HIGHMARK® BLUE SHIELD

An Independent Licensee of the Blue Cross and Blue Shield Association

Health Plans for Individuals and Families

COVERAGE GUARANTEED REGARDLESS OF YOUR HEALTH

Table of Contents

Introduction **3**

Health coverage terms and meanings **4**

Things to consider before enrolling in these plans **6**

Pre-existing conditions 6

Converting from group coverage 6

HIPAA 7

Coverage highlights **8**

A side-by-side comparison **9**

PPOBlue High Deductible 9

ClassicBlue Comprehensive 10

Is a Health Savings Account right for you? **11**

Tax savings 11

Eligibility 11

Restrictions 12

Contributions 12

Usage 12

Non-qualified expenses 13

Eligibility 13

More information 13

BlueAccount HSA 13

Highmark members get more **14**

Website 14

Blues On Call 14

Discount plan 14

Wellness programs 14

Enroll in a wellness program **14**

Call for additional information ..... **Back Cover**

This brochure is a brief introduction to Highmark Blue Shield PPOBlue℠ Individual Preferred-Provider High-Deductible Plan and ClassicBlue® Comprehensive Major Medical Plan. The information included here is designed to help you select the coverage that's best for your health care needs and lifestyle. This brochure is not a contract. A complete description of benefits, as well as terms and conditions of coverage and any limitations, can be found in the Agreement you receive when you enroll.

Visit us on the Web: www.highmarkblueshield.com.

Introduction

The Highmark Blue Shield health plans that are described in this brochure are guaranteed issue, individual plans. This means they are provided directly to you as an individual consumer, not through an employer group or other organization. You are eligible for these plans regardless of your current health condition. These plans are available to you if:

- You are age birth through 64.
- You are a resident of the 21-county geographical area of central Pennsylvania served by Highmark Blue Shield.
- You are not eligible for Medicare or Medicare Disability (except applicants under age 26).

This brochure explains the plans that are available to you. To apply, complete the enclosed application. See the enclosed rate sheet for monthly rates for each plan. Return your completed application with at least one month's premium in the enclosed reply envelope. Be sure to include your payment, so there is no delay in getting your coverage started. If your application and payment are received by the last day of the month, your coverage will begin on the first day of the following month.

Once your application for coverage is accepted, Highmark will mail your enrollment materials directly to your home. Review these materials carefully. We are sure you'll be completely satisfied with your Highmark plan. However, if you decide that your plan does not meet your expectations, for any reason, simply return your ID card within 10 days of its arrival. Your premium payment will be promptly refunded with no questions asked.

Please note: You can't be singled out for a rate increase or have your coverage canceled due to your age, health or how much medical care you may need. Rates can be adjusted only if they change for all PPOBlue or ClassicBlue Comprehensive members.

Health Coverage Terms and Meanings

Coinsurance
The amount you are required to pay for medical care after you have met your deductible. The coinsurance rate is usually expressed as a percentage. For example, if Highmark pays 80 percent of the allowable charge, you pay 20 percent coinsurance.

Comprehensive Plan
A health care program that combines hospital, medical/surgical and major medical benefits into one seamless program and requires you to share the cost of your health care.

Contract Year
Also called a "benefit period," it's the 12-year period beginning on the effective date of your coverage.

Copayment
Another way of sharing medical costs. You pay a flat fee every time you receive certain medical services. Highmark pays the remainder of the allowable coverage.

Covered Services
Most health insurance plans do not pay for all services. Covered services are those medical procedures for which the insurer agrees to pay. They are listed in the Outline of Coverage and the Agreement you receive when you become a member.

Deductible
The amount of money you must pay each contract year to cover your medical expenses before Highmark starts paying. Either an individual or family deductible may apply, depending on the number of family members enrolled.

Exclusions
Specific services or supplies that are not covered, or conditions or circumstances for which your health care program does not provide benefits.

HSA (Health Savings Account)
A tax-exempt account designed to help you save for medical expenses on a tax-free basis. HSAs provide a financial incentive for selecting a qualified high-deductible health plan.

Network or Participating Providers
Health care providers and facilities that have signed an agreement with Highmark Blue Shield or Premier-Blue℠ Shield and agree to accept the amount that Highmark Blue Shield or PremierBlue Shield will pay for covered services as payment in full. They also file claims for you.

Non-participating Providers
These professional providers and facilities do not have an agreement with Highmark Blue Shield or PremierBlue Shield. If you are treated by a non-participating provider or facility, you may be responsible for paying any difference between the amount the health plan pays and the provider or facility's charge for the service. You may have to file your own claims, too.

Out-of-pocket Limit
The most money you will be required to pay per contract year for coinsurance. It is a stated dollar amount set by Highmark.

Health Coverage Terms and Meanings *(continued)*

PPO (Preferred Provider Organization)

A type of coverage that allows you to receive services in and out of the PPO network. When you use the participating providers and facilities that are part of the PPO network, a larger part of your medical bills are covered. You may use participating providers and facilities that are not in the network, but at a higher cost.

Pre-existing Condition Limitation

During the first 12 months following your effective date, your health coverage does not provide benefits for any condition for which you received medical advice, care, treatment or diagnosis from a health care professional within a five-year period prior to your effective date of coverage. The pre-existing condition limitation does not apply to members under age 19.

Premium

The amount you pay (usually monthly) in exchange for health insurance coverage.

Primary Care Provider (PCP)

This is often a family physician, general practitioner, internist or another professional provider defined by the plan. A PCP monitors your health and diagnoses and treats minor health problems.

Provider

A health care professional, such as a physician or therapist, or a facility, such as a hospital or home health agency.

Provider's Reasonable Charge (PRC)

The amount that Highmark has determined that a provider usually charges the majority of patients for a given service or procedure. Network providers have agreed to accept the provider's reasonable charge as payment in full.

Specialist

A doctor whose practice focuses on a particular branch of medicine or surgery. Specialists include allergists, cardiologists, dermatologists, oncologists and many more.

Things to consider before enrolling in these plans

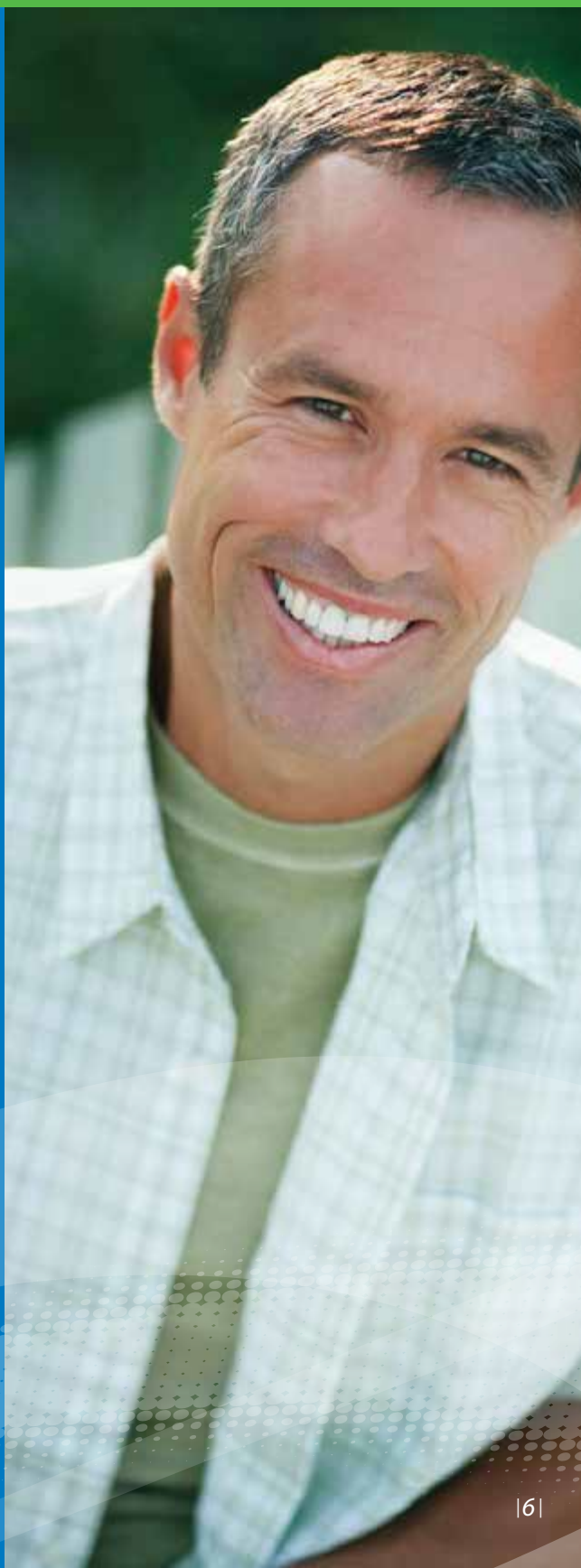
Do you have a pre-existing condition?

The plans in this brochure are available regardless of your health status and without medical underwriting. However, they include a pre-existing condition limitation, except for members under age 19. For the first 12 months of coverage, these plans will not pay expenses related to a condition, illness or injury for which a physician gave medical advice, care, treatment or provided a diagnosis during the five years before you enrolled. However, if you are converting from Highmark or any other Blue Shield group coverage, or if you qualify for HIPAA or HCTC plans, the limitations for pre-existing conditions may be waived in certain situations.

Are you converting from group coverage?

Individuals/families whose enrollment under Highmark group coverage ends may be eligible for conversion to a Highmark individual guaranteed issue plan. Conversion allows individuals to enroll in a guaranteed issue plan with NO pre-existing condition limitations and no lapse in coverage. Conversion to a guaranteed issue individual plan may also be available to dependents who reach the limiting age under their parents' Highmark group coverage. COBRA benefits do not need to be exhausted in order for an individual to apply/enroll in a Highmark individual plan.

If you are eligible for conversion from your Highmark group coverage, please call Member Service at 1-877-986-4571 to request an application.



Things to consider before enrolling in these plans *(continued)*

Are you a HIPAA-eligible individual?

Health care coverage options that cover pre-existing conditions are available to you if you meet the eligibility requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). If you meet *all* of the following guidelines, please call a Member Service representative at 1-877-986-4571 as soon as possible, and **within 63 days of your most recent health care coverage**, to request an application and information on the benefits and rates of our ClassicBlue Comprehensive plan for HIPAA eligibles:

- If you are a resident of the 21-county geographical area of central Pennsylvania served by Highmark Blue Shield.
- If you are not eligible for or enrolled under Medicare, Medicare Disability (except for applicants under age 26) or any group health insurance plan.
- If you do not have any other health insurance coverage (group or individual).
- If you have used up all COBRA or similar state-required continuation coverage benefits available through your former employer or group benefits plan.
- If you had a minimum of 18 months of health care coverage (without any breaks in coverage of more than 63 days), which was provided through a group, governmental or church plan.
- If your most recent health insurance coverage was not terminated due to fraud or your non-payment of premium.

Parents of HIPAA-eligible children who do not elect HIPAA coverage for themselves may still enroll their HIPAA-eligible children in the plan.

Coverage Highlights

The health plans in this brochure offer:

Freedom to choose – PPOBlue gives you the freedom to see any doctor or specialist or go to any hospital you choose, in or out of the extensive PremierBlue Shield Network. PPOBlue pays benefits at a higher level when you use network providers and at a lower level when you use out-of-network providers.

ClassicBlue Comprehensive lets you receive care from any doctor or hospital you want. Highmark Blue Shield participating providers accept the amount Highmark pays for covered services as payment in full. If you receive care from a non-participating provider, you may be billed for the difference between what your plan pays and the provider's actual charge for the service.

No claim forms for network care – For most coverage, you just show your ID card. Claims are filed for you by network providers.

Preventive care – You are covered for certain preventive services such as routine physicals, mammograms and immunizations – coverage that can help prevent little issues from growing into big problems. These services are exempt from the deductible and any cost sharing when received from a network (PPOBlue) or participating (ClassicBlue Comprehensive) provider.

Prescription drugs – You get coverage for a wide variety of prescription drugs, including certain preventive medications, when you purchase them at a pharmacy in our extensive network.

Wide spectrum of covered services – You get coverage for doctor visits, emergency care, and hospital stays – even diagnostic services and outpatient rehabilitation and therapy.

A Side-by-Side Comparison

The following comparison charts provide you with an overview of the most commonly used benefits for each of the plans described in this brochure. If you enroll in one of these programs, you will receive an Agreement that includes a complete list of your benefits coverage. All percentages listed below are considered percentage amounts of the Provider's Reasonable Charge (PRC).

PPOBlue Preferred-Provider High-Deductible Health Plan

Benefit Description	Network Coverage	Out-of-Network Coverage
Deductible	Individual - $1,500/$2,600/$3,500 Family[1] - $3,000, $5,200 or $7,000	
Coinsurance	80% after deductible with 20% member coinsurance	60% after deductible with 40% member coinsurance
Out-of-Pocket Limit[2]	Individual - $4,000/$3,000/$2,000 Family - $8,000/$6,000/$4,000	Individual - $3,000 Family - $6,000
Contract Year Maximum	Unlimited	
Lifetime Maximum	Unlimited	
Preventive Care		
Adult Care	100%; exempt from deductible	Not covered
Pediatric Care	100%; exempt from deductible	60%; exempt from deductible
Immunizations - Adult and Pediatric	100%; exempt from deductible	Not covered
Annual Gynecological Exam and PAP Test	100%; exempt from deductible	Not covered
Mammographic Screenings	100%; exempt from deductible	Not covered
Maternity and Newborn Care	80% after deductible	60% after deductible Newborn care covered for first 31 days
Emergency Care	80% after deductible	80% after deductible
Diagnostic Services	80% after deductible	60% after deductible
Inpatient/Outpatient Services	80% after deductible	60% after deductible; covered for 90 days per contract year
Home Health Care	80% after deductible	60% after deductible 100 visits total network and out of network per contract year
Skilled Nursing Facility Care	80% after deductible	60% after deductible; 100 days total per contract year; up to 50 days may be used out of network
Outpatient Rehabilitation and Therapy Services	80% after deductible	60% after deductible 15 visits for physical medicine, 15 visits for combined occupational/speech therapy and 10 visits for spinal manipulation per contract year; service limits include in and out-of-network visits
Prescription Drugs	80% after deductible	Not Covered
Preventive Medications[3]	100%; exempt from deductible	Not covered

[1] *If your PPOBlue agreement covers more than one family member, the ENTIRE family deductible must be met (within the contract year) before Highmark will pay for covered services for any family member. The family deductible can be satisfied by an individual family member or a combination of one or more family members. When more than one family member is covered, one or more family members must satisfy the ENTIRE family deductible (within the contract year) before Highmark will pay for covered services for ANY individual family member.*

[2] *Excludes the deductible and any amounts in excess of a provider's reasonable charge.*

[3] *Certain limited prescriptions and over-the-counter drugs prescribed for preventive purposes, based on a predefined schedule.*

ClassicBlue Comprehensive Health Plan

Benefit Description	
Deductible	High Option: $1,000 individual/$3,000 family[1] Basic Option: $1,500 individual/$4,500 family[1]
Coinsurance	80% after deductible with 20% member coinsurance
Out-of-Pocket Limit[2]	High Option: $3,000 individual/$9,000 family Basic Option: $6,000 individual/$18,000 family
Contract Year Maximum	Unlimited
Lifetime Maximum	Unlimited
Office Visit	$20 copayment after deductible
Preventive Care	
Adult Care	100%; exempt from deductible
Pediatric Care	100%; exempt from deductible
Immunizations - Adult and Pediatric	100%; exempt from deductible
Annual Gynecological Exam and PAP Test	100%; exempt from deductible
Mammographic Screenings	100%; exempt from deductible
Maternity and Newborn Care	80% after deductible; newborn care covered for first 31 days
Emergency Care	$40 copayment; waived if admitted
Diagnostic Services	80% after deductible
Inpatient/Outpatient Services	80% after deductible
Home Health Care	80% after deductible
Skilled Nursing Facility Care	80% after deductible
Outpatient Rehabilitation and Therapy Services	80% after deductible; 15 visits for physical medicine and 15 visits for combined occupational/speech therapy per contract year
Prescription Drugs	70% after deductible[3] of $500 individual/$1,500 family per calendar year
Preventive Medications[4]	100%; exempt from deductible
Eye Examination and Refraction[5]	100%; one exam every 24 months; exempt from deductible; service must be provided by a participating vision provider

[1] *If your ClassicBlue agreement covers more than one family member, each covered individual must meet his/her individual deductible (within the contract year) before Highmark will pay for covered services for that individual. No individual member may satisfy the entire family deductible. After three individual family members have satisfied their deductibles, the deductibles for all remaining family members will also be considered satisfied.*

[2] *Excludes the deductible, emergency room copayment, prescription drug deductible and copayments, and any amounts in excess of a provider's reasonable charge.*

[3] *If your ClassicBlue Comprehensive Agreement covers more than one family member, each covered individual must meet his/her deductible (within a calendar year) before Highmark will pay for covered medications for that individual. No individual member may contribute more than $500 to satisfy the family prescription drug deductible.*

[4] *Certain limited prescriptions and over-the-counter drugs prescribed for preventive purposes, based on a predefined schedule.*

[5] *Vision coverage is provided by Davis Vision, Inc. Davis Vision, Inc. is a separate company that administers Highmark's vision benefits.*

Is a Health Savings Account right for you?

When you enroll in a qualified high-deductible health plan as defined by the Internal Revenue Service, you have the option of enrolling in a Health Savings Account (HSA). An HSA gives you tax advantages similar to an IRA (Individual Retirement Account). The difference is that, while IRAs are meant to help fund your retirement years, an HSA is meant to help pay for qualified medical expenses now, and years from now. These expenses can include deductibles or other qualified medical expenses that may not be covered under your health plan, such as dental care, vision exams, even eyeglasses.

HSAs were developed in 2003. They allow you to qualify for special federal tax savings when you're enrolled in a federally qualified high-deductible health plan. PPOBlue High Deductible is a qualified, comprehensive, major medical, preferred-provider, high-deductible health plan. (Other IRS eligibility requirements apply. See "Who can have a health savings account?" below for more information.)

Like an IRA, you put money into a special account and manage that money yourself. You can choose aggressive, moderate or more conservative investments.

Funds can be available for you to use as soon as you deposit them. For example, you can withdraw funds to pay your deductible or coinsurance for routine care. Or you may decide to save that money for long-term health care needs.

It's up to you whether you decide to open an HSA. You decide which HSA custodian will hold your money. You decide how much you want to contribute. And you don't need to open an HSA to apply for PPOBlue High Deductible.

Who can have a Health Savings Account?

You can open an HSA when you're enrolled in a federally qualified high-deductible health plan like PPOBlue High Deductible.

HSAs give you three ways to save on taxes.

1. Contributions to your HSA are tax-deductible.
2. Any earnings in interest and appreciation in value from your investments in an HSA are tax-free.
3. Withdrawals from your account that are used for eligible expenses aren't subject to taxes.

Keep in mind that, like most investments, certain fees may apply to an HSA. In addition, any increase or decrease in value of your HSA will depend on the market performance of the funds.

When can I contribute?

Contributions can be made at any time during the tax year, up until the filing deadline for your federal income tax return. You can make payments periodically (for example, every month) or in a lump sum.

You're *not* eligible to open an HSA if you are:

- Covered by another health plan that is not a high-deductible plan (excluding dental and vision plans)
- Enrolled in Medicare
- Claimed as a dependent on someone else's tax return

You're responsible to ensure you meet the eligibility requirements and are not restricted for any of these reasons.

Are there restrictions on HSAs?

Generally, the money in your account is yours to manage as you want. But the rules may vary depending on the HSA custodian you choose.

Some restrictions apply to the HSA that's available to Highmark members through BlueAccount℠ HSA. For example, only specified funds may be selected for investment, minimum balance and deposits may be required and certain fees may apply.

How much can I contribute to my HSA?

Like an IRA, there are limits on how much you can contribute each year. You're free to contribute any amount up to these maximums. Some HSAs have minimum requirements.

It's possible that contributions to your HSA may come from several sources, including you, a family member, an employer or someone else. It doesn't matter who made the contribution, the same limit applies and no more than that amount can be contributed.

Contributions over the maximum allowable amount are not tax-deductible.

How can I use the money in my HSA?

HSA "qualified medical expenses" are generally what you pay for the prevention and treatment of medical conditions, including dental and vision care. These expenses include your health plan's deductible and your plan's out-of-pocket expenses.

You can use your HSA savings to pay for certain types of health insurance premiums, such as qualified long-term care insurance, COBRA health care continuation insurance, health insurance when you're receiving unemployment benefits, Medicare Parts A and B or Medicare HMO premiums, or your share of employer-sponsored health insurance for those 65 and over.

You can't use your HSA savings for services of a cosmetic nature or for premiums for Medicare Supplement (Medigap) plans. You also can't use your HSA savings to pay for services reimbursed from your health plan or another family member's health plan.

Where can I learn more about HSAs?

You can get more information about HSAs from the government site, www.treas.gov/offices/public-affairs/hsa. For specific questions about how an HSA can benefit you, please consult your tax advisor.

What if I use my HSA for non-qualified expenses?

If you use your funds to pay for something other than qualified medical expenses, those withdrawals will be considered taxable income — because that money was tax-deductible when it was contributed — and subject to a penalty. The penalty does not apply to distributions at death, disability or after age 65.

You are responsible for ensuring that your funds are used for qualified expenses.

When does eligibility for an HSA begin and end?

You can open an HSA on the first day of the month you're enrolled in a qualified high-deductible health plan. If you enroll in the qualified health plan after the first of the month, you can't open or contribute to an HSA until the first day of the following month.

You're no longer eligible to open a new HSA or contribute to your current HSA if you:

- Become covered by another health plan other than a qualified high-deductible health plan
- Become entitled to Medicare
- Become a dependent on someone else's tax return.

Just because you can't contribute to your HSA anymore doesn't mean you lose it. You can keep the HSA and continue to use the funds on a tax-preferred basis for qualified medical expenses. You just can't contribute to your HSA or establish another HSA unless you become eligible again.

Is BlueAccount HSA the right choice for you?

If you're applying for PPOBlue High-Deductible, you should consider opening the HSA specifically designed for Highmark members.

This flexible HSA is provided by Bank of New York Mellon, so you get an experienced provider of financial services in combination with the area's most respected health insurance company.

You'll have a wide variety of investment options. Depending on your needs, you can invest your HSA funds for long-term health care needs or pick an option that gives you ready access for immediate availability.

BlueAccount HSA gives you control. At a single, convenient website, www.highmarkblueshield.com, you can track your HSA deposits, withdrawals, balances, earnings and more. You can also access all your health care coverage information and take advantage of its health information resources.

BlueAccount HSA makes it easy to get your money when you need it:

- With the click of a mouse, you can submit claims to be paid by your HSA
- You can have all claims *automatically* submitted to your HSA for payment
- You can use a debit card to pay for health care expenses directly out of your HSA

If you have questions about BlueAccount HSA, you can call toll-free 1-877-245-0116.

Highmark members get more

We've packed a lot of extras into Highmark coverage — all at no extra cost. As a Highmark member, here are a few ways you can "Have a greater hand in your health®":

Go online for your health

Whether you are looking for a health care provider or managing your claims...want to make informed health care decisions on treatment options...or lead a healthier lifestyle, Highmark can help with easy-to-use online tools and resources available at www.highmarkblueshield.com. You can get answers to questions about your coverage, review your spending and the costs for services, view your medical and drug claims, explore treatment options, choose a provider, locate a pharmacy or research diseases, surgeries and procedures.

Pick up the phone

Get support from qualified Health Coaches on treatment options and health care decision-making with Blues On Call℠. This 24-hour service, available by phone, e-mail or the Internet, also includes a library of decision support videos and Health Crossroads®*, an online decision-making resource.

Save money with a discount program

Highmark works hard on behalf of our members to get discounts on health-related products and services, so you can take better care of yourself for less. Save on:

- Fitness center membership
- Massage therapy
- Personal training
- Spas

Just show your Highmark ID card when you make a purchase and save money on the spot. To see a list of participating providers online, visit www.highmarkblueshield.com.

** Health Dialog Services Corporation is an independent company that administers wellness and health promotion programs.*

Enroll in a wellness program

Highmark coverage includes a variety of wellness classes that are available online, by phone or in your community.

You can enroll in personalized, online, lifestyle improvement programs on nutrition, stress, weight management, healthy food choices and more. You can learn to manage chronic conditions, like diabetes, insomnia, migraines, high blood pressure and cholesterol. If you want help to quit smoking, we offer programs online and by phone. Wellness and preventive health classes are available at convenient community locations.

And, if you are expecting a baby, we offer a maternity education and support program.

Call for additional information

If you need information or help applying for Highmark Blue Shield coverage, please call toll-free at 1-888-269-8412, Monday through Friday, between 9:00 a.m. and 9:00 p.m.

Hearing-impaired TTY users, please call 1-800-862-0709. A Customer Service representative will be pleased to help you.

Or stop in one of the Highmark Customer Service Centers listed below, Monday through Friday, between 8:30 a.m. and 4:30 p.m. You can also visit one of our Highmark Direct stores during the hours listed below.

Camp Hill Service Center

Bldg. #1 Level 1-A
1800 Center Street
Camp Hill, PA 17011
1-717-302-4697

Allentown Service Center

7248 Tilghman Street
Allentown, PA 18106
1-610-573-5400

State College Service Center

2040 Sandy Drive
State College, PA 16803
1-814-321-9509

Highmark Direct – Mechanicsburg

Silver Spring Square
6416 Carlisle Pike Suite 1500
Mechanicsburg, PA 17050
717-302-7900
Hours: Monday through Saturday
10:00 a.m. to 7:00 p.m.

Highmark Direct – Harrisburg

Colonial Commons
Shopping Center
5072 Jonestown Road
Harrisburg, PA 17112
717-302-7970
Monday through Saturday
10:00 a.m. to 7:00 p.m.

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