Independence

Independence Blue Cross offers products through its subsidiaries Independence Hospital Indemnity Plan, Keystone Health Plan East and QCC Insurance Company, and with Highmark Blue Shield — independent licensees of the Blue Cross and Blue Shield Association.

Independence complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-275-2583 (TTY/TDD: 711).

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-275-2583（TTY/TDD：711）。

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LEARN

Your guide to health insurance

Independence

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Contact your broker if you have questions about your plan choices or to see if you qualify for a subsidy.

Why health insurance is important

Health insurance can be tough to understand, but it's one of the most important purchases you can make for yourself and your family. Here are three reasons why:

It saves you money on health care. Whether it's your annual physical or prescription medication, health care can get pretty expensive. For example, a broken leg can cost over $5,000, and a heart attack can cost more than $70,000.* Health insurance pays a portion of your covered health care costs, and even gets you better rates for health care services.

It helps you stay healthy. Check-ups, screenings, tests, and immunizations can help prevent serious medical conditions later on. The good news is that all of our plans cover certain preventive health care services at no additional cost when you use an in-network provider. Our plans also offer valuable extras like reimbursements for gym fees, programs to help you lose weight or stop smoking, and even free nutrition counseling.

It's the law. The Affordable Care Act requires most Americans to have health insurance. If you don't, you may have to pay a penalty when you file your taxes. The penalty is $695 or 2.5 percent of your income, whichever is the greater of the two amounts. Visit healthcare.gov for more information on penalties.

*Source: FAIR Health

Need help understanding health insurance terms?
Check out the Glossary on p. 13

How the Affordable Care Act affects you

The Affordable Care Act requires you and your family to have health insurance. There are several important things you should know.

- **Financial assistance is available to help people pay for insurance.** Depending on how much money you make and how many people are in your family, you may qualify for one of the following:
  - Free or low-cost health insurance through Medical Assistance (Medicaid)
  - Lower monthly rates and lower costs when you receive care
  - Lower monthly rates
- **You must apply for coverage during open enrollment, unless you qualify for a special enrollment period.** Each year, the federal government decides when you can apply for health insurance through an open enrollment period. Here's a look at the key dates:
  - November 1, 2016 — open enrollment for 2017 begins
  - December 15, 2016 — last day to purchase coverage with a January 1, 2017 start date
  - January 31, 2017 — open enrollment for 2017 ends

  If you experience a qualifying life event, you can apply for health insurance after open enrollment ends. You will need to complete your application within 60 days of your life event and submit proof. Examples of life events include: birth or adoption, marriage, loss of health care coverage, and moving to a new coverage area.
- **Health plans are organized by platinum, gold, silver, and bronze metal levels.** To make it easier for you to compare plans across companies, the federal government created four levels of coverage — platinum, gold, silver, and bronze. Platinum has the highest monthly cost but lower out-of-pocket costs when you receive care. Bronze health plans have the lowest monthly cost, but higher costs when you receive care, and gold and silver plans offer more of a balance between monthly premium and out-of-pocket costs.
- **Catastrophic health plans are available for some people.** You may be eligible for a catastrophic plan if you are under age 30 or qualify for an exemption, including extreme financial hardship or cancellation of your current plan because it does not comply with the Affordable Care Act.
- **Health plans include 10 core benefits, known as essential health benefits.** See the chart on the following page for a list of these benefits and examples of each.

Essential Health Benefit		Example
	Preventive, wellness, and disease management services	Yearly physical, flu shot, gynecological exam, birth control
	Emergency care	Treatment for broken bones, heart attacks, and more at a hospital emergency room
	Ambulatory services	Minor surgeries, blood tests, X-rays
	Hospitalization	Treatment at a hospital for a condition that requires you to stay overnight or multiple days
	Maternity and newborn services	Care through the course of a pregnancy, delivery of the baby, and checkups after the baby is born
	Pediatric services, including dental and vision	Well visits, shots to prevent serious health conditions, teeth cleanings, exams, glasses, and contact lenses
	Prescription drugs	High blood pressure medicine, insulin, antibiotics, birth control pills
	Laboratory services	Blood tests
	Mental health and substance abuse services, including behavioral health treatment	Treatment for conditions like depression, alcohol abuse, and drug abuse
	Rehabilitation and habilitation services	Physical therapy, speech therapy, occupational therapy

See if you may qualify for a subsidy

The government provides financial help in the form of tax credits or subsidies to help eligible individuals who purchase their own insurance, including working families. To help you determine if you may be eligible for financial assistance from the federal government, use this chart to locate the number of people in your family, see if your household income falls within one of these ranges, and learn about lower-cost plans you may qualify for.

	Household Income		
% of Federal Poverty Level	Less than 138%	138 – 249%	250 – 400%
Single	< $16,394.39	$16,394.40 – $29,699.99	$29,700.00 – $47,519.99
Family of 2	< $22,107.59	$22,107.60 – $40,049.99	$40,050.00 – $64,079.99
Family of 3	< $27,820.79	$27,820.80 – $50,399.99	$50,400.00 – $80,639.99
Family of 4	< $33,533.99	$33,534.00 – $60,749.99	$60,750.00 – $97,199.99
Family of 5	< $39,247.19	$39,247.20 – $71,099.99	$71,100.00 – $113,759.99
Family of 6	< $44,960.39	$44,960.40 – $81,449.99	$81,450.00 – $130,319.99
Family of 7	< $50,687.39	$50,687.40 – $91,824.99	$91,825.00 – $146,919.99
Family of 8	< $56,428.19	$56,428.20 – $102,224.99	$102,225.00 – $163,559.99

You may be eligible for	Free or low-cost health insurance	Premium subsidy and cost-sharing reduction (CSR)	Premium subsidy
Plan types	Medical Assistance (Medicaid)	Silver Cost-Share Reduction plans	Premium subsidy with our Standard plans
More info	dhs.state.pa.us	p. 21–27 in CHOOSE brochure	p. 10–20 in CHOOSE brochure

This chart is intended to give you an idea if you will be eligible for help from the government in paying your health insurance costs. For families of more than eight, add $4,160 for each additional family member. Final eligibility determinations and the actual amount of your tax credit/subsidy will be determined by the federal government when open enrollment begins.

Free or low-cost health insurance

Medical Assistance, also known as Medicaid, is a free public health insurance program administered by the Department of Human Services. For more information and to verify if you qualify for benefits, visit dhs.state.pa.us.

Monthly premium subsidy and cost-sharing reduction

You may be able to receive help paying for your monthly premium through a tax credit or subsidy. The federal government can pay your subsidy directly to your health insurance company so you will get the savings right away. You may also be eligible for help with the out-of-pocket costs you pay when you need care. If you qualify for this type of assistance, you must select a Silver Cost-Share Reduction plan, which offers lower deductibles, copays, and coinsurance. If you do not select a Silver Cost-Share Reduction plan, you may still be able to get help paying your monthly premium, but you will not be able to get help in paying your deductibles, copays, and coinsurance.

Monthly premium subsidy

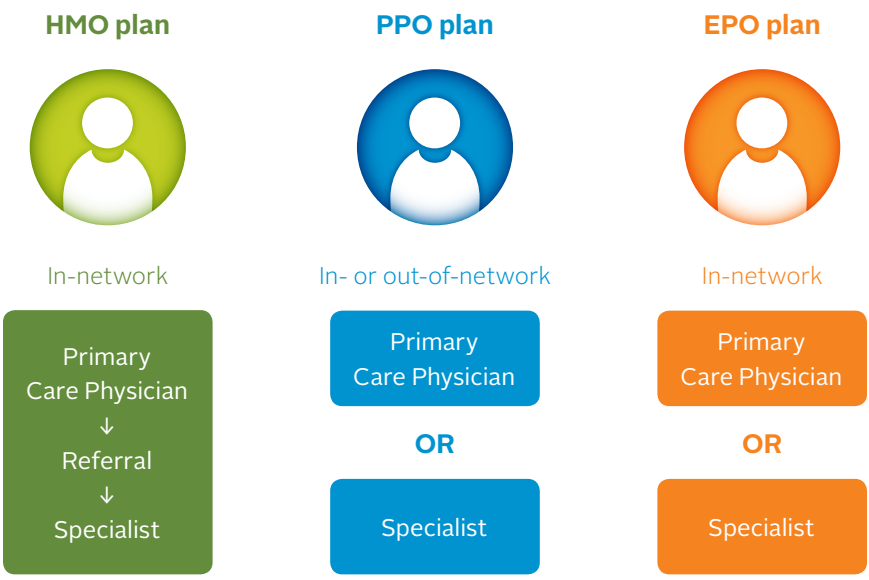
You may be able to receive help paying for your monthly premiums through a tax credit or subsidy. The federal government can pay your subsidy directly to your health insurance company so you will get the savings right away. If you qualify for a monthly premium subsidy, you can choose from any of the Standard plans at the platinum, gold, silver, or bronze levels. Even if you do not qualify for a subsidy, you can choose any one of these plans.

Find out if you're eligible to receive free or lower-cost health insurance.

Types of health plans

We offer three types of health plans: HMO, PPO, and EPO. PPO plans may be appropriate if you want a little more freedom and flexibility, while HMO plans may offer a lower premium, since you choose a primary care physician (PCP) to coordinate your care and refer you to specialists. EPO plans fall somewhere in between — they offer in-network coverage only, but don't require you to select a PCP or get referrals. All of our plans offer you the widest choice for quality care in the region, with more than 46,000 doctors and 160 hospitals to choose from.

In addition to traditional HMO and PPO options, we offer you a unique version of each: HMO Proactive with a tiered network, and PPO Reserve with a health savings account (HSA). These popular plans were designed to offer you the most value for your health care dollars. You can learn more about them on pages 8 and 10.



Here's a look at some of the differences between each plan type:

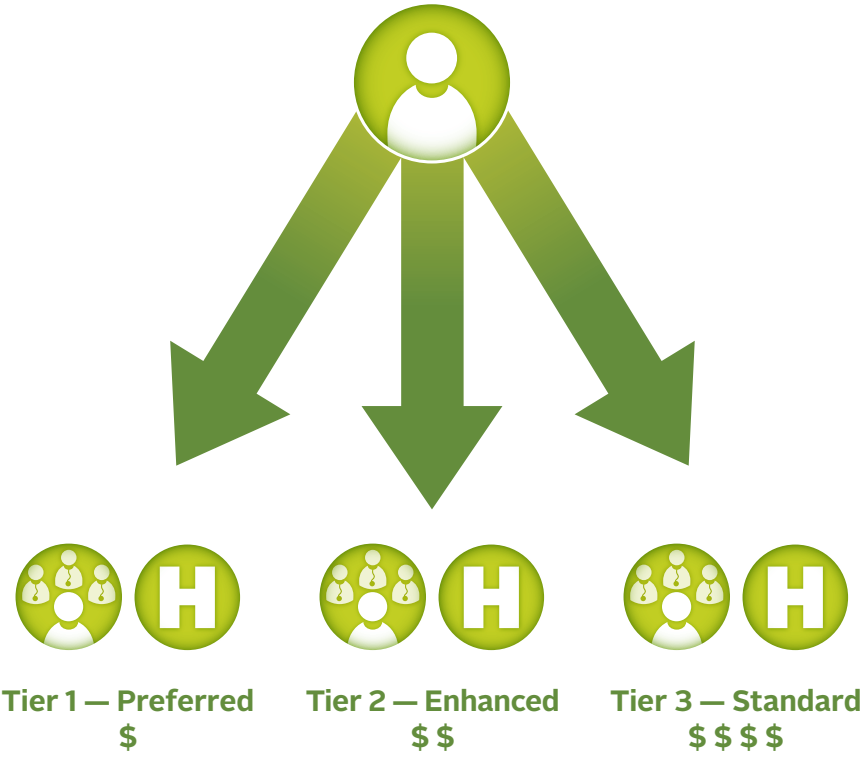
	HMO	HMO Proactive with a tiered network	PPO	PPO Reserve with an HSA	EPO
In-network coverage	✓	✓	✓	✓	✓
Out-of-network coverage			✓	✓	
In-network coast-to-coast coverage with BlueCard PPO			✓	✓	✓
Requires selection of a primary care physician	✓	✓			
Referrals needed for specialists	✓	✓			
Includes a tiered network so you can choose when to save on care		✓			
Option of opening a tax-advantaged HSA				✓	

All of our plans offer the widest choice for quality care in the region — more than 46,000 doctors and 160 hospitals.

Popular health plans that offer the best value

HMO Proactive plans with a tiered network

Our most popular health plans, Keystone HMO Proactive, work just like a typical HMO in that you can visit any doctor or hospital in the network, and you select a primary care physician to refer you to specialists. Keystone HMO Proactive plans offer you lower premiums and the choice to save on out-of-pocket costs when you visit certain health care providers.



More than 50% of doctors and hospitals are in Tier 1 – Preferred

Save money with Keystone HMO Proactive

A Keystone HMO Proactive plan may be the best health insurance option if you and your family are looking for an affordable coverage option that still gives you access to a wide variety of providers within the Independence Blue Cross network.

We offer three affordable Keystone HMO Proactive plans: Keystone HMO Gold Proactive, Keystone HMO Silver Proactive, and Keystone HMO Silver Proactive Value.

- **Lower monthly premiums.** Spend less each month on your monthly premium than other HMO plans on the same metallic level of coverage.
- **Lower out-of-pocket costs.** We grouped our HMO providers into three tiers based on cost and, in many cases, quality measures so that you can see which providers offer the best value on care. All of our doctors and hospitals must meet high quality standards, but some are able to offer the same services at a lower cost. So you'll pay less for Tier 1 – Preferred providers, more for Tier 2 – Enhanced, and the most for Tier 3 – Standard.
- **Choose providers from any tier.** It's important to remember that the choice to save is yours each time you receive care. You always have the freedom to select a provider from any tier. Choose Tier 1 for some services, and Tiers 2 or 3 for other services.
- **Pay the same cost for select services, no matter where you go.** Even though you can save money by choosing providers in Tier 1 – Preferred, there are some covered services that have the same cost-sharing across all tiers, such as:
  - Preventive care
  - Emergency room
  - Emergency ambulance
  - Urgent care
  - Prescription drugs
  - Physical and occupational therapy
  - Pediatric dental and vision
  - Mental health
  - Spinal manipulation
  - Outpatient/lab pathology

PPO Reserve plan with an HSA

Our Personal Choice® PPO Reserve plan is one of the most affordable plans we offer. It works like other PPO plans in that you get both in- and out-of-network coverage, and you can see any doctor or specialist without a referral. Plus, you get the option of investing money in a tax-advantaged health savings account (HSA) for any current and future qualified medical expenses.

Your PPO covers a percentage of your in- and out-of-network medical costs.

+

The tax-free dollars that you contribute to your HSA can be used for your out-of-pocket costs for **qualified medical expenses.**

With an HSA, there are no taxes on:

- Money you put in
- Money withdrawn for qualified medical expenses
- Interest you earn

Qualified medical expenses include:

Copay, coinsurance, deductibles

Hospital services, laboratory fees

Prescription fees

Vaccinations, flu shots

Use your HSA to pay for qualified medical expenses

Money that you deposit into your HSA can be used for copays, deductibles, and coinsurance for health services. It can even be used to pay for some health services that may not be covered by your plan, such as LASIK surgery. Don't worry about using all of your HSA dollars during the plan year — any leftover money rolls over each year to pay for future qualified medical expenses.

Open an HSA with Bank of America*

You can set up an HSA with our preferred vendor, Bank of America, or any bank you like. But if you choose Bank of America, you can easily set up your account, view your activity, and even pay in-network providers through ibxpress.com. It's easy to set up a Bank of America HSA — simply create an account at ibxpress.com after you enroll in the PPO Reserve plan. Once you are logged in, click on *Claims & Spending* tab and select *Open a Health Savings Account* under *I want to*. Once your information has been processed, you will receive a welcome kit and a separate Bank of America Visa debit card in the mail.

Bank of America HSA advantages:

- Convenient account management through ibxpress.com
- Easy claim payment and reimbursement process for qualified out-of-pocket expenses through ibxpress.com
- A Bank of America Visa debit card that can be used to pay for medical expenses directly from the spending account
- Direct contributions can be transferred online
- An interest-bearing account that allows you access to a wide variety of industry-leading investment options to help you maximize savings year after year
- Once your balance reaches $500, you can invest any portion of the balance above that level

* Bank of America is not affiliated with Independence Blue Cross. HSA funds are maintained in accounts under the custody of Bank of America, a separate company that does not offer Blue Cross and Blue Shield products or services.

Prescription drug, vision, and dental coverage

All of our health plans include coverage for prescription drugs, plus pediatric dental and vision, for covered members up to age 19.* We also offer standalone adult dental and vision plans that you can purchase at any time throughout the year, with or without a health plan. To learn more about these standalone plans visit **ibx4you.com/dentalvision**.

Prescription drugs

Our prescription drug coverage gives you:

- Access to the FutureScripts† network of more than 68,000 retail pharmacies or the Preferred Pharmacy network of more than 50,000 pharmacies (excludes Rite Aid and Walgreens)
- Four levels of cost-sharing ranging from lowest to highest cost: generic drugs, (Preferred Brand) brand-name drugs, (Non-Preferred) non-formulary brand drugs, and specialty pharmacy drugs, plus some plans include a fifth level for lower-cost generics
- A Specialty Pharmacy Program for convenient delivery of specialty medications that are used to treat rare, complex, or chronic diseases

Adult Dental

Our standalone dental plans include:

- Access to more than 62,000 providers in the Concordia Advantage network
- Preventive and diagnostic treatment covered at 100% with a participating provider
- Coverage for services such as fillings, root canals, extractions, and periodontics
- Discounts on non-covered services from participating providers

Adult Vision

Our standalone vision plans offer:

- Access to the Davis Vision® network of more than 50,000 points of access, including, ophthalmologists, optometrists, and regional and national retailers
- Higher allowances at Visionworks® optical retail centers
- Wide variety of frames to choose from
- One-year warranty on collection frames or lenses purchased at participating providers
- Annual eye exam covered at 100% with a participating provider

Traveling or living abroad for business, leisure, or education? Ask about GeoBlue travel insurance. To learn more, visit **ibx4you.com/global**

Glossary

Coinsurance – The percentage you pay for some covered services. If your coinsurance is 20 percent, your health insurance company will pay 80 percent of the cost of covered services; you will pay the remaining 20 percent (your costs are usually based on a discounted amount negotiated by your insurance company).

Copay – The flat fee you pay when you see a doctor or receive other services. For example, $20 to see a doctor.

Cost-sharing – Also known as out-of-pocket costs, this is the money you pay when you receive care in the form of a copay, deductible, or coinsurance. This is separate from the monthly premium you pay to be a member of the health plan.

Deductible – The amount you pay each year before your health plan starts paying for covered services. For example, if your plan has a $1,000 deductible, you will need to pay the first $1,000 of the costs for the health care services you receive. Once you have paid this amount, your insurance will begin to pay a portion or all of your health care costs, depending on the health plan.

In network – The doctors, hospitals, labs, and other health care providers who contract with a health insurance company to deliver services to members. They usually charge discounted rates for their services. To keep it simple, we'll just refer to them as doctors and hospitals throughout this brochure.

Out of network – Doctors, hospitals, labs, and other health care providers who do not have a contract with a health insurance company. Members typically pay more for services from out-of-network providers. Some health plans may not cover services from out-of-network providers (e.g., HMO plans).

Out-of-pocket maximum – An out-of-pocket maximum is the most you will have to pay for your health care expenses during a plan period (usually a year) for covered services received from providers that participate in the plan's network. No matter what, you will not pay more than this amount each year. Any care for covered services you get after you meet your out-of-pocket maximum will be covered 100 percent by Independence Blue Cross.

Premium – Also known as a monthly rate, this is the money you pay to your insurance company each month to have health insurance. This is separate from the copays, deductibles, and coinsurance you pay when you need care.

Preventive care – Services that help you stay healthy and may also detect some diseases in the early stages. Examples include flu shots, mammograms, and cholesterol tests.

Primary care physician (PCP) – This is just another term for your family doctor.

Referral – If you have an HMO plan, your family doctor (or primary care physician) will need to provide you with a referral before you see other network providers, such as a heart doctor (cardiologist).

Specialist – A specialist provides care for certain conditions in addition to the treatment provided by your family doctor (primary care physician). For example, you may need to see an allergist for allergies or an orthopedic surgeon for a knee injury.

Subsidy – Financial help from the government (also known as a tax credit) to pay for your health insurance expenses.

* Subject to terms and conditions of the policy. Personal Choice EPO Bronze Basic does not include pediatric dental coverage.

† Pharmacy benefits are administered by FutureScripts, an independent company providing pharmacy benefit management services.

Independence dental plans are administered by United Concordia, an independent company.

Independence vision plans are administered by Davis Vision, an independent company.

An affiliate of Independence Blue Cross has a financial interest in Visionworks.

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