PREFERRED CARE

Preferred Care

http://www.preferredcare.org

2001

A Health Maintenance Organization

Serving: Greater Rochester and Surrounding Counties

Enrollment in this Plan is limited; see page 8 for requirements.

This Plan has excellent accreditation from the NCQA. See the *2001 Guide* for more information on NCQA.

Enrollment codes for this Plan:

GV1 Self Only
GV2 Self and Family

Authorized for distribution by the:

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
RETIREMENT AND INSURANCE SERVICE
HTTP://WWW.OPM.GOV/INSURE

FEHB
Federal Employees Health Benefits Program

RI 73-467

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Introduction

Preferred Care
259 Monroe Avenue
Rochester, New York 14607

This brochure describes the benefits of Preferred Care under our contract (CS 2371) with the Office of Personnel Management (OPM), as authorized by the Federal Employees Health Benefits law. This brochure is the official statement of benefits. No oral statement can modify or otherwise affect the benefits, limitations, and exclusions of this brochure.

A person enrolled in this Plan is entitled to the benefits described in this brochure. If you are enrolled for Self and Family coverage, each eligible family member is also entitled to these benefits. You do not have a right to benefits that were available before January 1, 2001, unless those benefits are also shown in this brochure.

OPM negotiates benefits and rates with each plan annually. Benefit changes are effective January 1, 2001, and are summarized on page 7. Rates are shown at the end of this brochure.

Plain Language

The President and Vice President are making the Government's communication more responsive, accessible, and understandable to the public by requiring agencies to use plain language. In response, a team of health plan representatives and OPM staff worked cooperatively to make this brochure clearer. Except for necessary technical terms, we use common words. "You" means the enrollee or family member; "we" means Preferred Care.

The plain language team reorganized the brochure and the way we describe our benefits. When you compare this Plan with other FEHB plans, you will find that the brochures have the same format and similar information to make comparisons easier.

If you have comments or suggestions about how to improve this brochure, let OPM know. Visit OPM's "Rate Us" feedback area at www.opm.gov/insure or e-mail OPM at fehbwebcomments@opm.gov or write to OPM at Insurance Planning and Evaluation Division, P.O. Box 436, Washington, DC 20044-0436.

Section 1. Facts about this HMO plan

This Plan is a health maintenance organization (HMO). We require you to see specific physicians, hospitals, and other providers that contract with us. These Plan providers coordinate your health care services.

HMOs emphasize preventive care such as routine office visits, physical exams, well-baby care, and immunizations, in addition to treatment for illness and injury. Our providers follow generally accepted medical practice when prescribing any course of treatment.

When you receive services from Plan providers, you will not have to submit claim forms or pay bills. You only pay the copayments or coinsurance described in this brochure. When you receive emergency services from non-Plan providers, you may have to submit claim forms.

You should join an HMO because you prefer the plan's benefits, not because a particular provider is available. You cannot change plans because a provider leaves our Plan. We cannot guarantee that any one physician, hospital, or other provider will be available and/or remain under contract with us.

How we pay providers

We contract with individual physicians, medical groups, and hospitals to provide the benefits in this brochure. These Plan providers accept a negotiated payment from us, and you will only be responsible for your copayments or coinsurance.

Patients' Bill of Rights

OPM requires that all FEHB Plans comply with the Patients' Bill of Rights, recommended by the President's Advisory Commission on Consumer Protection and Quality in the Health Care Industry. You may get information about us, our networks, providers, and facilities. OPM's FEHB website (www.opm.gov/insure) lists the specific types of information that we must make available to you. Some of the required information is listed below.

More than 2,600 doctors and area health centers participate with Preferred Care to provide primary care as well as specialty services to the membership. In addition to doctors, the Plan has arranged for hospital, skilled nursing facility, home health, and other covered health services.

All members must choose a primary care doctor who will provide, arrange, and coordinate all medically necessary services. All female members are strongly encouraged to select an obstetrician/gynecologist in addition to a primary care doctor. The OB/GYN will treat for any gynecological or obstetrical condition. Members do not need a referral from their primary care doctor to see their OB/GYN. A women's OB/GYN is considered an additional primary care doctor. New York State law does provide coverage with Nurse Midwives and the Plan maintains Nurse Midwives on the provider panel. Plan members may elect a Nurse Midwife instead of an OB/GYN.

If you want more information about us, call us at (716) 325-3113, toll free at (800) 950-3224 or write to 259 Monroe Avenue, Rochester, New York, 14607. You may also contact us by fax at (716) 327-2298, or our e-mail address at customercare@preferredcare.org, or visit our website at www.preferredcare.org.

Service Area

To enroll in this plan, you must live or work in our service area. This is where our providers practice. Our service area is: Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Wayne, Wyoming, and Yates Counties in New York State.

Ordinarily, you must get care from providers who contract with us. If you receive care outside our service area, we will pay only for urgent or emergency care, except for students attending school or college outside of the service area. With prior authorization from the Plan, follow up care for students is covered.

If you or a covered family member move outside of our service area, you can enroll in another plan. If your dependents live out of the area, you should consider enrolling in a fee for service plan or an HMO that has agreements with affiliates in other areas. If you or a family member move, you do not have to wait until Open Season to change plans. Contact your employing or retirement office.

Section 2. How we change for 2001

Program-wide changes

- The plain language team reorganized the brochure and the way we describe our benefits. We hope this will make it easier for you to compare plans.
- This year, the Federal Employees Health Benefits Program is implementing network mental health and substance abuse parity. This means that your coverage for mental health, substance abuse, medical, surgical, and hospital services from providers in our plan network will be the same with regard to coinsurance, copays, and day and visit limitations when you follow a treatment plan that we approve. Previously, we placed higher patient cost sharing and shorter day or visit limitations on mental health and substance abuse services than we did on services to treat physical illness, injury, or disease.
- Many healthcare organizations have turned their attention this past year to improving healthcare quality and patient safety. OPM asked all FEHB plans to join them in this effort. You can find specific information on our patient safety activities by calling us at *(716) 325-3113* or checking our website *at* www.preferredcare.org. You can find out more about patient safety on the OPM website, www.opm.gov/insure. To improve your healthcare, take these five steps:
  - •• Speak up if you have questions or concerns.
  - •• Keep a list of all the medicines you take.
  - •• Make sure you get the results of any test or procedure.
  - •• Talk with your doctor and health care team about your options if you need hospital care.
  - •• Make sure you understand what will happen if you need surgery.
- We clarified the language to show that anyone who needs a mastectomy may choose to have the procedure performed on an inpatient basis and remain in the hospital up to 48 hours after the procedure. Previously, the language referenced only women.

Changes to this Plan

- Your share of the non-Postal premium will increase by 26.5% for Self Only or 26.4% for Self and Family.
- We now cover your prescription drugs under a three-tier copayment arrangement. The copayments you pay will vary depending on where we categorize your medication. The amount you pay also depends on whether you purchase your prescriptions at a Plan pharmacy or through the mail order program.

  For medications purchased at a Plan pharmacy, you are responsible for a $10 copayment per generic prescription or refill, a $20 copayment per preferred brand name prescription or refill, or a $35 copayment per non-preferred brand name prescription or refill, for each 30 day supply you purchase.

  For certain medications that may be purchased through the mail order program, you will be responsible for a $20 copayment per generic prescription or refill, a $40 copayment per preferred brand name prescription or refill, or a $70 copayment per non-preferred brand name prescription or refill, for each 90 day supply you purchase. By using the mail order program, you save one copayment for each 90-day supply you purchase.

Section 3. How you get care

Identification cards

We will send you an identification (ID) card when you enroll. You should carry your ID card with you at all times. You must show it whenever you receive services from a Plan provider, or obtain a prescription at a Plan pharmacy. Until you receive your ID card, use your copy of the Health Benefits Election Form, SF-2809, your health benefits enrollment confirmation (for annuitants), or your Employee Express confirmation letter.

If you do not receive your ID card within 30 days after the effective date of your enrollment, or if you need replacement cards, call us at (716) 325-3113 or (800) 950-3224, or if you have a speech or hearing impairment and have TTY/TDD equipment (716) 325-2629.

Where you get covered care

You get care from "Plan providers" and "Plan facilities." You will only pay copays and/or coinsurance, and you will not have to file claims.

- **Plan providers**

Plan providers are physicians, including primary care physicians and special ists and other health care professionals in our service area that we contract with to provide covered services to our members. Providers are credentialed to ensure that they meet strict standards of quality.

We list Plan providers in the provider directory, which we update periodically. This list is also on our website at www.preferredcare.org.

- **Plan facilities**

Plan facilities are hospitals and other facilities in our service area that we contract with to provide covered services to our members. We list these in the provider directory, which we update periodically. The list is also on our website.

What you must do to get covered care

It depends on the type of care you need. First, you and each family member must choose a primary care physician. This decision is important since your primary care physician provides or arranges for most of your health care.

To select a primary care physician, either choose one from our provider directory or contact a Customer Care representative who will assist you.

- **Primary care**

Your primary care physician can be a family or general practitioner, an internist or a pediatrician. Your primary care physician will provide most of your health care, or give you a referral to see a specialist. Women may choose an OB/GYN in addition to their primary care physician.

If you want to change primary care physicians or if your primary care physician leaves the Plan, call us. We will help you select a new one.

- **Specialty care**

Your primary care physician will refer you to a specialist for needed care. However, you may see an OB/GYN without a referral.

Here are other things you should know about specialty care:

- If you need to see a specialist frequently because of a chronic, complex, or serious medical condition, your primary care physician will develop a treatment plan that allows you to see your specialist for a certain number of visits or a certain period of time without additional referrals. Your primary care physician will use our criteria when creating your treatment plan and will obtain approval, when required, beforehand.
- If you are seeing a specialist when you enroll in our Plan, talk to your primary care physician. Your primary care physician will decide what treatment you need. If he or she decides to refer you to a specialist, ask if

you can see your current specialist. If your current specialist does not participate with us, you must receive treatment from a specialist who does. Generally, we will not pay for you to see a specialist who does not participate with our Plan.

- If you are seeing a specialist and your specialist leaves the Plan, call your primary care physician, who will arrange for you to see another specialist. You may receive services from your current specialist until we can make arrangements for you to see someone else.
- If you have a chronic or disabling condition and lose access to your specialist because we:
  - terminate our contract with your specialist for other than cause; or
  - drop out of the Federal Employees Health Benefits (FEHB) Program and you enroll in another FEHB Plan; or
  - reduce our service area and you enroll in another FEHB Plan,

  You may be able to continue seeing your specialist for up to 90 days after you receive notice of the change. Contact us, or if we drop out of the Program, contact your new plan.

If you are in the second or third trimester of pregnancy and you lose access to your specialist based on the above circumstances, you can continue to see your specialist until the end of your postpartum care, even if it is beyond the 90 days.

• Hospital care

Your Plan primary care physician or specialist will make necessary hospital arrangements and supervise your care. This includes admission to a skilled nursing or other type of facility.

If you are in the hospital when your enrollment in our Plan begins, call our Customer Care Center immediately at 716/325-3113. If you are new to the FEHB Program, we will arrange for you to receive care.

If you changed from another FEHB plan to us, your former plan will pay for the hospital stay until:

- You are discharged, not merely moved to an alternative care center; or
- The day your benefits from your former plan run out; or
- The 92nd day after you become a member of this Plan, whichever happens first.

These provisions apply only to the hospital benefit of the hospitalized person; we cover your other non-hospital care.

Circumstances beyond our control

Under certain extraordinary circumstances, such as natural disasters, we may have to delay your services or we may be unable to provide them. In that case, we will make all reasonable efforts to provide you with the necessary care.

Services requiring our prior approval

Your primary care physician has authority to refer you for most services. For certain services, however, your physician must obtain approval from us. Before giving approval, we consider if the service is covered, medically necessary, and follows generally accepted medical practice.

We call this review and approval process “precertification”. Your primary care physician is familiar with the procedures that require a prior approval and will make all necessary arrangements on your behalf.

Section 4. Your costs for covered services

You must share the cost of some services. You are responsible for:

• Copayments

A copayment is a fixed amount of money you pay when you receive services.

Example: When you see your primary care physician, you pay a copayment of $10 per office visit.

• Deductible

We do not have a deductible.

• Coinsurance

Coinsurance is the percentage of our negotiated fee that you must pay for your care.

Example: In our Plan, you pay 20% of our allowance for durable medical equipment.

Your out-of-pocket maximum for copayments and coinsurance

After your copayments and coinsurance total $3,300 per person or $8,400 per family enrollment in any calendar year, you do not have to pay any more for covered services. However, copayments for the following services do not count toward your out-of-pocket maximum, and you must continue to pay copayments for this service:

- Prescription Drugs.

Be sure to keep accurate records of your copayments and coinsurance since you are responsible for informing us when you reach these maximums.

Section 5. Benefits – OVERVIEW

(See page 7 for how our benefits changed this year and page 47 for a benefits summary.)

NOTE: This benefits section is divided into subsections. Please read the important things you should keep in mind at the beginning of each subsection. Also read the General Exclusions in Section 6; they apply to the benefits in the following subsections. To obtain claims forms, claims filing advice, or more information about our benefits, contact us at (716) 325-3113 or (800) 950-3224 or if you have a speech or hearing impairment and have TTY/TDD equipment (716) 325-2629 or visit our website at www.preferredcare.org.

Section 5(a). Medical services and supplies provided by physicians and other health care professionals

IMPORTANT

Here are some important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care.
- We have no deductible.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.

IMPORTANT

Benefit Description	You Pay
Diagnostic and treatment services	**You Pay**
Professional services of physicians • In physician's office	$10 per visit (no primary care physician copay for children under the age of 2)
• In an urgent care center • During a hospital stay • In a skilled nursing facility • Initial examination of a newborn child covered under a family contract	Nothing
• Office medical consultations • Second surgical opinions	$10 per visit
• At home	$10 per visit
Lab, X-ray and other diagnostic tests	**You Pay**
• X-rays • Cat Scans/MRI • Ultrasound	$10 per visit

Lab, X-ray and other diagnostic tests *(Continued)*	**You Pay**
Laboratory tests, such as: • Blood tests • Urinalysis • Non-routine pap tests • Pathology • Non-routine Mammograms • Electrocardiogram and EEG	Nothing

Preventive care, adult	**You Pay**
Routine screenings, such as: • Complete Blood Count • Total Blood Cholesterol - once every five years, ages 20 through 75 • Colorectal Cancer Screening, including •• Fecal occult blood test	Nothing
•• Sigmoidoscopy, screening - every five years starting at age 50	Nothing
• Prostate Specific Antigen (PSA test)	Nothing
• Two gynecological visits per year	Nothing
• Routine pap test (annually)	Nothing
Routine mammogram -covered for women age 35 and older, as follows: • From age 35 through 39, one during this five year period • From age 40 through 64, one every calendar year • At age 65 and older, one every two consecutive calendar years	Nothing
Not covered: Physical exams required for obtaining or continuing employment or insurance, attending schools or camp, or travel.	*All charges*
Routine Immunizations, limited to: • Tetanus-diphtheria (Td) booster - once every 10 years, ages 19 and over (except as provided for under Childhood immunizations) • Influenza/Pneumococcal vaccines, annually, age 65 and over or as recommended	$10 per visit

Preventive care, children	You Pay
• Childhood immunizations recommended by the American Academy of Pediatrics	Nothing
• Examinations, such as: •• Eye exams to determine the need for vision correction.	$10 per visit
•• Ear exams as part of a well-child care visit through age 18 to determine the need for hearing correction.	Nothing
•• Examinations done on the day of immunizations (through age 18)	Nothing
• Well-child care charges for routine examinations, immunizations and care (through age 18)	Nothing

Maternity care	You Pay
Complete maternity (obstetrical) care, such as: • Prenatal care • Delivery • Postnatal care Note: Here are some things to keep in mind: • You do not need to precertify your normal delivery. • You may remain in the hospital up to 48 hours after a regular delivery and 96 hours after a cesarean delivery. We will extend your inpatient stay if medically necessary. • We cover routine nursery care of the newborn child during the covered portion of the mother's maternity stay. We will cover other care of an infant who requires non-routine treatment only if we cover the infant under a Self and Family enrollment. • We pay hospitalization and surgeon services (delivery) the same as for illness and injury. See Hospital benefits (Section 5c) and Surgery benefits (Section 5b).	Nothing
Not covered: Routine sonograms to determine fetal age, size or sex	*All charges*

Family planning	You Pay
• Voluntary sterilization • Injectable contraceptive drugs • Intrauterine devices (IUDs)	$10 per visit
Not covered: reversal of voluntary surgical sterilization, genetic counseling	*All charges*

Infertility services	You Pay
Diagnosis and treatment of infertility, such as: • Artificial insemination: •• intravaginal insemination (IVI) •• intracervical insemination (ICI) •• intrauterine insemination (IUI) • Fertility drugs	$10 per visit if the drug must be administered by a physician. All drugs that can be self-administered are covered under the prescription drug benefit and are subject to the prescription drug benefit copays.
Not covered: • *Assisted reproductive technology (ART) procedures, such as:* •• *in vitro fertilization* •• *embryo transfer and GIFT* • *Services and supplies related to excluded ART procedures* • *Cost of donor sperm*	*All charges*

Allergy care	You Pay
Testing and treatment Allergy injection	$10 per visit
Allergy serum	Nothing
Not covered: provocative food testing and sublingual allergy desensitization	*All charges.*

Treatment therapies	You pay
• Chemotherapy and radiation therapy. Note: High dose chemotherapy in association with autologous bone marrow transplants is limited to those transplants listed under Organ/Tissue Transplants on page 22. • Respiratory and inhalation therapy • Dialysis - Hemodialysis and peritoneal dialysis • Intravenous (IV)/Infusion Therapy - Home IV and antibiotic therapy • Growth hormone therapy (GHT) Note: We will only cover GHT when your physician pre-approves the treatment. Your physician will submit information that establishes that the GHT is medically necessary. Your physician must authorize GHT before you begin treatment. If your physician does not pre-approve or if we determine GHT is not medically necessary, we will not cover the GHT or related services and supplies.	$10 per visit

Rehabilitative therapies	You pay
Physical therapy, occupational therapy and speech therapy – • 60 visits per condition for the services of each of the following: •• qualified physical therapists; •• speech therapists; and •• occupational therapists. Note: We only cover therapy to restore bodily function or speech when there has been a total or partial loss of bodily function or functional speech due to illness or injury. • Cardiac rehabilitation following a heart transplant, bypass surgery or a myocardial infarction, is provided for up to 36 visits.	Nothing for inpatient therapy; $10 per outpatient therapy visit
Not covered: • *long-term rehabilitative therapy* • *exercise programs*	*All charges*

Hearing services (testing, treatment, and supplies)	You Pay
• Hearing aids for children through age 18.	The balance after we pay $600, every 3 years.
• Hearing screenings as part of a well-child care visit through age 18.	Nothing
Not covered: • *all other hearing testing* • *hearing aids for adults over age 18.*	*All charges*

Vision services (testing, treatment, and supplies)	You pay
• One pair of eyeglasses or contact lenses to correct impairment directly caused by accidental ocular injury or intraocular surgery (such as for cataracts).	20% of Plan allowance.
• One pair of prescription eyeglasses (frames and lenses) or prescription daily-wear contact lenses, per member once every year at plan providers. Children under age 12 may obtain eyewear as required by prescription change of at least .5 diopter.	The remaining cost after a discount of 20% - 60% and a credit of $60.
• Annual eye refraction, including lens prescriptions.	$10 per visit
Not covered: • *Radial keratotomy and other refractive surgery.* • *Eye exercises and orthoptics.*	*All charges*

Foot care	You Pay
Routine foot care when you are under active treatment for a metabolic or peripheral vascular disease, such as diabetes. See orthopedic and prosthetic devices for information on podiatric shoe inserts.	$10 per visit
Not covered: • *Cutting, trimming or removal of corns, calluses, or the free edge of toenails, and similar routine treatment of conditions of the foot, except as stated above* • *Treatment of weak, strained or flat feet or bunions or spurs; and of any instability, imbalance or subluxation of the foot (unless the treatment is by open cutting surgery)*	*All charges*

Orthopedic and prosthetic devices	You pay
• Custom made shoe inserts (1 pair every 3 years)	The balance after we pay $250.
• Internal prosthetic devices, such as artificial joints, pacemakers, cochlear implants, and surgically implanted breast implant following mastectomy. Note: See 5(b) for coverage of the surgery to insert the device	Nothing
• Orthotic devices • Artificial limbs and eyes; stump hose • Externally worn breast prostheses and surgical bras, including necessary replacements, following a mastectomy • Corrective orthopedic appliances for non-dental treatment of temporomandibular joint (TMJ) pain dysfunction syndrome. • Orthopedic devices, such as braces.	20% of plan allowance.
Not covered: • *arch supports* • *heel pads and heel cups* • *lumbosacral supports* • *corsets, trusses, elastic stockings, support hose, and other supportive devices*	*All charges*

Durable medical equipment (DME)	You pay
Rental or purchase, at our option, including repair and adjustment, of durable medical equipment prescribed by your Plan physician, such as oxygen and dialysis equipment. Under this benefit, we also cover: • hospital beds; • wheelchairs; • crutches; • walkers; • blood glucose monitors; and • insulin pumps.	20% of plan allowance.
Not covered: • *Motorized wheel chairs, unless medically necessary* • *Air conditioners, dehumidifiers, humidifiers* • *Breast pumps* • *Electric hospital bed (unless medically necessary)* • *Hypo-allergenic bedding* • *Visual aids (e.g., CCTV, magnifying glasses)* • *Environmental control units, such as control units to turn on a television or air conditioner, etc.* • *Augmentative communication devices, including speech machines.*	*All charges*
Home health services	**You Pay**
• Home health care ordered by a Plan physician and provided by a registered nurse (R.N.), licensed practical nurse (L.P.N.), licensed vocational nurse (L.V.N.), or home health aide. • Services include oxygen therapy, intravenous therapy, and medications.	Nothing
Not covered: • *nursing care requested by, or for the convenience of, the patient or the patient's family;* • *nursing care primarily for hygiene, feeding, exercising, moving the patient, homemaking, companionship or giving oral medication.*	*All charges.*

Alternative treatments	You Pay
• Chiropractic Care	$10 per visit.
• Acupuncture (up to 10 visits annually)	50% of plan allowance.
Not covered: • *naturopathic services* • *hypnotherapy*	*All charges*

Educational classes and programs	You Pay
• Diabetes self-management	$10 per visit.

Section 5(b). Surgical and anesthesia services provided by physicians and other health care professionals

IMPORTANT

Here are some important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care.
- We have no deductible.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.
- The amounts listed below are for the charges billed by a physician or other health care professional for your surgical care. Any costs associated with the facility charge (i.e. hospital, surgical center, etc.) are covered in Section 5 (c).

IMPORTANT

Benefit Description	You Pay
Surgical procedures	**You Pay**
• Treatment of fractures, including casting • Normal pre- and post-operative care by the surgeon • Correction of amblyopia and strabismus • Endoscopy procedure • Biopsy procedure • Removal of tumors and cysts • Correction of congenital anomalies (see reconstructive surgery) • Surgical treatment of morbid obesity – a condition in which an individual weighs 100 pounds or 100% over his or her normal weight according to current underwriting standards; eligible members must be age 18 or over. • Insertion of internal prosthetic devices. See 5(a) – Orthopedic braces and prosthetic devices for device coverage information.	$10 per office visit; nothing for inpatient hospital procedures.
• Voluntary sterilization • Surgically implanted contraceptives • Treatment of burns	$10 per visit
Not covered: • *Reversal of voluntary sterilization* • *Routine treatment of conditions of the foot; see Foot care.*	*All charges*

Reconstructive surgery	You Pay
• Surgery to correct a functional defect • Surgery to correct a condition caused by injury or illness if: •• the condition produced a major effect on the member's appearance and •• the condition can reasonably be expected to be corrected by such surgery • Surgery to correct a condition that existed at or from birth and is a significant deviation from the common form or norm. Examples of congenital anomalies are: protruding ear deformities; cleft lip; cleft palate; birth marks; webbed fingers; and webbed toes.	Nothing for inpatient surgery; $10 per outpatient surgery
• All stages of breast reconstruction surgery following a mastectomy, such as: •• surgery to produce a symmetrical appearance on the other breast; •• treatment of any physical complications, such as lymphoedema; •• breast prostheses and surgical bras and replacements (see Prosthetic devices) Note: If you need to have a mastectomy, you may choose to have this procedure performed on an inpatient basis and remain in the hospital up to 48 hours after the procedure.	Nothing
Not covered: • *Cosmetic surgery - any surgical procedure (or any portion of a procedure) performed primarily to improve physical appearance through change in bodily form, except repair of accidental injury* • *Surgeries related to sex transformation*	*All charges*

Oral and maxillofacial surgery	You Pay
Oral surgical procedures, limited to: • Reduction of fractures of the jaws or facial bones; • Surgical correction of cleft lip, cleft palate or severe functional malocclusion; • Removal of stones from salivary ducts; • Excision of leukoplakia or malignancies; • Excision of cysts and incision of abscesses when done as independent procedures; and • Other surgical procedures that do not involve the teeth or their supporting structures.	Nothing for inpatient surgery; $10 per outpatient surgery
Not covered: • *Oral implants and transplants* • *Procedures that involve the teeth or their supporting structures (such as the periodontal membrane, gingiva, and alveolar bone)*	*All charges*

Organ/tissue transplants	You Pay
Limited to: • Cornea • Heart • Heart/lung • Kidney • Kidney/Pancreas • Liver • Lung: Single -Double • Pancreas • Allogeneic bone marrow transplants • Autologous bone marrow transplants (autologous stem cell and peripheral stem cell support) for the following conditions: acute lymphocytic or non-lymphocytic leukemia; advanced Hodgkin's lymphoma; advanced non-Hodgkin's lymphoma; advanced neuroblastoma; breast cancer; multiple myeloma; epithelial ovarian cancer; testicular, mediastinal, and ovarian cancers. Limited Benefits – Treatment for breast cancer, multiple myeloma, and epithelial ovarian cancer may be provided in an NCI- or NIH-approved clinical trial at a Plan-designated center of excellence and if approved by the Plan's medical director in accordance with the Plan's protocols. Note: We cover related medical and hospital expenses of the donor when we cover the recipient.	Nothing
Not covered: • *Donor screening tests and donor search expenses, except those performed for the actual donor* • *Implants of artificial organs* • *Transplants not listed as covered*	*All charges*

Anesthesia	You Pay
Professional services provided in - • Hospital (inpatient) • Hospital (outpatient department) • Ambulatory surgical center • Office	Nothing

Section 5(c). Services provided by a hospital or other facility, and ambulance services

IMPORTANT

Here are some important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care and you must be hospitalized in a Plan facility.
- We have no deductible.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.
- The amounts listed below are for the charges billed by the facility (i.e., hospital or surgical center) or ambulance service for your surgery or care. Any costs associated with the professional charge (i.e., physicians, etc.) are covered in Section 5(a) or (b).

IMPORTANT

Benefit Description	You Pay
Inpatient hospital	**You Pay**
Room and board, such as • ward, semiprivate, or intensive care accommodations • general nursing care; and • meals and special diets. NOTE: If you want a private room when it is not medically necessary, you pay the additional charge above the semiprivate room rate.	Nothing
Other hospital services and supplies, such as: • Operating, recovery, maternity, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests and X-rays • Administration of blood and blood products • Blood or blood plasma, if not donated or replaced • Dressings, splints, casts, and sterile tray services • Medical supplies and equipment, including oxygen • Anesthetics, including nurse anesthetist services • Medical supplies, appliances, medical equipment, and any covered items billed by a hospital for use at home.	Nothing
Not covered: • *Custodial care* • *Non-covered facilities* • *Personal comfort items, such as telephone, television, barber services, guest meals and beds* • *Private nursing care*	*All charges.*

Outpatient hospital or ambulatory surgical center	You Pay
• Operating, recovery, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests, X-rays, and pathology services • Administration of blood, blood plasma, and other biologicals • Blood and blood plasma, if not donated or replaced • Pre-surgical testing • Dressings, casts, and sterile tray services • Medical supplies, including oxygen • Anesthetics and anesthesia service NOTE: We cover hospital services and supplies related to dental procedures when necessitated by a non-dental physical impairment. We do not cover the dental procedures.	Nothing
Extended care benefits/skilled nursing care facility benefits	**You pay**
Skilled nursing facility (SNF): 120 days per calendar year. Covered services include: • Bed, board, and general nursing care. • Drugs, biologicals, supplies, and equipment.	Nothing
Not covered: custodial care	*All charges*
Hospice care	**You Pay**
Care for terminally ill patients (life expectancy of 6 months or less). • Covered services include dietary counseling, home health aid, occupational therapy, speech therapy, and skilled nursing. • Drugs and medical supplies.	Nothing
Not covered: Independent nursing, homemaker services	*All charges*
Ambulance	**You Pay**
• Local professional ambulance service when medically appropriate	Nothing

Section 5(d). Emergency services/accidents

IMPORTANT	**Here are some important things to keep in mind about these benefits:** • Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure. • We have no deductible. • Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.	IMPORTANT

What is a medical emergency?

A medical emergency is the sudden and unexpected onset of a condition or an injury that you believe endangers your life or could result in serious injury or disability, and requires immediate medical or surgical care. Some problems are emergencies because, if not treated promptly, they might become more serious; examples include deep cuts and broken bones. Others are emergencies because they are potentially life-threatening, such as heart attacks, strokes, poisonings, gunshot wounds, or sudden inability to breathe. There are many other acute conditions that we may determine are medical emergencies - what they all have in common is the need for quick action.

What to do in case of emergency:

Emergencies within our service area: Emergency services must be provided or authorized by a plan physician unless time or circumstances make it impossible. You or a family member must contact your primary care physician within 48 hours, or as soon as reasonably possible if your care was not pre-approved. It is your responsibility to ensure that your doctor is notified in a timely manner.

If you are hospitalized in a non-plan facility and Plan physicians determine that care can be better provided in a Plan hospital, you would be transferred when medically feasible. Any follow up care must be pre-approved by the Plan or provided by Plan providers.

Emergencies outside of our service area: Emergency services must be provided or authorized by a plan physician unless time or circumstances make it impossible. You or a family member must contact your primary care physician within 48 hours or as soon as reasonably possible if your care was not pre-approved. It is your responsibility to ensure that your doctor is notified in a timely manner.

If a Plan doctor determines that care can be better provided in a Plan hospital, you would be transferred when medically feasible. Any follow up care must be pre-approved by the Plan or provided by Plan providers.

Benefit Description	You Pay
Emergency within our service area	**You Pay**
• Emergency care at a doctor's office • Emergency care at an urgent care center • Emergency care as an outpatient at a hospital, including doctors' services	$10 $25 $50 (waived if admitted)
Not covered: Elective care or non-emergency care	*All charges*
Emergency outside our service area	**You Pay**
• Emergency care at a doctor's office • Emergency care at an urgent care center • Emergency care as an outpatient at a hospital, including doctors' services	$10 $25 $50 (waived if admitted)
Not covered: • *Elective care or non-emergency care* • *Emergency care provided outside the service area if the need for care could have been foreseen before leaving the service area* • *Medical and hospital costs resulting from a normal full-term delivery of a baby outside the service area.*	*All charges*
Ambulance	**You Pay**
Professional ambulance service when medically appropriate. See 5 (c) for non-emergency service.	Nothing
Not covered: Air ambulance, unless determined to be medically necessary and approved by our medical director.	*All charges*

Section 5(e). Mental Health and Substance Abuse Benefits

IMPORTANT

Parity

Beginning in 2001, all FEHB plans' mental health and substance abuse benefits will achieve "parity" with other benefits. This means that we will provide mental health and substance abuse benefits differently than in the past.

When you get our approval for services and follow a treatment plan we approve, cost-sharing and limitations for Plan mental health and substance abuse benefits will be no greater than for similar benefits for other illnesses and conditions.

Here are some important things to keep in mind about these benefits:

- All benefits are subject to the definitions, limitations, and exclusions in this brochure.
- We have no deductible.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.
- **YOU MUST GET PREAUTHORIZATION OF THESE SERVICES.** See the instructions after the benefits description below.

IMPORTANT

Benefit Description	You Pay
Mental health and substance abuse benefits	**You Pay**
Diagnostic and treatment services recommended by a Plan provider and contained in a treatment plan that we approve. The treatment plan may include services, drugs, and supplies described elsewhere in this brochure. Note: Plan benefits are payable only when we determine the care is clinically appropriate to treat your condition and only when you receive the care as part of a treatment plan that we approve.	Your cost sharing responsibilities are no greater than for other illness or conditions.
• Professional services, including individual or group therapy by providers such as psychiatrists, psychologists, or clinical social workers • Medication management	$10 per visit
• Diagnostic tests	Nothing
• Services provided by a hospital or other facility • Services in approved alternative care settings such as partial hospitalization, full-day hospitalization, and facility based intensive outpatient treatment	Nothing
Not covered: Services we have not approved. *Note: OPM will base its review of disputes about treatment plans on the treatment plan's clinical appropriateness. OPM will generally not order us to pay or provide one clinically appropriate treatment plan in favor of another.*	*All charges*

Preauthorization

To be eligible to receive these benefits you must follow your treatment plan and all the following authorization processes:

For mental health treatment, you or your primary care physician are required to contact Preferred Care's Behavioral Health Services Unit and speak with a mental health specialist who will ask basic information about your mental health history to determine the need for a referral for outpatient care. For inpatient care, your primary care physician makes a referral to Preferred Care's Preauthorization Department for inpatient hospitalization or partial hospitalization (day treatment).

For chemical dependency treatment, you are required to contact the Preferred Care Behavioral Health Services Unit and speak with an intake coordinator who will ask basic information about your chemical dependency history to determine the need for an assessment. If an assessment is appropriate, an appointment for you will be arranged with an independent Preferred Care Chemical Dependency Assessor. Once the assessment is completed, a clinical quality coordinator will contact you to make specific recommendations for treatment, and will arrange inpatient or outpatient services as needed.

The Behavioral Health Services Unit telephone number is (716) 327-2477 or (800) 836-1430 ext. 477. For the names of plan providers or a provider directory, contact a Preferred Care Customer Care Center representative at (716) 325-3113 or (800) 950-3224 or visit our website at www.preferredcare.org.

Special transitional benefit

If a mental health or substance abuse professional provider is treating you under our plan as of January 1, 2001, you will be eligible for continued coverage with your provider for up to 90 days under the following condition:

- If your mental health or substance abuse professional provider with whom you are currently in treatment leaves the plan at our request for other than cause.

If this condition applies to you, we will allow you reasonable time to transfer your care to a Plan mental health or substance abuse professional provider. During the transitional period, you may continue to see your treating provider and will not pay any more out-of-pocket than you did in the year 2000 for services. This transitional period will begin with our notice to you of the change in coverage and will end 90 days after you receive our notice. If we write to you before October 1, 2000, the 90-day period ends before January 1 and this transitional benefit does not apply.

Limitation

We may limit your benefits if you do not follow your treatment plan.

Section 5(f). Prescription drug benefits

IMPORTANT	**Here are some important things to keep in mind about these benefits:** • We cover prescribed drugs and medications, as described in the chart beginning on the next page. • All benefits are subject to the definitions, limitations and exclusions in this brochure and are payable only when we determine they are medically necessary. • We have no deductible. • Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.	IMPORTANT

There are important features you should be aware of. These include:

- **Who can write your prescription.** A licensed Plan physician must write the prescription.
- **Where you can obtain them.** You may fill the prescription at a Plan pharmacy, a non-network pharmacy, or by mail for maintenance medications.
- **We use a formulary.** A formulary is a list of selected FDA approved prescription medications. Use of a formulary helps control out of pocket costs. The Preferred Care formulary is an open, clinically comprehensive guide that was developed by a nationally recognized independent group of clinicians.
- **These are the dispensing limitations.** You may purchase up to a 90 day supply at a Plan pharmacy and are required to pay a copayment for each 30-day supply you purchase. The amount you pay is based upon a three-tier copayment structure. The tiers determine the amount you pay for each 30-day supply purchased. The three tiers are categorized as: Generic Drugs; Preferred Brand Name Drugs; and Non-Preferred Brand Name Drugs.

  You may also purchase **certain** medications for up to a 90-day supply through the mail order pharmacy. You are required to pay a copayment for each 90 day supply purchased through the mail order pharmacy. The amount you pay for medications purchased through the mail order pharmacy is also based on the three tier copayment structure. The tiers are categorized as: Generic Drugs; Preferred Brand Name Drugs; and Non-Preferred Brand Name Drugs. You may obtain a list of the medications covered through the mail order program by contacting a Customer Care representative at (716) 325-3113 or (800) 950-3224.
- **When you have to file a claim.** If you use a non-plan pharmacy or do not present your identification card at a plan pharmacy, you are required to submit a claim.

(Prescription drug benefits begin on the next page)

Benefit Description	You Pay
Covered medications and supplies	**You Pay**
We cover the following medications and supplies prescribed by a Plan physician and obtained from a Plan pharmacy or through our mail order program: • Drugs and medicines that by Federal law of the United States require a physician's prescription for their purchase, except as excluded below • Disposable needles and syringes for the administration of covered medications • Drugs for sexual dysfunction have dispensing limits. Contact us for details. • Contraceptive drugs • Drugs for infertility treatment after a medical condition has been corrected are limited to 4 cycles per pregnancy. Pergonal/Metrodin and other FDA approved drugs, only after unsuccessful treatment with Clomifen and only when very specific clinical indications are met. The coverage is limited to, but not exceeding, four (4) treatment cycles per pregnancy. This benefit requires an approval referral for each cycle. If no pregnancy has occurred after completion of four cycles of Gonadotropic drugs, all fertility drug benefits are exhausted.	**At a Plan Pharmacy (for each 30 day supply)** $10 per generic prescription. $20 per preferred brand name prescription. $35 per non-preferred brand name prescription. **At Mail Order Pharmacy (for each 90 day supply)** $20 per generic prescription. $40 per preferred brand name prescription. $70 per non-preferred brand name prescription. Note: If there is no generic equivalent available, you will still have to pay the brand name copay.
Diabetic Drugs & Supplies: • Insulin and oral agents • Supplies, including disposable needles and syringes	$10 for each 30-day supply at a Plan pharmacy. $10 for each 90-day supply from the mail order pharmacy.
• Diabetes education (see Educational classes and programs, page 19)	$10 per session.
• Diabetic medical equipment	$10 per unit.
Here are some things to keep in mind about our prescription drug program: • A generic equivalent will be dispensed if it is available, unless your physician specifically requires a name brand. If you receive a name brand drug when a Federally-approved generic drug is available, and your physician has not specified Dispense as Written for the name brand drug, you have to pay the difference in cost between the name brand drug and the generic, in addition to the brand name copay. • We administer an open formulary. If your physician believes a name brand product is necessary or there is no generic available, your physician may prescribe a name brand drug from a formulary list. This list of name brand drugs is a preferred list of drugs that we selected to meet patient needs at a lower cost. To order a prescription drug brochure, call (716) 325-3113.	
Not covered: • *Drugs and supplies for cosmetic purposes* • *Vitamins and nutritional supplements that can be purchased without a prescription.* • *Nonprescription medicines* • *Drugs to enhance athletic performance*	*All Charges*

Section 5(g). Special Features

Feature	Description
Flexible benefits option	Under the flexible benefits option, we determine the most effective way to provide services. • We may identify medically appropriate alternatives to traditional care and coordinate other benefits as a less costly alternative benefit. • Alternative benefits are subject to our ongoing review. • By approving an alternative benefit, we cannot guarantee you will get it in the future. • The decision to offer an alternative benefit is solely ours, and we may withdraw it at any time and resume regular contract benefits. • Our decision to offer or withdraw alternative benefits is not subject to OPM review under the disputed claims process.
Services for deaf and hearing impaired	• If you have a speech or hearing impairment and have TTY/TDD equipment, you may contact us at (716) 325-2629.
Travel benefits/services overseas	• Urgent and emergency care only.

Section 5(h). Dental Benefits

IMPORTANT

Here are some important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- We have no deductible.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.

IMPORTANT

Accidental injury benefit

We cover restorative services and supplies necessary to promptly repair (but not replace) sound natural teeth. The need for these services must result from an accidental injury. Benefits are provided only for a course of treatment that has begun within 12 months of the injury. **You pay $10 per visit.**

Dental Benefits

Hospitalization for certain dental procedures is covered when a Plan doctor determines there is a need for hospitalization for reasons totally unrelated to the dental procedure; the Plan will cover the hospitalization, but not the cost of the professional dental services. Conditions for which hospitalization would be covered include hemophilia and heart disease. The need for anesthesia, by itself is not such a condition.

Section 5(i). Non-FEHB benefits available to Plan members

The benefits on this page are not part of the FEHB contract or premium, **and you cannot file an FEHB disputed claim about them**. Fees you pay for these services do not count toward FEHB out-of-pocket maximums.

HealthPerks® from Preferred Care are courses, resources, and discounts available to all members of the Plan. **HealthPerks**® provides connections to traditional and complimentary providers, all geared to giving Plan members' tools to make appropriate health and wellness decisions for themselves and their families. Our **HealthPerks**® program was developed to encourage appropriate participation in healthful activities focusing on preventive care to aid in improving the health status of our members. Courses, programs and workshops cover areas such as: CPR & First Aid, Diet & Nutrition, Smoking Cessation, Women's Issues, and Childbirth & Parenting. Discounts are provided for purchasing health related, recreation or leisure merchandise or services from: Weight Watchers, Play It Again Sports, Muxworthy's, G&G Fitness, Lori's Natural Foods, and Rock Ventures to name a few. Over twenty clubs provide plan members discounted arrangements. **HealthPerks**® also maintains a massage therapy panel that provides discounts on massage services. Discounts and schedules vary by participating vendor.

New programs for 2001 include:
- 20% discount on LASIK surgery at select locations
- Safe driving and safe boating course discounts at select locations
- 20% discount on teeth whitening at participating dental providers
- 20% discount on sunglasses and safety glasses at select locations

To receive a **HealthPerks**® brochure, call Preferred Care's Customer Care Center at (716) 325-3113 or toll free at (800) 950-3224. Members with a speech or hearing impairment and access to TTY/TDD equipment may call (716) 325-2629.

www.preferredcare.org. Preferred Care's website provides valuable health information, frequently asked questions, **HealthPerks**® offerings, physician listings, and important links to other sites that can provide you with the most up to date information on health and wellness.

This plan offers Medicare recipients the opportunity to enroll in the Plan through Medicare. As indicated on page 40, annuitants and former spouses with FEHB coverage may enroll in a Medicare managed care plan when one is available in their area. They may then later enroll in the FEHB Program. Most Federal annuitants have Medicare Part A. Contact your retirement system for information on dropping your FEHB enrollment and changing to a Medicare managed care plan. Contact us at (716) 327-2480 or toll free at (800) 665-7924 for information on the Medicare managed care plan and the cost of that enrollment.

Section 6. General exclusions – things we don't cover

The exclusions in this section apply to all benefits. **Although we may list a specific service as a benefit, we will not cover it unless your Plan doctor determines it is medically necessary to prevent, diagnose, or treat your illness, disease, injury, or condition.**

We do not cover the following:

- Care by non-Plan providers except for authorized referrals or emergencies (see Emergency Benefits);
- Services, drugs, or supplies you receive while you are not enrolled in this Plan;
- Services, drugs, or supplies that are not medically necessary;
- Services, drugs, or supplies not required according to accepted standards of medical, dental, or psychiatric practice;
- Experimental or investigational procedures, treatments, drugs or devices;
- Services, drugs, or supplies related to abortions, except when the life of the mother would be endangered if the fetus were carried to term or when the pregnancy is the result of an act of rape or incest;
- Services, drugs, or supplies related to sex transformations;
- Services, drugs, or supplies you receive from a provider or facility barred from the FEHB Program; or
- Services that would normally be provided without charge.

Section 7. Filing a claim for covered services

When you receive services from Plan physicians, receive services at Plan hospitals and facilities, or obtain your prescription drugs at Plan pharmacies, you will not have to file claims. Just present your identification card and pay your copayment or coinsurance.

You will only need to file a claim when you receive emergency services from non-plan providers. Sometimes these providers bill us directly. Check with the provider. If you need to file the claim, here is the process:

Medical and hospital benefits

In most cases, providers and facilities file claims for you. Physicians must file on the form HCFA-1500, Health Insurance Claim Form. Facilities will file on the UB-92 form. For claims questions and assistance, call us at (716) 325-3113.

When you must file a claim – such as for out-of-area care – submit it on the HCFA-1500 or a claim form that includes the information shown below. Bills and receipts should be itemized and show:

- Covered member's name and ID number;
- Name and address of physician or facility that provided the service or supply;
- Dates you received the services or supplies;
- Diagnosis;
- Type of each service or supply;
- The charge for each service or supply;
- A copy of the explanation of benefits, payments, or denial from any primary payer – such as the Medicare Summary Notice (MSN); and
- Receipts, if you paid for your services.

Submit your claims to:

Preferred Care, 259 Monroe Avenue, Rochester, New York, 14607

Prescription drugs

Submit your claims to:

Paid Prescriptions, Inc., P.O. Box 702, Parsippany, New Jersey, 07054

Deadline for filing your claim

Send us all of the documents for your claim as soon as possible. You must submit the claim by December 31 of the year after the year you received the service, unless timely filing was prevented by administrative operations of Government or legal incapacity, provided the claim was submitted as soon as reasonably possible.

When we need more information

Please reply promptly when we ask for additional information. We may delay processing or deny your claim if you do not respond.

Section 8. The disputed claims process

Follow this Federal Employees Health Benefits Program disputed claims process if you disagree with our decision on your claim or request for services, drugs, or supplies - including a request for preauthorization:

Step	Description
1	Ask us in writing to reconsider our initial decision. You must: (a) Write to us within 6 months from the date of our decision; and (b) Send your request to us at: 259 Monroe Avenue, Rochester, N.Y. 14607; and (c) Include a statement about why you believe our initial decision was wrong, based on specific benefit provisions in this brochure; and (d) Include copies of documents that support your claim, such as physicians' letters, operative reports, bills, medical records, and explanation of benefits (EOB) forms.
2	We have 30 days from the date we receive your request to: (a) Pay the claim (or arrange for the health care provider to give you the care); or (b) Write to you and maintain our denial – go to step 4; or (c) Ask you or your provider for more information. If we ask your provider, we will send you a copy of our request – go to step 3.
3	You or your provider must send the information so that we receive it within 60 days of our request. We will then decide within 30 more days. If we do not receive the information within 60 days, we will decide within 30 days of the date the information was due. We will base our decision on the information we already have. We will write to you with our decision.
4	If you do not agree with our decision, you may ask OPM to review it. You must write to OPM within: • 90 days after the date of our letter upholding our initial decision; or • 120 days after you first wrote to us – if we did not answer that request in some way within 30 days; or • 120 days after we asked for additional information. Write to OPM at: Office of Personnel Management, Office of Insurance Programs, Contracts Division 3, P.O. Box 436, Washington, D.C. 20044-0436. Send OPM the following information: • A statement about why you believe our decision was wrong, based on specific benefit provisions in this brochure; • Copies of documents that support your claim, such as physicians' letters, operative reports, bills, medical records, and explanation of benefits (EOB) forms; • Copies of all letters you sent to us about the claim; • Copies of all letters we sent to you about the claim; and • Your daytime phone number and the best time to call.

Note: If you want OPM to review different claims, you must clearly identify which documents apply to which claim.

Note: You are the only person who has a right to file a disputed claim with OPM. Parties acting as your representative, such as medical providers, must provide a copy of your specific written consent with the review request.

Note: The above deadlines may be extended if you show that you were unable to meet the deadline because of reasons beyond your control.

5 OPM will review your disputed claim request and will use the information it collects from you and us to decide whether our decision is correct. OPM will send you a final decision within 60 days. There are no other administrative appeals.

6 If you do not agree with OPM's decision, your only recourse is to sue. If you decide to sue, you must file the suit against OPM in Federal court by December 31 of the third year after the year in which you received the disputed services, drugs, or supplies. This is the only deadline that may not be extended.

OPM may disclose the information it collects during the review process to support their disputed claim decision. This information will become part of the court record.

You may not sue until you have completed the disputed claims process. Further, Federal law governs your lawsuit, benefits, and payment of benefits. The Federal court will base its review on the record that was before OPM when OPM decided to uphold or overturn our decision. You may recover only the amount of benefits in dispute.

NOTE: If you have a serious or life threatening condition (one that may cause permanent loss of bodily functions or death if not treated as soon as possible), and

(a) We haven't responded yet to your initial request for care or preauthorization/prior approval, then call us at (716) 325-3113 and we will expedite our review; or

(b) We denied your initial request for care or preauthorization/prior approval, then:

- If we expedite our review and maintain our denial, we will inform OPM so that they can give your claim expedited treatment too, or
- You can call OPM's Health Benefits Contracts Division 3 at 202/606-0755 between 8 a.m. and 5 p.m. eastern time.

Section 9. Coordinating benefits with other coverage

When you have other health coverage

You must tell us if you are covered or a family member is covered under another group health plan or have automobile insurance that pays health care expenses without regard to fault. This is called "double coverage."

When you have double coverage, one plan normally pays its benefits in full as the primary payer and the other plan pays a reduced benefit as the secondary payer. We, like other insurers, determine which coverage is primary according to the National Association of Insurance Commissioners' guidelines.

When we are the primary payer, we will pay the benefits described in this brochure.

When we are the secondary payer, we will determine our allowance. After the primary plan pays, we will pay whatever is left up to the plan allowance or our regular benefit, whichever is less. We will not pay more than our allowance. If we are the secondary payer, we may be entitled to receive payment from your primary plan.

- **What is Medicare?**

Medicare is a Health Insurance Program for:

- People 65 years of age and older.
- Some people with disabilities, under 65 years of age.
- People with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant).

Medicare has two parts:

- Part A (Hospital Insurance). Most people do not have to pay for Part A.
- Part B (Medical Insurance). Most people pay monthly for Part B.

If you are eligible for Medicare, you may have choices in how you get your health care. The information in the next few pages shows how we coordinate benefits with Medicare, depending on the type of Medicare plan you have.

- **The Original Medicare Plan**

The Original Medicare Plan is available everywhere in the United States. It is the way most people get their Medicare Part A and Part B benefits. You may go to any doctor, specialist, or hospital that accepts Medicare. Medicare pays its share and you pay your share. Some things are not covered under Original Medicare, like prescription drugs.

When you are enrolled in this Plan and Original Medicare, you still need to follow the rules in this brochure for us to cover your care. You must use our providers.

When Medicare is the primary payer, we will waive some of your out of pocket costs, such as copays and coinsurance.

(Primary Payer Chart appears on next page.)

The following chart illustrates whether Original Medicare or this Plan should be the primary payer for you according to your employment status and other factors determined by Medicare. It is critical that you tell us if you or a covered family member has Medicare coverage so we can administer these requirements correctly.

Primary Payer Chart		
A. When either you — or your covered spouse — are age 65 or over and ...	**Then the primary payer is . . .**	
	Original Medicare	**This Plan**
1 Are an active employee with the Federal government (including when you or a family member are eligible for Medicare solely because of a disability),		✓
2) Are an annuitant,	✓	
3) Are a reemployed annuitant with the Federal government when a) The position is excluded from FEHB	✓	
b) Or, the position is not excluded from FEHB Ask your employing office which of these applies to you.		✓
4) Are a Federal judge who retired under title 28, U.S.C., or a Tax Court judge who retired under Section 7447 of title 26, U.S.C. (or if your covered spouse is this type of judge),	✓	
5) Are enrolled in Part B only, regardless of your employment status,	✓ (for Part B services)	✓ (for other services)
6) Are a former Federal employee receiving Workers' Compensation and the Office of Workers' Compensation Programs has determined that you are unable to return to duty,	✓ (except for claims related to Workers' Compensation.)	
B. When you – or a covered family member – have Medicare based on end stage renal disease (ESRD) and...		
1) Are within the first 30 months of eligibility to receive Part A benefits solely because of ESRD,		✓
2) Have completed the 30-month ESRD coordination period and are still eligible for Medicare due to ESRD,	✓	
3) Become eligible for Medicare due to ESRD after Medicare became primary for you under another provision,	✓	
C. When you or a covered family member have FEHB and...		
1) Are eligible for Medicare based on disability, a) And are an annuitant	✓	
b) And are an active employee		✓

Claims process

- When we are the primary payer, we process the claim first.
- When Original Medicare is the primary payer, Medicare processes your claim first. In many cases, your claims will be coordinated automatically and we will pay the balance of covered charges. To find out if you need to do something about filing your claims, call us at (716) 325-3113 or visit our website at www.preferredcare.org.

- **Medicare managed care plan**

If you are eligible for Medicare, you may choose to enroll in a Medicare managed care plan. To learn more about enrolling in a Medicare managed care plan, contact Medicare at 1-800-MEDICARE (1-800-633-4227) or at www.medicare.gov. If you enroll in a Medicare managed care plan, the following options are available to you:

This Plan and another Plan's Medicare managed care plan: You may enroll in another plan's Medicare managed care plan and also remain enrolled in our FEHB plan. We will still provide benefits when your Medicare managed care plan is primary, even out of the managed care plan's network and/or service area (if you use our Plan providers). We will waive our copayments, and/or coinsurance when we are the secondary payer. You are required to use Plan providers.

Suspended FEHB coverage and a Medicare managed care plan: If you are an annuitant or former spouse, you can suspend your FEHB coverage to enroll in a Medicare managed care plan, eliminating your FEHB premium. (OPM does not contribute to your Medicare managed care plan premium). For information on suspending your FEHB enrollment, contact your retirement office. If you later want to re-enroll in the FEHB Program, generally you may do so only at the next open season unless you involuntarily lose coverage or move out of the Medicare managed care service area.

- **Enrollment in Medicare Part B**

Note: If you choose not to enroll in Medicare Part B, you can still be covered under the FEHB Program. We cannot require you to enroll in Medicare.

TRICARE

TRICARE is the health care program for eligible dependents of military persons, and retirees of the military. TRICARE includes the CHAMPUS program. If both TRICARE and this Plan cover you, they pay first. See your TRICARE Health Benefits Advisor if you have questions about TRICARE coverage.

Workers' Compensation

We do not cover services that:

- you need because of a workplace-related disease or injury that the Office of Workers' Compensation Programs (OWCP) or a similar Federal or State agency determines they must provide; or
- OWCP or a similar agency pays for through a third party injury settlement or other similar proceeding that is based on a claim you filed under OWCP or similar laws.

Once OWCP or similar agency pays its maximum benefits for your treatment, we will cover your benefits. You must use our providers.

Medicaid

When you have this Plan and Medicaid, we pay first.

When other Government agencies are responsible for your care

We do not cover services and supplies when a local, State, or Federal Government agency directly or indirectly pays for them.

When others are responsible for injuries

When you receive money to compensate you for medical or hospital care for injuries or illness caused by another person, you must reimburse us for any expenses we paid. However, we will cover the cost of treatment that exceeds the amount you received in the settlement.

If you do not seek damages you must agree to let us try. This is called subrogation. If you need more information, contact us for our subrogation procedures.

Section 10. Definitions of terms we use in this brochure

Calendar year

January 1 through December 31 of the same year. For new enrollees, the calendar year begins on the effective date of their enrollment and ends on December 31 of the same year.

Copayment

A copayment is a fixed amount of money you pay when you receive covered services. See page 10.

Coinsurance

Coinsurance is the percentage of our allowance that you must pay for your care. See page 10.

Covered services

Care we provide benefits for, as described in this brochure.

Custodial care

Care that could be provided safely and reasonably by people without professional skills or training that is primarily to help the member with daily living activities or meet personal needs.

Experimental or investigational

This Plan considers a drug, device, treatment, or procedure to be experimental or investigational if it meets one or more of the following criteria:

1. It cannot be lawfully marketed without the approval of the FDA and such approval has not been granted at the time of its use.
2. It is the subject of a current investigational new drug or device application on file with the FDA.
3. It is being provided pursuant to a Phase I or Phase II clinical trial or as the experimental or research arm of a clinical trial.
4. It is being provided pursuant to a written protocol which describes among its objectives, determination of safety, efficacy, or efficacy in comparison to conventional alternatives.
5. The predominant opinion among experts as expressed in the published peer review literature is that further research is necessary in order to define safety compared with conventional alternatives.
6. It is not experimental or investigational in itself, but is being used in conjunction with a drug, device, treatment, or procedure that is experimental or investigational.

Group health coverage

Health care coverage that a member is eligible for because of employment by, membership in, or connection with, a particular organization or group that provides payment for hospital, medical, or other health care services or supplies.

Medically necessary

Medically necessary means that the use of services and supplies required to diagnose or treat you are:

- consistent with your illness;
- safe and effective;
- not only for the convenience of you or your health care provider; and
- the most appropriate level for your illness.

Plan allowance

Plan allowance is the amount we use to determine our payment and your coinsurance for covered services.

Us/We

Us and we refer to Preferred Care.

You

You refers to the enrollee and each covered family member.

Section 11. FEHB facts

No pre-existing condition limitation

We will not refuse to cover the treatment of a condition that you had before you enrolled in this Plan solely because you had the condition before you enrolled.

Where you can get information about enrolling in the FEHB Program

See www.opm.gov/insure. Also, your employing or retirement office can answer your questions, and give you a *Guide to Federal Employees Health Benefits Plans*, brochures for other plans, and other materials you need to make an informed decision about:

- When you may change your enrollment;
- How you can cover your family members;
- What happens when you transfer to another Federal agency, go on leave without pay, enter military service, or retire;
- When your enrollment ends; and
- When the next open season for enrollment begins.

We don't determine who is eligible for coverage and, in most cases, cannot change your enrollment status without information from your employing or retirement office.

Types of coverage available for you and your family

Self Only coverage is for you alone. Self and Family coverage is for you, your spouse, and your unmarried dependent children under age 22, including any foster children or stepchildren your employing or retirement office authorizes coverage for. Under certain circumstances, you may also continue coverage for a disabled child 22 years of age or older who is incapable of self-support.

If you have a Self Only enrollment, you may change to a Self and Family enrollment if you marry, give birth, or add a child to your family. You may change your enrollment 31 days before to 60 days after that event. The Self and Family enrollment begins on the first day of the pay period in which the child is born or becomes an eligible family member. When you change to Self and Family because you marry, the change is effective on the first day of the pay period that begins after your employing office receives your enrollment form; benefits will not be available to your spouse until you marry.

Your employing or retirement office will **not** notify you when a family member is no longer eligible to receive health benefits, nor will we. Please tell us immediately when you add or remove family members from your coverage for any reason, including divorce, or when your child under age 22 marries or turns 22.

If you or one of your family members is enrolled in one FEHB plan, that person may not be enrolled in or covered as a family member by another FEHB plan.

When benefits and premiums start

The benefits in this brochure are effective on January 1. If you are new to this Plan, your coverage and premiums begin on the first day of your first pay period that starts on or after January 1. Annuitants' premiums begin on January 1.

Your medical and claims records are confidential

We will keep your medical and claims information confidential. Only the following will have access to it:

- OPM, this Plan, and subcontractors when they administer this contract;
- This Plan, and appropriate third parties, such as other insurance plans and the Office of Workers' Compensation Programs (OWCP), when coordinating benefit payments and subrogating claims;
- Law enforcement officials when investigating and/or prosecuting alleged civil or criminal actions;
- OPM and the General Accounting Office when conducting audits;
- Individuals involved in bona fide medical research or education that does not disclose your identity; or
- OPM, when reviewing a disputed claim or defending litigation about a claim.

When you retire

When you retire, you can usually stay in the FEHB Program. Generally, you must have been enrolled in the FEHB Program for the last five years of your Federal service. If you do not meet this requirement, you may be eligible for other forms of coverage, such as Temporary Continuation of Coverage (TCC).

When you lose benefits

- **When FEHB coverage ends**

  You will receive an additional 31 days of coverage, for no additional premium, when:

  - Your enrollment ends, unless you cancel your enrollment, or
  - You are a family member no longer eligible for coverage.

  You may be eligible for spouse equity coverage or Temporary Continuation of Coverage.

- **Spouse equity coverage**

  If you are divorced from a Federal employee or annuitant, you may not continue to get benefits under your former spouse's enrollment. But, you may be eligible for your own FEHB coverage under the spouse equity law. If you are recently divorced or are anticipating a divorce, contact your ex-spouse's employing or retirement office to get RI 70-5, the *Guide to Federal Employees Health Benefits Plans for Temporary Continuation of Coverage and Former Spouse Enrollees*, or other information about your coverage choices.

- **TCC**

  If you leave Federal service, or if you lose coverage because you no longer qualify as a family member, you may be eligible for Temporary Continuation of Coverage (TCC). For example, you can receive TCC if you are not able to continue your FEHB enrollment after you retire.

  You may not elect TCC if you are fired from your Federal job due to gross misconduct.

  Get the RI 79-27, which describes TCC, and the RI 70-5, the *Guide to Federal Employees Health Benefits Plans for Temporary Continuation of Coverage and Former Spouse Enrollees*, from your employing or retirement office or from www.opm.gov/insure.

• Converting to individual coverage

You may convert to a non-FEHB individual policy if:

•• Your coverage under TCC or the spouse equity law ends. If you canceled your coverage or did not pay your premium, you cannot convert;

•• You decided not to receive coverage under TCC or the spouse equity law; or

•• You are not eligible for coverage under TCC or the spouse equity law.

If you leave Federal service, your employing office will notify you of your right to convert. You must apply in writing to us within 31 days after you receive this notice. However, if you are a family member who is losing coverage, the employing or retirement office will **not** notify you. You must apply in writing to us within 31 days after you are no longer eligible for coverage.

Your benefits and rates will differ from those under the FEHB Program; however, you will not have to answer questions about your health, and we will not impose a waiting period or limit your coverage due to pre-existing conditions.

Getting a Certificate of Group Health Plan Coverage

If you leave the FEHB Program, we will give you a Certificate of Group Health Plan Coverage that indicates how long you have been enrolled with us. You can use this certificate when getting health insurance or other health care coverage. Your new plan must reduce or eliminate waiting periods, limitations, or exclusions for health related conditions based on the information in the certificate, as long as you enroll within 63 days of losing coverage under this Plan.

If you have been enrolled with us for less than 12 months, but were previously enrolled in other FEHB plans, you may also request a certificate from those plans.

Inspector General Advisory

Stop health care fraud! Fraud increases the cost of health care for everyone. If you suspect that a physician, pharmacy, or hospital has charged you for services you did not receive, billed you twice for the same service, or misrepresented any information, do the following:

- Call the provider and ask for an explanation. There may be an error.
- If the provider does not resolve the matter, call us at (716) 325-3113 and explain the situation.
- If we do not resolve the issue, call **THE HEALTH CARE FRAUD HOTLINE – 202/418-3300** or write to: The United States Office of Personnel Management, Office of the Inspector General Fraud Hotline, 1900 E Street, NW, Room 6400, Washington, DC 20415.

Penalties for Fraud

Anyone who falsifies a claim to obtain FEHB Program benefits can be prosecuted for fraud. Also, the Inspector General may investigate anyone who uses an ID card if the person tries to obtain services for someone who is not an eligible family member, or is no longer enrolled in the Plan and tries to obtain benefits. Your agency may also take administrative action against you.

Index

Do not rely on this page; it is for your convenience and does not explain your benefit coverage.

Summary of benefits for Preferred Care - 2001

- **Do not rely on this chart alone.** All benefits are provided in full unless indicated and are subject to the definitions, limitations, and exclusions in this brochure. On this page we summarize specific expenses we cover; for more detail, look inside.
- If you want to enroll or change your enrollment in this Plan, be sure to put the correct enrollment code from the cover on your enrollment form.
- We only cover services provided or arranged by Plan physicians, except in emergencies.

Benefits	You Pay	Page
Medical services provided by physicians: • Diagnostic and treatment services provided in the office	Office visit copay: $10 primary care; $10 specialist	12
Services provided by a hospital: • Inpatient ..... • Outpatient	 Nothing Nothing	 23 24
Emergency benefits: • In-area ..... • Out-of-area	 $50 copay (waived if admitted) $50 copay (waived if admitted)	 25 25
Mental health and substance abuse treatment	Regular cost sharing	27
Prescription drugs	**At a Plan Pharmacy (for each 30 day supply)** $10 per generic prescription $20 per preferred brand name prescription $35 per non-preferred brand name prescription **At Mail Order Pharmacy (for each 90 day supply)** $20 per generic prescription $40 per preferred brand name prescription $70 per non-preferred brand name prescription	29
Dental Care	No benefit	32
Vision Care: • Annual eye refraction, including lens prescriptions • One pair of prescription eyeglasses or contact lenses	 $10 per visit The remaining cost after a discount of 20%-60% and a credit of $60	16
Special features: • Flexible benefits option • Services for deaf and hearing impaired • Travel benefits/services overseas		31
Protection against catastrophic costs (your out-of-pocket maximum)	Nothing after $3,300 per person or $8,400 per family enrollment per year Some costs do not count toward this protection	10

2001 Rate Information for
Preferred Care

Non-Postal rates apply to most non-Postal enrollees. If you are in a special enrollment category, refer to the FEHB Guide for that category or contact the agency that maintains your health benefits enrollment.

Postal rates apply to career Postal Service employees. Most employees should refer to the FEHB Guide for United States Postal Service Employees, RI 70-2. Different postal rates apply and special FEHB guides are published for Postal Service Nurses and Tool & Die employees (see RI 70-2B); and for Postal Service Inspectors and Office of Inspector General (OIG) employees (see RI 70-2IN).

Postal rates do not apply to non-career postal employees, postal retirees, or associate members of any postal employee organization. Refer to the applicable FEHB Guide.

		Non-Postal Premium				Postal Premium	
		Biweekly		Monthly		Biweekly	
Type of Enrollment	Code	Gov't Share	Your Share	Gov't Share	Your Share	USPS Share	Your Share
Self Only	GV1	$76.29	$25.43	$165.29	$55.10	$90.28	$11.44
Self and Family	GV2	$193.52	$64.51	$419.30	$139.77	$229.00	$29.03