragraph, "Medically Necessary" means a service which is necessary to diagnose or treat an illness or Accidental Injury, which is prescribed or ordered by a Doctor, which is not primarily for the convenience of the Member or the Doctor, and which is in accordance with standards of good medical practice. This specifically includes the benefits in Part 2.D. and Part 2.I.

PART 4. GENERAL

- A. **Blue Cross and Blue Shield of Kansas has the Right to Determine if Services are Medically Necessary.** If Medicare determines that a service or admission was not medically necessary, Blue Cross and Blue Shield of Kansas will also consider the service or admission to be medically unnecessary. For services where Medicare makes no payment (see Parts 2. D. and 2.I.), Blue Cross and Blue Shield of Kansas has the right to determine medical necessity.

- B. **The Underwriter of this Program's Responsibility is Limited.** The Underwriter of this Program does not guarantee that admission or that any specific type of room or kind of service will be available.

The Underwriter of this Program is obligated to provide benefits for the services of Your Professional Provider only to the extent provided in this Benefit Description. The Underwriter of this Program does not guarantee the availability of a provider.

The Underwriter of this Program will not be liable for any acts or wrongs of a provider of service. This includes negligence, misconduct, malpractice, refusal to give service, and breach of contract because of anything done or not done by a provider.

- C. **Your Identification Card.** You must tell Your Hospital, Skilled Nursing Facility, Home Health Agency, or Doctor that You are eligible for benefits. When You receive services, show Your Identification Card at the Hospital, Skilled Nursing Facility, Home

Health Agency, or Doctor's office. Show only the current card.

- D. **Your Authorization.** By accepting coverage under this Benefit Description, You:

- permit Blue Cross and Blue Shield of Kansas to request any information related to a claim for services that You received; and

- authorize that any information may be given to Blue Cross and Blue Shield of Kansas regarding medical services You have received.

If Blue Cross and Blue Shield of Kansas asks for information and does not receive it, payment for benefits cannot be made. The claim will be processed for payment only when the requested information has been received and reviewed within the timely filing period outlined in item K. of this Part.

- E. **Errors Related to Your Coverage.**

The Underwriter of this Program has the right to correct benefit payments which are made in error. Providers and/or You have the responsibility to return any overpayments to the Underwriter of this Program. The Underwriter of this Program has the responsibility to make additional payments if an underpayment has been made but not if more than 1 year 90 days has passed since the date of service.

- F. **Notice.**

- 1. **From Blue Cross and Blue Shield of Kansas to the Underwriter of this Program.** A notice to the Underwriter of this Program by Blue Cross and Blue Shield of Kansas is considered "given" when mailed to the Underwriter of this Program at the latest address appearing on the records of Blue Cross and Blue Shield.

- 2. **From Blue Cross and Blue Shield of Kansas to You.** A notice sent to You by Blue Cross and Blue Shield of Kansas is considered "given" when mailed to the Member at his address as it appears on the records of Blue Cross and Blue Shield of Kansas.

- 3. **From the Underwriter of this Program or You to Blue Cross and Blue Shield of Kansas.** Notice to Blue Cross and Blue Shield of Kansas is considered "given" when received by Blue Cross and Blue Shield of Kansas at 1133 Topeka Boulevard, Topeka, Kansas. Blue Cross and Blue Shield of Kansas will not be able to assist You unless You include Your name and the identification number that is on Your Identification Card.

- G. **Statements Made by the Member.** Coverage may be terminated without notice if the Member submits a claim which is found to have been fraudulent in any criminal or civil proceeding.

- H. **Changes in Your Benefit Description.** Benefits and premiums may be changed after approval by the Underwriter of this Program.

- I. **Notification of Change.** The Members will be given notice of any approved benefit change by a rider,

amendment, or any other proper written means. If major changes to the Benefit Description are made, new Benefit Descriptions or riders or amendments will also be issued.

J. Suspension of Coverage. Benefits under the Benefit Description will be suspended, at Your request, for the period (not to exceed twenty-four (24) months) in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act, but only if You notify the Underwriter of this Program within ninety (90) days after the date You become entitled to such assistance. Upon receipt of timely notice, the Underwriter of this Program will return to You that portion of the premium attributable to the period of Medicaid eligibility, subject to adjustment for paid claims.

If such suspension occurs and if You lose entitlement to such medical assistance, this Benefit Description will be automatically reinstated, effective as of the date of termination of such entitlement, if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premium attributable to the period, effective as of the date of termination of such entitlement.

K. Prompt Filing of Claims. Notice of Your claim must be given to Blue Cross and Blue Shield of Kansas within 90 days after You receive services.

You are responsible for making sure Your Contracting Provider knows You are eligible for Covered Services and submits a claim for You.

If Your Non-Contracting Provider does not submit a claim for You, You must do so Yourself. If You need help submitting a claim, call or write Blue Cross and Blue Shield of Kansas.

If it is not reasonably possible for You to submit a claim within 90 days after You receive services, You or someone authorized by You must submit the claim as soon as reasonably possible. No claim will be paid if not received by Blue Cross and Blue Shield of Kansas within one (1) year and 90 days after You receive services.

L. Time of Payment of Claims: Benefits payable under this Benefit Description will be paid immediately upon receipt of proper written proof of loss.

M. Payment of Claims: In most cases benefits will be paid to the provider who Medicare pays. In situations where Blue Cross and Blue Shield of Kansas is unable to identify the provider, or when Medicare does not provide a benefit provided by this Benefit Description, benefits will be paid to You. Any benefits unpaid at Your death may be paid to Your estate.

If benefits are payable to Your estate, Blue Cross and Blue Shield of Kansas may pay up to \$1,000 to anyone related to you by blood or marriage, whom Blue Cross and Blue Shield of Kansas considers to be entitled to the benefits. The Underwriter of this Program and Blue Cross and Blue Shield of Kansas will be discharged to the extent of any such payment made in good faith.

N. Adjustment of Claims. No claim will be adjusted if the request is not received within 90 days of the completion of processing of that claim.

O. Legal Actions: No legal action may be brought to recover on this Benefit Description within 90 days after written proof of loss has been given as required by this Benefit Description. No such action may be brought after 2 years from the time written proof of loss is required to be given.

P. Situations when coverage is terminated. The eligibility of an individual Member will terminate when Blue Cross and Blue Shield of Kansas is notified by the Underwriter of this Program that a Member is no longer eligible for this Program.

PART 5. ENROLLMENT AND BEGINNING OF COVERAGE

A. Eligibility

To be eligible to enroll as a Member, an individual must meet and continue to meet all eligibility requirements for participation in the health benefit program established by the Underwriter of this Program

B. Effective Date of Coverage

Coverage of a Member shall become effective at 12:01 a.m. on the first day of compliance with the eligibility requirements of the Underwriter of this Program.