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**Summary Plan Document (SPD)**  
**for**  
**Arkansas State Employees and**  
**Arkansas Public School Employees**  
  
**with Health Advantage Medical Coverage**

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## SAS EMPLOYEE BENEFITS DIVISION INFORMATION

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### SAS Employee Benefits Division

501 Woodlane St, Ste 501  
Little Rock, AR 72201

### Mailing Address

PO Box 15610  
Little Rock, AR 72231

### Office Hours

Monday thru Friday: 8:00 am – 5:00 pm

### Call Center Hours

Monday thru Friday: 8:00 am – 4:50 pm

All visitors and their guests must have an appointment to enter the building. To setup an appointment call: 1-501-682-5502 or email [ARBenefits.appointment@arkansas.gov](mailto:ARBenefits.appointment@arkansas.gov).

### Social Media

[www.my.ARBenefits.org](http://www.my.ARBenefits.org)

[www.sas.arkansas.gov](http://www.sas.arkansas.gov)

### Follow Us – Department Shared Administrative Services



## HELPFUL CONTACT INFORMATION

Benefit	Website	Phone Number
EBD Office	<a href="http://www.sas.arkansas.gov">www.sas.arkansas.gov</a> <a href="mailto:Ask.ebd@arkansas.gov">Ask.ebd@arkansas.gov</a>	877-815-1017
Lucet (EAP)	<a href="http://www.eap.lucethelath.com">www.eap.lucethelath.com</a> Company Code: ARBenefits	877-300-9103
Health Advocate	<a href="http://www.HealthAdvocate.com/members">www.HealthAdvocate.com/members</a>	800-422-5142
Health Advantage	<a href="http://www.healthadvantage-hmo.com">www.healthadvantage-hmo.com</a>	800-482-8416 501-378-2364
Navitus (Pharmacy Benefits Manager) for Active, Retirees, and ASE Medicare Retirees	<a href="http://www.navitus.com">www.navitus.com</a>	844-384-2438
FSA/HSA (ASE Members Only)	<a href="http://www.connectyourcare.com/ARBenefits">www.connectyourcare.com/ARBenefits</a> <a href="http://www.Beneliance.com">www.Beneliance.com</a>	833-229-4431 866-762-2149
Colonial Life Insurance	<a href="http://www.coloniallife.com">www.coloniallife.com</a>	855-868-6009

Arkansas Diamond Plan (ASE Members Only)	<a href="https://my.voya.com">https://my.voya.com</a>	501-301-9900 866-271-3327
ARSEBA (ASE Members Only)	<a href="http://www.arseba.com">www.arseba.com</a>	888-224-5233 501-224-5234
United Healthcare (Medicare eligible retirees)	<a href="https://retiree.uhc.com">https://retiree.uhc.com</a>	844-488-3953

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## INTRODUCTION

This Plan Document explains the benefits available to Members of the Arkansas State and Public School Employee Health Insurance Plan (known as the Plan or ARBenefits throughout the rest of this document). The Plan provides coverage for participating Employees, Retirees, and eligible Dependents. The Employee Benefits Division of the State of Arkansas Department of Shared Administrative Services (EBD) reserves the right to interpret the elements of this Plan Document as necessary for the continued administration of the Plan. No oral interpretations can change this Plan.

To obtain additional information, free of charge, about Plan coverage of a specific benefit, particular medication, treatment, test, or any other aspect of Plan benefits or requirements, individuals can call EBD Member Services at (877) 815-1017.

To the extent that an item or service is a covered benefit under the Plan, the terms of the Plan shall be applied in a manner that does not discriminate against a health care Provider who is acting within the scope of the Provider's license or other required credentials under applicable State law. This provision does not preclude the Plan from setting limits on benefits, including cost sharing provisions, frequency limits, or restrictions on the methods or settings in which treatments are provided and does not require the Plan to accept all types of Providers as a Network Provider.

Failure to follow the eligibility or enrollment requirements of this Plan may result in delay of coverage or no coverage at all. Reimbursement from the Plan can be reduced or denied because of certain provisions in the Plan, such as coordination of benefits, subrogation, exclusions, timeliness of COBRA elections, utilization review or other cost management requirements, failure to satisfy Primary Coverage Criteria, lack of timely filing of claims, or lack of coverage. These provisions are explained in summary fashion in this document; additional information is available from the Plan Administrator at no extra cost.

The Plan will pay benefits only for the expenses incurred while this coverage is in force. No benefits are payable for expenses incurred before coverage began or after coverage terminated. An expense for a service or supply is incurred on the date the service or supply is furnished.

No action at law or in equity shall be brought to recover under any section of this Plan until the appeal rights provided have been exercised and the Plan benefits requested in such appeals have been denied in whole or in part.

Changes in the Plan may occur in any or all parts of the Plan including benefit coverage, Deductibles, maximums, Copayments, exclusions, limitations, definitions, eligibility, and the like.

## DEFINED TERMS

The following terms have special meanings and when used in this Plan will be capitalized.

**Accidental Injury** is defined as bodily injury (other than intentionally self-inflicted injury) sustained by a Member while the coverage is in force, and which is the direct cause of the loss, independent of disease or bodily infirmity. Injury to a tooth or teeth while eating is not considered an Accidental Injury.

**Active Employee** is an Employee who is on the regular payroll of the Employer and who has begun to perform the duties of his or her job with the Employer on a full-time basis.

**Advanced Diagnostic Imaging** means Computed tomography scanning ("CT SCAN"), Magnetic Resonance Angiography or Imaging ("MRA/MRI"), Nuclear Cardiology, and positron emission tomography scans ("PET SCAN").

**Alternative Destination** means a lower-acuity facility that provides medical services, including without limitation:

1. A federally qualified health center;
2. An urgent care center;
3. A Physician office or medical clinic selected by the patient; and
4. A behavioral or mental health care facility including without limitation a crisis stabilization unit.

Alternative Destination does not include:

1. A critical access Hospital;
2. A dialysis center;
3. A Hospital;
4. A private residence; or
5. A Skilled Nursing Facility.

**Allowance or Allowable Charge**, when used in connection with Covered Services or supplies delivered in Arkansas, will be the amount deemed by the Claims Administrator, to be reasonable. The customary allowance is the basic Allowance or Allowable Charge. However, the Allowance or Allowable Charge may vary, given the facts of the case and the opinion of Claims Administrator's medical director.

**Allowances or Allowable Charges** for services or supplies received out of Arkansas may be determined by the local Blue Cross and Blue Shield Plan. Please note that all benefits under this Plan are subject to and shall be paid only by reference to the Allowance or Allowable Charge as determined at the discretion of the Claims Administrator. This means that regardless of how much a health care Provider may bill for a given service, the benefits under this Plan will be limited by the established Allowance or Allowable Charge. Participating Providers are obligated to accept the Claims Administrator's established rate as payment in full, and should only bill the Covered Person for Deductible, Coinsurance, and any non-Covered Services; however, if a Covered Person uses a non-participating Provider, they will be responsible for all amounts billed in excess of the Allowance or Allowable Charge.

The payment to a Provider for their services as described in a Current Procedural Terminology ("CPT") or Healthcare Common Procedure Coding System ("HCPCS") code and reimbursed in accordance with the Resource-Based Relative Value System ("RBRVS") used by the Centers for Medicare & Medicaid Services ("CMS") is an all-inclusive, global payment that covers all elements of the service as described in the particular code billed. This means that whatever staffing, overhead costs, equipment, medications, machinery, tools, technology, supplies, or materials of any kind that may be required in order for the billing Provider to perform the service or treatment described in the CPT or HCPCS code billed, the Claims Administrator's payment to the billing Provider of the Allowance or Allowable Charge for that CPT or HCPCS code constitutes the entire payment and the limit of benefits under this Plan with respect to the CPT or HCPCS code billed. A Provider who bills for a particular CPT or HCPCS code is deemed to represent that the billing Provider has performed and is responsible for provision of all services or treatments described in the CPT or HCPCS code and is entitled to bill for such services or treatments. If the Claims Administrator pays for a Covered Service by applying the Allowance or Allowable Charge to the bill of a Provider who represents that the Provider has performed a service or treatment described in a CPT or HCPCS code as submitted, the Claims Administrator shall have no further obligation, nor is there coverage under this Plan, for bills from or payment to any other Provider, entity or person, regardless of whether they assisted the billing Provider or furnished any staffing, equipment, medications, machinery, tools, technology, supplies, or materials of any kind to or for the benefit of the billing Provider. In other words, benefits under this Plan are limited to one, global payment for all components of any services falling within the scope of any CPT or HCPCS code service or treatment description, and the Claims Administrator will make only one payment with respect to such CPT or HCPCS code, even if multiple parties claim to have contributed a portion of the staffing, equipment, machinery, tools, technology, supplies, or materials used by the billing Provider in the course of providing the service or treatment described in the CPT or HCPCS code.

For example, a Physician who performs certain surgical procedures in the Physician's office might choose to engage an equipment and supply company to set up the surgical table, furnish an assisting nurse, and also furnish certain surgical instruments, devices, or supplies used by the Physician. When the Physician bills the Plan for the Physician's performance of the surgical procedure described in a specific CPT or HCPCS code, the Claims Administrator will make a single, global payment to the Physician for Covered Services described in the CPT or HCPCS code, and will not be obligated to pay for any charges of the equipment and supply company. In such circumstances, any charge or claim of payment due the equipment and supply company shall be the exclusive responsibility of the Physician (or other Provider) who engaged the equipment and supply company and permitted or facilitated such company's access to the Physician's patient. In any event, as noted above, no benefits are available under this Plan for any services, medications, materials, or supplies of the equipment and supply company. It is the Claims Administrator's policy (and this Plan is specifically intended to adopt the same) that no benefits shall be paid for "unbundled services" in excess of the Allowance or Allowable Charge for any service as described in the applicable CPT or HCPCS code. This means, for example, that if a Physician and another category of Provider (such as a Durable Medical Equipment supplier, a Laboratory, a nurse practitioner, a nurse, a physician assistant, or any other category of Provider) agree together to divide up, split or "unbundle" the components of any CPT or HCPCS code, and attempt to bill separately for the various components each allegedly provides for the patient, benefits under this Plan shall nevertheless be limited to one Allowance per CPT or HCPCS code; in such circumstances, benefits under this Plan will pay only one Allowance or Allowable Charge for any Covered Service described in any single CPT or HCPCS code, and

the various Providers involved in any such "unbundling" action or agreement must resolve among themselves any division of that single Allowance or Allowable Charge between or among them. Members can protect themselves from the possibility of billing in excess of the Allowance or Allowable Charge in these circumstances by always inquiring in advance to be sure that each Provider involved in their care or treatment is an In-Network Provider.

Please note that the Claims Administrator makes the following exceptions to the preceding general policy of one global payment (Allowance) per CPT or HCPCS code: (i) where CMS has developed and published an RBRVS policy that specifically recognizes that the Relative Value Units (RVUs) associated with a specific CPT or HCPCS code should be divided into both a professional and a technical component; or billing of the services of an assistant surgeon for those CPT or HCPCS codes that specifically recognize assistant surgery services as applicable; or (iii) billing of radiopharmaceuticals used in nuclear medicine procedures where such radiopharmaceuticals clearly are not included in the practice expense portion of the associated RVU as published and defined by CMS; or (iv) billing of a procedure or set of procedures that, per the applicable CPT or HCPCS code definition, is based solely on time consumed so that it is necessary to submit multiple units of the procedure in order to accurately report the total time devoted to the patient. In the specific four circumstances outlined in the preceding sentence, the Claims Administrator will recognize and pay more than one Allowance per CPT or HCPCS code, provided all other terms and conditions of this Plan are met. With respect to the first such circumstance involving RVUs divided between a professional and a technical component, payment will be limited to one global payment (Allowance) for the applicable professional component, and one global payment (Allowance) for the technical component. In other words, even where CMS policy specifically recognizes division of an RVU into professional and technical components, the Claims Administrator will not be responsible for paying multiple Providers or multiple billings for the professional component, nor will the Claims Administrator be responsible for paying multiple Providers or multiple billings for the technical component. Benefits under this Plan will be limited in such circumstances to one global payment (Allowance) for the professional component and one global payment (Allowance) for the technical component.

**Ambulance Service** means ground or air transportation in a regularly equipped ambulance licensed by an appropriate agency and where the use of any other means of transportation is not medically indicated. All services provided by the ambulance personnel, including but not limited to, the administration of oxygen, medications, life support, etc. are included in the specific Plan limitation applied to ambulance benefits.

**Ambulatory Surgery Center** means a distinct entity that operates exclusively for the purpose of providing surgical services to patients not requiring hospitalization.

**Ancillary Services** means services provided by Out-of-Network Providers at an In-Network facility such as: related to emergency medicine – anesthesiology, pathology, radiology and neonatology; provided by assistant surgeons, hospitalists and intensivists; diagnostic services, including radiology and laboratory services, unless such items and services are excluded from the definition of ancillary services as determined by the Secretary of Health and Human Services of the Department of Labor (as that term is applied in the No Surprises Act); provided by such other specialty practitioners as determined by the Secretary; and provided by an Out-of-Network Physician when no other In-Network Physician is available.

**Approved Clinical Trial** means a phase I, phase II, phase III, or phase IV clinical trial that is conducted in relation to the prevention, detection, or treatment of cancer or other Life-Threatening Disease or Condition and is described in any of the following subparagraphs:

**Federally Funded Trials**- The study or investigation is approved or funded (which may include funding through in-kind contributions) by one or more of the following:

1. The National Institutes of Health;
2. The Centers for Disease Control and Prevention;
3. The Agency for Health Care Research and Quality;
4. The Centers for Medicare & Medicaid Services;
5. Cooperative group or center of any of the entities described in clauses a. through b. or the Department of Defense or the Department of Veterans Affairs; or
6. A qualified non-governmental research entity identified in the guidelines issued by the National Institutes of Health for center support grants.
  - a. The study or investigation is conducted under an investigational new medication application reviewed by the Food and Drug Administration; and
  - b. The study or investigation is a medication trial that is exempt from having such an investigational new medication application.

**ASE** means Arkansas State Employees

**ASE Employer** is the State of Arkansas.

**Balance billing** is an Out-of-Network Provider practice of charging a Covered Person for the difference between the Plan Allowance and the full, billed charges. Benefits under the Plan will always be limited to the Plan Allowance. The In-Network Provider contract protects the Covered Person from additional billing beyond the Plan Allowance. However, Out-of-Network Providers may choose to bill the Covered Person for the balance.

**Bariatric Revision Surgery** means a Bariatric Surgery that is performed to repair or change a previously performed Bariatric Surgery that had been previously covered while enrolled under this Plan.

**Bariatric Surgery** means a surgical procedure performed to induce weight loss and includes gastric bypass surgery, adjustable gastric banding surgery, sleeve gastrectomy surgery, and duodenal switch biliopancreatic diversion.

**Birthing Center** means any freestanding health facility, place, professional office, or institution which is not a Hospital or in a Hospital, where births occur in a home-like atmosphere. This facility must be licensed and operated in accordance with the laws pertaining to Birthing Centers in the jurisdiction where the facility is located.

The Birthing Center must provide facilities for obstetrical delivery and short-term recovery after delivery; provide care under the full-time supervision of a Physician and either a registered nurse (R.N.) or a licensed nurse-midwife; and have a written agreement with a Hospital in the same locality for immediate acceptance of patients who develop complications or require pre- or post-delivery confinement.

**Body Mass Index** means a body weight in kilograms divided by height in meters squared.

**Breastfeeding and Lactation Consultant** means: (i) an International Board-Certified Lactation Consultant; or (ii) a certified lactation counselor performing Breastfeeding and Lactation

Consultant Services. A certified lactation counselor must be supervised by a contracted and in-network healthcare provider to receive reimbursement for Breastfeeding and Lactation Consultant Services.

**Calendar Year** means January 1st through December 31st of the same year.

**Case Management** is a program in which a registered nurse employed by the Claims Administrator, known as a Case Manager, assists a Member through a collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates options and health care benefits available to a Member. Case Management is instituted at the discretion of the Claims Administrator when mutually agreed to by the Member and the Member's Physician.

**Certified Community Health Worker** means an individual certified by the Department of Health who is a trusted member of or has a usually close understanding of the community that he or she is serving as a liaison, link, advocate or intermediary between the health service or social services and the community to facilitate access to health services or social services. Community health worker shall perform cultural mediation among individuals, communities, and health services systems or social services systems. They may assist in appropriate health education, care coordination, case management, health service navigation, coaching, basic health screening/tests, or conduct outreach for health literacy services. Service can include without limitation medication compliance under patient care plan as directed by a healthcare provider or healthcare professional.

**Certified Doula** means a community based non-medical health professional certified by the Arkansas Department of Health who provides physical, emotional and educational support for pregnant women throughout prenatal, birth and postpartum periods.

**Chemotherapy** means therapy for the treatment of a malignant neoplastic disease by chemical agents. High dose Chemotherapy is Chemotherapy several times higher than the standard dose for malignant disease (as determined in recognized medical compendia) and which would automatically require the addition of medications and procedures (e.g., Granulocyte Colony-Stimulating Factor, Granulocyte- Macrophage Colony-Stimulating Factor, re-infusion of stem cells, re-infusion of autologous bone marrow transplantation, or allogeneic bone marrow transplantation) in any patient who received this high dose Chemotherapy, to prevent life-threatening complications of the Chemotherapy on the patient's own progenitor blood cells.

**Claims Administrator** means a vendor to whom the Plan Administrator has delegated responsibility and authority to process claims for benefits under the Plan, applying the terms, conditions, limitations, and exclusions of the Plan as set forth in this document. The Claims Administrator and its address are identified in the General Plan Information section of this document. The Claims Administrator is not the Plan Administrator and does not act as a fiduciary of the Plan.

**COBRA** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

**Coinsurance** means the obligation of a Member to pay a portion of an Allowance or Allowable Charge. Coinsurance is expressed as a percentage in the Schedule of Benefits. The Schedule of Benefits sets forth the Coinsurance for services or supplies received from an In-Network Provider and the Coinsurance for services and supplies from Out-of-Network Providers.

**Copay or Copayment** means the amount required to be paid to an In-Network Provider by or on behalf of a Member in connection with Covered Services. Copayments are listed in the Schedule of Benefits.

**Cosmetic Service** means any treatment or corrective surgical procedure performed to reshape structures of the body in order to alter the individual's appearance or to alter the manifestation of the aging process. Breast augmentation, mastopexy, breast reduction for cosmetic reasons,

otoplasty, rhinoplasty, collagen injection, and scar reversals are examples of Cosmetic Services. Cosmetic Services also includes any procedure required to correct complications caused by or arising from prior Cosmetic Services.

The following procedures are not considered Cosmetic Services and must meet Primary Coverage Criteria including but not limited to:

1. Correction of a cleft palate or cleft lip;
2. Removal of a port-wine stain, or hemangioma on the head, neck, or face;
3. When treatment is incidental to disease;
4. An artificial body part or implant as part of treatment for an Illness.

*Prior Approval is required for all cosmetic surgical services that are considered reconstructive with the exception of services that are considered an integral part of an approved or previously approved cancer treatment while covered under this Plan.*

**Coverage Policy** means a statement developed by the Claims Administrator that sets forth the medical criteria for coverage. Some limitations of benefits related to coverage, of a medication, treatment, service equipment, or supply are also outlined in the Coverage Policy. A copy of a Coverage Policy is available from the Claims Administrator at no cost, upon request, or a Coverage Policy can be reviewed on Health Advantage's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**Covered Charge(s)** means those services or supplies that meet Primary Coverage Criteria and are covered under this Plan.

**Covered Person** is an Employee or Dependent who is covered under this Plan.

**Covered Services** means services for which a Member is entitled to benefits under the terms of this Plan.

**Crisis Stabilization Unit** means a public or private facility, licensed and certified as a Crisis Stabilization Unit by the Arkansas Department of Human Services and operated by or used by a behavioral health crisis intervention team in the administration of a behavioral health crisis intervention protocol.

**Custodial Care** is care (including Room and Board needed to provide that care) that is given principally for personal hygiene or for assistance in daily activities and can, according to generally accepted medical standards, be performed by persons who have no medical training. Examples of Custodial Care are help in walking and getting out of bed; assistance in bathing, dressing, feeding; or supervision over medication which could normally be self-administered.

**Deductible** means the amount of out-of-pocket expense a Member must incur for Covered Services each Calendar Year before any expenses are paid by the Plan. This amount is calculated from Allowance or Allowable Charges, not the billed charges. Once the Deductible has been met, subject to all other terms, conditions, limitations, and exclusions in the Plan, payment for Covered Services begins. The Deductible is waived for some services, such as Preventive Care, as identified in the Schedule of Benefits.

**Dental Care** means the treatment or repair of the teeth, bones, and tissues of the mouth and defects of the human jaws and associated structures and shall include surgical procedures involving the mandible and maxilla where such is done for the purpose of correcting

malocclusion of the teeth or for the purpose, at least in part, of preparing such bony structure for dentures or the attachment of teeth, artificial or natural.

**Dependent** means any member of an Employee's or Retiree's family who meets the Plan's eligibility requirements.

**Diabetes Self-Management Training** means instruction, including medical nutrition therapy relating to diet, caloric intake, and diabetes management (excluding programs the primary purpose of which is weight reduction) which enables diabetic patients to understand the diabetic management process and daily management of diabetic therapy as a means of avoiding frequent hospitalizations and complications when the instruction is provided in accordance with a program in compliance with the National Standards for Diabetes Self-Management Education Program as developed by the American Diabetes Association.

**Durable Medical Equipment (DME)** means equipment which:

1. Can withstand repeated use;
2. Is primarily and customarily used to serve a medical purpose;
3. Generally, is not useful to a person in the absence of an Illness or Accidental Injury; and
4. Is appropriate for use in the home.

**Embedded Deductible** means for each Covered Person that is enrolled in family coverage he or she is not required to pay a Deductible higher than the specified individual deductible amount.

**Embedded Out-of-Pocket** means for each Covered Person that is enrolled in family coverage he or she not is not required to pay an Out-of-Pocket limit higher than if he/she were enrolled in individual coverage.

**Emergency Care** means health care services required to evaluate and treat medical conditions of a recent onset and severity, including, but not limited to, severe pain that would lead a prudent layperson, possessing an average knowledge of medicine and health, to believe that a condition, Sickness, or Accidental Injury is of such a nature that failure to get immediate medical care could result in:

1. Placing the patient's health in serious jeopardy;
2. Serious impairment to bodily functions; or
3. Serious dysfunction of any bodily organ or part.

In order to qualify as Emergency Care, health care services must be sought 48 hours of the onset of the Illness or Accidental Injury.

**Employee** means a person who is classified by his Employer as an Active, common law employee.

**Employer Sponsored Group Coverage** is health insurance offered to you through your employer.

**Family Unit** is the covered Employee and the family members who are covered as Dependents under the Plan.

**Freestanding Facility** means an entity that furnishes health care services and that is neither integrated with, nor a department of, a Hospital. Physically separate facilities on the campus of a Hospital are considered freestanding unless they are integrated with, or a department of, the

Hospital. Examples of Freestanding Facilities include, but are not limited to, and Free-Standing Residential Treatment Centers. Ambulatory Surgery Centers performing Covered Services are not considered Freestanding Facilities. Laboratories are not considered Freestanding Facilities.

**Health Insurance Representatives (HIR)** are individuals appointed by a state agency or school district who provide Plan Participants with enrollment information and assist them with questions regarding the Plan. These individuals often work in the payroll or personnel sections and have a variety of other duties to perform.

**Health Intervention or Intervention** means an item, Medication, or service delivered or undertaken primarily to diagnose, detect, treat, palliate, or alleviate a medical condition or to maintain or restore functional ability of the mind or body.

**Home Health Agency** means an organization, licensed by the appropriate regulatory authority, which has entered into an agreement with the Plan to render home health services to Members.

**Homeopathic** means healing the underlying cause of disease, not simply eliminating the symptoms caused by the disease. Some forms of Homeopathic treatment may include, but are not limited to diet therapy, environment services, and minimum doses of natural medications. Homeopathic treatments are not covered.

**Hospice Care** means an autonomous, centrally administered, medically directed, coordinated program providing a continuum of home, outpatient, and home-like inpatient care for the terminally ill patient and family. Hospice Care provides palliative and supportive care to meet the special needs arising out of the physical, emotional, spiritual, social, and economic stresses which are experienced during the final stages of illness and during dying and bereavement.

**Hospital** means an acute general care Hospital, a Psychiatric Hospital, and a Rehabilitation Hospital licensed as such by the appropriate state agency. It does not include any of the following, unless required by applicable law or approved by the Board of Directors of Health Advantage:

1. Hospitals owned or operated by state or federal agencies;
2. Convalescent homes or Hospitals;
3. Homes for the aged;
4. Sanitariums;
5. Long term care facilities;
6. Infirmaries; or
7. Any institution operated mainly for treatment of long-term chronic diseases.

**Illness** means a bodily disorder, disease, physical sickness, or Mental Disorder. Illness includes Pregnancy, childbirth, miscarriage, or complications of Pregnancy.

**Independent Dispute Resolution** is the process that Out-of-Network or non-participating Providers may use following the end of an unsuccessful open negotiation period to determine the Out-of-Network rate for certain services. More specifically, the Federal IDR process may be used to determine the Out-of-Network rate for certain emergency services, non-emergency items and services furnished by non-participating Providers at participating health care facilities, and air ambulance services furnished by non-participating Providers of air Ambulance Services where an All-Payer Model Agreement or specified state law does not apply. Additionally, a party may not initiate the Federal IDR process if, with respect to an item or service, the party knows or reasonably should have known that the Provider or facility provided notice and obtained consent

from a participant, beneficiary, or enrollee to waive surprise billing protections consistent with PHS Act sections 2799B-1(a) and 2799B-2(a) and the implementing regulations at 45 CFR 149.410(b) and 149.420(c)-(i).

**In-Network Provider** means a health care Provider who has entered into a network participation contract with either the Claims Administrator or, outside the state of Arkansas, with the Blue Cross and Blue Shield plan in the state where services were provided (“Host Plan”).

**Infertility** means the inability to conceive.

**Initial Enrollee** an employee or Spouse who requests enrollment to the ARBenefits plan at the first opportunity, i.e., new hire election, or newly eligible (moving from part time to full time).

**Laboratory** means an entity furnishing biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings. These examinations also include procedures to determine, measure or otherwise describe the presence or absence of various substances or organisms in the body. Entities only collecting or preparing specimens (or both) or only serving as a mailing service and not performing testing are not considered laboratories.

**Life-Threatening Disease or Condition** means any disease or condition from which the likelihood of death is probable unless the course of the disease or condition is interrupted.

**Lifetime Maximum** is the maximum amount of allowed covered services that will be reimbursed on behalf of a member while covered under this health benefit plan. Services in excess of any lifetime maximum are not covered services, and members may be responsible for the entire amount of the provider’s billed charge. See “Summary of Benefits” for any limits that may apply.

**Long Term Acute Care** means the medical and nursing care treatment of medically stable but fragile patients over an extended period of time, anticipated to be at least 25 days. Long Term Acute Care includes, but is not limited to, treatment of chronic cardiac disorders, ventilator dependent respiratory disorder, post-operative complications, and total parenteral nutrition (TPN) issues.

**Low Protein Modified Food Products** means a food product that is specifically formulated to have less than one gram of protein per serving and intended to be used under the direction of a Physician for the dietary treatment of a Medical Disorder Requiring Specialized Nutrients or Formulas.

**Medical Care Facility** means a Hospital, a facility that treats one or more specific ailments, or any type of Skilled Nursing Facility.

**Medical Disorder Requiring Specialized Nutrients or Formulas** means the following inherited metabolic disorders involving a failure to properly metabolize certain nutrients: nitrogen metabolism disorder; phenylketonuria; maple syrup urine disease; homocystinuria; citrullinemia; argininosuccinic academia; tyrosinemia, type 1; very-long-chain acyl-CoA dehydrogenase deficiency long-chain 3 hydroxyacyl-CoA dehydrogenase deficiency; trifunctional protein deficiency; glutaric academia, type 1; methylcrotonyl CoA carboxylase deficiency, propionic academia; methylmalonic academia due to mutase deficiency; methylmalonic academia due to cobalamin A,B defect; isovaleric academia; ornithine transcarbamylase deficiency; non-ketotic

hyperglycinemia; glycogen storage diseases; disorders of creatine metabolism; malonic aciduria; carnitine palmitoyl transferase deficiency type II; glutaric aciduria type II; and sulfite oxidase deficiency.

**Medical Emergency** means a medical condition of a recent onset and severity, including, but not limited to, severe pain that would lead a prudent layperson, possessing an average knowledge of medicine and health, to believe that a condition, Sickness, or Accidental Injury is of such a nature that failure to get immediate medical care could result in:

1. Placing the patient's health in serious jeopardy;
2. Serious impairment to bodily functions; or
3. Serious dysfunction of any bodily organ or part.

**Medical Food** means a food that is intended for dietary treatment of a Medical Disorder Requiring Specialized Nutrients or Formulas for which nutritional requirements are established by recognized scientific principles and formulated to be consumed or administered enterally under the direction of a Physician.

**Medical Supply or Supplies** means an item which:

1. Is consumed or diminished with use so that it cannot withstand repeated use; and
2. Is primarily or customarily used to serve a medical purpose; and
3. Generally, is not useful to a person in the absence of an Illness or Accidental Injury.

**Medicare** is a federal system of health insurance for people over 65 years of age and for certain younger people with disabilities. It is comprised of three sections:

1. **Medicare Part A** – Medicare Part A Hospital insurance covers inpatient Hospital care, skilled nursing facility, hospice, lab tests, surgery, and home health care.
2. **Medicare Part B** – Medicare Part B (medical insurance) is part of Original Medicare and covers medical services and supplies that treat a Covered Person's health condition. This can include outpatient care, preventive services, Ambulance Services, and Durable Medical Equipment.
3. **Medicare Part D** – Medicare Part D is a federal program administered through private insurance companies. These companies offer retail prescription medication coverage to Medicare beneficiaries.
4. **Medicare Part C** – also known as Medicare replacement plans. Medicare Advantage health plans pay for managed health care based on a monthly fee per enrollee, rather than on the basis of billing a fee for each medical service provided, which is the way Original Medicare Parts A and B work.

**Member** means an Employee or Retiree or Dependent who is covered under the Plan.

**Mental Illness** means and includes (whether organic or non-organic, whether of biological, non-biological, chemical or non-chemical origin, and irrespective of cause, basis or inducement) mental disorders, mental illness, psychiatric illness, mental conditions, and psychiatric conditions. This is intended to include only illnesses classified in the current edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association, Washington, D.C.

**Mobile Health Unit** means a premanufactured structure, trailer, or self-propelled unit equipped with a chassis on wheels intended to provide healthcare services on a temporary basis and conforming to local Department of Health rules.

**Morbid Obesity** means a weight that is at least two times the ideal weight for frame, age, height, and sex of an individual as determined by an examining Physician as measured a body mass index:

1. Equal to or greater than thirty-five kilograms per meter squared (35 kg/m<sup>2</sup>) with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or
2. Greater than forty kilograms per meter squared (40kg/m<sup>2</sup>).
3. Neurologic Rehabilitation Facility means an institution licensed as such by the appropriate state agency. A Neurological Rehabilitation Facility must:
4. Be operated pursuant to law;
5. Be accredited by the Joint Commission on Accreditation of Healthcare Organizations and the Commission on Accreditation of Rehabilitation Facilities;
6. Be primarily engaged in providing, in addition to room and board accommodations, rehabilitation services for Severe Traumatic Brain Injury under the supervision of a duly licensed Physician (M.D. or D.O.); and
7. Maintain a daily progress record for each patient.

**No-Fault Auto Insurance** is the basic reparations provision of a law providing for payments without determining fault in connection with automobile accidents.

**Non-Diseased Tooth** means a natural tooth that is whole or properly restored and is free of decay and/or periodontal conditions.

**Nurse Hotline** means a 24/7 hotline available for Members who wish to seek the advice of a nurse. If referred to the emergency room by the hotline nurse, the emergency room Copayment will be waived for Members on the Premium plan.

**Orthotic Device** means a support, brace, or splint used to support, align, prevent, or correct the function of movable parts of the body.

**Out-of-Network Provider** means a health care Provider who does not have a network participation contract with either the Claims Administrator or, outside the state of Arkansas, with the Blue Cross and Blue Shield plan in the state where services were provided (“Host Plan”).

**Out-of-Pocket Limit** means the most a Covered Person or a Family Unit will pay each year for covered healthcare expenses. Once the individual limit or Family Unit limit amount has been reached, the Plan will pay 100% of remaining covered healthcare expenses that are incurred for the remainder of the year.

**Outpatient Care** means all care received including services, supplies, and Medications in a Physician’s office, Outpatient Surgery Center, x-ray or Laboratory, the Member’s home, or at a Hospital where the Member receives services but is not admitted to the Hospital.

**Outpatient Hospital** means a portion of a Hospital which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services by, or under the supervision of, a Physician to patients admitted for a variety of medical conditions.

**Outpatient Surgery Center or Radiation Therapy Center** means a facility licensed as such by the appropriate state agency.

**Partial Hospitalization** means continuous treatment for a Member who requires care or support, or both, in a Hospital but who does not require 24-hour supervision. A Physician must prescribe services for at least four hours, but not more than 16 hours in any 24-hour period.

**Pharmacy** means a licensed establishment where covered Prescription Medications are filled and dispensed by a pharmacist licensed under the laws of the state where he or she practices.

**Physician** means a Doctor of Medicine (M.D.) or a Doctor of Osteopathy (D.O.) duly licensed and qualified to practice medicine and perform surgery at the time and place a claimed Intervention is rendered. Physician also means a Doctor of Podiatry (D.P.M.), a Chiropractor (D.C.), a Psychologist (Ph.D.), an Oral Surgeon (D.D.S.), or an Optometrist (O.D.) duly licensed and qualified to perform the claimed Health Intervention at the time and place such Intervention is rendered.

**Physician Service** means such services as are rendered by a licensed Physician within the scope of his license.

**Plan** means ARBenefits, which is a benefits plan for Arkansas State and Public School Employees, Retirees, and their eligible Dependents, and is described in this document.

**Plan Administrator** means Employee Benefits Division for the appropriate department of the State of Arkansas.

**Plan Allowance** means the maximum amount the Plan will cover or pay for any health care services, medications, medical devices, equipment, supplies, or benefits covered by the Plan, regardless of how much a Provider may bill for services, medications, medical devices, equipment, supplies or benefits. This overall limit on the amount of Plan benefits available under the Plan may also be referred to as the "Allowable Charge or "Allowance" under the Plan.

**Plan Participant** is any Employee or Dependent who is covered under this Plan.

**Plan Year** is the 12-month period beginning on January 1 and ending on the following December 31.

**Pregnancy** is childbirth and conditions associated with Pregnancy, including complications.

**Prescription** means an order for Medications by a Physician or health care Provider authorized by applicable law to issue a Prescription, to a Pharmacy for the benefit of and use by a Member.

**Prescription Medication or Medication** means any pharmaceutical that has been approved by the FDA and can be obtained only through a Prescription. The Claims Administrator has classified selected Prescription Medications, primarily Medications intended for self-administration as "A Medications." The Claims Administrator has classified Intra-muscular injections, Intravenous injections, and other pharmaceuticals that are primarily intended for professional administration as "B Medications."

**Primary Care Physician** means an In-Network M.D. or D.O. Physician who provides primary medical care in one of these medical specialties: General Practice, Pediatrics, Family Practice, Obstetrics/Gynecology, or Internal Medicine. This also includes advanced practice nurses or physician assistants who provide primary medical care in these medical specialties and are performed in the Primary Care Physician's office.

**Prior Approval** means the process by which the Claims Administrator, acting on the Plan's behalf, determines in advance of the Member obtaining a requested medical service,

Medication, supply, test, or equipment that such medical service, Medication, supply, test, or equipment meets Primary Coverage Criteria. Ongoing therapy of a prior authorized medication may require periodic assessments that could include an efficacy measure intended to demonstrate positive outcomes for continuation of therapy. NOTE: Prior Approval does not mean that the service, supply or treatment will be covered regardless of other terms, conditions, or limitations outlined in this document, but means only that the information furnished to the Claims Administrator in the pre-service request indicates that the requested medical service, Medication, supply, test, or equipment meet the Primary Coverage Criteria requirements and the Applications of the Primary Coverage Criteria and is not subject to a specific Plan Exclusion. All Health Interventions receiving Prior Approval must still meet all other coverage terms, conditions, and limitations, and coverage for these services may still be limited or denied if, when the post-service claim for the services is received by the Claims Administrator, investigation shows that a benefit exclusion or limitation applies because of a difference in the Health Intervention described in the pre-service request and the actual Health Intervention, that the Member ceased to be eligible for benefits on the date the services were provided, that coverage lapsed for non-payment of premium, that Out-of-Network limitations apply, or any other basis specified in this document.

**Professional Services** means those Covered Services rendered by Physician and other health care provided in accordance with this Plan. Except for Emergency Care, all services must be performed, prescribed, directed, or authorized in advance by the Member's Primary Care Physician.

**Prosthodontic Services** means Dental Care services for the diagnosis, treatment planning and rehabilitation of the oral function and health of patients with clinical considerations associated with missing or deficient teeth or oral and maxillofacial tissues, or both, using biocompatible substitutes. Supports language which appears in the SPD for our consideration

**Prosthetic Device** means a device used to replace, correct, or support a missing portion of the body, to prevent or correct a physical deformity or malfunction, or to support a weak or deformed portion of the body. Prosthetic Devices do not include dentures or other dental appliances that replace either teeth or structures directly supporting the teeth.

**Provider** means an advance practice nurse; an athletic trainer; an audiologist; a certified orthotist; a chiropractor; a community mental health center or clinic; a dentist, a Hospital; a licensed Ambulatory Surgery Center; a licensed certified social worker; a licensed dietician; a licensed Durable Medical Equipment Provider; a licensed professional counselor; a licensed psychological practitioner; a long-term care facility; a non-Hospital based medical facility providing clinical diagnostic services for sleep disorders; a non-Hospital based medical facility providing magnetic resonance imaging, computed axial tomography, or other imaging diagnostic testing; an occupational therapist; an optometrist; a pharmacist; a physical therapist; a physician or surgeon (M.D. and D.O.); a podiatrist; a prosthetist; a psychologist; a respiratory therapist; a rural health clinic; a speech pathologist and any other type of health care Provider which Health Advantage, in its sole discretion, approves for reimbursement for services rendered.

**Public School Employee (PSE)** means an employee of an Arkansas public school district or public charter school recognized by the Arkansas Department of Education

**Recognized Amount** is the amount which a Covered Person's cost sharing is based on for the following Covered Services when provided by Out-of-Network Providers: Out-of-Network

Emergency Care; non-Emergency Care received at certain In-Network facilities by Out-of-Network Providers, when such services are Ancillary Services. For the purpose of this provision, "certain In-Network facilities" are limited to a hospital (as defined in 1861(e) of the Social Security Act), a hospital outpatient department, a critical access hospital (as defined in 1861(mm)(1) of the Social Security Act), an ambulatory surgical center described in section 1833(i)(1)(A) of the Social Security Act, and any other facility specified by the Secretary of Health and Human Services of the Department of Labor. The Recognized Amount is based on the qualifying payment amount as determined under applicable law.

**Reconstructive Surgery** are services to correct facial and body abnormalities caused by birth defects, injury, incidental to disease, or cancer to improve or restore physiologic function. Cosmetic Services are not covered.

**Relevant to the Claim** means a document, record or other information that:

1. Was relied upon in making the benefit determination;
2. Was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination;
3. Demonstrates compliance with the administrative processes and safeguards required by 7.2.5.b.; and
4. constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the Member's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.
5. Routine Patient Costs in connection with an Approved Clinical Trial mean the costs for Health Interventions covered by the Plan except:
6. The investigational item, device, or service itself;
7. Items and services that are provided solely to satisfy data collection and analysis needs and that are not used in direct clinical management of the individual undergoing the clinical trial; or
8. A service that is clearly inconsistent with widely accepted and established standards of care for the particular diagnosis.

**Severe Traumatic Brain Injury** means a sudden trauma causing damage to the brain as a result of the head suddenly and violently hitting an object or an object piercing the skull and entering brain tissue with an extended period of unconsciousness or amnesia after the injury or a Glasgow Coma Scale below 9 within the first 48 hours of Accidental Injury.

**Service Area** is the state of Arkansas.

**Sickness** is Illness, disease, or Pregnancy.

**Skilled Nursing Facility** means an institution licensed as such by the appropriate state agency. A Skilled Nursing Facility must:

1. Be operated pursuant to law;
2. Be approved for payment of Medicare benefits or be qualified to receive such approval, if so requested;
3. Be primarily engaged in providing, in addition to room and board accommodations, skilled nursing care under the supervision of a duly licensed Physician (M.D. or D.O.);

4. Provide continuous 24 hours a day nursing service by or under the supervision of a registered graduate professional nurse (R.N.) for at least eight hours per day and a registered graduate professional nurse (R.N.) or licensed practical nurse (L.P.N.) for the remaining 16 hours; and
5. Maintain a daily medical record of each patient. However, a Skilled Nursing Facility does not include:
  - a. Any home, facility, or part thereof used primarily for rest;
  - b. A home or facility for the aged or for the care of medication addicts or alcoholics; or
  - c. A home or facility primarily used for the care and treatment of mental diseases, or disorders, or Custodial Care or educational care.

**Specialty Care Provider** means a Physician or other health care Provider other than a Primary Care Physician.

**Spouse** means an individual with whom the covered Employee has established a legally and valid marriage recognized in the United States of America.

**Substance Use Disorder** means a maladaptive pattern of substance use manifested by recurrent and significant adverse consequences related to the repeated use of substances.

**Substance Use Disorder Residential Treatment Center** means a facility that provides treatment for substance (alcohol and drug) use disorder to live-in residents who do not require acute medical care. Services include individual and group therapy and counseling, family counseling, Laboratory tests, medication and supplies, psychological testing, and room and board.

**Telemedicine** means the use of information and communication technology to deliver healthcare services, including without limitation to the assessment, diagnosis, consultation, treatment, education, care management, and self-management. Telemedicine includes store-and-forward technology and remote patient monitoring but does not include audio-only communication, unless it is real-time, interactive and substantially meets the requirements for a covered service that would otherwise be covered by the Plan, including without limitation interactive audio, a facsimile machine, text messaging, or electronic mail systems.

**Temporomandibular Joint (TMJ) syndrome** is the treatment of jaw joint disorders including conditions of structures linking the jawbone and skull and the complex of muscles, nerves, and other tissues related to the temporomandibular joint.

**Total Disability (Totally Disabled)** means, in the case of a Dependent, the complete inability as a result of Accidental Injury or Sickness to perform the normal activities of a person of like age and sex in good health.

**Transplant Global Period** means a period of time that begins on or prior to the day of the transplant procedure and extends for a number of days after the transplant procedure. The length of the Transplant Global Period varies, depending upon the type of transplant involved.

**Urgent Care services** means care and treatment for an Illness, Accidental Injury, or condition serious enough that a reasonable person would seek care right away, but not so severe as to require emergency room services.

## HOW COVERAGE UNDER THE PLAN WORKS

The Employer has established and maintains this Plan for Employees, Retirees, and their eligible Dependents. The health benefit Plan provides a range of coverage for medical services. This is a very valuable benefit, but Members should understand that the Plan does NOT cover all medical services, medications, supplies, tests, or equipment (“Health Interventions” or “Interventions”). A Plan covering all Health Interventions would be prohibitively expensive. For that reason, this Plan is more limited. This document is a guide to what is and is not eligible for benefits under the Plan. Accordingly, Members should read this entire document carefully both now and BEFORE obtaining medical or preventive health services to be sure they understand what is covered and the limitations on coverage.

The Employer wants Members to have coverage for the vast majority of medical needs they may face, including most Hospital and Physician Services, Emergency Care, preventive and wellness services, medications, supplies, and equipment. However, in order to keep costs of the Plan within reasonable limits, the Plan has deliberately excluded coverage of a number of specific Health Interventions, placed coverage limits on some other Interventions, and established an overall standard called the “Primary Coverage Criteria” that each and every claim for benefits must meet in order to be covered under the Plan.

For any Health Intervention, there are several general coverage criteria that must be met in order for that Intervention to qualify for coverage under the Plan.

1. The Primary Coverage Criteria must be met;
2. At the time of the Intervention, the Member must meet the Plan’s eligibility standards;
3. The Health Intervention must conform to specific limitations stated in the Plan;
4. The Health Intervention must not be specifically excluded under the terms of the Plan;
5. Members must comply with the Plan’s Provider network and cost sharing arrangements;  
and
6. The Plan’s procedures for filing claims must be followed.
7. The following is a brief description of each of these qualifications.

**The Primary Coverage Criteria.** The Primary Coverage Criteria apply to ALL benefits a Member may claim under the Plan. It does not matter what types of Health Intervention may be involved or when or where the Intervention is obtained. The Primary Coverage Criteria are designed to allow Plan benefits for only those Health Interventions that are proven as safe and effective treatment. The Primary Coverage Criteria also provide benefits only for the least invasive or risky Intervention when such Intervention would safely and effectively treat the medical condition; or they provide benefits for treatment in an outpatient, doctor’s office or home care setting when such treatment would be a safe and effective alternative to hospitalization. Examples of the types of Health Interventions that the Primary Coverage Criteria exclude from coverage include such things as the cost of hospitalization for a minor cold or some other condition that could be treated outside the Hospital, or the cost of an investigational medication or treatment such as herbal therapy, or some forms of Chemotherapy not shown to have any beneficial or curative effect on a particular cancerous condition. Finally, the Primary Coverage Criteria require that if there are two or more effective alternative Health Interventions, the Plan should limit its payment to the Allowance or Allowable Charge for the most cost-effective

Intervention. The specific coverage standards that must be met under the Primary Coverage Criteria are outlined in the Primary Coverage Criteria Section found later in this document.

**Eligibility Standards.** Members must be eligible for benefits under the Plan at the time they receive a Health Intervention. Eligibility standards are set forth in the Eligibility, Funding, Effective Date, and Termination Section of this document. In order to be an eligible Member of the Plan, Members must meet the Plan's eligibility standards, which often include limited enrollment periods. It is important for Members to understand the provisions that outline the circumstances under which coverage may terminate under the Plan.

Special situations provided by state and federal law that allow continued coverage under the Plan for a limited time after an individual is no longer an Employee, Retiree, or Dependent, are described later in the document in the Section entitled Continuation Coverage Rights Under COBRA.

**Specific Limitations.** Because of the high cost of some Health Interventions, as well as the difficulty in some cases of determining whether an Intervention is really needed, the Plan includes coverage for such Health Interventions but place limits on the extent of coverage by limiting the number of Provider visits or treatments received during a Calendar Year or other specified time period. Examples of such limitations include a limit on the number of covered visits for chiropractic services. Other types of limitations include requirements that an Intervention be provided in a particular location or by a Provider holding a particular type of license, or in accordance with a written treatment plan or other documentation. Common benefits and limitations are outlined in detail in the Schedule of Benefits and the Medical Benefits Sections of this document. Members will note that this document refers to Coverage Policies the Claims Administrator has developed that may address limitations of coverage for a particular service, treatment, or medication. Members may request a copy of Coverage Policy with respect to a particular service, treatment, or medication, or may review established Coverage Policies on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**Specific Exclusions.** There are many possible reasons why the Plan has selected a particular condition, health care Provider, Health Intervention, or service to be excluded from the Plan. Some exclusions are based on the availability of other coverage or financing for certain types of injuries. For example, injuries received on the job are generally covered by workers' compensation. Other exclusions are based on the need to try to keep coverage affordable, covering basic health care service needs, but not covering every possible desired Intervention. The exclusion for Cosmetic Services is an example of this type of exclusion. The Plan excludes coverage of some health care Providers because the Provider is not qualified or because the Provider lacks appropriate training or experience to provide a service, or the service lies outside his or her scope of practice. For example, the Plan does not cover services rendered by unlicensed Providers or by Hospital residents, interns, students, or fellows.

Other exclusions are based on the Plan's judgment that the need for such Health Intervention is questionable in many cases, or that the services are of unknown or unproven beneficial effect. Examples of these types of exclusions include biofeedback and cranial electrotherapy

stimulation devices, as well as some forms of high dose Chemotherapy and bone marrow transplantation. Before undergoing treatment or tests, Members should review the specific exclusions listed in the Plan Exclusions Section of this document. If they have any questions about whether a specific exclusion applies, they should discuss it with their doctor(s). Assistance is also available from the Claims Administrator or EBD. Members may request a copy of Coverage Policy with respect to a particular service, treatment, or medication, or may review established Coverage Policies on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**Provider Network and Cost Sharing Procedures.** The Plan does not provide coverage for 100% of the costs associated with covered Health Interventions. Members are expected to pay Copayments, Deductible, and Coinsurance. Members are encouraged to select, and to maintain a patient-physician relationship with, their Primary Care Physician. Coverage includes a special limitation in the form of Provider network requirements. These provisions are designed to try to hold down the costs of coverage by limiting the coverage to those Physicians, Hospitals, or other health care Providers who participate in the Plan's Provider networks, and by having the Primary Care Physician consult with the Member in advance on whether the sometimes more expensive services of a specialist are really needed, or whether the Primary Care Physician can adequately address the problem. Members and their Physician are always free to make any decision they believe is best for the Member concerning whether to receive any particular service or treatment, or whether to see any Provider (in or out of the network). However, if a Member does decide to go "Out-of-Network" for services or treatment, coverage will be reduced or limited to the Out-of-Network rate. Member cost-sharing responsibilities are identified in the Schedule of Benefits Section.

**Prior Approval.** In some cases, the Member also may be required to meet certain Prior Approval of coverage procedures as outlined in this document. A complete list of services subject to Prior Approval is provided in the Cost Management Section. There are exceptions to the network for emergencies or, in rare cases upon approval by the Plan, where services or treatment covered under the Plan are not available for some reason from an In-Network Provider. In- Network Providers are identified in a published Provider directory, or Members may call the Claims Administrator to ask about a specific Provider or visit the claims administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**Claim Filing Procedures.** The Plan provides procedures that the Covered Person, their Provider or Authorized Representative must follow in filing claims. Failure to follow these procedures could result in significant delays in the processing of a claim, as well as potential denial of benefits. For example, not informing a Provider of the timely filing provision which causes the claim to not meet timely filing requirements will make a Member fully responsible for charges for services from that Provider. These procedures are set out in the How to Submit a Claim Section. In addition, the Section explains how a Member can appeal a benefit determination in the event he or she believes that such benefit determination does not comply with the terms of the Plan.

## PRIMARY COVERAGE CRITERIA

Purpose and Effect of Primary Coverage Criteria. The Primary Coverage Criteria are designed to allow Plan benefits for only those Interventions that are proven as safe and effective treatment. Another goal of the Primary Coverage Criteria is to provide benefits only for the less invasive or least risky Intervention when such Intervention would safely and effectively treat the medical condition, or to provide benefits for treatment in an outpatient, doctor's office or home care setting when such treatment would be a safe and effective alternative to hospitalization. Finally, if there is more than one effective Health Intervention available, the Primary Coverage Criteria allow the Plan to limit its payment to the Allowance or Allowable Charge for the most cost-effective Intervention. Regardless of anything else in this Plan, and regardless of any other communications or materials a Member may receive in connection with the Plan, the Member will not have coverage for any service, any medication, any treatment, any procedure or any equipment, supplies, or associated costs UNLESS the Primary Coverage Criteria set forth in this Section are met. At the same time, bear in mind that just because the Primary Coverage Criteria are met does not necessarily mean the treatment or services will be covered under the Plan. For example, a Health Intervention that meets the Primary Coverage Criteria will be excluded if the condition being treated is a non-covered treatment excluded by the Plan. As explained in the preceding Section, the Primary Coverage Criteria represent one category of six general coverage criteria that must be met for coverage in all cases. The Primary Coverage Criteria are as follows:

**Elements of the Primary Coverage Criteria.** In order to be covered, medical services, medications, treatments, procedures, tests, equipment, or supplies ("Interventions") must be recommended by the treating Physician and meet all of the following requirements:

1. The Intervention must be an item or service delivered or undertaken primarily to prevent, diagnose, detect, treat, palliate, or alleviate a medical condition or to maintain or restore functional ability of the mind or body. A "medical condition" means a disease, illness, Accidental Injury, Pregnancy, or a biological or psychological condition that, if untreated, impairs or threatens to impair ability of the body or mind to function in a normal, healthy manner.
2. The Intervention must be proven to be effective (as defined below) in preventing, treating, diagnosing, detecting, or palliating a medical condition.
3. The Intervention must be the most appropriate supply or level of service, considering potential benefits and harm to the patient. The following examples illustrate application of this standard (but are not intended to limit the scope of the standard):
  - a. An Intervention is not appropriate, for purposes of the Primary Coverage Criteria, if it would expose the patient to more invasive procedures or greater risks when less invasive procedures or less risky Interventions would be safe and effective to diagnose, detect, treat, or palliate a medical condition.
  - b. An Intervention is not appropriate, under the Primary Coverage Criteria, if it involves hospitalization or other intensive treatment settings when the Intervention could be administered safely and effectively in an outpatient or other less intensive setting, such as the home.
4. The Primary Coverage Criteria allow the Plan to limit its coverage to payment of the Allowance or Allowable Charge for the most cost-effective Intervention.

“Cost-effective” means a Health Intervention where the benefits and harms relative to the costs represent an economically efficient use of resources for patients with the medical condition being treated through the Health Intervention. For example, if the benefits and risks to the patient of two alternative Interventions are comparable, a Health Intervention costing \$1,000 will be more cost-effective than a Health Intervention costing \$10,000. “Cost-effective” shall not necessarily mean the lowest price.

**Primary Coverage Criteria Definitions.** The following definitions are used in describing the elements of the Primary Coverage Criteria:

1. Effective defined:
  - a. **An Existing Intervention** (one that is commonly recognized as accepted or standard treatment or which has gained widespread, substantially unchallenged use and acceptance throughout the United States) will be deemed “effective” for purposes of the Primary Coverage Criteria if the Intervention is found to achieve its intended purpose and to prevent, cure, alleviate, or enable diagnosis or detection of a medical condition without exposing the patient to risks that outweigh the potential benefits. This determination will be based on consideration of the following factors, in descending order of priority and weight:
    - i. Scientific evidence, as defined below (where available);
    - ii. If scientific evidence is not available, expert opinion(s) (whether published or furnished by private letter or report) of an Independent Medical Reviewer(s) with education, training, and experience in the relevant medical field or subject area; or
    - iii. If scientific evidence is not available, and if expert opinion is either unavailable for some reason or is substantially equally divided, professional standards, as defined and qualified below, may be consulted.
    - iv. If neither scientific evidence, expert opinion nor professional standards show that an existing Intervention will achieve its intended purpose to prevent, cure, alleviate, or enable diagnosis or detection of a medical condition, then the Plan in its discretion may find that such existing Intervention is not effective and, on that basis, fails to meet the Primary Coverage Criteria.
  - b. **A New Intervention** (one that is not commonly recognized as accepted or standard treatment or which has not gained widespread, substantially unchallenged use and acceptance throughout the United States) will be deemed “effective” for purposes of the Primary Coverage Criteria if there is scientific evidence (as defined below) showing that the Intervention will achieve its intended purpose and will cure, alleviate, or enable diagnosis or detection of a medical condition without exposing the patient to risks that outweigh the potential benefits. Scientific evidence is deemed to exist to show that a new Intervention is not effective if the procedure is the subject of an ongoing phase I, II, or III trial or is otherwise under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with a standard means of treatment or diagnosis. If there is a lack of scientific evidence regarding a new Intervention, or if the available scientific evidence is in conflict or the subject of continuing debate, the new Intervention shall be deemed “not effective,” and

therefore not covered in accordance with the Primary Coverage Criteria, with one exception – if there is a new Intervention for which clinical trials have not been conducted because the disease at issue is rare or new or affects only a remote population, then the Intervention may be deemed “effective” if, but only if, it meets the definition of “effective” as defined for existing Interventions above.

2. **Scientific Evidence** defined. “Scientific Evidence,” for purposes of the Primary Coverage Criteria, shall mean only one or more of the following listed sources of relevant clinical information and evaluation:
  - a. Results of randomized controlled clinical trials, as published in the authoritative medical and scientific literature that directly demonstrate a statistically significant positive effect of an Intervention on a medical condition. For purposes of this Subsection a., “authoritative medical and scientific literature” shall be such publications as are recognized by the Plan, listed in the Claims Administrator’s Coverage Policy or otherwise listed as authoritative medical and scientific literature on the Claims Administrator’s website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com); or
  - b. Published reports of independent technology or pharmaceutical assessment organizations recognized as authoritative by the Plan. For purposes of this Subsection b. an independent technology or pharmaceutical assessment organization shall be considered “authoritative” if it is recognized as such by the Plan, listed in the Claims Administrator’s Coverage Policy or otherwise listed as authoritative on the Claims Administrator’s website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).
3. **Professional Standards** defined. “Professional standards,” for purposes of applying the “effectiveness” standard of the Primary Coverage Criteria to an existing Intervention, shall mean only the published clinical standards, published guidelines or published assessments of professional accreditation or certification organizations or of such accredited national professional associations as are recognized by the Claims Administrator’s Medical Director as speaking authoritatively on behalf of the licensed medical professionals participating in or represented by the associations. The Claims Administrator, acting on the Plan’s behalf, shall have full discretion whether to accept or reject the statements of any professional association or professional accreditation or certification organization as “professional standards” for purposes of this Primary Coverage Criteria. No such statements shall be regarded as eligible to be classified as “professional standards” under the Primary Coverage Criteria unless such statements specifically address effectiveness of the Intervention, and conclude with substantial supporting evidence that the Intervention is safe, that its benefits outweigh potential risks to the patient, and that it is more likely than not to achieve its intended purpose and to prevent, cure, alleviate, or enable diagnosis or detection of a medical condition.

### **Application and Appeal of Primary Coverage Criteria with Health Advantage**

The following rules apply to any application of the Primary Coverage Criteria. The Claims Administrator, acting on the Plan’s behalf, shall have full discretion in applying the Primary Coverage Criteria, and in interpreting any of its terms or phrases, or the manner in which it shall

apply to a given Intervention. No Intervention shall be deemed to meet the Primary Coverage Criteria unless the Intervention qualifies under ALL of the following rules:

1. **Illegality.** An Intervention does not meet the Primary Coverage Criteria if it is illegal to administer or receive it under federal laws or regulations or the law or regulations of the state where administered.
2. **FDA Position.** An Intervention does not meet the Primary Coverage Criteria if it involves any device or medication that requires approval of the U.S. Food and Drug Administration (“FDA”), and FDA approval for marketing of the medication or device for a particular medical condition has not been issued prior to the date of service. In addition, an Intervention does not meet the Primary Coverage Criteria if the FDA or the U.S. Department of Health and Human Services or any agency or division thereof, through published reports or statements, or through official announcements or press releases issued by authorized spokespersons, have concluded that the Intervention or a means or method of administering it is unsafe, unethical, or contrary to federal laws or regulations. Neither FDA Pre-Market Approval nor FDA finding of substantial equivalency under 510(k) automatically guarantees coverage of a medication or device.
3. **Proper License.** An Intervention does not meet the Primary Coverage Criteria if the health care professional or facility administering it does not hold the proper license, permit, accreditation, or other regulatory approval required under applicable laws or regulations in order to administer the Intervention.
4. **Plan Exclusions, Limitations, or Eligibility Standards.** Even if an Intervention otherwise meets the Primary Coverage Criteria, it is not covered under this Plan if the Intervention is subject to a Plan exclusion or limitation, or if the Member fails to meet Plan eligibility requirements.
5. **Position Statements of Professional Organizations.** Regardless of whether an Intervention meets some of the other requirements of the Primary Coverage Criteria, the Intervention shall not be covered under the Plan if any national professional association, any accrediting or certification organization, any widely-used medical compendium, or published guidelines of any national or international workgroup of scientific or medical experts have classified such Intervention or its means or method of administration as “experimental” or “investigational” or as questionable or of unknown benefit. However, an Intervention that fails to meet other requirements of the Primary Coverage Criteria shall not be covered under the Plan, even if any of the foregoing organizations or groups classify the Intervention as not “experimental” or not “investigational,” or conclude that it is beneficial or no longer subject to question. For purposes of this Subsection 5, “national professional association” or “accrediting or certifying organization,” or “national or international workgroup of scientific or medical experts” shall be such organizations or groups recognized by the Plan, listed in the Claims Administrator’s Coverage Policy or otherwise listed as authoritative on the Claims Administrator’s website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).
6. **Coverage Policy.** With respect to certain medications, treatments, services, tests, equipment, or supplies, the Claims Administrator has developed specific Coverage Policies, which have been put into writing, and are published on the Claims Administrator’s website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). If the Claims Administrator has developed a specific Coverage Policy that applies to the medication, treatment, service, test, equipment, or supply that a Member received or seeks to have covered

under the Plan, the Coverage Policy shall be deemed to be determinative in evaluating whether such medication, treatment, service, test, equipment, or supply meets the Primary Coverage Criteria; however, the absence of a specific Coverage Policy with respect to any particular medication, treatment, service, test, equipment, or supply shall not be construed to mean that such medication, treatment, service, test, equipment, or supply meets the Primary Coverage Criteria.

Members may appeal a determination that an Intervention does not meet the Primary Coverage Criteria to the Appeals Coordinator. Use the procedures for appeals outlined in the How to Submit a Claim Section.

Any appeal available with respect to a Primary Coverage Criteria determination shall be subject to the terms, conditions and definitions set forth in the Primary Coverage Criteria. An appeal shall also be subject to the terms, conditions and definitions set forth elsewhere in this Plan. The Appeals Coordinator or an External Review organization shall render its independent evaluation so as to comply with and achieve the intended purpose of the Primary Coverage Criteria and other provisions of this Plan.

## **FUNDING, ELIGIBILITY, ENROLLMENT, EFFECTIVE DATE, TRANSFERS, AND TERMINATION PROVISIONS**

### **Funding**

The Plan is considered a self-insured plan, which means that all expenses incurred by the Plan are paid by contributions from the Employer and the Member. The Plan is responsible for the payment of all eligible claims and does not rely on protection from outside carriers to assume the risk. The Plan maintains a cash balance held in reserve to cover catastrophic claims if they are incurred. This claims reserve and other monies collected are held in trust and are used to administer the Plan.

Benefits are paid directly from the Plan through the Claims Administrator.

On an annual basis, claims information of the Plan, national inflationary factors, and other information is examined by an outside actuary/consulting team and rates are presented to the Board for review and approval. The rate that each Member pays is derived from the base monthly premium for the benefit option elected by the Member, less any Employer contributions and/or additional subsidies.

Rates are not published in this document but are available on the central website for the Plan (<https://www.sas.arkansas.gov/employee-benefits/>).

### **Eligibility**

All Active Employees and Retired Employees, who qualify under one of the classes below, are eligible for enrollment in the Plan.

#### **Eligible Classes of State Employees**

All State Employees who qualify under one of the classes below:

1. Regular Full-Time Employees of a participating agency, institution, commission, or constitutional office who are: in a budgeted position or a position recognized by the General Assembly; and not seasonal or temporary; and working 1,000 or more hours each year.
2. A member of the General Assembly.
3. An elected Constitutional Officer.
4. An Appointed or elected member of a Board or Commission on a full-time, salaried basis.
5. An extra help employee who:
  - a. Was assured of coverage under the Plan by their agency;
  - b. Whose agency has agreed to pay the State match for their coverage;
  - c. Is a non-eligible state employee as defined under the law; and
  - d. Is willing to be responsible for all costs for participating in the Plan (unless the agency has chosen to pay all or part of the cost).

### Eligible Class of Public School Employees

All Public School Employees who qualify as a full-time Employee in a position that requires on average at least 30 hours per week of actual performance of duty during the annual school year.

As of July 23, 2019, Act 563 allows “full-time school bus drivers” to elect coverage through ARBenefits.

A bus driver employed by a public-school district to drive regular routes during the school year will be considered a “full-time school bus driver” if one of the following is true:

1. The bus driver contracts with the school district to operate a school bus for a minimum of 720 hours during the school year; or
2. The bus driver’s primary source of income is obtained by operating a school bus within the school district; or
3. The bus driver is under contract with the public-school district to operate a school bus and is designated by the superintendent as a “full-time school bus driver.” The superintendent’s designation must be provided in writing by the superintendent to the Director of EBD.

### Eligible Retired Employees

An Employee who terminates active employment and was enrolled for health coverage may continue coverage as a Retiree if all the following conditions are met.

1. The Retired Employee has participated in the Plan for at least five cumulative years before retirement as an active Member of one of the following retirement plans and is eligible to begin drawing their retirement annuity:
  - a. Arkansas Public Employees’ Retirement System (APERS), including members of the legislative division and the contract personnel of the Arkansas National Guard; or
  - b. Arkansas Teacher Retirement System (ATRS); or
  - c. Arkansas State Highway Employees’ Retirement System; or
  - d. Arkansas Judicial Retirement System; or
  - e. Alternative Retirement Plan.
2. Elects to continue insurance coverage within 30 days of the qualifying event.
3. The Retiree makes the appropriate contribution required to continue the coverage from the date that employment ends or the date enrolled in the Plan.

The Plan Administrator may require documentation that the Retired Employee is drawing on the annuity.

For more information regarding eligibility rules and requirements for Retired Employees, see the section entitled “Coverage Continuation – Retirement.”

### Are the Subscribers Dependents Eligible for This Insurance?

#### Spouse

If the dependent is the Member’s legal Spouse, he or she may join the Plan if they are not eligible for employer sponsored group coverage through his or her employer.

**Note:** *Former Spouses with court orders requiring coverage are NOT ELIGIBLE to join the Plan.*

## **Dependent Children**

A subscriber may add a dependent child(ren) to the Plan if they can answer yes to the following questions:

1. Is he or she a Covered Person's child, adopted child, stepchild, permanent legal guardianship?
2. Is he or she under age 26?
3. Is he or she a Qualified Medical Child Support Order (QMCSO) dependent under age 26 and does the Member have a judgement, decree, or order issued under state law?
4. Is he or she a qualified disabled dependent and have they been medically certified as Totally Disabled due to mental or physical incapacity?

## **Totally Disabled Dependent**

Newly hired employees can add unmarried disabled dependents at or over age 26. Currently covered employees cannot add disabled dependents to their coverage if the dependent was not covered on the ARBenefits plan when the medical certification for the disability was determined. Contact EBD to obtain an application for continuation of insurance due to incapacity. This document must be completed by the member and the dependent's Physician. Disabled dependents cannot leave the ARBenefits plan and be re-enrolled at a later date.

## **These persons are excluded as Dependents**

Other individuals living in the covered Employee's home, but who are not eligible as defined; grandchildren (unless the Employee has finalized an adoption or obtained legal permanent guardianship); the legally separated or divorced former Spouse of the Employee (regardless of a court order requiring coverage); any person who is on active duty in any military service of any country; or any person who is covered under the Plan as an Employee.

## **Notice of Dual Enrollment**

Employees and/or their Dependents cannot have dual coverage under ARBenefits. For example, a state Employee married to a school Employee cannot be covered as the primary insured Member on his contract and as a Dependent on his Spouse's contract.

Additionally, if two Employees are married, their eligible Dependent children will be covered as the Dependent of one parent or the other, but not of both.

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## **IMPORTANT NOTE**

Certain documents (or certified copies) such as marriage certificates, birth certificates, Medicare enrollment documentation, divorce decrees, etc. may be requested for enrollment in this Plan or as Employees make changes to their coverages. Failure to promptly provide requested information within the designated time periods may result in a loss of certain rights under the Plan.

At any time, the Plan may require proof that a Spouse or a child qualifies or continues to qualify as a dependent as defined by this Plan.

Only eligible Employees, Retirees, and Dependents can participate in the Plan. Falsification of eligibility is a serious offense and may permanently disqualify an individual from participation in the Plan. Financial penalties may be imposed as well.

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## ENROLLMENT

**Enrollment Requirements.** An Employee must enroll for coverage by completing an election form and submitting it to their Health Insurance Representative or the Plan Administrator. The covered Employee is also required to complete an election form to enroll each individual Dependent for coverage, also.

**Enrollment Requirements for Newborn Children and Adopted Children.** A newborn child of a covered Employee who has Dependent coverage is not automatically enrolled in this Plan. If the Member fails to submit an election form within 60 days of birth, the newborn child will not be eligible to enroll until the next open enrollment period or the Dependent experiences another qualifying event. There will be no payment from the Plan and the parents will be responsible for all costs. For an adopted child or a child obtained through legal permanent guardianship, the Member must submit an *ARBenefits Election Form* within 60 days of the adoption or guardianship being finalized with all other required documentation.

### Initial Enrollment

The enrollment will be considered initial if the election form is submitted to EBD no later than 60 days after the employee's initial eligibility for the plan, i.e., new hire. Coverage will become effective on the first day of the month following the date of hire and the date EBD receives all documentation.

### Open Enrollment

Every fall, during the annual open enrollment period, eligible Employees, and their eligible Dependents will be able to enroll in the Plan.

Benefit choices made during the open enrollment period will become effective January 1 and remain in effect until the next January 1 unless there is a Qualifying Event or a change in family status during the year (birth, death, marriage, divorce, adoption) or loss of coverage due to loss of a Spouse's employment and loss of their employer's group health insurance.

Non-Medicare Retiree Members can make changes to their choice of Plan level only (Premium, Classic, or Basic).

Plan Participants will receive detailed information regarding open enrollment from their Employer.

## ALL SUBMISSIONS TO EBD ARE FINAL

### Qualifying Event Rights

Federal law provides Qualifying Event provisions under some circumstances. If an Employee is declining enrollment for himself or herself or his or her Dependents (including his or her Spouse) because of other health insurance or group health plan coverage, there may be a right to enroll in this Plan if there is a loss of eligibility for that other coverage (or if the employer stops

contributing towards the other coverage). However, a request for enrollment must be made within 60 days after the coverage ends (or after the employer stops contributing towards the other coverage).

In addition, in the case of a birth, marriage, or adoption, or permanent legal guardianship there may be a right for one employee and the newborn or dependents of an existing Subscriber to enroll in this Plan. An Active Employee has a period of 60 days from the date of the Qualifying Event to enroll his-or herself or his or her Dependents into the Plan. Retirees and COBRA participants have a period of 30 days from the Qualifying Event to enroll.

The Qualifying Event rules are described in more detail below. To request enrollment or obtain more detailed information of these portability provisions, contact the Employee Benefits Division.

### **Qualifying Events Details**

The events described below may create a right to enroll in the Plan under a Qualifying Event. Changes to the type of Plan a Subscriber is enrolled on can ONLY be changed if the Subscriber is a New Hire or during Open Enrollment not due to a qualifying event.

1. **Losing other employer sponsored group coverage may create a Qualifying Event.**  
An Employee or Dependent who is eligible, but not enrolled in this Plan, may enroll if the individual loses eligibility for other employer sponsored group coverage and loss of eligibility for coverage meets all the following conditions.
  - a. The Employee or Dependent was covered under an employer sponsored group health plan or had health insurance coverage at the time coverage under this Plan was previously offered to the individual.
  - b. The Employee stated in writing at the time that coverage was offered that the other health coverage was the reason for declining enrollment.
  - c. Either:
    - i. The other coverage was COBRA coverage, and the COBRA coverage was exhausted; or
    - ii. The other coverage was not COBRA coverage, and the coverage was terminated as a result of loss of eligibility for the coverage or because employer contributions towards the coverage were terminated. Coverage will begin no later than the first day of the first calendar month following the date the completed enrollment form is received.
  - d. The Employee or Dependent requests enrollment in this Plan not later than 60 days after the date of exhaustion of COBRA coverage or the termination of non-COBRA coverage due to loss of eligibility or termination of employer contributions, described above. Coverage will begin no later than the first day of the first calendar month following the date the completed enrollment form is received.
  
2. Loss of eligibility occurs if one of the following occurs:
  - a. The Employee or Dependent has a loss of eligibility due to the plan no longer offering any benefits to a class of similarly situated individuals (for example: part-time Employees).
  - b. The Employee or Dependent has a loss of eligibility as a result of divorce, cessation of Dependent status (such as attaining the maximum age to be eligible as a dependent child under the plan), death, termination of employment, or

reduction in the number of hours of employment or contributions towards the coverage were terminated.

- c. The Employee or Dependent has a loss of eligibility when coverage is offered through an HMO, or other arrangement, in the individual market that does not provide benefits to individuals who no longer reside, live, or work in a Service Area, (whether or not within the choice of the individual).
- d. The Employee or Dependent has a loss of eligibility when coverage is offered through an HMO, or other arrangement, in the group market that does not provide benefits to individuals who no longer reside, live, or work in a Service Area, (whether or not within the choice of the individual), and no other benefit package is available to the individual.

***NOTE: Medicare Part D Prescription Drug Coverage does not constitute group health coverage as described above when Medicare Part A and/or Part B are already in effect.***

If the Employee or Dependent lost the other coverage as a result of the individual's failure to pay premiums or required contributions or for cause (such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan), that individual has not met the criteria for a Qualifying Event.

- 3. Acquiring a newly eligible Dependent may create a Qualifying Event. If:
  - a. The Employee is a participant under this Plan (or is eligible to be enrolled under this Plan but for a failure to enroll during a previous enrollment period);
  - b. A person becomes a Dependent of the Employee through marriage, birth, adoption, or permanent legal guardianship; and

then the Dependent may be enrolled under this Plan. If the Employee is not enrolled at the time of the event, the Employee must enroll under a Qualifying Event in order for his eligible Dependents to enroll. Any additional family members who are not enrolled at the time of the event must wait until the annual Open Enrollment period to join the Plan. A Qualifying Event for newly eligible Dependents begins after the date of the marriage, birth, or adoption or permanent legal guardianship. To be eligible for a Qualifying Event, the Dependent and/or Employee must request enrollment within 60 days of the event (or within 30 days of the event for Retiree and COBRA participants).

The coverage of the Dependent and/or Employee enrolled in a Qualifying Event will be effective on the first of the month following the date of application. However, in the case of birth, coverage for a Member's newborn child shall become effective as of the first of the month the child is born, if the Member submits an election form to EBD within the appropriate timeframe. In the case of an adoption or permanent legal guardianship, coverage will be effective as of the first of the following month, after the adoption or permanent legal guardianship is final. If the Member fails to submit the election form within the 60-day time period, the Member's newborn, or adopted child, or permanent legal guardianship child will not be eligible to enroll until the next open enrollment period or the Dependent experiences another qualifying event.

Changes to the Member's coverage and/or the coverage of any Dependent are based on a qualifying event as defined under HIPAA (Health Insurance Portability and

Accountability Act) and is Dependent upon the participation or lack of participation in the Employer's Cafeteria Plan.

4. **Eligibility changes in Medicaid or State Child Health Insurance Programs may create a Qualifying Event.**

An Employee or Dependent who is eligible, but not enrolled in this Plan, may enroll if:

- a. The Employee or Dependent is covered under a Medicaid plan under Title XIX of the Social Security Act or a State child health plan (CHIP) under Title XXI of such Act, and coverage of the Employee or Dependent is terminated due to loss of eligibility for such coverage, and the Employee or Dependent requests enrollment in this Plan within 60 days after such Medicaid or CHIP coverage is terminated.
- b. The Employee or Dependent becomes eligible for assistance with payment of Employee contributions to this Plan through a Medicaid or CHIP plan (including any waiver or demonstration project conducted with respect to such plan), and the Employee or Dependent requests enrollment in this Plan within 60 days after the date the Employee or Dependent is determined to be eligible for such assistance.

If a Dependent becomes eligible to enroll under this provision and the Employee is not then enrolled, the Employee must enroll under a Qualifying Event in order for his/her eligible Dependents.

Coverage will become effective as of the first day of the first calendar month following the date the completed enrollment form is received unless an earlier date is established by the Employer or by regulation.

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- **ASE (State) Only:** No changes in coverage are allowed at the time of transfer from one state agency to another. Steps should be taken to eliminate a lapse of coverage due to a simple transfer.
  - **PSE (School) Only:** No transfers are permitted on the PSE side unless approved through summertime portability process.
  - **ASE& PSE Retirees:** Retirees have 30 days to submit changes to EBD for qualified changes in coverage.
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### **Supporting Documentation**

Supporting documentation is required when the Member elects changes to their coverage elections due to a qualifying event. Following is a table of required documentation that must be submitted to EBD for elected changes to be reviewed for approval. Employees have 60 days to elect qualifying event changes, Retirees have 30 days.

To add/drop coverage as a qualifying event, the Member must provide documented proof that there has been a gain or loss of other group coverage. Proof must include the date that coverage started or ended, and list those affected. Examples of proof can be a Certificate of

Credible Coverage from the other health care issuer, a signed letter from an employer that states when coverage started or ended, military discharge paperwork, letters from government entities such as Medicaid, etc.

**NOTE:** Any information received by the Plan from Federal sources will be considered documentary evidence for enrollment changes.

Qualifying Event	Action Allowed	Documentation Needed
<b>Adding a Spouse:</b> <ul style="list-style-type: none"> <li>• Due to Marriage</li> <li>• Due to the Loss of Other Group Coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Enroll legal spouse and dependents within 60 days of marriage date.</li> <li>• Employee can drop coverage if they have gained other group coverage through their spouse.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Marriage license</li> <li>• ARBenefits Spousal Affidavit</li> <li>• Same as above as well as proof of loss of other group coverage, Certificate of Credible Coverage (COCC) must contain the dates of coverage, and the affected parties.</li> </ul>
<b>Adding a Newborn and you or your spouse are already a Subscriber</b>	<ul style="list-style-type: none"> <li>• Enroll newborn within 60 days of the date of birth.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Copy of birth certificate <ul style="list-style-type: none"> <li>• If birth certificate is unavailable, a hospital announcement is acceptable if the newborn is under six months of age.</li> </ul> </li> </ul>
<b>Adding a Newborn and you or your spouse are not a Subscriber</b>	<ul style="list-style-type: none"> <li>• Only one parent who is either ASE or PSE may enroll in the event of a newborn within 60 days of the date of birth (if neither parent are enrolled on the ARBenefits plan)</li> <li>• Enroll newborn within 60 days of the date of birth.</li> <li>• <i>NOTE: No other dependents may be added at this time</i></li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Election Form</li> <li>• Copy of birth certificate</li> <li>• If birth certificate is unavailable, a hospital announcement is acceptable if the newborn is under six months of age.</li> </ul>
<b>Dependent Child</b>	<ul style="list-style-type: none"> <li>• Enroll legal dependents within 60 days of marriage date.</li> <li>• Employee can drop dependents from coverage if they have gained other employer sponsored group coverage through their spouse. Must drop within 60 days the start date.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Copy of birth certificate or a receipt from appropriate state Vital Records department</li> <li>• Marriage license if adding a stepchild.</li> </ul> <p>If adding Dependent due to loss of other group coverage:</p> <ul style="list-style-type: none"> <li>• Same as above as well as proof of loss of group coverage Certificate of Credible Coverage (COCC) must contain the dates of coverage, and the affected parties, adding a Dependent Child</li> </ul>
<b>Adoption/ Permanent Legal Guardianship</b>	<ul style="list-style-type: none"> <li>• Enroll new finalized legal adoption/permanent legal guardianship within 60 days of finalization date.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Copy of birth certificate or a receipt from appropriate state Vital Records department</li> <li>• Copy of judge signed legal paperwork.</li> </ul>

<b>Loss of Group Coverage</b>	<ul style="list-style-type: none"> <li>• Employee can enroll within 60 days of the loss of other group coverage.</li> <li>• Employee can add spouse and/or dependents that have lost other group coverage. Must add within 60 days the loss of coverage.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Marriage license for Spouse</li> <li>• ARBenefits Spousal Affidavit for spouse. <ul style="list-style-type: none"> <li>• May require letter from employer.</li> </ul> </li> <li>• Birth certificate for dependent.</li> <li>• Proof of loss of other group coverage, Certificate of Credible Coverage (COCC) must contain the dates of coverage, and the affected parties.</li> </ul>
<b>Qualifying Event</b>	<b>Action Allowed</b>	<b>Documentation Needed</b>
<b>Gain of Other Group Coverage</b>	<ul style="list-style-type: none"> <li>• Employee can drop coverage if they have gained other group coverage.</li> <li>• Spouses that gain group coverage through an employer must be removed from the Plan within 60 days of the start if gaining coverage.</li> <li>• Employee must drop coverage of dependents that gain other group coverage within 60 days of start date.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Proof of loss of other group coverage, Certificate of Credible Coverage (COCC) must contain the dates of coverage, and the affected parties.</li> </ul>
<b>Divorce – removing a spouse</b>	<ul style="list-style-type: none"> <li>• Divorce is a qualifying event for an employee to drop a spouse if decreed by the Judge.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Judge-signed divorce decree</li> </ul>
<b>Turning 26</b>	<ul style="list-style-type: none"> <li>• Dependents covered by employees on the Plan will automatically term off the employee's Plan at the end of the month in which they turn 26 years old.</li> <li>• Employees who lose other group coverage (parent's coverage) when they turn 26 years old can enroll onto the Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>N/A</b></li> </ul>
<b>Loss of Medicaid/CHIP</b>	<ul style="list-style-type: none"> <li>• Allows the affected party to join the Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Marriage license for Spouse</li> <li>• ARBenefits Spousal Affidavit for spouse. May require letter from employer.</li> <li>• Birth certificate for dependent.</li> <li>• Proof of loss of other group coverage, Certificate of Credible Coverage (COCC). Proof must contain the dates of coverage, and the affected parties.</li> </ul>
<b>Gain of Medicaid/CHIP</b>	<ul style="list-style-type: none"> <li>• Allows the employee to drop coverage for the affected party.</li> </ul>	<ul style="list-style-type: none"> <li>• ARBenefits Change Form</li> <li>• Medicaid Notification of loss of coverage letter.</li> <li>• Proof must contain the dates of coverage, and the affected parties.</li> <li>• Medicaid letter regarding incomplete or lack of submission of necessary information – is not a QE to join ARBenefits.</li> </ul>

<b>Gain of Medicare Part A to Cancel ARBenefits</b>	<ul style="list-style-type: none"> <li>Employees who gain Medicare Parts A coverage can elect to drop their Plan coverage. <i>NOTE:</i> The gain of Medicare Part D does not constitute employer sponsored group health coverage when Parts A &amp; B are already in effect.</li> </ul>	<ul style="list-style-type: none"> <li>Mail a letter cancelling insurance with your member information, cancellation date, and signature.</li> </ul>
<b>Death of a Covered Person</b>	<ul style="list-style-type: none"> <li>In the unfortunate event of the death of a member, their coverage needs to be cancelled.</li> </ul>	<ul style="list-style-type: none"> <li>Copy of their Death Certificate.</li> <li>Completed <i>ARBenefits Affidavit of Death</i>.</li> </ul>

### Coverage Effective Date

**Active Employee Requirement.** An Employee must be an Active Employee (as defined by this Plan) for this coverage to take effect. Coverage will take effect the 1st of the month following: eligibility date (hire date, retirement date, etc.), once all enrollment requirements are met, all appropriate paperwork received by EBD.

**Effective Date of Dependent Coverage.** A Dependent's coverage will take effect on the day 1st day of the month following when Eligibility Requirements are met; the Employee is covered under the Plan; and all Enrollment Requirements are met, and all appropriate paperwork required for enrollment is received by EBD.

### Transfers Between State Agencies or School Districts

Employees/members who transfer between state agencies/school districts with no break in coverage will keep the same plan and all accumulated out of pocket costs will transfer with the member. No plan changes can be made.

Employees/members who transfer between state agencies/school districts that experience a break in coverage may choose a new plan (due to the qualifying event (loss of coverage/new hire). Accumulated out of pocket costs will not transfer.

### Termination Of Coverage

The Employer or Plan has the right to rescind any coverage of the Employee and/or Dependents for cause, making a fraudulent claim or an intentional material misrepresentation in applying for or obtaining coverage, or obtaining benefits under the Plan. The Employer or Plan may either void coverage for the Employee and/or covered Dependents for the period of time coverage was in effect, may terminate coverage as of a date to be determined at the Plan's discretion, or may immediately terminate coverage. If coverage is to be terminated or voided retroactively for fraud or misrepresentation, the Plan will provide at least 30 days' advance written notice of such action. The Employer will refund all contributions paid for any coverage rescinded; however, claims paid will be offset from this amount. The Employer reserves the right to collect additional monies if claims are paid in excess of the Employee's and/or Dependent's paid contributions.

**When Employee Coverage Terminates.** Employee coverage will terminate on the earliest of these dates (except in certain circumstances, a covered Employee may be eligible for COBRA continuation coverage. For a complete explanation of when COBRA continuation coverage is

available, what conditions apply and how to select it, see the section entitled Continuation Coverage Rights under COBRA):

1. The last day of the calendar month the date the Plan is terminated.
2. The last day of the calendar month the date the covered Employee's Eligible Class is eliminated.
3. The last day of the calendar month in which the covered Employee ceases to be in one of the Eligible Classes. This includes death or termination of Active Employment of the covered Employee. (See the section entitled Continuation Coverage Rights under COBRA.)
4. The last day of the calendar month preceding the covered Employee's enrollment in Medicare.
5. The end of the period for which the required contribution has been paid if the charge for the next period is not paid when due. This includes non-payment of premiums while in a Leave Without Pay (LWOP) status or late COBRA payments. If coverage under LWOP is terminated due to non-payment of premiums, no COBRA coverage will be offered.
6. Failure to submit a LWOP Election form to continue coverage while on LWOP may result in coverage being terminated. Should this occur, the Employee will be eligible for re-enrollment in the Plan. Also see LWOP section
  - a. For non-military LWOP, the Employee must enroll within 30 days following return to active employment and payment in full of any outstanding debt. The Employee will be reinstated in the Plan effective the first day of the month following the application date.
  - b. For reinstatement of Military LWOP, the Employee will be eligible to re-enroll within 120 days following return to active employment.
  - c. The Employee must complete the application within that 120-day period and the new coverage will be effective the first day of the month following the application date. The Employee will still be responsible for any outstanding premium debt.
7. If an Employee commits fraud, makes an intentional misrepresentation of material fact in applying for or obtaining coverage, or obtaining benefits under the Plan, or fails to notify their Health Insurance Representative or the Plan Administrator that he or she has become ineligible for coverage, then the Employer or Plan may either void coverage for the Employee and covered Dependents for the period of time coverage was in effect, may terminate coverage as of a date to be determined at the Plan's discretion, or may immediately terminate coverage. If coverage is to be terminated or voided retroactively for fraud or misrepresentation, the Plan will provide at least 30 days' advance written notice of such action.

### **Continuation During Periods of Leave Without Pay (LWOP), Family Medical Leave (FMLA), or Workers' Compensation**

A person may remain eligible for a limited time if Active, full-time work ceases due to LWOP, Family Medical Leave, or Workers' Compensation.

#### **Leave Without Pay (LWOP)**

1. School Employees. School districts administer leave without pay policies for their Employees. Employees should contact their school district for information regarding their options and instructions.

2. State (NON-AASIS) Employees. Non-AASIS agencies administer leave without pay policies for their Employees. Employees should contact their HR department for information regarding their options and instructions.
3. State (AASIS) Employees. Once entering leave without pay status, EBD will send the Employee an LWOP packet. The LWOP packet will provide the Employee with all the essential information to maintain coverage. Inside the packet, there will be a Leave Without Pay Notification, LWOP Election Form, LWOP Rate Sheet, and a Table of Important Dates.
  - a. To continue coverage, the Employee must sign and return the LWOP Election Form by the election due date and payment to continue coverage while on Leave Without Pay.
  - b. Employees are required to remit monthly premium payments directly to EBD according to the Table of Important Dates.
  - c. Cancellation of coverage will automatically happen while in LWOP status if an Employee fails to pay the monthly premium by the due date on the Table of Important Dates.

If an Employee is in an LWOP status, they will be classified as one of the two (2) LWOP classifications: Unprotected or Protected.

1. **Protected LWOP:** Family and Medical Leave Act, Workers' Compensation, or Military Leave. This classification is responsible for the employee portion of health insurance premiums.
2. **Unprotected LWOP:** According to Department of Shared Administrative Services Policy #55, under the authority of A.C.A. §21-4-210, Employees in LWOP status may choose to continue insurance, but must pay the total cost (Employee and Employer contribution) of the coverage.

Employees should contact their HIR for information regarding their LWOP classification.

If the Employee chooses to discontinue coverage, they will be eligible to re-enroll within thirty (30) days following return to active employment. The application must be completed within that 30-day period and the new coverage will be effective the first day of the month following the application date. For employees who have a break in coverage and decide to re-enroll, their Deductible and Out-of-Pocket costs for the year will be lost and totals will be reset.

### **Rehiring a Terminated Employee.**

A terminated Employee who is rehired will be treated as a new hire and be required to satisfy all Eligibility and Enrollment requirements to the extent permitted by the terms of the Plan and applicable law.

### **Employees on Military Leave.**

Employees going into or returning from military service may elect to continue Plan coverage as mandated by the Uniformed Services Employment and Reemployment Rights Act (USERRA) under the following circumstances. These rights apply only to Employees and their Dependents covered under the Plan immediately before leaving for military service. Only the Employee has

election rights. Dependents do not have any independent right to elect USERRA health plan continuation.

**Employees may choose to continue or discontinue their coverage. Whichever option chosen, the Employee must submit a copy of their military/deployment orders to their Health Insurance Representative.**

1. **Choosing to continue coverage.**
  - a. School Employees. Once entering leave without pay status, the District should provide the Employee with all the essential information needed to maintain coverage. Premium payments should be remitted according to payroll dates provided by the district, in accordance with the District's pay cycle. The District will collect premiums and include it with their monthly billing. EBD will not accept Member checks or money orders.
  - b. State (NON-AASIS) Employees. Once entering leave without pay status, the agency should provide the Employee with all the essential information needed to maintain coverage. Premium payments should be remitted according to payroll dates provided by the agency, in accordance with the agency's pay cycle. The agency will collect premiums and include it with their monthly billing. EBD will not accept Member checks or money orders.
  - c. State (AASIS) Employees. Once entering leave without pay status, EBD will send the Employee a LWOP packet. The LWOP packet will provide the Employee with all the essential information needed to maintain coverage. Inside the packet, there will be a Leave Without Pay Notification, LWOP Election Form, and a Table of Important Dates Schedule for LWOP. The Employee must sign and return the LWOP Election Form by the election due date to continue coverage while on Leave Without Pay. Employees are required to remit premium payments directly to EBD according to the Table of Important Dates schedule for LWOP.
2. **Choosing to discontinue coverage.** If the Employee chooses this option, they must fill out a *Change Form* to cancel coverage. The Employee will be eligible to re-enroll within 120 days following return to active employment. The application must be completed within that 120-day period and the new coverage will be effective the first day of the month following the application date. Employees should be aware that if there is a break in coverage, and then they re-enroll, they will have to start over to meet any Deductible and out of pocket maximum.

#### **When Dependent Coverage Terminates.**

A Dependent's coverage will terminate on the earliest of these dates (except in certain circumstances, a covered Dependent may be eligible for COBRA continuation coverage. For a complete explanation of when COBRA continuation coverage is available, what conditions apply and how to select it, see the section entitled Continuation Coverage Rights under COBRA):

1. The date the Plan or Dependent coverage under the Plan is terminated.
2. The date that the Employee's coverage under the Plan terminates for any reason including death.
3. The date a covered Spouse loses coverage due to loss of eligibility status.
4. Coverage will end on the last day of the month in which the child ceases to meet the applicable eligibility requirements.

5. The end of the period for which the required contribution has been paid if the charge for the next period is not paid when due.
6. If a Dependent commits fraud or makes an intentional misrepresentation of material fact in applying for or obtaining coverage, or obtaining benefits under the Plan, or fails to notify their Health Insurance Representative or the Plan Administrator that he or she has become ineligible for coverage, then the Employer or Plan may either void coverage for the Dependent for the period of time coverage was in effect, may terminate coverage as of a date to be determined at the Plan's discretion, or may immediately terminate coverage. If coverage is to be terminated or voided retroactively for fraud or misrepresentation, the Plan will provide at least 30 days' advance written notice of such action.

### **Surviving Dependent coverage, following Employee's death while an Active Employee.**

Health coverage is available for Spouses and Dependent child(ren) covered on the Plan at the date of the Employee's death per the following guidelines:

#### **1. Spouse with and without Dependents**

- a. If the Spouse is eligible to receive a survivor retirement annuity, the Spouse and covered Dependents, are eligible to continue on the health Plan. If the survivor annuity benefit is available upon death of the Member (first of the month following death), the surviving Spouse has 30 days from the end of the month in which the active coverage ended to enroll in the retirement health plan.
- b. If the survivor retirement annuity is not immediately available to the Spouse, but available at a later date, either the month following the date the Employee would have been eligible to receive benefits had the Employee survived or the date that an application for a surviving Spouse's benefit is filed with the appropriate retirement system, the Spouse has 30 days from the time he or she becomes eligible to draw the survivor annuity to enroll in the retirement health plan.
- c. If the Spouse is not eligible to receive a survivor annuity, the Spouse and/or Dependents have the option to enroll on the COBRA health plan for a period of 36 months. A COBRA packet will automatically be sent to the surviving Spouse with a 60-day enrollment period.

#### **2. Dependents without Spouse on the Plan**

- a. If a Dependent child is eligible to draw a survivor retirement annuity, and the check is paid directly to the child, the child is eligible to enroll in the retirement health insurance until the retirement annuity ends, which will be until his or her death or his or her marriage or his or her attainment of age 18.
- b. Coverage will be extended past age 18 as long as the child continues uninterrupted as a full-time student at an accredited secondary school or college or university, but in no event beyond his or her attainment of age 23. The dependent child has 30 days to enroll in the retirement health plan once the annuity becomes available.
- c. If a Dependent child was covered on the Active Employee's health plan, without spousal coverage, and there is no survivor annuity paid to the dependent, the dependent child has the option to enroll on the COBRA health plan for a period of

36 months. A COBRA packet will automatically be sent to surviving dependents. There is a 60-day enrollment period for the COBRA health plan.

- d. If there are multiple dependents (other than the Spouse) on the Employee's health plan at the time of death, and COBRA is the only option available, each dependent must enroll under their own health plan.

***NOTE: If the Spouse and/or Dependents do not enroll in the retirement health plan or COBRA within their respective enrollment periods, all privileges under the plan are terminated.***

## DESCRIPTION OF BENEFIT PLAN OPTIONS

The Plan offers multiple options for active members and Retirees - the ARBenefits Premium, Classic and Basic Plans, and the ARBenefits Retiree Plan. The options are different in how medical services are covered and how much the Member will pay for monthly premiums. Members should review each plan carefully to find the best fit for them and their family.

*NOTE: Below each Plan description, examples are provided for the Subscriber Only and as well as examples with the Subscriber and dependents included. The dependents can be a spouse, or children, or spouse and children. The examples shown reflect In-Network deductibles. The same flow applies to Out-of-Network using the appropriate Out-of-Network .*

**ARBenefits Premium.** The Premium Plan is a POS (Point of Service) plan and is considered the “richest” of the plan options, as it contains the maximum amount of benefits with copays and coinsurance. It also has the highest monthly premium cost to the member. This plan has a \$500 individual/\$1,000 family Deductible for ASE, and a \$750 individual/\$1,500 family Deductible for PSE, that must be met before the plan begins to pay for some services. For ASE, the \$1,000 family Deductible includes an Embedded Individual Deductible amount of \$500. For PSE, the \$1,500 family deductible includes an Embedded Individual Deductible amount of \$750.

The plan consists of a \$3,000 individual/\$6,000 family In-Network Medical out-of-pocket maximum for ASE, and \$3,250 individual/\$6,500 family In-Network Medical out-of-pocket maximum for PSE. For ASE, the \$6,000 family Out-of-Pocket Limit includes an Embedded Individual Out-of-Pocket amount of \$3,000. For PSE, the \$6,500 family Out-of-Pocket Limit includes an Embedded Individual Out-of-Pocket amount of \$3,250. There is not an out-of-pocket maximum for Out-of-Network services for ASE or PSE. The copays are \$25 for a primary care Physician and \$50 for a specialist. The emergency room copay is \$250. The Premium plan includes a prescription medication plan, which offers \$15, \$40, \$80, and \$100 copays depending on tier. The prescription medication plan also includes a \$3,100 individual/ \$6,200 family pharmacy out-of-pocket maximum.

**ASE Premium Plan - Subscriber Only**

In-Network Deductible: \$500

In-Network Medical Out-of-Pocket (OOP) Max: \$3,000



Subscriber had surgery in January and paid \$500.



He/she met the \$500 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention needed, he/she met the remaining \$2,500 of the Individual Medical OOP Max (including the \$500 Deductible). The Individual Medical OOP Max has been paid.



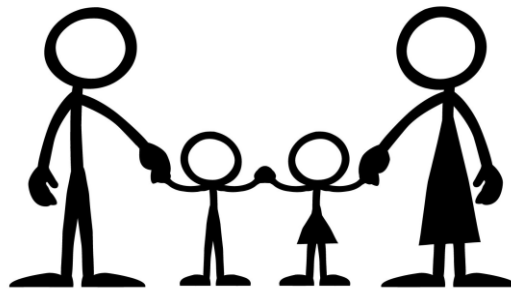
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**ASE Premium Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$500 for individual and \$1,000 for family

In-Network Medical Out-of-Pocket (OOP) Max: \$3,000 for individual and \$6,000 for family



Dad had surgery in January and paid \$500.



He met the \$500 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention Dad needed, he met the remaining \$2,500 of the Individual Medical OOP Max (including the \$500 Deductible). The Individual Medical OOP Max has been paid.



Now Dad's medical expenses are covered at 100% for the remainder of the calendar year.

The rest of the family combined will need to meet the remaining \$500 of the Family Deductible amount during the calendar year.



Once they meet the \$500 remaining Family Deductible, then they will qualify for the 80/20 payment split.



With other doctor visits, the remaining \$2,500 of the Family Medical OOP Max (including the \$3,000 OOP for Dad and an additional \$500 towards the Family Deductible) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**PSE Premium Plan - Subscriber Only**

In-Network Deductible: \$750

In-Network Medical Out-of-Pocket (OOP) Max: \$3,250



Subscriber had surgery in January and paid \$750.



He/she met the \$750 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention needed, he/she met the remaining \$2,500 of the Individual Medical OOP Max (including \$750 Deductible). The Individual Medical OOP Max has been paid.



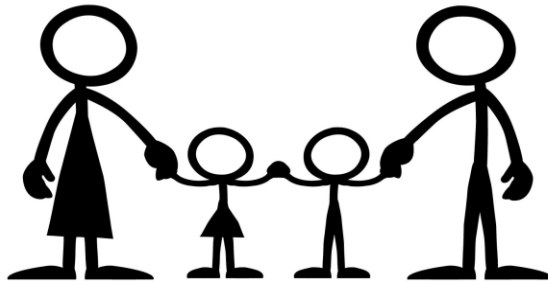
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**PSE Premium Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$750 for individual and \$1,500 for family

In-Network Medical Out-of-Pocket (OOP) Max: \$3,250 for individual and \$6,500 for family



Mom had surgery in January and paid \$750.



She met the \$750 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention Mom needed, she met the remaining \$2,500 of the Individual Medical OOP Max (including the \$750 Deductible). The Individual Medical OOP Max has been paid.



Now Mom's medical expenses are covered at 100% for the remainder of the calendar year.

The rest of the family combined will need to meet the remaining \$750 of the Family Deductible amount during the calendar year.



Once they meet the \$750 remaining Deductible, then they will qualify for the 80/20 payment split.



With other doctor visits, the remaining \$2,500 of the Family Medical Out-of-Pocket Max (including the \$3,250 OOP for Mom and an additional \$750 towards the Family Deductible) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**ARBenefits Classic.** The Classic Plan is a High-Deductible PPO Plan. This plan has a \$2,500 individual/\$5,000 family Deductible for ASE, and \$1,750 individual/\$3,500 family Deductible for PSE. The family Deductible for both ASE and PSE includes an embedded Individual Deductible of \$3,400. When an individual on a Classic family plan meets the \$3,400 amount, the plan will begin applying Coinsurance for that member.

The plan consists of a \$6,450 individual/ \$12,900 family medical Out-of-Pocket Limit for ASE, and \$6,450 individual/ \$9,675 family medical Out-of-Pocket Limit for PSE. Eligible Active Employees are advised to have a Health Savings Account (HSA) with this plan. There are no Copays with the Classic Plan (with the exception of hearing and vision services). Prescriptions, medical services, and any Copays apply to the Deductible and can be paid with HSA funds.

**ASE Classic Plan - Subscriber Only**

In-Network Deductible: \$2,500

In-Network Out-of-Pocket (OOP) Max: \$6,450



Subscriber had surgery in January and paid \$2,500.



He/she met the \$2,500 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention needed, he/she met the remaining \$3,950 of the Individual OOP Max (including the \$2,500 Deductible). The Individual OOP Max has been paid.



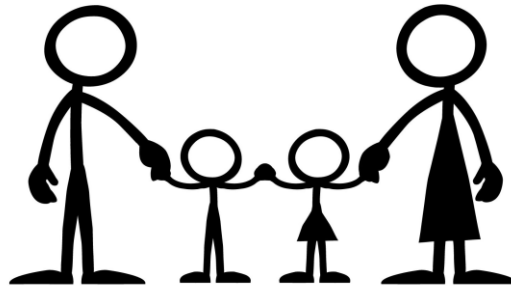
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**ASE Classic Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$3,400 for individual and \$5,000 for family

In-Network Medical Out-of-Pocket (OOP) Max: \$6,450 for individual and \$12,900 for family



Dad had surgery in January and paid \$3,400.



He met the \$3,400 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention Dad needed, he met the remaining \$3,050 of the Individual OOP Max (including the \$3,400 Deductible). The Individual OOP Max has been paid.



Now Dad's medical expenses are covered at 100% for the remainder of the calendar year.

The rest of the family combined will need to meet the remaining \$1,600 of the Family Deductible amount during the calendar year.



Once they meet the remaining Deductible, then they will qualify for the 80/20 payment split.



With other doctor visits, the remaining \$4,850 of the Family Out-of-Pocket (including the \$6,450 OOP for Dad and an additional \$1,600 towards the Family Deductible) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**PSE Classic Plan - Subscriber Only**

In-Network Deductible: \$1,750

In-Network Medical Out-of-Pocket (OOP) Max: \$6,450



Subscriber had surgery in January and paid \$1,750.



He/she met the \$1,750 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention needed, he/she met the remaining \$4,700 of the Individual OOP Max (including the \$1,750 Deductible). The Individual OOP Max has been paid.



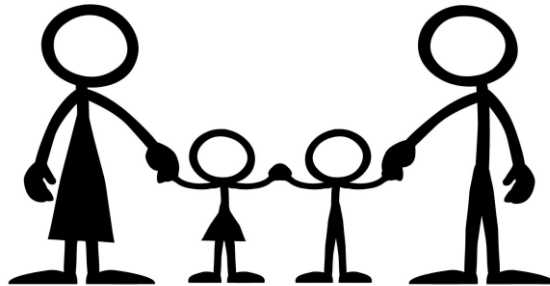
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**PSE Classic Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$3,400 for individual and \$3,500 for family

In-Network Medical Out-of-Pocket (OOP) Max :\$6,450 for individual and \$9,675 for family.



Mom had surgery in January and paid \$3,400.



She met the \$3,400 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention Mom needed, she met the remaining \$3,050 of the Individual OOP Max (including the \$3,400 Deductible). The Individual OOP Max has been paid.



Now Mom's medical expenses are covered at 100% for the remainder of the calendar year.

The rest of the family combined will need to meet the remaining \$100 of the Family Deductible amount during the Calendar Year.



Once they meet the remaining Deductible then they will qualify for the 80/20 payment split.



With other doctor visits, the remaining \$3,125 of the Family OOP Max (including the \$6,450 OOP for Mom and an additional \$100 towards the Family Deductible) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**ARBenefits Basic – ASE.** The Basic Plan is a High-Deductible PPO Plan. It features the lowest monthly premium of any plan. The plan has a Deductible (\$6,450 individual/\$12,900 family) for ASE. There is no coinsurance for the Basic Plan on the ASE plan. Once the Deductible is met, the plan pays at 100% for allowable services. Eligible Active Employees are advised to have a Health Savings Account (HSA) with this plan. There are no Copays (with the exception of hearing and vision services) with the Basic Plan. Prescriptions, medical services, and any Copays apply to the Deductible limit, and can be paid with HSA funds.

Each family member enrolled in family coverage under the ASE ARBenefits Basic Plan will combine covered medical costs to meet the total family deductible. When the family's medical costs meet this dollar amount, the health plan will begin to pay 100% coinsurance of covered medical expenses.

**ASE Basic Plan - Subscriber Only**

In-Network Deductible: \$6,450

In-Network Medical Out-of-Pocket (OOP) Max: \$6,450



Subscriber had surgery in January and paid \$6,450. This also met the Individual OOP Max of \$6,450.



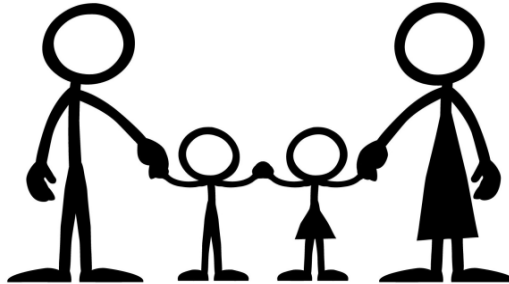
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**ASE Basic Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$6,450 for individual and \$12,900 for family (In-Network)

In-Network Medical Out-of-Pocket (OOP) Max: \$6,450 for individual and \$12,900 for family



Dad had surgery in January and paid \$6,450. This satisfied the Individual Deductible and also met the \$6,450 Individual OOP Max.



Now Dad's medical expenses are covered at 100% for the remainder of the calendar year

The rest of the family combined will need to meet the remaining Family Deductible amount during the calendar year.



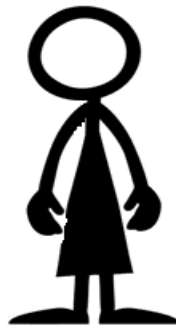
With other doctor visits, the remaining \$6,450 of the \$12,900 Family OOP Max (including the \$6,450 OOP for Dad) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**ARBenefits Basic – PSE.** The Basic Plan is a High-Deductible PPO Plan. It features the lowest monthly premium of any plan. The plan has a Deductible (\$4,000 individual/\$8,000 family). The PSE Basic Plan does have Coinsurance. Once the Deductible is met, the plan pays at 80% for allowable services. The plan consists of a \$6,450 individual / \$12,900 family medical Out-of-Pocket Limit. Eligible Active Employees are recommended to have a Health Savings Account (HSA) with this plan. There are no Copays (with the exception of hearing and vision services) with the Basic Plan. Prescriptions, medical services, and any Copays apply to the Deductible limit, and can be paid with HSA funds.

Each family member enrolled in family coverage under the ASE ARBenefits Basic Plan will combine covered medical costs to meet the total family deductible. When the family's medical costs meet this dollar amount, the health plan will begin to pay a portion of medical expenses (also called coinsurance.)

**PSE Basic Plan - Subscriber Only**  
In-Network Deductible: \$4,000  
In-Network Medical Out-of-Pocket (OOP) Max: \$6,450



Subscriber had surgery in January and paid \$4,000.



He/she met the \$4,000 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention needed, he/she met the remaining \$2,450 of the Individual OOP Max (including the \$4,000 Deductible). The Individual OOP Max has been paid.



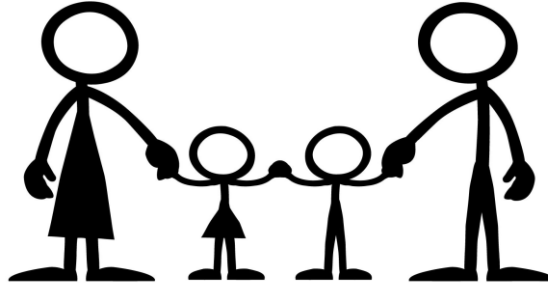
Now this individual's medical expenses are covered at 100% for the remainder of the calendar year.

**PSE Basic Plan**

**With more family members enrolled than just the Subscriber**

In-Network Deductible: \$4,000 for individual and \$8,000 for family

In-Network Medical Out-of-Pocket (OOP) Max: \$6,450 for individual and \$12,900 for family



Mom had surgery in January and paid \$4,000.



She met the \$4,000 Individual Deductible and now qualifies for the 80/20 payment split.



With other medical attention Mom needed, she met the remaining \$2,450 of the Individual OOP Max (including the \$4,000 Deductible). The Individual OOP Max has been paid.



Now Mom's medical expenses are covered at 100% for the remainder of the calendar year.

The rest of the family combined will need to meet the remaining \$4,000 of the Family Deductible amount during the calendar year.



Once they meet the \$4,000 remaining Family Deductible, then they will qualify for the 80/20 payment split.



With other doctor visits, the remaining \$2,450 of the Family OOP Max (including the \$6,450 OOP for Mom and an additional \$4,000 towards the Family Deductible) has been paid.

Now the family's medical expenses are covered at 100% for the remainder of the calendar year.

**ARBenefits Retiree.** A Retiree that is not eligible for Medicare may choose from the ARBenefits Premium, Classic or Basic Plan until the Retiree or Spouse reaches the age of 65 or becomes eligible for Medicare. There are two plan options for Medicare-eligible members:

1. The ARBenefits Group Medicare Advantage with Prescription Drugs (PPO) plan (MAPD) or
2. The ARBenefits ASE/PSE Premium Plan (Medicare Primary Plan). Members are only allowed to be enrolled in one Medicare Advantage Plan or one Medicare Prescription Medication Plan at a time.

As a Medicare-eligible Retiree of the State of Arkansas, enrollment in either of these two plans is allowed after eligibility is established and enrolled within 30 days prior to their 65th birthday or during an open enrollment. Members who wait until after the plan change has been made cannot change plan options until open enrollment for the next January effective date.

The MAPD is a custom plan designed exclusively for Retirees of both Arkansas State Employees and Arkansas Public Schools. The custom plan includes additional benefits and services that go beyond Original Medicare, and combine medical, dental benefits and prescription medication coverage into one plan. Covered members can use any Provider as long as they accept Medicare. Each member is required to maintain Medicare Parts A and B coverage. Public School Retirees that did not select the MAPD and choose the Medicare Primary Plan will not have pharmacy benefits through EBD.

Medicare Primary Plan members will not have to use the Health Advantage network of Providers. However, anyone on the Medicare Primary plan who is not eligible for Medicare, will be required to use the Health Advantage network to receive In-Network benefits. Medicare-Primary Retirees and/or Dependents will have the Medicare Primary Plan for insurance coverage through Health Advantage, with the flexibility to visit any Physician or Hospital as long as they accept Medicare assignment. The Medicare Primary Plan will coordinate the Covered Person's benefit coverage with Medicare Parts A & B and the Plan will pay secondary to Medicare. Coverage for all other non-Medicare members on the policy will be on the Health Advantage network at the Premium level.

The Public-School Medicare-Primary Retirees do not have prescription medication coverage and are encouraged to consider Medicare Part D for additional coverage.

***NOTE:*** *The ARBenefits Medicare Premium Plan for Retirees will coordinate as if Medicare Part A and Part B are both in force at the time of service. If the member does not have Part B, the Plan will pay as though the member does have Medicare Part B and the member will have full financial responsibility for incurred claims.*

## SCHEDULE OF BENEFITS

### ARBenefits ASE and PSE Premium Plan

This Schedule of Benefits applies to all Active Employees and Retired Employees under the age of 65 and their covered Dependents.

- All benefits described in this Schedule are subject to the Primary Coverage Criteria, the Allowable Charge, and the benefit limits and exclusions described more fully herein.
- This Plan has entered into an agreement with certain Hospitals, Physicians, and other health care Providers, which are called In-Network Providers. Because these In-Network Providers have agreed to charge reduced fees to persons covered under the Plan, the Plan can afford to reimburse a higher percentage of their fees.
- Therefore, when a Covered Person uses an In-Network Provider, the Covered Person will receive a higher payment from the Plan than when an Out-of-Network Provider is used. It is the Covered Person's choice as to which Provider to use.

A listing of In-Network Providers is available on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). A listing of In-Network Providers may be also found by accessing [www.blueprintportal.com](http://www.blueprintportal.com) or by downloading the Blueprint Portal app available on Google Play or the App Store. Registration is required.

MEDICAL BENEFITS PREMIUM PLAN				
Calendar Year Deductibles	In-Network Deductible		Out-of-Network Deductible	
	Per Person	Per Family Unit	Per Person	Per Family Unit
<b>Arkansas State Employees</b>	\$500	\$1,000	\$2,000	\$4,000
<b>Public School Employees</b>	\$750	\$1,500	\$2,000	\$4,000

**Premium Deductible Accumulation.** The In-Network and Out-of-Network Deductibles are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the per person deductible before any money is paid by the Plan for any Covered Charges. If the Covered Person is enrolled in family coverage, no one family member contributes more than the per person Deductible amount. Family members may combine their covered expenses to satisfy the required family deductible amount.

**The Calendar Year Deductible is waived for the following Covered Charges:**

- In-Network Standard Preventive Care Benefits
- Emergency room services when considered a Medical Emergency
- In-Network office visit charge
- Urgent care services
- In-Network allergy injections
- Ambulance services
- In-Network diagnostic exam when related to breast cancer
- In-Network follow-up colonoscopy that proceeds a colorectal cancer screening
- In-Network diabetic counseling
- Electric breast pumps
- Hearing aids
- Routine hearing and vision exams
- In-Network psychotherapy, ABA therapy, or psychological testing office or outpatient setting
- In-Network transplant surgery, and travel and lodging related to an In-Network transplant surgery.

<b>Annual Out-Of-Pocket Limits</b>	<b>Per Person</b>	<b>Per Family Unit</b>	<b>Per Person</b>	<b>Per Family Unit</b>
<b>Arkansas State Employees</b>	\$3,000	\$6,000	Unlimited	Unlimited
<b>Public School Employees</b>	\$3,250	\$6,500	Unlimited	Unlimited

**Out-of-Pocket Accumulation.** The In-Network and Out-of-Network Out-of-Pocket amounts are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the per person In-Network Out-of-Pocket Limit, at which point the Plan will pay Covered Charges at 100% for that Covered Person for the remainder of the Calendar Year. If the Covered Person is enrolled in family coverage, no one family member contributes more than the per person In-Network amount. Family members may combine their covered expenses to satisfy the family Out-of-Pocket Limit amounts.

The Plan will never pay more than 60% Out-of-Network Covered Charges. Any exceptions to that rule are noted within this Schedule of Benefits.

**The charges for the following do not apply to the annual Out-of-Pocket Limit:**

- Out-of-Network Charges
- Penalties for failure to obtain Prior Approval
- Amounts in excess of the Allowable Charge
- Non-Covered Services

Coinsurance Payable By Plan	In-Network Coinsurance	Out-of-Network Coinsurance
Unless stated otherwise in this document, the Plan will pay the coinsurance percentage shown until the annual Out-of-Pocket Limit is satisfied, at which time the Plan will pay 100% of the remainder of In-Network Covered Charges for the rest of the Calendar Year.	<ul style="list-style-type: none"> <li>80% of Covered Charges</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges</li> </ul>
<b>HOSPITAL BENEFITS PREMIUM PLAN</b>		
Charges billed by a facility	In-Network	Out-of-Network
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Prior Approval.</b> Prior Approval is required for all inpatient admissions as well as specific outpatient medical services and procedures and some Durable Medical Equipment. See the Cost Management Section for a detailed list of services which require Prior Approval.</p> <p>The Prior Approval requirement is waived for a Hospital admission following a Medical Emergency. When possible, the Covered Person or the treating Provider is encouraged to notify the Plan of an inpatient admission related to treatment of a Medical Emergency within 48 hours.</p> <p><b>Room and Board Allowances.</b> Covered Charges for room and board during an inpatient admission shall be limited to the lesser of the billed charge or the Allowable Charge established by the Plan.</p>		
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges after Deductible</li> </ul>
<b>Emergency Room Services</b>		
<b>Medical Emergency</b>		
<ul style="list-style-type: none"> <li>Premium Plan members can have the Copayment for an emergency room admission waived if the patient is referred to the ER by the Nurse Hotline.</li> </ul>	<ul style="list-style-type: none"> <li>\$250 Copay; 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>\$250 Copay; 100% of Covered Charges, Deductible waived</li> </ul>
<b>Non-Medical Emergency</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>

<b>PHYSICIAN BENEFITS PREMIUM PLAN</b>		
<b>Charges billed by a Physician</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Office visit</b>	<ul style="list-style-type: none"> <li>• \$25 PCP Copay or \$50 Specialist Copay (per office visit charge)</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, after Deductible</li> </ul>
<b>Additional services in an office setting</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, after Deductible</li> </ul>
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, after Deductible</li> </ul>
<b>Emergency Room Services</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Medical Emergency</b>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> </ul>
<b>Non-Medical Emergency</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, after Deductible</li> </ul>
<b>Urgent Care Services</b>	<ul style="list-style-type: none"> <li>• \$100 Copay (per encounter), then 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• \$100 Copay (per encounter), then 100% of Covered Charges, Deductible waived</li> </ul>
<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS PREMIUM PLAN</b>		
No benefits will be paid in excess of any listed limit.		
<b>Covered Service</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Advanced Diagnostic Imaging – <i>Prior Approval is required.</i></b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, after Deductible</li> </ul>
<b>Allergy services</b>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges, Deductible waived</li> <li>• 60% of Covered Charges, after Deductible</li> <li>• 60% of Covered Charges, after Deductible</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS PREMIUM PLAN, continued**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Ambulance Services</b></p> <p>Air Ambulance</p> <p>Ground Ambulance</p> <ul style="list-style-type: none"> <li>Limited to \$1,500 per trip.</li> </ul> <p>Water Ambulance</p> <p>International Air Evacuation</p>	<ul style="list-style-type: none"> <li>90% of Covered Charges, Deductible waived</li> <li>\$50 Copay per trip, then 100% of Covered Charges, Deductible waived</li> <li>Not Covered</li> <li>Not Covered</li> </ul>	<ul style="list-style-type: none"> <li>90% of Covered Charges, Deductible waived</li> <li>\$50 Copay per trip, then 100% of Covered Charges, Deductible waived</li> <li>Not Covered</li> <li>Not Covered</li> </ul>
<p><b>Bariatric Surgery</b></p> <ul style="list-style-type: none"> <li>Limited to one Bariatric - Prior Approval is required.</li> <li>One Revision Surgery in the case of surgical complications resulting directly from an approved Bariatric Surgery while covered under this Plan- Prior Approval is required.</li> <li>Bariatric Surgery must be performed at Bariatric Surgery Centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Breast Cancer, Diagnostic Exams</b></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Certified Community Health Workers</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Certified Doulas</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Cochlear Implants</b></p> <ul style="list-style-type: none"> <li>Limited to one implant per ear, per lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>



Deductible waived

- Under age 19: 100% of Covered Charges, Deductible waived.

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS PREMIUM PLAN, continued**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Mastectomy Prosthetics</b> Bras following mastectomy.</p> <ul style="list-style-type: none"> <li>Limited to six bras per calendar year</li> </ul> <p>Replacement for the following is available when necessitated by the device's useful life:</p> <ul style="list-style-type: none"> <li>Silicone breast prosthesis after two years.</li> <li>Fabric, foam, or fiber filled breast prosthesis after six months.</li> <li>Nipple prosthesis is after three months</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Medications provided in a facility or office.</b></p> <p><i>Includes injectable, oral &amp; intravenous medications. Some require Prior Approval.</i></p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Mental Illness and Substance Use Disorder Treatment</b></p> <p>Psychotherapy or ABA Therapy in an office or outpatient setting</p> <p>Psychological Testing in an office or outpatient setting</p> <p>Partial Hospitalization, Day Treatment or Intensive Outpatient Therapy – <i>Prior Approval is required.</i></p>	<ul style="list-style-type: none"> <li>\$25 Copay per visit, then 100% of Covered Charges, Deductible waived</li> <li>\$35 Copay per visit, then 100% of Covered Charges, Deductible waived</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Prosthetic and Orthotic Devices</b></p> <p><i>The replacement of a Prosthetic or Orthotic Device is covered no more frequently than once per three-year period. See the Medical Benefits section for more details.</i></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS PREMIUM PLAN, continued**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Routine Obstetrical Ultrasound</b></p> <ul style="list-style-type: none"> <li>Limited to one ultrasound per Pregnancy.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Standard Preventive Care</b></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Therapy Services</b> Occupational, Physical and Speech Therapies in an office, outpatient, or home setting.</p> <ul style="list-style-type: none"> <li>Limited to 30 visits per Calendar Year for any combination of the above therapy services.</li> <li>Therapy Services that are in excess of 30 visits per Calendar Year may be eligible for coverage, contingent on determination of Medical Necessity.</li> </ul> <p><b>Additional services in an office or outpatient setting.</b></p> <p>Chiropractic services in an office, outpatient setting, or home setting.</p> <ul style="list-style-type: none"> <li>Limited to 15 visits per Calendar Year.</li> </ul>	<ul style="list-style-type: none"> <li>\$25 Copay (per office or outpatient visit charge), then 100% of Covered Charges, Deductible waived</li> <li>80% of Covered Charges, after deductible</li> <li>\$25 Copay, then 100% of Covered Charges, Deductible waived</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>TMJ Disorder Treatment</b></p> <ul style="list-style-type: none"> <li>Limited to \$1,000 per Calendar Year.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Transplant Services – Prior Approval is required.</b></p> <ul style="list-style-type: none"> <li>Transplant surgery             <ul style="list-style-type: none"> <li>Limited to two transplants of the same organ per Lifetime.</li> </ul> </li> <li><b>Travel and lodging</b> <ul style="list-style-type: none"> <li>Limited to \$10,000 per Lifetime.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>\$250 Copay, then, 80% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>

	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• 60% of Covered Charges after Deductible</li> </ul>
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<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS PREMIUM PLAN, continued</b> No benefits will be paid in excess of any listed limit.		
Covered Service	In-Network	Out-of-Network
<b>Vision Exams</b> Routine screening <ul style="list-style-type: none"> <li>• <i>Limited to one screening every two years</i></li> </ul>	<ul style="list-style-type: none"> <li>• \$50 copay, then 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• \$50 copay, then 100% of Covered Charges, Deductible waived</li> </ul>

<b>PHARMACY BENEFITS PREMIUM PLAN</b>	
Prescription Tiers	Copay
<ul style="list-style-type: none"> <li>• Tier I – Generic</li> <li>• Tier II- Preferred</li> <li>• Tier III – Non-Preferred</li> <li>• Tier IV- Specialty</li> </ul>	<ul style="list-style-type: none"> <li>• \$15</li> <li>• \$40</li> <li>• \$80</li> <li>• \$100</li> </ul>
<b>RX Out-of-Pocket Limit</b> <i>Excluded medications, reference price medications, and brand medications where generic is available does not apply towards the RX Out-of-Pocket Limit.</i>	
Individual	\$3,100
Family	\$6,200

## ARBenefits ASE and PSE Classic Plan

This Schedule of Benefits applies to all Active Employees and Retired Employees under the age of 65 and their covered Dependents.

All benefits described in this Schedule are subject to the Primary Coverage Criteria, the Allowable Charge, and the benefit limits and exclusions described more fully herein.

### High Deductible Health Plan

A qualified High Deductible Health Plan (HDHP) with a Health Savings Account provides comprehensive coverage for high-cost medical events and a tax-advantaged way to help build savings for future medical expenses. The Plan gives a Covered Person greater control over how health care benefits are used. An HDHP satisfies certain statutory requirements with respect to minimum Deductibles and out-of-pocket expenses for both single and family coverages. These minimum Deductibles and limits for out-of-pocket expenses are set forth by the U.S. Department of Treasury and will be indexed for inflation in the future.

This Plan has entered into an agreement with certain Hospitals, Physicians, and other health care Providers, which are called In-Network Providers. Because these In-Network Providers have agreed to charge reduced fees to persons covered under the Plan, the Plan can afford to reimburse a higher percentage of their fees.

Therefore, when a Covered Person uses an In-Network Provider, the Covered Person will receive a higher payment from the Plan than when an Out-of-Network Provider is used. It is the Covered Person's choice as to which Provider to use.

A listing of In-Network Providers is available on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). A listing of In-Network Providers may be also found by accessing [www.blueprintportal.com](http://www.blueprintportal.com) or by downloading the Blueprint Portal app available on Google Play or the App Store. Registration is required.

<b>MEDICAL BENEFITS ASE and PSE CLASSIC PLAN</b>				
<b>Calendar Year Deductibles</b>	<b>Individual Plan Deductibles</b>		<b>Family Plan Deductibles</b>	
	<b>In-Network</b>	<b>Out-of-Network</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Arkansas State Employees</b>	\$2,500 per individual	\$4,000 per individual	*\$3,400 per individual *\$5,000 per family	\$8,000 per family
<b>Public School Employees</b>	\$1,750 per individual	\$3,500 per individual	*\$3,400 per individual *\$3,500 per family	\$6,000 per family

**Deductible Accumulation.** The In-Network and Out-of-Network Deductibles are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the individual deductible before any money is paid by the Plan for any Covered Charges. If a Covered Person is enrolled in family coverage, no one family member contributes more than the per individual deductible amount as indicated under the family plan deductible amounts. Family members may combine their covered expenses to satisfy the required family deductible amount.

The Calendar Year Deductible is waived for the following Covered Charges:

- In-Network Preventive Care Benefits
- Electric breast pumps
- Hearing aids
- Routine hearing and vision exams
- In-Network diabetic counseling

Annual Out-Of-Pocket Limits	Individual Plan Out-of-Pocket Limits		Family Plan Out-of-Pocket Limit	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Arkansas State Employees</b>	\$6,450 per individual	unlimited	*\$6,450 per individual *\$12,900 per family	unlimited
<b>Public School Employees</b>	\$6,450 per individual	unlimited 999	*\$6,450 per individual *\$9,675 per family	unlimited

**Out-of-Pocket Accumulation.**

The In-Network and Out-of-Network Out-of-Pocket Limits are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the per person In-Network Out-of-Pocket Limit, at which point the Plan will pay Covered Charges at 100% for that Covered Person for the remainder of the Calendar Year. If the Covered Person is enrolled in family coverage, no one family member contributes more than the per person In-Network amount. Family members may combine their covered expenses to satisfy the family Out-of-Pocket Limit amounts.

Generally speaking, the Plan will never pay more than of 60% Out-of-Network Covered Charges. Any exceptions to that rule are noted within this Schedule of Benefits.

**The charges for the following do not apply to the annual Out-of-Pocket Limit:**

- Out-of-Network Charges
- Penalties for failure to obtain Prior Approval
- Amounts in excess of the Allowable Charge
- Non-Covered Services

Coinsurance Payable By Plan	In-Network Coinsurance	Out-of-Network Coinsurance
Unless stated otherwise in this document, the Plan will pay 80% of In-Network Covered Charges until the annual Out-of-Pocket Limit is satisfied, at which time the Plan will pay 100% of the remainder of In-Network Covered Charges for the rest of the Calendar Year.	<ul style="list-style-type: none"> <li>80% of Covered Charges</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges</li> </ul>
<b>HOSPITAL BENEFITS CLASSIC PLAN</b>		
Charges billed by a facility	In-Network	Out-of-Network
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Prior Approval.</b> Prior Approval is required for all inpatient admissions as well as specific outpatient medical services and procedures and some Durable Medical Equipment. See the Cost Management Section for a detailed list of services which require Prior Approval.</p> <p>The Prior Approval requirement is waived for a Hospital admission following a Medical Emergency. When possible, the Covered Person or the treating Provider is encouraged to notify the Plan of an inpatient admission related to treatment of a Medical Emergency within 48 hours.</p> <p><b>Room and Board Allowances.</b> Covered Charges for room and board during an inpatient admission shall be limited to the lesser of the billed charge or the Allowable Charge established by the Plan.</p>		
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
Emergency Room Services	In-Network	Out-of-Network
<b>Medical Emergency</b>  <b>Non-Medical Emergency</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>

<b>PHYSICIAN BENEFITS CLASSIC PLAN</b>		
<b>Charges Billed by a Physician</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Office Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Emergency Room Services</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Medical Emergency	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>
Non-Medical Emergency	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
Urgent Care Services	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS CLASSIC PLAN</b>		
No benefits will be paid in excess of any listed limit.		
<b>Covered Service</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Advanced Diagnostic Imaging – Prior Approval is required.</b>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Allergy Services</b>		
Injections	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
Serum	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
Testing	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Ambulance Services</b>		
Air ambulance	<ul style="list-style-type: none"> <li>90% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>90% of Covered Charges, after Deductible</li> </ul>
Ground ambulance	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>
<ul style="list-style-type: none"> <li>Limited to \$1,500 per trip</li> </ul>		

Water Ambulance	• Not Covered	• Not Covered
International Air Evacuation	• Not Covered	• Not Covered

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS CLASSIC PLAN**  
No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<b>Bariatric Surgery</b> <ul style="list-style-type: none"> <li>Limited to one Bariatric Surgery - Prior Approval is required.</li> <li>One Revision Surgery in the case of surgical complications resulting directly from an approved Bariatric Surgery while covered under this Plan- Prior Approval is required.</li> <li>Bariatric Surgery must be performed at Bariatric Surgery Centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<b>Breast Cancer, Diagnostic Exams</b>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Certified Community Health Workers</b> Patient education is limited to 10 hours per Calendar Year.	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Certified Doulas</b> Patient education is limited to 10 hours per Calendar Year.	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Cochlear Implants</b> <ul style="list-style-type: none"> <li>Limited to one implant per ear, per lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Colorectal Cancer Screening, Follow-up Colonoscopy</b>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>Diabetes management services</b> Diabetic management counseling	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>



**SPECIFIC BENEFIT LIMITS AND MAXIMUMS CLASSIC PLAN**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Mastectomy Prosthetics</b> Bras following mastectomy</p> <ul style="list-style-type: none"> <li>Limited to six bras per calendar year</li> </ul> <p>Replacement for the following is available when necessitated by the device's useful life:</p> <ul style="list-style-type: none"> <li>Silicone breast prosthesis after two years.</li> <li>Fabric, foam or fiber filled breast prosthesis after six months.</li> </ul> <p>Nipple prosthesis is after three months.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Medications provided in a facility or office</b></p> <p>Coverage includes injectable, oral, and intravenous medications. Some medications require Prior Approval.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Mental Illness and Substance Use Disorder Treatment</b></p> <p>Psychotherapy or ABA Therapy in an office or outpatient setting.</p> <p>Psychological Testing in an office or outpatient setting.</p> <p>Partial Hospitalization, Day Treatment or Intensive Outpatient Therapy – <i>Prior Approval is required.</i></p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Prosthetic and Orthotic Devices</b></p> <p>The replacement of a Prosthetic or Orthotic Device is covered no more frequently than once per three-year period. See the Medical Benefits Section for more information.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<p><b>Routine Obstetrical Ultrasound</b></p> <p>Limited to one ultrasound per Pregnancy.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>

<b>Standard Preventive Care</b>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<b>Therapy Services</b> Occupational, Physical and Speech Therapies in an office, outpatient, or home setting. <ul style="list-style-type: none"> <li>Limited to 30 visits per Calendar Year for any combination of the above therapy services.</li> <li>Therapy Services that are in excess of 30 visits per Calendar Year may be eligible for coverage, contingent on determination of Medical Necessity.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
Chiropractic services in an office, outpatient setting, or home setting. <ul style="list-style-type: none"> <li>Limited to 15 visits per Calendar Year.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>TMJ Disorder Treatment</b> <ul style="list-style-type: none"> <li>Limited to \$1,000 per Calendar Year.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> </ul>
<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS CLASSIC PLAN</b> No benefits will be paid in excess of any listed limit.		
<b>Covered Service</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Transplant Services</b> – Prior Approval is required.  Transplant surgery <ul style="list-style-type: none"> <li>Limited to two transplants of the same organ per Lifetime.</li> </ul> Travel and lodging <ul style="list-style-type: none"> <li>Limited to \$10,000 per Lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>60% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> </ul>
<b>Vision Exams</b> Routine screening <ul style="list-style-type: none"> <li>Limited to one screening every two years</li> </ul>	<ul style="list-style-type: none"> <li>\$50 copay, then 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>\$50 copay, then 100% of Covered Charges, Deductible waived</li> </ul>

**PHARMACY BENEFITS CLASSIC PLAN**

<b>Prescription Tiers</b>	<b>Member Coinsurance Amounts</b>
<ul style="list-style-type: none"><li>• Tier I – Generic</li><li>• Tier II – Preferred</li><li>• Tier III – Non-Preferred</li><li>• Tier IV – Specialty</li></ul>	<ul style="list-style-type: none"><li>• 20%, after Deductible</li><li>• 20%, after Deductible</li><li>• 20%, after Deductible</li><li>• 20%, after Deductible</li></ul>
<p style="text-align: center;"><b>RX Out-of-Pocket Limit</b> <i>Excluded medications, reference price medications, and brand medications where generic is available does not apply towards the RX Out-of-Pocket Limit. .</i></p>	

## ARBenefits ASE Basic Plan

This Schedule of Benefits applies to all Active Employees and Retired Employees under the age of 65 and their covered Dependents.

All benefits described in this Schedule are subject to the Primary Coverage Criteria, the Allowable Charge, and the benefit limits and exclusions described more fully herein.

### High Deductible Health Plan

A qualified High Deductible Health Plan (HDHP) with a Health Savings Account provides comprehensive coverage for high-cost medical events and a tax-advantaged way to help build savings for future medical expenses. The Plan gives a Covered Person greater control over how health care benefits are used. An HDHP satisfies certain statutory requirements with respect to minimum Deductibles and out-of-pocket expenses for both single and family coverage. These minimum Deductibles and limits for out-of-pocket expenses are set forth by the U.S. Department of Treasury and will be indexed for inflation in the future.

This Plan has entered into an agreement with certain Hospitals, Physicians and other health care Providers, which are called In-Network Providers. Because these In-Network Providers have agreed to charge reduced fees to persons covered under the Plan, the Plan can afford to reimburse a higher percentage of their fees.

Therefore, when a Covered Person uses an In-Network Provider, the Covered Person will receive a higher payment from the Plan than when an Out-of-Network Provider is used. It is the Covered Person's choice as to which Provider to use.

A listing of In-Network Providers is available on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). A listing of In-Network Providers may be also found by accessing [www.blueprintportal.com](http://www.blueprintportal.com) or by downloading the Blueprint Portal app available on Google Play or the App Store. Registration is required.

**NOTE: The ASE Basic Plan does not provide coverage for Out-of-Network services unless specifically stated elsewhere.**

MEDICAL BENEFITS ASE BASIC PLAN				
Calendar Year Deductibles	Individual Plan Deductibles		Family Plan Deductibles	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Arkansas State Employees</b>	\$6,450 per individual	Not Covered	\$6,450 per individual \$12,900 per family	Not Covered
<b>Deductible Accumulation.</b> For single (self-only) coverage, the Covered Person must meet the per person deductible before any money is paid by the Plan for any Covered Charge. If the Covered Person is enrolled in family coverage, no one family member contributes more				

than the per person Deductible amount. Family members may combine their covered expenses to satisfy the required family deductible amount.

The Calendar Year Deductible is waived following Covered Charges:

- In-Network Preventive Care Benefits
- In-Network diagnostic exam when related to breast cancer
- In-Network follow-up colonoscopy that proceeds a colorectal cancer screening
- In-Network diabetic counseling
- Electric breast pumps
- Hearing aids
- Routine hearing and vision exams

Annual Out-Of-Pocket Limits	Individual Plan		Family Plan	
	Out-of-Pocket Limits		Out-of-Pocket Limit	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Arkansas State Employees</b>	\$6,450 per individual	Not Covered	\$6,450 per individual \$12,900 per family	Not Covered

**Out-of-Pocket Accumulation.** The In-Network and Out-of-Network out-of-pocket amounts are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the per person In-Network Out-of-Pocket Limit, at which point the Plan will pay Covered Charges at 100% for that Covered Person for the remainder of the Calendar Year. If the Covered Person is enrolled in family coverage, no one family member contributes more than the per person In-Network amount. Family members may combine their covered expenses to satisfy the family Out-of-Pocket Limit amounts.

**The charges for the following do not apply to the annual Out-of-Pocket Limit:**

- Out-of-Network Charges
- Penalties for failure to obtain Prior Approval
- Amounts in excess of the Allowable Charge
- Non-Covered Services

Coinsurance Payable by Plan	In-Network	Out-of-Network
Because the In-Network Deductibles are equal to the In-Network Out-of-Pocket Limits, once the Deductible has been satisfied, the Plan will pay 100% of In-Network Covered Charges for the remainder of the Calendar Year.	• 100% of Covered Charges	• Not Covered

<b>HOSPITAL BENEFITS ASE BASIC PLAN</b>		
<b>Charges Billed by a Facility</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Prior Approval.</b> Prior Approval is required for all inpatient admissions as well as specific outpatient medical services and procedures and some Durable Medical Equipment. See the Cost Management Section for a detailed list of services which require Prior Approval.</p> <p>The Prior Approval requirement is waived for a Hospital admission following a Medical Emergency. When possible, the Covered Person or the treating Provider is encouraged to notify the Plan of an inpatient admission related to treatment of a Medical Emergency within 48 hours.</p> <p><b>Room and Board Allowances.</b> Covered Charges for room and board during an inpatient admission shall be limited to the lesser of the billed charge or the Allowable Charge established by the Plan.</p>		
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Emergency Room Services</b> <ul style="list-style-type: none"> <li>• Medical Emergency</li> <li>• Non-Medical Emergency</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> <li>• Not Covered</li> </ul>
<b>PHYSICIAN BENEFITS ASE BASIC PLAN</b>		
<b>Charges Billed by a Physician</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Office Services	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
Inpatient Services	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
Outpatient Services	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

<b>Emergency Room Services</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Medical Emergency	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>
Non-Medical Emergency	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
Urgent Care Services	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS ASE BASIC PLAN</b> No benefits will be paid in excess of any listed limit.		
<b>Covered Service</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Advanced Diagnostic Imaging – <i>Prior Approval is required.</i></b>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Allergy services</b> <ul style="list-style-type: none"> <li>• Injections</li> <li>• Serum</li> <li>• Testing</li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>
<b>Ambulance Services</b> <ul style="list-style-type: none"> <li>Air Ambulance</li> <li>Ground Ambulance               <ul style="list-style-type: none"> <li>• Limited to \$1,500 per trip.</li> </ul> </li> <li>Water Ambulance</li> <li>International Air Evacuation</li> </ul>	<ul style="list-style-type: none"> <li>• 90% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>	<ul style="list-style-type: none"> <li>• 90% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS ASE BASIC PLAN**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Bariatric Surgery</b></p> <ul style="list-style-type: none"> <li>• Limited to one Bariatric Surgery - Prior Approval is required.</li> <li>• One Revision Surgery in the case of surgical complications resulting directly from the approved Bariatric Surgery while covered under this Plan-Prior Approval is required.</li> <li>• Bariatric Surgery must be performed at Bariatric Surgery Centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Breast Cancer, Diagnostic Exams</b></p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Certified Community Health Workers</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Certified Doulas</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Cochlear Implants</b></p> <ul style="list-style-type: none"> <li>• Limited to one implant per ear, per lifetime</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Colorectal Cancer Screening, Follow-Up Colonoscopy</b></p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Diabetes management services</b></p> <p>Diabetic management counseling</p> <p>Insulin pump/pump supplies</p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, Deductible waived</li> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> </ul>



<p><b>Mastectomy Prosthetics</b> Bras following mastectomy.</p> <ul style="list-style-type: none"> <li>Limited to six bras per calendar year</li> </ul> <p>Replacement for the following is available when necessitated by the device's useful life:</p> <ul style="list-style-type: none"> <li>Silicone breast prosthesis after two years.</li> <li>Fabric, foam or fiber filled breast prosthesis after six months.</li> <li>Nipple prosthesis is after three months.</li> </ul>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> </ul>
<p><b>Medications provided in a facility or office</b></p> <p>Coverage includes injectable, oral, and intravenous medications. Some medications require Prior Approval.</p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS ASE BASIC PLAN**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Mental Illness and Substance Use Disorder Treatment</b></p> <p>Psychotherapy or ABA Therapy in an office or outpatient setting</p> <p>Psychological Testing in an office or outpatient setting</p> <p>Partial Hospitalization, Day Treatment or Intensive Outpatient Therapy– <i>Prior Approval is required.</i></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> <li>Not Covered</li> </ul>
<p><b>Prosthetic and Orthotic Devices</b></p> <ul style="list-style-type: none"> <li>The replacement of a Prosthetic or Orthotic Device is covered no more frequently than once per three-year period. See the Medical Benefits Section for more information.</li> </ul>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Routine Obstetrical Ultrasound</b></p> <ul style="list-style-type: none"> <li>Limited to one ultrasound per Pregnancy.</li> </ul>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Standard Preventive Care</b></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

<p><b>Therapy Services</b> Occupational, Physical and Speech Therapies in an office, outpatient, or home setting.</p> <ul style="list-style-type: none"> <li>• <i>Limited to 30 visits per Calendar Year for any combination of the above therapy services.</i></li> <li>• <i>Therapy Services that are in excess of 30 visits per Calendar Year may be eligible for coverage, contingent on determination of Medical Necessity.</i></li> </ul> <p>Chiropractic services in an office, outpatient setting, or home setting</p> <ul style="list-style-type: none"> <li>• <i>Limited to 15 visits per Calendar Year.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> </ul>
<p><b>TMJ Disorder Treatment</b> <i>Limited to \$1,000 per Calendar Year</i></p>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS ASE BASIC PLAN**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Transplant Services</b> – Prior Approval is required.</p> <p>Transplant surgery</p> <ul style="list-style-type: none"> <li>Limited to two transplants of the same organ per Lifetime.</li> </ul> <p>Travel and lodging</p> <ul style="list-style-type: none"> <li>Limited to \$10,000 per Lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> </ul>
<p><b>Vision Exams</b></p> <p>Routine Screening</p> <ul style="list-style-type: none"> <li>Limited to one screening every two years.</li> </ul>	<ul style="list-style-type: none"> <li>\$50 Copay, then 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

**PHARMACY BENEFITS ASE BASIC PLAN**

Prescription Tiers	Member Coinsurance Amounts
<ul style="list-style-type: none"> <li>Tier I – Generic</li> <li>Tier II – Preferred</li> <li>Tier III – Non-Preferred</li> <li>Tier IV – Specialty</li> </ul>	<ul style="list-style-type: none"> <li>0%, after Deductible</li> <li>0%, after Deductible</li> <li>0%, after Deductible</li> <li>0%, after Deductible</li> </ul>
<p><b>RX Out-of-Pocket Limit</b></p> <p><i>Excluded medications, reference price medications, and brand medications where generic is available does not apply towards the RX Out-of-Pocket Limit.</i></p>	

## ARBenefits PSE Basic Plan

This Schedule of Benefits applies to all Active Employees and Retired Employees under the age of 65 and their covered Dependents.

All benefits described in this Schedule are subject to the Primary Coverage Criteria, the Allowable Charge, and the benefit limits and exclusions described more fully herein.

### High Deductible Health Plan

A qualified High Deductible Health Plan (HDHP) with a Health Savings Account provides comprehensive coverage for high cost medical events and a tax-advantaged way to help build savings for future medical expenses. The Plan gives a Covered Person greater control over how health care benefits are used. An HDHP satisfies certain statutory requirements with respect to minimum Deductibles and out-of-pocket expenses for both single and family coverages. These minimum Deductibles and limits for out-of-pocket expenses are set forth by the U.S. Department of Treasury and will be indexed for inflation in the future.

This Plan has entered into an agreement with certain Hospitals, Physicians, and other health care Providers, which are called In-Network Providers. Because these In-Network Providers have agreed to charge reduced fees to persons covered under the Plan, the Plan can afford to reimburse a higher percentage of their fees.

Therefore, when a Covered Person uses an In-Network Provider, the Covered Person will receive a higher payment from the Plan than when an Out-of-Network Provider is used. It is the Covered Person's choice as to which Provider to use.

A listing of In-Network Providers is available on the Claims Administrator's website [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). A listing of In-Network Providers may be also found by accessing [www.blueprintportal.com](http://www.blueprintportal.com) or by downloading the Blueprint Portal app available on Google Play or the App Store. Registration is required.

**NOTE: The PSE Basic Plan does not provide coverage for Out-of-Network services unless specifically stated elsewhere.**

MEDICAL BENEFITS PSE BASIC PLAN				
Calendar Year Deductibles	Individual Plan Deductibles		Family Plan Deductibles	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Public School Employees	\$4,000 per individual	not covered	\$4,000 per individual \$8,000 per family	not covered
<b>Deductible Accumulation.</b> For single (self-only) coverage, the Covered Person must meet the per individual deductible before any money is paid by the Plan for any Covered Charges. If a Covered Person has family coverage, no one family member contributes more than the per individual deductible amount as indicated under the family plan deductible amounts. Family members may combine their covered expenses to satisfy the required family deductible amount.				

**MEDICAL BENEFITS PSE BASIC PLAN, continued**

The Calendar Year Deductible is waived following Covered Charges:

- In-Network Standard Preventive Care Benefits
- In-Network diagnostic exam when related to breast cancer
- In-Network follow-up colonoscopy that proceeds a colorectal cancer screening
- In-Network diabetic counseling
- Electric breast pumps
- Hearing aids
- Routine hearing and vision exams

Annual Out-Of-Pocket Limits	Individual Plan Out-of-Pocket Limits		Family Plan Out-of-Pocket Limit	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Public School Employees</b>	\$6,450 per individual	Not Covered	\$6,450 per individual \$12,900 per family	Not Covered

**Out-of-Pocket Accumulation.** The In-Network and Out-of-Network Out-of-Pocket Limits are totally separate and do not contribute toward or offset each other.

For single (self-only) coverage, the Covered Person must meet the per individual In-Network Out-of-Pocket Limit, at which point the Plan will pay Covered Charges at 100% for that Covered Person for the remainder of the Calendar Year. If the Covered Person is enrolled in family coverage, no one family member contributes more than the per person In-Network amount. Family members may combine their covered expenses to satisfy the family Out-of-Pocket Limit amounts.

**The charges for the following do not apply to the annual Out-of-Pocket Limit:**

- Out-of-Network Charges
- Penalties for failure to obtain Prior Approval
- Amounts in excess of the Allowable Charge
- Non-Covered Services

Coinsurance Payable by Plan	In-Network	Out-of-Network
Unless stated otherwise in this document, the Plan will pay 80% of In-Network Covered Charges until the annual Out-of-Pocket Limit is satisfied, at which time the Plan will pay 100% of the remainder of In-Network Covered Charges for the rest of the Calendar Year.	<ul style="list-style-type: none"> <li>• 80% of Covered Charges</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

<b>HOSPITAL BENEFITS PSE BASIC PLAN</b>		
<b>Charges Billed by a Facility</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Prior Approval.</b> Prior Approval is required for all inpatient admissions as well as specific outpatient medical services and procedures and some Durable Medical Equipment. See the Cost Management Section for a detailed list of services which require Prior Approval.</p> <p>The Prior Approval requirement is waived for a Hospital admission following a Medical Emergency. When possible, the Covered Person or the treating Provider is encouraged to notify the Plan of an inpatient admission related to treatment of a Medical Emergency within 48 hours.</p> <p><b>Room and Board Allowances.</b> Covered Charges for room and board during an inpatient admission shall be limited to the lesser of the billed charge or the Allowable Charge established by the Plan.</p>		
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Emergency Room Services</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Medical Emergency	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>
Non-Medical Emergency	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>PHYSICIAN BENEFITS PSE BASIC PLAN</b>		
<b>Charges Billed by a Physician</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Office Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Outpatient Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

<b>Emergency Room Services</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Medical Emergency</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>
<b>Non-Medical Emergency</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Urgent Care Services</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS PSE BASIC PLAN</b> No benefits will be paid in excess of any listed limit.		
<b>Covered Service</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Advanced Diagnostic Imaging – Prior Approval is required.</b>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<b>Allergy services</b> <ul style="list-style-type: none"> <li>• Injections</li> <li>• Serum</li> <li>• Testing</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>
<b>Ambulance Services</b>  Air Ambulance  Ground Ambulance <ul style="list-style-type: none"> <li>• Limited to \$1,500 per trip.</li> </ul> Water Ambulance International Air Evacuation	<ul style="list-style-type: none"> <li>• 90% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>	<ul style="list-style-type: none"> <li>• 90% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>

**SPECIFIC BENEFIT LIMITS AND MAXIMUMS PSE BASIC PLAN**

No benefits will be paid in excess of any listed limit.

Covered Service	In-Network	Out-of-Network
<p><b>Bariatric Surgery</b></p> <ul style="list-style-type: none"> <li>Limited to one Bariatric Surgery Prior Approval is required.</li> <li>One Revision Surgery in the case of surgical complications resulting directly from an approved Bariatric Surgery while covered under this Plan-Prior Approval is required.</li> <li>Bariatric Surgery must be performed at Bariatric Surgery Centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Breast Cancer, Diagnostic Exams</b></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Certified Community Health Workers</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Certified Doulas</b></p> <p>Patient education is limited to 10 hours per Calendar Year.</p>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Cochlear Implants</b></p> <ul style="list-style-type: none"> <li>Limited to one implant per ear, per lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Colorectal Cancer Screening, Follow-up Colonoscopy</b></p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<p><b>Diabetes management services</b></p> <p>Diabetic management counseling</p> <p>Insulin pump/pump supplies</p>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> <li>100% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> </ul>



<p><b>Mastectomy Prosthetics</b> Bras following mastectomy</p> <ul style="list-style-type: none"> <li>• <i>Limited to six bras per calendar year</i></li> </ul> <p>Replacement for the following is available when necessitated by the device's useful life:</p> <ul style="list-style-type: none"> <li>• <i>Silicone breast prosthesis after two years.</i></li> <li>• <i>Fabric, foam or fiber filled breast prosthesis after six months.</i></li> <li>• <i>Nipple prosthesis is after three months.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> </ul>
<p><b>Medications provided in a facility or office</b> <i>Includes injectable, oral &amp; intravenous medications. Some require Prior Approval.</i></p>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

<p align="center"><b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS PSE BASIC PLAN</b> No benefits will be paid in excess of any listed limit.</p>		
Covered Service	In-Network	Out-of-Network
<p><b>Mental Illness and Substance Use Disorder Treatment</b> Psychotherapy or ABA Therapy in an office or outpatient setting</p> <p>Psychological Testing in an office or outpatient setting</p> <p>Partial Hospitalization, Day Treatment or Intensive Outpatient Therapy– <i>Prior Approval is required.</i></p>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> <li>• Not Covered</li> <li>• Not Covered</li> </ul>
<p><b>Prosthetic and Orthotic Devices</b></p> <ul style="list-style-type: none"> <li>• <i>The replacement of a Prosthetic or Orthotic Device is covered no more frequently than once per three-year period. See the Medical Benefits Section for more information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>
<p><b>Routine Obstetrical Ultrasound</b></p> <ul style="list-style-type: none"> <li>• <i>Limited to one ultrasound per Pregnancy</i></li> </ul>	<ul style="list-style-type: none"> <li>• 80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Not Covered</li> </ul>

<b>Standard Preventive Care</b>	<ul style="list-style-type: none"> <li>100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>
<b>Therapy Services</b> Occupational, Physical, and Speech Therapies in an office, outpatient, or home setting <ul style="list-style-type: none"> <li>Limited to 30 visits per Calendar Year for any combination of the above therapy services.</li> <li>Therapy Services that are in excess of 30 visits per Calendar Year may be eligible for coverage, contingent on determination of Medical Necessity.</li> </ul> Chiropractic services in an office, outpatient setting, or home setting <ul style="list-style-type: none"> <li>Limited to 15 visits per Calendar Year.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> </ul>
<b>TMJ Disorder Treatment</b> <ul style="list-style-type: none"> <li>Limited to \$1,000 per Calendar Year</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

<b>SPECIFIC BENEFIT LIMITS AND MAXIMUMS PSE BASIC PLAN</b> No benefits will be paid in excess of any listed limit.		
Covered Service	In-Network	Out-of-Network
<b>Transplant Services</b> – Prior Approval is required.  Transplant surgery <ul style="list-style-type: none"> <li>Limited to two transplants of the same organ per Lifetime.</li> </ul> Travel and lodging <ul style="list-style-type: none"> <li>Limited to \$10,000 per Lifetime.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Covered Charges, after Deductible</li> <li>80% of Covered Charges, after Deductible</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> <li>Not Covered</li> </ul>
<b>Vision Exams</b> Routine Screening <ul style="list-style-type: none"> <li>Limited to one screening every two years.</li> </ul>	<ul style="list-style-type: none"> <li>\$50 Copay, then 100% of Covered Charges, Deductible waived</li> </ul>	<ul style="list-style-type: none"> <li>Not Covered</li> </ul>

**PHARMACY BENEFITS ASE BASIC PLAN**

<b>Prescription Tiers</b>	<b>Member Coinsurance Amounts</b>
<ul style="list-style-type: none"><li>• Tier I – Generic</li><li>• Tier II – Preferred</li><li>• Tier III – Non-Preferred</li><li>• Tier IV – Specialty</li></ul>	<ul style="list-style-type: none"><li>• 0%, after Deductible</li><li>• 0%, after Deductible</li><li>• 0%, after Deductible</li><li>• 0%, after Deductible</li></ul>
<p style="text-align: center;"><b>RX Out-of-Pocket Limit</b> <i>Excluded medications, reference price medications, and brand medications where generic is available does not apply towards the RX Out-of-Pocket Limit.</i></p>	

### **ARBenefits ASE and PSE Premium Plan (Medicare Primary Plan)**

This Schedule of Benefits describes benefits available to members enrolled in the ASE/PSE Premium (Medicare Primary Plan with Health Advantage as the secondary benefit provider and claims processor) who are eligible for Medicare coverage. Once a member becomes eligible for Medicare coverage, the member's entire family will automatically be moved to the ARBenefits ASE/PSE Premium Plan if they are currently enrolled in the Classic Plan or Basic Plan.

All benefits described in this Schedule are subject to the Primary Coverage Criteria, the Allowable Charge, and the benefit limits and exclusions described more fully herein.

The **ARBenefits ASE/PSE Premium Plan (Medicare Primary Plan)** is an employer sponsored health benefit plan that supplements most benefits provided by Medicare.

In order for a particular Health Intervention to qualify for coverage under the Plan, the following criteria must be met:

1. The Health Intervention must conform to specific limitations stated in the Plan.
2. The Health Intervention must not be specifically excluded under the terms of the Plan.
3. At the time of the intervention, the Covered Person must meet the Plan's eligibility standards.
4. The Plan's procedures for filing claims must be followed.

### **Medical Benefits and Specific Limitations**

This health benefit plan provides coverage that supplements most benefits provided by Medicare. This Section describes medical services, medications, supplies, tests, and equipment for which coverage is provided under the Plan, provided all terms, conditions, exclusions, and limitations of the Plan, including the four coverage criteria, are satisfied.

### **What does ARBenefits cover for Medicare Primary Retirees?**

<b>Part A Hospital Services</b>	
<b>Medicare Does Not Pay</b>	<b>ARBenefits Retiree Plan Covers</b>
Inpatient Hospital Deductible each benefit period.	ARBenefits pays the Deductible.
Copayment per day for days 61-90 in a Hospital.	ARBenefits pays the Copayment per day.
Copayment per day for days 91-150. (Lifetime Reserve)	ARBenefits pays the Copayment per day.
100% of Medicare - Allowable expenses for additional 365 days after Medicare Hospital benefits stop completely.	ARBenefits pays.

<b>Part A Hospital Services, continued</b>	
<b>Medicare Does Not Pay, continued</b>	<b>ARBenefits Retiree Plan Covers, continued</b>
Calendar Year blood Deductible (first three pints of blood) if Deductible is not met by the replacement of blood.	ARBenefits pays.
Copayment per day for days 21-100 in a Skilled Nursing Facility.	ARBenefits pays the Copayment per day.
<b>Part B Physician and Medical Services</b>	
Part B Deductible	ARBenefits pays the Deductible.
Normally 20% of Medicare-approved amount (Part B Coinsurance) and 20% of Medicare-approved charges for Durable Medical Equipment (after Part B Deductible is met).	ARBenefits pays 20% of the Medicare-approved amount, unless the benefit excluded.
Medicare Part B in excess of charges of 100%. <i>(This benefit would apply when services are received from a Physician that does not accept Medicare assignment.)</i>	Coverage will be determined based on the level of coverage outlined in the SPD for active and non-Medicare members. Services paid at 100% will be no charge. Plan will pay 80% for Medicare Part B excess charges not paid by Medicare, but will be paid according to the Deductible, Copay, and Coinsurance when applicable.
<b>Part C</b>	
ARBenefits should not coordinate benefits when a Medicare Part C Plan is primary except when in regard to hearing aids. ARBenefits should pay primary for Active Employees at all times, including when there is a Medicare Part C Plan in the secondary payer position.	
<b>Pharmacy</b>	
<p><b>ASE Medicare Eligible Members</b> ARBenefits provides pharmacy coverage for ASE members.</p> <p><b>PSE Medicare Eligible Members</b> ARBenefits does <u>not</u> provide pharmacy coverage for PSE members. PSE Medicare Eligible members will need to purchase a Medicare Part D Plan or other pharmacy plan when enrolled in this Primary Care Plan. If these members do not enroll in a Medicare Part D Plan at the time they become Medicare eligible they could be assessed a Late Enrollment Penalty (LEP) later if they enroll in a Medicare Part D Plan.</p>	

## PROVIDER NETWORK PROVISIONS AND COST SHARING PROCEDURES

The Plan may afford significant savings to members who obtain coverage from In-Network Providers. This Section describes how Covered Persons can maximize their benefits under the Plan by using In-Network Providers.

### Network Procedures

**Standard Benefits.** All benefits described in this document are subject to the Primary Coverage Criteria, the Allowable Charge (as defined herein), and the benefit limits and exclusions described more fully herein.

**In-Network Services.** This coverage is most effective and advantageous when the services of In-Network Providers are used. Claims associated with services provided by In-Network Providers may have a more advantageous Deductible, Coinsurance and Copayment than claims for services of Out-of-Network Providers. The In-Network Deductible, Coinsurance and any applicable Copayment cited in the Schedule of Benefits are applied to Allowable Charges for services and supplies received from an In-Network Provider, unless this document shows a different Deductible, Coinsurance or Copayment for the particular service.

**Out-of-Network Benefits.** Reimbursement for services by Out-of-Network Providers generally will be less than payment for the same services when provided by an In Network Provider and could result in substantial additional out-of-pocket expenses. The Out-of-Network Deductible, Coinsurance, and any applicable Copayment described in the Schedule of Benefits are applied to Allowable Charges for services and supplies received from an Out-of-Network Provider, except under the following circumstances:

1. **Plan Provision.** If this document specifies elsewhere that a different Deductible, Coinsurance or Copayment is applicable to the particular service or supply that is the subject of the claim.
2. **Emergency Services.** The Intervention is for a Medical Emergency, in which case the In-Network Deductible, Coinsurance and Copayment apply.
3. **Continuity of Care, Pregnancy, Prior to Coverage.** A Covered Person may notify the Claims Administrator that prior to the effective date of coverage, the Covered Person was receiving obstetrical care from an Out-of-Network Provider for a Pregnancy covered under the terms of this Plan, and request In-Network benefits for continuation of such obstetrical care from the Out-of-Network Provider. If the Claims Administrator approves In-Network coverage for the requested obstetrical care, any applicable In-Network Deductible, Coinsurance and Copayment will apply to claims for services and supplies received from this Out-of-Network Provider and will continue to apply to claims for eligible services and supplies rendered by the Out-of-Network Provider until the completion of the Pregnancy, including two months of postnatal visits.
4. **Provider Leaves Network.** A Covered Person may notify the Claims Administrator that their Out-of-Network Provider was formerly an In-Network Provider when ongoing treatment for an acute condition began, and request In-Network benefits for the continuation of such ongoing treatment. If the Claims Administrator approves In-Network coverage for the ongoing treatment, any applicable In-Network Deductible, Coinsurance and Copayment will apply to claims for eligible services and supplies rendered by the

Out-of-Network Provider for such condition until the end of the current episode of treatment or until the end of 90 days, whichever occurs first.

5. **Services Not Available or Accessible from In-Network Provider.** If a Covered Person notifies the Claims Administrator prior to receiving a Health Intervention and the Claims Administrator determines that the required covered services or supplies associated with such health intervention are not accessible or available from an In-Network Provider, the Claims Administrator may provide the Covered Person with written approval of In-Network coverage for such services or supplies, and any In-Network Deductible, Coinsurance and Copayment will apply to the claims for the eligible services that are received from the Out-of-Network Provider. In the event that a member fails to notify the Claims Administrator prior to receiving a Health Intervention from an Out-of-Network Provider, the Claims Administrator will determine whether or not an exception will be made to allow In-Network benefits due to potential inaccessibility or unavailability of an In-Network provider.

### **Provider Directory**

The determination of whether a Physician or Hospital is an In-Network Provider is the responsibility of the Plan and Claims Administrator. The Claims Administrator can provide a list of In-Network Providers upon request. A Covered Person may also obtain a list of In-Network Providers on the web site [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com). A Provider's status may change. A Covered Person can verify the Provider's status by calling Customer Service at the phone number on the back of their health plan identification card. If a Covered Person is informed incorrectly prior to receiving a Covered Service, either by accessing the directory or in response to a request for such information (via telephone, electronic, web-based or internet-based means), the Covered Person may be eligible for cost sharing that would be no greater than if the covered service had been provided by an In-Network Provider.

BlueCard PPO Program. The Plan includes access to the BlueCard PPO network. This benefit allows Covered Persons to receive In-Network benefits from Providers located outside of Arkansas, provided such Provider is in the BlueCard PPO network of the local Blue Cross or Blue Shield Company. A Covered Person may obtain a list of In-Network Providers in an out-of-Arkansas location or verify the status of an out of state Provider by calling Customer Service at the phone number on the back of their health plan identification card. A Covered Person may also obtain a list of In-Network Providers on the web site [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

### **Provider Status May Change**

It is possible that a Covered Person might not be able to obtain services from a particular In-Network Provider. The network of Providers is subject to change. A particular Network Provider may not be accepting new patients. If a Provider leaves the Network or is otherwise not available, the Covered Person must choose another Provider to get In-Network benefits.

### **No Balance Billing from Preferred Providers And Contracting Providers**

In-Network and Preferred Providers are Physicians or Hospitals who are paid directly by the Plan and have agreed to accept payment for covered services as payment in full except for the Covered Person's Deductible, Coinsurance, Copayment, and any specific benefit limitation, if applicable. In contrast, a Covered Person is responsible for billed charges in excess of the Plan's payment when Out-of-Network Physicians or Hospitals render services. These excess

charges could amount to thousands of dollars in additional out of pocket expenses to the Covered Person.

### **Out-Of-Network Providers and Balance Billing**

1. **NOTICE: Certain Services may not be eligible for In-Network Benefits.** Additional costs, including balance billing, may be incurred for a covered Health Intervention provided by an Out-of-Network Provider, even if treatment is rendered in an In-Network Hospital unless it meets the exception as provided in subsection (2), below. These additional charges may not count toward the In-Network Out-of-Pocket Limit. The In-Network Provider's agreement may not include:
  - a. All covered benefits; or
  - b. All services provided at an In-Network Hospital are provided by In-Network Providers. Some Providers are contracted to provide only certain covered benefits, but not all covered benefits.
  
2. **Balance billing by Out-of-Network Providers is prohibited in the following instances:**
  - a. When Ancillary Services, as described in the No Surprises Act, are received at certain In-Network facilities on a non-emergency basis from Out-of-Network Providers.
  - b. When Medical Emergency services are provided by an Out-of-Network Provider in an emergency room, a free-standing emergency department, or in an urgent care clinic which is licensed as a free-standing emergency department.
  - c. When air Ambulance Services are provided by an Out-of-Network Provider.
  - d. When a Provider leaves the network voluntarily, a Covered Person engaged with the Out-of-Network Provider for a scheduled procedure or ongoing treatment covered under this Plan, when such procedure or treatment is for a condition requiring immediate care, and the Covered Person's request is approved for continuity of care benefits until the end of the current episode of treatment or until the end of 90 days, whichever occurs first.

In these instances, when the services are eligible for coverage, the Out-of-Network Provider may not bill the Covered Person for amounts in excess of any In-Network Copayment, Coinsurance or Deductible (cost share). Except for air ambulance, the cost share is based on the Recognized Amount as described in the No Surprises Act and as set forth in the Defined Terms section. The cost share for air ambulance is based on the rates that would apply if the service was provided by an In-Network Provider.

When Covered Services are received from Out-of-Network Providers as stated above, allowed amounts are based upon one of the following as applicable:

- a. The initial payment made by the Plan, or the amount subsequently agreed to by the Out-of-Network Provider.
- b. The amount determined by Independent Dispute Resolution (IDR).

### **Relation of the Plan to Providers**

The decision about whether to use a particular Provider is the sole responsibility of a Covered Person. A treating Provider is not an agent of the Plan or the Claims Administrator. The Plan and the Claims Administrator makes no representations or guarantees regarding the qualification or

experience of any Provider with respect to any service. The evaluation of such factors and the decision about whether to use any Provider is the sole responsibility of the Covered Person.

## MEDICAL BENEFITS

Medical Benefits apply when Covered Charges are incurred by a Covered Person for care of an Accidental Injury or Sickness and while the person is covered for these benefits under the Plan.

### Deductible

Deductible means the amount of out-of-pocket expense a Member must incur for Covered Services each Calendar Year before any expenses are paid by the Plan. This amount is calculated from Allowance or Allowable Charges, not the billed charges. Once the Deductible has been met, subject to all other terms, conditions, limitations, and exclusions in the Plan, payment for Covered Services begins. The Deductible is waived for some services, such as Preventive Care, as identified in the Schedule of Benefits.

**Only In-Network Deductibles will accrue toward the annual Out-of-Pocket Limit.**

### Plan Coinsurance

Each Calendar Year, benefits will be paid for the Covered Charges of a Covered Person that are in excess of the Deductible and any Copayments. Payment will be made at the rate shown under reimbursement rate in the Schedule of Benefits. No benefits will be paid in excess of any listed limit of the Plan.

### Out-Of-Pocket Limit

Covered Charges are payable at the percentages shown each Calendar Year until the out-of-pocket limit shown in the Schedule of Benefits is reached. Then, Covered Charges incurred by a Covered Person will be payable at 100% (except for any charges excluded as shown in the Schedule of Benefits) for the rest of the Calendar Year.

When a Family Unit reaches the out-of-pocket limit, Covered Charges for that Family Unit will be payable at 100% (except for any charges excluded, as shown on the Schedule of Benefits) for the rest of the Calendar Year.

### Plan Allowance

The Plan has defined an outer limit on Plan benefits that applies whether a Covered Person chooses to receive services from an In-Network Provider or an Out-of-Network Provider. This overall limit on the amount of Plan benefits available under the Plan is defined in this Plan Document description as the "Allowable Charge" or "Allowance," and may also be referred to from time to time as the "Plan Allowance" under the Plan. Benefits under the Plan will always be limited by the Plan Allowance that the Plan has adopted, as further defined in this section. This means that regardless of how much a health care Provider may bill for any service, medication, medical device, equipment, or supplies, the benefits under the Plan will be limited to the Plan Allowance, as established in the Defined Terms section.

### Patient's Share of the Plan Allowance and Billed Charges of the Provider

The Plan calculates and pays Plan benefits on the basis of the Plan Allowance, an amount that may vary substantially from the amount a Provider chooses to bill. Once the Plan Allowance is determined with respect to any Provider's billed charges, the Covered Person may be

responsible for a percentage or portion of the Plan Allowance, depending on the terms of the Plan with respect to Copayments, Coinsurance, and Deductible. For example, if services are provided by an In-Network Provider, the Plan may pay 80% of the Plan Allowance, in which case the Covered Person would be responsible for the remaining 20% of the Plan Allowance, but not for the difference between the Plan Allowance and the Provider's billed charges. In this situation, the In-Network Provider contract protects the Covered Person from additional billing beyond the Plan Allowance. For an Out-of-Network Provider, the circumstances are substantially different. For example, if services are provided by an Out-of-Network Provider, the Plan may pay only 50% of the Plan Allowance, in which case the Covered Person would be responsible for the remaining 50% of the Plan Allowance. However, the Covered Person might also be held responsible by the Out-of-Network Provider for paying the difference between the Plan Allowance and the Provider's full, billed charges.

## COVERED CHARGES

ARBenefits is a comprehensive major medical health plan, with Covered Services including preventive care, Physician Services, Hospital admissions, and Outpatient Care, prescription medication coverage, behavioral/mental health services, rehabilitation, Emergency Care, and much more. It is important to remember that not every medical service is covered by the Plan. Certain exclusions and limitations do exist, and it is the members' responsibility to understand the Covered Services under this Plan. Please refer to the Plan Exclusion section for specific exclusions under this Plan.

Some services require Prior Approval before the Plan will consider the expense as a Covered Service. This process is referred to as Utilization Management and can be a very effective plan management tool. See the Cost Management Section for more information regarding Utilization Management.

Because of the high cost of some services or treatments, as well as the difficulty in some cases of determining whether services are really needed, the Plan includes coverage for such services or treatments but place limits on the extent of coverage by limiting the number of Provider visits or treatments received during a Calendar Year or other specified period of time. This section describes medical services, medications, supplies, tests, and equipment for which coverage is provided under the Plan, provided all terms, conditions, exclusions, and limitations of the Plan, including the six coverage criteria, are satisfied. Specific limitations applicable to each covered medical service, medication, supply, test, or equipment are identified in the Schedule of Benefits and in this section.

Coverage is subject to all terms, conditions, exclusions, and limitations of the Plan set forth in this document, the Claims Administrator's established Coverage Policy, and any applicable Deductible, Coinsurance, and Copayment obligations described in the Schedule of Benefits. For a description of the amount of these obligations and how they may vary depending upon whether the Member selects an In-Network or Out-of-Network Provider, Members can refer to the definition of Allowance or Allowable Charge as set out in the Defined Terms Section and the Schedule of Benefits.

1. **Professional Services.** Coverage is provided for the following Professional Services when performed by a Physician.
  - a. *Primary Care Physician Office Visits.* Coverage is provided for the diagnosis and treatment of Illness or Accidental Injury when provided in the medical office of a Primary Care Physician (PCP). Members are encouraged to select and maintain a patient-Physician relationship with a PCP. A PCP can be helpful in managing an individual's health care. The PCP selected must be an In-Network Physician listed in the Preferred Provider Directory as a PCP and must be accepting Members. Members may contact Customer Service to select a PCP or change their PCP.
  - b. *Specialty Care Provider Office Visits.* Coverage is provided for the diagnosis and treatment of Illness or Accidental Injury when provided in the medical office of the Specialty Care Provider.
  - c. *Physician Hospital Visits.* Coverage is provided for services of Physicians for diagnosis, treatment and consultation while the Member is admitted as an inpatient in a Hospital for Covered Services.

- d. *Surgical Services*. Coverage is provided for services of Physicians for surgery, either as an inpatient or outpatient. If coverage is provided for two or more surgical operations performed during the same surgical encounter or for bilateral procedures, payment for the secondary or subsequent procedure will be made at a reduced rate. In general, overall payment for one or more procedures during the same operative setting will be no more than if the procedures had been done by one Physician. Further, the Plan's payment for an assistant surgeon shall be limited to one Physician qualified to act as an assistant for the surgical procedure.
      - e. *Assistant Surgeon Services*. Not all surgeries merit coverage for an assistant surgeon. Further, the Plan's payment for a covered assistant surgeon shall be limited to one Physician qualified to act as an assistant for the surgical procedure.
      - f. *Standby Physicians*. Services of standby Physicians are only covered in the event such Physician is required to assist with certain high-risk services specified by the Plan, and only for such time as such Physician is in immediate proximity to the patient.
2. Covered charges billed by a **pharmacist** will be paid at the Primary Care Physician benefit level provided the Pharmacist is acting within the scope of their license.
3. **Preventive Health Services**. The Plan will pay 100% of the Allowance or Allowable Charges for the routine In-Network standard preventive health care services and certain routine preventive services listed below when provided by a Primary Care Physician or an advanced practice nurse or Physician assistant who provides primary medical care in the areas of general practice, pediatrics, family practice, internal medicine, or obstetrics/gynecology, which are performed in the Primary Care Physician's office. Coverage is also provided for certain preventive health services listed below when performed in an Outpatient Hospital or Ambulatory Surgery Center setting when the service cannot be performed in an office by a Primary Care Physician.
  - a. Evidence-based items or services in the current recommendations of the United States Preventive Services Task Force that have a rating of "A" or "B," but not for the related treatment of disease, rendered on or after the effective date. The effective date of items or services should be verified with the Plan prior to services being rendered;
  - b. Routine immunizations that have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention with respect to the individual involved;
  - c. With respect to infants, children, and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration;
  - d. With respect to women, such additional preventive care and screenings not described above, as provided for in comprehensive guidelines supported by the

Health Resources and Services Administration for purposes of this subsection;  
and

- e. the current recommendations of the United States Preventive Service Task Force regarding breast cancer screening, mammography, and prevention, unless state law provides a greater benefit. Services must be performed in an accredited facility.
  - f. A Covered Person shall not be subject to any cost-sharing requirement for a follow-up colonoscopy received from an In-Network Provider following an abnormal non-colonoscopy screening test, as an initial screening test is not considered complete until a follow-up colonoscopy is performed.
  - g. The current recommendations of the United States Preventive Service Task Force regarding breast cancer screening, mammography, and prevention shall be considered the most current other than those issued in or around November 2009, unless state law provides a greater benefit.
  - h. Lung cancer screenings as recommended by the American Cancer Society Guidelines.
4. **Hospital Services.** Coverage is provided for the following Hospital services. All Hospital Services must be performed or prescribed by a Physician and provided by a Hospital.

*Inpatient Hospital Services.* This benefit is subject to the following specific limitations:

- a. Payment for Hospital charges for inpatient admissions shall be limited to the lesser of the billed charge or the Allowance or Allowable Charge.
- b. If a Covered Person has a condition requiring that they be isolated from other patients, the Plan will pay for an isolation unit equipped and staffed as such.
- c. In the event services are rendered for a covered benefit during an inpatient admission to a Hospital where the admitting diagnosis was for a non-covered benefit, the Plan will pay that portion of the Hospital Allowable Charge which is attributable to services rendered for the covered benefit.
- d. The services of social workers shall be included in the basic daily room and board Allowance.
- e. Hospital admissions and admissions to a Long Term Acute Care Hospital or to a Long Term Acute Care division of a Hospital require Prior Approval.
- f. Services rendered in a Hospital in a country outside of the United States of America shall not be paid except at the sole discretion of the Plan Administrator.

*Outpatient Hospital Services.* Coverage is provided for services of an Outpatient Hospital, Outpatient Surgery Center, Outpatient Radiation Therapy Center, or Mobile Health Unit.

*Hospital Services in Connection with Dental Treatment.* The Plan generally does not cover dental services. Subject to Prior Approval from the Claims Administrator, acting on the Plan's behalf, coverage is provided for Hospital services, including anesthesia, services in connection with treatment for a complex dental condition provided to a Member:

- a. Under seven years of age who is determined by two dentists to require the dental treatment without delay;
  - b. With a diagnosis of serious mental or physical condition; or
  - c. Certified by his or her Primary Care Physician to have a significant behavioral problem.
5. **Ambulatory Surgery Center.** Coverage is provided for specific surgical services received at an Ambulatory Surgery Center that are performed or prescribed by a Physician. Covered services include diagnostic imaging and Laboratory services required to augment a surgical service and performed on the same day as such surgical service. A list of services covered in an Ambulatory Surgery Center is available on the Claims Administrator's website [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).
6. **Outpatient Diagnostic Services.** Coverage is provided for diagnostic services and materials, including but not limited to, diagnostic imaging (e.g., x-rays, fluoroscopy, ultrasounds, radionuclide studies) electrocardiograms, electroencephalograms, and Laboratory tests when performed or prescribed by a Physician.
7. **Advanced Diagnostic Imaging Services.** Computed Tomography Scanning (CT Scan), Magnetic Resonance Angiography or Imaging (MRI/MRA), Nuclear Cardiology and Positron Emission Tomography scans (PET Scan) (collectively referred to as Advanced Diagnostic Imaging) require Prior Approval.

Additional evidence-based cancer imaging is provided when the testing provides clinical utility; and is ordered or recommended by a healthcare provider according to the National Comprehensive Cancer Network clinical practice recommendations that are level 2a or higher; or nationally recognized clinical practice guidelines.

8. **Maternity.** Coverage is provided for Maternity Care when performed or prescribed by a Physician.
- a. *Maternity and Obstetrical Care.* Coverage is provided for Maternity and Obstetrical Care, including Routine Prenatal Care and postnatal care; and use of Hospital or Birthing Center delivery rooms and related facilities; special procedures as may be necessary. Routine Prenatal Care includes the coverage of one routine ultrasound only.
  - b. *Special Delivery.* The Expectant Mother is encouraged to enroll in the Special Delivery Program by the 20th week of Pregnancy. Special Delivery can be accessed by calling 1-800-225-1891, extension 20225. The Plan offers Members a \$250 incentive for enrolling and participating in this program. This program is designed to encourage the Covered Person to actively participate in obtaining comprehensive prenatal care. Services that are not normally offered, such as skilled nursing assessments or nursing assistant care in the home for conditions including Pregnancy-induced hypertension, diabetes mellitus, and preterm labor, are covered through the Special Delivery program. The Special Delivery nurse

can assist in coordinating Home Health Care in lieu of hospitalization for those high risk patients who the Physician feels would benefit from this alternative care.

- c. *Midwives*. Services provided by any lay midwife are not covered. However, coverage is provided for services provided by a certified nurse midwife who has a collaborative agreement with a Physician who is within immediate proximity to the Hospital utilized by the certified nurse midwife, in case there is need for assistance during the delivery.
- d. *Certified Doula Services*. Services provided for continuous emotional and physical support during labor and delivery for pregnant women in hospital setting are covered along with intermittent support and education during prenatal and postpartum care. This benefit is subject to the limitation described in the Schedule of Benefits.
- e. *Breastfeeding and Lactation Consultant Services*. Subject to any applicable Coverage Policy, coverage for Breastfeeding and Lactation Consultant Services is covered when provided by a certified lactation counselor during pregnancy and extended postpartum period to aid in milk expression or infant nutrition. This benefit is not subject to annual deductible, copayment or coinsurance.
- f. *Newborn Care in the Hospital*. Routine well newborn nursery care is care while the newborn is Hospital-confined after birth and includes room, board, and other normal care for which a Hospital makes a charge.

This coverage is only provided if the newborn child is an eligible Dependent and a parent:

- i. Is a Covered Person who was covered under the Plan at the time of the birth; or
- ii. Enrolls himself or herself (as well as the newborn child if required) in accordance with the Qualifying Event provisions with coverage effective on the first day of the month that the newborn child is born.

The benefit is limited to Allowable Charges for nursery care after birth while the newborn child is Hospital confined as a result of the child's birth. Charges for covered routine nursery care will be applied toward the Plan of the newborn child.

Group health plans generally may not, under Federal law, restrict benefits for any Hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending Provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a Provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

- g. Services related to a natural or spontaneous termination of a pregnancy are eligible for coverage when provided under the direction of a Physician, but only when performed in an In-Network Hospital or In-Network Outpatient Hospital

setting. In keeping with Arkansas statutory law, Ark. Code Ann. § 5-61-301et seq, abortions are not covered.

- h. **Family Planning Services.** Coverage is provided for the following family planning services in accordance with established Coverage Policy when authorized and provided by In-Network Physicians:
  - i. Counseling and planning services for Infertility;
  - ii. Infertility Testing. Coverage is provided for certain services to diagnose Infertility;
  - iii. Oral Contraceptives are not covered under Medical Benefits, but may be covered under Pharmacy Benefits administered by the pharmacy benefits manager; and
  - iv. Voluntary sterilizations (vasectomies and tubal ligations). Reversals are not covered.

**NOTE:** Treatment of Infertility, including prescription medications, is not a covered benefit.

- 9. **Therapy Services.** Coverage is provided for inpatient and outpatient therapy services when performed or prescribed by a Physician. Such therapy services include physical and occupational therapy. Such therapy services shall include services provided for developmental delay, developmental speech or language disorder, developmental coordination disorder, and mixed developmental disorder. Therapy services must be performed by an appropriate registered physical, occupational, or speech- language therapist licensed by the appropriate State Licensing Board and must be furnished in accordance with a written treatment Plan established and certified by the treating Physician.
  - a. **Inpatient Therapy.** Coverage is provided for inpatient therapy services, including Professional Services, when performed or prescribed by a Physician and rendered in a Hospital. Outpatient Therapy. Coverage is provided for outpatient therapy services when performed or prescribed by a Physician. Coverage for chiropractic services is limited as shown in the Schedule of Benefits.
  - b. **Cardiac and Pulmonary Rehabilitation Therapy.** Coverage for cardiac and pulmonary rehabilitation therapy is provided in accordance with Coverage Policy. Peripheral vascular disease rehabilitation therapy is not covered.
  - c. **Cognitive Rehabilitation.** Cognitive rehabilitation is generally not covered. However, coverage is provided for Neurologic Rehabilitation Facility Services for Members with Severe Traumatic Brain Injury.
  - d. **Radio-Frequency Thermal Therapy.** The use of radio-frequency thermal therapy for treatment of orthopedic conditions is **not** covered. However, coverage for radio-frequency thermal therapy is provided and included in the payment for the primary procedure of the orthopedic condition.

- 10. **Mental Illness and Substance Use Disorder.** Coverage is provided for Health Interventions to treat Mental Illness and Substance Use Disorder.

- a. *Inpatient, Partial Hospitalization Program, and Intensive Outpatient Program Health Interventions.* Coverage for Inpatient Hospitalization, Partial Hospitalization Programs, or Intensive Outpatient Programs for Mental Illness or Substance Use Disorder Health Interventions is subject to the following requirements.
  - i. Inpatient Hospitalization requires a patient to receive Covered Services 24 hours a day as an inpatient in a Hospital.
  - ii. Partial Hospitalization Programs generally require the patient to receive Covered Services six to eight hours a day, five to seven days per week in a Hospital outpatient setting.
  - iii. Intensive Outpatient Programs generally require the patient to receive Covered Services lasting two to four hours a day, three to five days per week in a Hospital outpatient setting.
  - iv. Inpatient Hospital admissions require Prior Approval. The Covered Person may call the behavioral health phone number noted on their health plan identification card to request Prior Approval. . The Prior Approval requirement is waived for a Hospital admission following a Medical Emergency.
  
- b. *Non-Hospital Health Interventions.*
  - i. Coverage is provided for a Health Intervention provided during an office visit with a Psychiatrist, Psychologist, or other Provider licensed to provide treatment for Mental Illness or Substance Use Disorder.
  - ii. Subject to Prior Approval from the Claims Administrator, acting on the Plan's behalf, coverage is provided for a Health Intervention at a Residential Treatment Facility for Mental Illness or Substance Use Disorder.
    - 1. The facility is licensed by the State of Arkansas or the appropriate agency in the state where the facility is located.
    - 2. The facility is accredited by The Joint Commission (TJC) or the Commission on Accreditation of Rehabilitation Facilities (CARF International).
  - iii. The services must be of a temporary nature and required to increase ability to function.
  - iv. Custodial Care is **not** covered.
  - v. Coverage for counseling or treatment of marriage, family, or child relationship dysfunction is only covered if the dysfunction is due to a condition defined in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association.
  - vi. Hypnotherapy is **not** covered for any diagnosis or medical condition.
  - vii. Repetitive Transcranial Magnetic Stimulation Treatment (rTMS). Coverage is provided for repetitive transcranial magnetic stimulation treatment (rTMS) subject to Prior Approval by the Claims Administrator acting on the Plan's behalf.

**11. Autism Spectrum Disorder Benefits.** Coverage is provided for:

- a. Members with autism spectrum disorder.
- b. Applied behavioral analysis as specified in Coverage Policy and subject to Prior Approval from the Claims Administrator, acting on the Plan's behalf, when

ordered by a medical doctor or a psychologist and provided under the direction of a Board Certified Behavioral Analyst (BCBA).

- c. Coverage is limited as shown in the Schedule of Benefits.
- d. Benefit limits for all occupational, physical, and speech therapy services are waived for treatment of autism and ABA therapy.

12. **Emergency Care Services.** Coverage is provided for Emergency Care. When Emergency Care is needed the Member should seek care at the nearest facility within 48 hours. If the Member is admitted as an inpatient to the same Hospital where Emergency Care was rendered, the Emergency Care Copayment, if any, is waived and all services are subject to the inpatient Deductible, Copayment, and Coinsurance. Premium Plan Members can also have their Copayment waived if the Nurse Hotline refers them to an Emergency Room facility.
- a. After-Hours Clinic or Urgent Care Center. Services provided in an after-hours or urgent care center.
  - b. Observation Services. Observation services are covered when ordered by a Physician in conjunction with an emergency room visit or outpatient visit.
  - c. Transfer to In-Network Hospital. Continuing or follow-up treatment for Accidental Injury or Emergency Care is limited to care that meets Primary Coverage Criteria before a Member can be safely transferred, without medically harmful or injurious consequences, to an In-Network Hospital.
- Emergency Hospital Admissions. The Prior Approval requirement is waived for admissions related to a Medical Emergency.
13. **Durable Medical Equipment.** Coverage is provided for Durable Medical Equipment (DME) when prescribed by an In-Network Physician according to the guidelines specified below.
- a. DME is equipment which:
    - i. Can withstand repeated use;
    - ii. Is primarily and customarily used to serve a medical purpose;
    - iii. Generally, is not useful to a person in the absence of an Illness or Accidental Injury; and
    - iv. Is appropriate for use in the home. Coverage for DME and Medical Supplies is provided when the DME is provided in accordance with Coverage Policy.
      - 1. Examples of DME include, but are not limited to, oxygen equipment, wheelchairs, and crutches.
  - b. DME delivery or set up charges are included in the Allowance or Allowable Charge for the DME.
  - c. A single acquisition of eyeglasses or contact lenses within the first six months following cataract surgery or following an Accidental Injury or Illness is covered. With respect to such eyeglasses or contact lenses, tinting or anti-reflective coating and progressive lenses are not covered. The Allowance or Allowable Charge is based on the cost for basic glasses or contact lenses. Eyeglass frames are subject to a \$50 maximum Allowance or Allowable Charge.
  - d. Replacement of DME is covered only when necessitated by normal growth or when it exceeds its useful life. Maintenance and repairs resulting from misuse or abuse of DME are the responsibility of the Member.
  - e. When it is more cost effective, the claims administrator in its discretion will purchase rather than lease equipment. In making such purchase, the Plan may deduct previous rental payments from its purchase Allowance.
  - f. Services not covered by Medicare are not covered unless the Plan specifically defines as a covered benefit.
14. **Medical Supplies.** Medical Supplies, other than Medical Supplies that can be purchased without a Prescription, are covered when prescribed by a Physician.

- a. Expenses for Medical Supplies provided in a Physician's office are included in the reimbursement for the procedure or service for which the supplies are used.
  - b. Expenses for Medical Supplies provided in connection with home infusion therapy are included in the reimbursement for the procedure or service for which the supplies are used.
15. **Prosthetic and Orthotic Devices and Services.** Coverage is provided for Prosthetic and Orthotic Devices, including associated services, and its repair if such device is required for treatment of a condition arising from an Illness or Accidental Injury. Coverage is limited as shown in the Schedule of Benefits. The replacement of a Prosthetic or Orthotic Device is covered no more frequently than once per three-year period except when necessitated by normal growth or when the age of the Prosthetic or Orthotic Device exceeds the device's useful life. Maintenance and repair resulting from misuse or abuse of a Prosthetic or Orthotic Device are the responsibility of the Member. Coverage is subject to Primary Coverage Criteria including the following Plan requirements:
- a. The Plan covers eligible Prosthetic devices for athletics or recreation and showering or bathing.
  - b. General Orthotic Devices, splints, or bandages purchased "over the counter" for the support of strains and sprains, elastic stockings, garter belts are **not** covered.
  - c. Orthopedic shoes and custom-molded foot orthotics are covered when required for prevention of associated with diabetes mellitus. Orthopedic shoes and custom-molded foot orthotics that are **not** directly related to diabetes mellitus are **not** covered.
  - d. Mastectomy prosthetics, limited as shown in the Schedule of Benefits.
  - e. Hearing aids, Prosthetic Devices to assist hearing, or talking devices are **not** generally covered. However, coverage is provided for:
    - i. Hearing aids, limited as shown in the Schedule of Benefits;
    - ii. Cochlear implant (an implantable hearing device inserted into the modiolus of the cochlea and into cranial bone) and its associated speech processor. Cochlear implants are limited to one per ear, per lifetime.
    - iii. One auditory brain stem implant; and
    - iv. Surgically implantable osseointegrated hearing aid for patients with single-sided deafness and normal hearing in the other ear, subject to Prior Approval.
16. **Diabetes Management Services.** The Plan will pay for diabetes management services, including the following:.
- a. Diabetic counseling services.
  - b. The Plan will cover eye examinations to screen for diabetic retinopathy for Covered Persons who are diagnosed with diabetes.
  - c. Insulin pump and pump supplies are eligible for coverage.
  - d. Coverage of routine foot care is provided when required for prevention of complications associated with diabetes mellitus, metabolic (e.g. diabetes, gout, etc.), neurologic (peripheral neuropathy of any etiology), and peripheral vascular disease.
17. **Ambulance Services.** Coverage for Ambulance Services is provided as described below, and payable as specified in the Schedule of Benefits.

- a. *Benefits for Ambulance Services* to treat a Covered Person in place if the Ambulance Service is coordinating care through Telemedicine with a Physician for medical-based complaint or behavioral health Provider for behavioral-based complaint unless the Ambulance provider has received an exemption from the Department of Health for the particular service; or triage and transport a Covered Person to an Alternative Destination if the Ambulance Service is coordinating care through Telemedicine with a Physician for medical-based complaint or a behavioral health Provider for behavioral-based complaint; Ambulance Services only include transportation to the treatment location where the initiation of the service is the result of a 911 call as documented in the records of the Ambulance Service.
- b. *Benefits for ground Ambulance Services* for local transportation to the nearest Hospital in the event Medical Emergency care is needed; or to the nearest neonatal special care unit for newborn infants for treatment of Injuries, Illnesses, congenital birth defects or complication of premature birth that require that level of care.
- c. *Benefits for air Ambulance Services* are limited to: a.) the Covered Person possessing unstable vital signs including respiratory status or cardiac status including conditions as defined within the Coverage Policy; b.) services requested by police or medical authorities at the scene of an Accidental Injury or illness; c.) Those situations in which the Covered Person is in a location that cannot be reached by ground ambulance due to weather or road conditions; or d.) transportation by ground ambulance poses a threat to the Covered Person's survival or seriously endangers the Covered Person's health due to the time or distance.
- d. *Non-emergency ground ambulance* medical transportation to or from a hospital or medical facility, outside of the acute care hospital setting, is a covered Ambulance Service only if the condition of the Covered Person at the time of such transportation meets one of the following criteria:
  - i. The Covered Person's condition is such that trained ambulance attendants are required to monitor the Covered Person's clinical status (e.g., vital signs and oxygenation); to safely transport the Covered Person; or
  - ii. Treatments such as oxygen, intravenous fluids, or medications are needed, in order to safely transport the Covered Person; or
  - iii. The Covered Person's condition is such that he/she is confined to a bed and unable to ambulate or sit in a chair or wheelchair to be transported safely by any other means.
- e. *Specific Ambulance Service Exclusions*. No benefits will be paid for:
  - i. Expenses incurred for Ambulance Services covered by a local governmental or municipal body, unless otherwise required by law;
  - ii. Non-emergency ambulance other than as described;
  - iii. Air ambulance: a) outside the 50 United States and the District of Columbia; b) From a country or territory outside of the United States to a location within the 50 United States or the District of Columbia; or c) From a location

within the 50 United States or the District of Columbia to a country or territory outside of the United States;

- iv. Ambulance Services provided for comfort or convenience for a Covered Person, their family, caregiver, Provider or any facility; or
- v. Non-emergency transportation excluding ambulances.

18. **Skilled Nursing Facility Services.** Coverage is provided for Skilled Nursing Facility services when authorized in advance by a Physician. See the definition of Skilled Nursing Facility. This Skilled Nursing Facility services benefit is subject to the following conditions:

- a. The admission must be within seven days of release from a Hospital.
- b. A request for Prior Approval must be submitted to the Claims Administrator prior to admission to the Skilled Nursing Facility.
- c. The Skilled Nursing Facility services are of a temporary nature and increase ability to function.
- d. Custodial Care is **not** covered.

19. **Home Health Services.** Coverage is provided for Home Health Services when Coverage Policy supports the need for in-home service and such care is prescribed or ordered by a Physician. Covered Services must be provided through and billed by a licensed Home Health Agency. Covered Services provided in the home include services of a Registered Professional Nurse (R.N.), a Licensed Practical Nurse (L.P.N.), or a Licensed Psychiatric Technical Nurse (L.P.T.N.), provided the nurse is **not** related to the Member by blood or marriage or does **not** ordinarily reside in the patient's home. Covered Services will also include Physical Therapist (PT), Physical Therapist Assistant (PTA), Physical Therapist Aide, Occupational Therapist (OT), Occupational Therapist Assistant (OTA), Occupational Therapy Aide, Speech-Language Pathologist (SLP), and speech Language Pathology Assistants (SLPA). Home Health visits require Prior Approval.

20. **Hospice Care.** If the Member has been diagnosed and certified by the attending Physician as having a terminal illness with a life expectancy of six months or less, and if arranged through a Health Advantage Case Manager, the Plan will pay the Allowance or Allowable Charge for Hospice Care. The services must be rendered by an entity licensed by the Arkansas Department of Health or other appropriate state licensing agency and accepted by the Plan as a Provider. Coverage for hospice care requires Prior Approval from the Claims Administrator, acting on the Plan's behalf. A request for approval must be submitted prior to receiving Hospice Care services.

21. **Prosthodontic Services.** Subject to all terms, conditions, exclusions and limitations of the Plan set forth in this Summary Plan Description (Plan Document) including the Deductible and Coinsurance set out in the Schedule of Benefits, coverage is provided for Prosthodontic Services that receive Prior Approval from the Claims Administrator. **Failure of the Covered Person's treating Provider to submit a pre-service request for Prior Approval will result in denial of coverage.**

**NOTE:** *Prior Approval does not guarantee payment or assure coverage; it means only that the information furnished to the Plan at the time indicates that the Prosthodontic Services meet the primary coverage criteria requirements and is not subject to a specific plan exclusion. All Health Interventions receiving Prior Approval must still meet all other coverage terms, conditions, and limitations. Coverage for approved services may still be*

*limited or denied if, when the post-service claim is received by the Claims Administrator, investigation shows that a benefit exclusion or limitation applies because of a difference in the Health Intervention described in the pre-service request and the actual Health Intervention, that the Covered Person ceased to be eligible for benefits on the date services were provided, that coverage lapsed for non-payment of premium, that Out-of-Network limitations apply, or any other basis specified in this Plan Document. Craniofacial Anomaly Services are covered as shown elsewhere in this Plan Document.*

22. **Dental Care or Orthodontic Services.** Dental Care and orthodontic services are only covered when related to an Accidental Injury occurring on or after the Covered Person's effective date, as a result of Sjogren's syndrome, or for treatment of a craniofacial anomaly that satisfies Primary Coverage Criteria. If a Member has an Accidental Injury, benefits will be provided, for Dental Care and x-rays necessary to correct damage to a Non-Diseased Tooth or surrounding tissue caused by the Accidental Injury. The Member must seek treatment within 72 hours of Accidental Injury for services to be covered.

Coverage is subject to the following limitations:

- a. Only the natural, Non-Diseased Tooth or Teeth avulsed or extracted as a direct result of the Accidental Injury and the Non-Diseased Tooth or Teeth immediately adjacent will be considered for replacement.
  - b. Orthodontic services are limited to the stabilization and re-alignment of the accident-involved teeth to their pre-accident position. Reimbursement for this service will be based on a per tooth Allowance.
  - c. Injury to teeth while eating is not considered an Accidental Injury.
  - d. Double abutments are not covered.
  - e. Any Health Intervention related to dental caries or tooth decay is not covered.
  - f. Removal of impacted or partially impacted wisdom teeth are covered.
  - g. Benefits for dental services in connection with radiation treatment for cancer of the head or neck covered.
  - h. Benefits for anesthesia services in a Hospital or Ambulatory Surgery Center services and anesthesia services related to dental procedures, including services to children, are covered as described previously under Hospital Services.
23. **Reconstructive Surgery.** Cosmetic Services are **not** covered. Coverage is provided for the following reconstructive surgery procedures when prescribed or ordered by a Physician consistent with Primary Coverage Criteria.

Prior Approval is required for all surgical services that are considered reconstructive with the exception of services that are considered an integral part of an approved or previously approved cancer treatment while covered under this Plan.

- a. Treatment provided for the correction of defects incurred in an Accidental Injury sustained by the Covered Person.
- b. Surgery performed on a child for the correction of a cleft palate or cleft lip, removal of a port-wine stain or hemangioma (on the head, neck, or face). Dental Care to correct congenital defects is not a covered benefit, unless for the treatment of craniofacial anomalies.
- c. An artificial body part or implant including but not limited to breast, testicular, or penile implants following cancer treatment or Accidental Injury.
- d. In connection with a mastectomy eligible for coverage under this Plan Document, services are covered for:
  - i. Reconstruction of the breast on which the surgery was performed;

- ii. Surgery to reconstruct the other breast to produce a symmetrical appearance;
- iii. Protheses and services to correct physical complications for all stages of the mastectomy, including lymphedemas;
- iv. Artificial or biological mesh used to support the tissue; and
- v. a nerve graft to preserve or restore nerve function..
- vi. Prosthetic devices are covered no more frequently than once per three-year period except when necessitated by the device's useful life. The useful life expectancy for silicone breast prosthesis is two years, for fabric, foam, or fiber filled breast prosthesis is six months, and nipple prosthesis is three months. Replacement sooner than the useful life of a device because of ordinary wear and tear is **not** covered.
- e. Breast reconstruction surgery for all stages of surgery to repair physical defects caused by the removal or medical treatment of diseased breast tissue and all stages of surgery to reconstruct a breast mound or to create a new breast mound to reestablish symmetry between two breasts is covered subject to the Coverage Policy. As required by Ark. Code Ann. §23-79-2903, Prior Authorization is required for this service.
- f. Reduction mammoplasty in accordance with established Coverage Policy.

**Note:** \*Prior Approval is **not** required when Reconstructive Surgery is considered an integral part of an approved or previously approved cancer treatment while covered under this Plan.

24. **Craniofacial Anomaly Services.** In addition to the above Reconstructive Surgery benefits for cleft palate and cleft lip, coverage is provided for related Health Interventions for a Covered Person who is diagnosed as having a craniofacial anomaly, provided the Health Interventions meet Primary Coverage Criteria to improve a functional impairment that results from the craniofacial anomaly as determined by a surgical member of a nationally accredited cleft-craniofacial team, approved by the American Cleft Palate-Craniofacial Association in Chapel Hill, North Carolina. A nationally accredited cleft-craniofacial team for cleft-craniofacial conditions shall evaluate Members with craniofacial anomalies and coordinate a treatment plan for each Member. Coverage is subject to Prior Approval. Eligible services include corrective surgery, Dental Care and vision care, and the following treatment limitations:

- a. On an annual basis: Sclera contact lenses, including coatings; an ocular impression of each eye; and any additional tests or procedures related to treatment of the craniofacial anomaly as specified in the approved treatment plan developed by the nationally accredited cleft-craniofacial team;
- b. Every two years, two hearing molds, and a choice of two wearable bone conductions, two surgically implantable bone-anchored hearing aids or two cochlear implants;
- c. Every four years, a dehumidifier (not subject to Prior Approval); and
- d. Members will be charged the In-Network Deductible and Coinsurance for any Provider outside the state of Arkansas.

25. **Medications.** Coverage is provided for Prescription Medication, depending upon the sites of service where the Medication is received by the Member.

a. **Sites of Service**

- i. **Hospital or Ambulatory Surgery Center.** The benefit for Medications received from a Hospital or an Ambulatory Surgery Center is included in the Allowance or Allowable Charge for the Hospital Services.

- ii. *Physician's Office*. The benefit for Medications administered in a Physician's office is covered based upon the Allowance or Allowable Charge for the Medication. Conditions of coverage set forth below are applicable to this coverage.
- iii. *Retail Pharmacy (Drug Store)*. There is no coverage under Medical Benefits for Prescription Medications that may be purchased from a retail Pharmacy (drug store), but coverage may be available under the prescription medication card program administered by the pharmacy benefits manager.
- iv. *Home Infusion Therapy Pharmacy*. The benefit for Medications received from a licensed retail Pharmacy designated by the Plan as a home infusion therapy Provider is covered based upon the Allowance or Allowable Charge for the Medication.
  - 1. *Covered Medications*. Medications are covered subject to the Deductible, Copayment, and Coinsurance listed in the Schedule of Benefits
  - 2. *FDA approved medications*. FDA approved medications that exist as separate components and are intended for reconstitution prior to administration are covered. Examples include, but are not limited to, total parenteral, intravenous antibiotics, and hydration therapy.
  - 3. *Conditions of Coverage*. Conditions of coverage set forth below are applicable to this coverage.
  - 4. *Medical Supplies*. Medical Supplies used in connection with home infusion therapy are covered.
  - 5. *Administration Charges*. Charges to administer or inject Medication by a licensed medical professional operating under his or her scope of practice are covered according to the allowable fee schedule for skilled nursing under both home infusion therapy and Home Health.

**b. Conditions of Coverage**

- i. *Prior Approval*. Selected Prescription Medications, as designated from time to time by the Plan, are subject to Prior Approval before coverage is allowed. A list of Medications for which Prior Approval is required is available from the Plan Administrator.
- ii. *Specialty Medications*. Selected Prescription Medications are designated by the Plan as "Specialty Medications" due to their route of administration, approved indication, unique nature, or inordinate cost. These medications usually require defined handling and home storage demands, crucial patient education, and careful monitoring. Such medications include, but are not limited to growth hormones, blood modifiers, immunoglobulins, and medications for the treatment of hemophilia, deep vein thrombosis, hepatitis C, Crohn's disease, cystic fibrosis, multiple sclerosis and rheumatoid arthritis. Specialty Medications may be A Medications or B Medications. Specialty Medications classified as A Medications are not covered under Medical Benefits but may be covered under the prescription medication card benefits administered by the pharmacy benefits manager. Specialty Medications classified as B Medications are covered. (See the definition "Prescription Medication" for a description of "A Medications" and "B Medications.") Coverage for Specialty Medications is subject to Prior Approval and may only be purchased through a

specialty pharmacy vendor under contract with the Plan. A list of Specialty Medications is available from the Plan Administrator.

26. **Organ Transplant Services.** Coverage is provided for human-to-human organ or tissue transplants in accordance with the following specific conditions:
- a. Not all transplants are covered. There must be a specific Coverage Policy which allows benefits for the transplant in question, and the Member must meet all of the required criteria necessary for coverage set forth in the Coverage Policy and in this document.
  - b. Coverage for transplant services requires Prior Approval from the Claims Administrator, acting on the Plan's behalf. A request for approval must be submitted prior to receiving any transplant services, including transplant evaluation.
  - c. The transplant benefit is subject to the Deductible and Coinsurance, and any additional limitations specified in the Schedule of Benefits.
  - d. Transplants are only covered if provided in an In-Network facility or in a Blue Distinction Center for Transplants facility.
  - e. Notwithstanding any other provisions of this document, the Allowance or Allowable Charge for an organ transplant, including any charge for the procurement of the organ, Hospital services, Physician Services and associated costs, including costs of complications arising from the original procedure that occur within the Transplant Global Period, shall be limited to the lesser of 90% of the billed charges or the global payment determined as payment in full by a Blue Cross and Blue Shield Association Blue Distinction Centers for Transplant participating facility or a facility that has contracted with the Plan to provide the organ transplant. If the Member receives the transplant from a facility outside of Arkansas that is not in the Blue Distinction Centers for Transplant network but is contracted with a local Blue Cross and/or Blue Shield Plan, the Allowable Charge shall be the price contracted by such Blue Cross and/or Blue Shield Plan.

*Payments for any transplant are limited to a global payment that applies to all covered transplant services. The Plan will not pay any amounts in excess of the global payment for services the facility or any Physician or other health care Provider or supplier may bill or attempt to bill separately, because the global payment is deemed to include payment for all related necessary services (other than non-Covered Services). If a Covered Person uses a facility participating in the Blue Distinction Centers for Transplant network, that facility has agreed to accept the global payment as payment in full and should not bill the Covered Person for any excess amount above the global payment, except for applicable Deductible, Coinsurance, or non-Covered Services.*

- f. When the Member is the potential transplant recipient, a living donor's Hospital costs for the removal of the organ are covered with the following limitations:
  - i. Allowance or Allowable Charges are only covered for the period beginning on the day before the transplant to the date of discharge or 39 days, whichever is less.
  - ii. Donor testing is covered only if the tested donor is found compatible
- g. When the Member is the donor, services, or supplies incidental to the organ or tissue transplant are not covered. Coverage is limited to services that use the Covered Person's cells and tissue.
- h. Solid organ transplants of any kind are **not** covered for individuals with a malignancy that is presently active or in partial remission. A solid organ transplant

of any kind is **not** covered for a Member that has had a malignancy removed or treated in the three years prior to the proposed transplant. For purposes of this section, malignancy includes a malignancy of the brain or meninges, head or neck, bronchus or lung, thyroid, parathyroid, thymus, pleura, esophagus, heart or pericardium, liver, stomach, small or large bowel, rectum, kidney, bladder, prostate, testicle, ovary, uterus, other organs associated with the genito-urinary tract, bones, muscle, nerves, blood vessels, leukemia, lymphoma or melanoma, and breast. The only exception to this non-coverage is for solid organ transplant for hepatocellular carcinoma under certain circumstances, as outlined in the Coverage Policy for hepatocellular carcinoma.

- i. Coverage for high-dose or non-myeloablative Chemotherapy, allogeneic or autologous stem, or progenitor cell transplantation for the treatment of a medical condition is provided subject to the Claims Administrator's specific Coverage Policies relative to these specific conditions, unless specifically excluded in this document.
  - j. Animal to human transplants are **not** covered.
  - k. Artificial or mechanical devices designed to replace human organs are **not** covered.
  - l. Small bowel transplantation is **not** covered.
  - m. Pancreas transplant **not** done simultaneously with kidney transplant with diabetes and End Stage Renal Disease is **not** covered.
  - n. Reasonable and necessary expenses for travel or transportation, food, and accommodations are covered only in connection with an approved organ transplant or stem cell treatment, provided the transplant recipient lives more than 100 miles from the place of treatment. Travel or transportation, lodging, and meals are covered only for the transplant recipient plus one companion. If the transplant recipient is a covered Dependent minor child, the transportation expenses of two companions will be covered. Coverage is further limited as shown in the Schedule of Benefits.
27. **Medical Disorder Requiring Specialized Nutrients or Formulas.** Coverage is provided for Medical Foods and Low Protein Modified Food Products, amino-acid-based elemental formulas, extensively hydrolyzed protein formulas, formulas with modified vitamin or mineral content, and modified nutrient content formulas for the treatment of a Member diagnosed with a Medical Disorder Requiring Specialized Nutrients or Formulas if:
- a. The Medical Foods and Low Protein Modified Food Products shall only be administered under the direction of a clinical geneticist and a registered dietitian under the order of a licensed Physician; and,
  - b. The Medical Foods and Low Protein Food Modified Products are prescribed in accordance with Coverage Policy for the therapeutic treatment of a Medical Disorder Requiring Specialized Nutrients or Formulas.
28. **Prenatal Tests and Testing of Newborn Children.** Coverage is provided for prenatal tests and tests of newborn children that are supported by Coverage Policy. Examples of such tests that are covered include testing for Down's syndrome, hypothyroidism, sickle-cell anemia, phenylketonuria/ galactosemia, (PKU) and other disorders of metabolism.
29. **Testing and Evaluation.** Coverage is provided for the following testing and evaluation, limited to 15 hours per year.
- a. Psychological testing, including but not limited to, assessment of personality, emotionality, and intellectual abilities;

- b. For children under the age of six, childhood developmental testing, including but not limited to assessment of motor, language, social, adaptive, or cognitive function by standardized developmental instruments;
  - c. Neurobehavioral status examination, including, but not limited to assessment of thinking, reasoning, and judgment; and
  - d. Neuropsychological testing, including, but not limited to Halstead-Reitan, Luria and WAIS-R.
30. **Complications of Smallpox Vaccine.** Coverage is provided for complications resulting from a smallpox vaccination.
31. **Neurologic Rehabilitation Facility Services.** Coverage is provided for Neurologic Rehabilitation Facility services. This Neurologic Rehabilitation Facility services benefit is subject to the following conditions:
- a. The Covered Person must be suffering from Severe Traumatic Brain Injury;
  - b. The admission must be within seven days of release from a Hospital; and
  - c. A request for Prior Approval must be submitted to the Claims Administrator prior to the Member receiving Neurologic Rehabilitation Facility Services.
    - i. The Neurologic Rehabilitation Facility services are of a temporary nature with a potential to increase ability to function;
    - ii. Custodial Care is **not** covered.
32. **Podiatric Services.** Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Evidence of Coverage, coverage is provided for routine foot care to treat podiatric conditions associated with metabolic (e.g. diabetes, gout, etc.), neurologic (peripheral neuropathy of any etiology), and peripheral vascular disease. In the absence of a systemic condition, treatment of mycotic nails may be covered once every 60 days unless medical documentation supports the need for more visits, when the following criteria are met.
- a. Ambulatory Covered Person
    - i. There is clinical evidence of mycosis of the toenail, and
    - ii. The Member has marked a limitation of ambulation, pain, or secondary infection resulting from the thickening and dystrophy of the infected toenail plate.
  - b. Non-ambulatory Covered Person
    - i. There is clinical evidence of mycosis of the toenail, and
    - ii. The Member suffers from pain or secondary infection resulting from the thickening and dystrophy of the infected toenail plate
33. **Certified Community Health Worker** is covered as a liaison, link, advocate or intermediary between the health service or social services and the community to facilitate access to health services or social services. Community health workers shall perform cultural mediation among individuals, communities, and health services systems or social services systems. They may assist in appropriate health education, care coordination, case management, health service navigation, coaching, basic health screening/tests, or conduct outreach for health literacy services. Service can include without limitation medication compliance under patient care plan as directed by a healthcare provider or healthcare professional. This benefit is subject to the limitation described in the Schedule of Benefits.
34. **Miscellaneous Health Interventions.** Coverage is provided for the following:

- a. *Allergy-related services*. Services include testing, extracts, and injections.
- b. *Anesthetic*. Administration of the following items is included: oxygen; blood and blood derivatives that are donated or replaced; intravenous injections and solutions.
- c. *Contraceptive coverage*. Coverage is limited to charges billed by Physicians for contraceptive implants, diaphragms, and intrauterine devices (IUD's) and includes all services related to the administration, fitting, and insertion of such.
- d. *Crisis Stabilization Services*. Coverage is provided for services provided to a Covered Person to address a serious behavioral health impairment during a period of detention, not to exceed 96 hours, at a Crisis Stabilization Unit. This coverage is limited to one period of detention per month and a maximum of six periods of detention per Calendar Year.
- e. *Dietary and Nutritional Counseling Services*. Coverage is available when services are provided in conjunction with Diabetic Self-Management Training, for services needed by Members in connection with cleft palate management and for nutritional assessment programs provided in and by a Hospital and approved by the Claims Administrator.
- f. *Eye exams*. Exams are covered when ordered by a Physician during treatment of a medical condition or Accidental Injury. In-Network routine screenings defined as Standard Preventive Care are available at zero cost-sharing to the Member.
- g. *Gastric Pacemaker Coverage*. Coverage is provided, subject to Prior Approval from the Claims Administrator, acting on behalf of the Plan.
- h. *Genetic Testing*. In general, genetic testing to determine: (1) the likelihood of developing a disease or condition, (2) the presence of a disease or condition in a relative, (3) the likelihood of passing an inheritable disease, condition or congenital abnormality to an offspring, (4) genetic testing of the products of amniocentesis to determine the presence of a disease, condition or congenital anomaly in the fetus, (5) genetic testing of a symptomatic Covered Person's blood or tissue to determine if the Covered Person has a specific disease or condition, and (6) genetic testing to determine the anticipated response to a particular pharmaceutical, are not covered.

However, subject to applicable Coverage Policy, a limited number of specific genetic tests may be covered for situations (3) (4) or (5) referenced above when the Plan has determined that the particular genetic test (a) is the only way to diagnose the disease or condition, (b) has been scientifically proven to improve outcomes when used to direct treatment, and (c) will affect the individual's treatment plan. A limited number of specific genetic tests may be covered for situation (6) referenced above if criteria (b) and (c) above are met. The Claims Administrator, acting on the Plan's behalf, has full discretion in determining which particular genetic tests may be eligible for benefits as an exception to this exclusion. Any published Coverage Policy regarding a genetic test will control whether or not benefits are available for that genetic test as an exception to this exclusion.

Genetic testing for an inherited gene mutation in a clinical setting for an individual with a personal or family history of cancer is covered if the genetic testing for an inherited gene mutation provides clinical utility and is ordered or recommended by a healthcare provider and is supported by medical and scientific evidence or nationally recognized clinical practice guidelines.

- i. **Hearing exams.** Exams are covered when ordered by a Physician during treatment of a medical condition or Accidental Injury. In-Network routine defined as Standard Preventive Care are available at zero cost-sharing to the Member.
- j. **High Frequency Chest Wall Oscillators.** Coverage is available to Members aged two or older with cystic fibrosis, limited to one high frequency chest wall oscillator during such Member's Lifetime.
- k. **Obesity.** Obesity treatment coverage, or any procedure performed for the purpose of weight loss, is subject to Prior Approval from the Claims Administrator, acting on behalf of the Plan. Weight loss medications are not a covered benefit. The Plan will cover Bariatric Surgery as a treatment for Morbid Obesity for a Member who:
  - i. Is diagnosed with Morbid Obesity;
  - ii. Is an Active or Retired State or Public-School Employee;
  - iii. Is age 20 to 65 years old;
  - iv. Has at least five years of continuous employment as a State or Public-School Employee;
  - v. Has not undergone previous Bariatric Surgery procedures;
  - vi. Has not had Bariatric Surgery on a different health insurance plan;
  - vii. Has received Prior Approval through their surgeon or facility; and
  - viii. Has received Prior Approval for the surgery from the Plan.

A member who qualifies as stated above is eligible to receive one Bariatric Surgery per Lifetime. Approved Bariatric Surgeries will be subject to the Deductible, Coinsurance, and any other cost-sharing requirements or limitations specified in the Schedule of Benefits.

Bariatric Surgery covered shall be limited to Active Employees and Retirees under the age of 65 participating in Arkansas State Employee Health Benefit Plan or the Arkansas Public School Health Benefit Plan who have been employed for five (continuous) years or more.

Coverage will be limited to surgeries performed at Bariatric Surgery Centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery.

- l. **Telehealth benefits.** Coverage is provided for Telemedicine services performed by a person licensed, certified, or otherwise authorized to administer health care in the ordinary course of the practice of his or her profession at the same rate as if it had been performed in-person provided the Telemedicine service is comparable to the same service provided in person.

Coverage also includes communications made by a Physician responsible for the direct care of a Covered Person in Case Management with involved health care Providers.

Audio-only communication is covered if it is real-time, interactive, and substantially meets the requirement for a covered service that would otherwise be covered by the Plan.

However, electronic consultations such as, but not limited to fax; email; or for services, which are, by their nature, hands-on (e.g., surgery, interventional radiology, coronary, angiography, anesthesia, and endoscopy) are not covered.

- m. **Temporomandibular Joint (TMJ) Disorder.** Treatment is eligible for coverage in a manner consistent with established Coverage Policy and limited as shown in the Schedule of Benefits.
- n. **Trans-telephonic Home or ambulatory spirometry.** Coverage is available for patients who have had a lung transplant.

## COST MANAGEMENT SERVICES

### Prior Approval of Medical Services

The Plan has a program designed to help ensure that all Covered Persons receive necessary and appropriate health care while avoiding unnecessary expenses.

Please refer to the health plan identification card for the Prior Approval Services phone number.

#### The program consists of:

1. Prior Approval of the following services to ensure Primary Coverage Criteria is satisfied before Medical and/or Surgical services are provided:
  - **Inpatient Admissions**
  - **Specific Outpatient Medical Services and Procedures** (see list on next page)
  - **Specific Durable Medical Equipment** (see list on next page)
2. Retrospective review of the listed services provided to ensure Primary Coverage Criteria has been satisfied;
3. Concurrent review, in consideration of extended services; and
4. Discharge planning.

The purpose of the program is to determine what charges may be eligible for payment by the Plan. This program is not designed to be the practice of medicine or to be a substitute for the medical judgment of the attending Physician or other health care Provider.

If a particular course of treatment or medical service is not certified, it means that either the Plan will not pay for the charges or the Plan will not consider that course of treatment as appropriate for the maximum reimbursement under the Plan. The patient is urged to find out why there is a discrepancy between what was requested and what was certified before incurring charges.

Prior Approval requirements are waived for a maternity length of stay that is 48 hours or less for a vaginal delivery or 96 hours or less for a cesarean delivery.

In order to maximize Plan reimbursements, please read the following provisions carefully.

#### Here's how the program works:

The responsible party must call the Prior Approval Services telephone number on the identification card.

Through the Prior Approval process, the number of days of Medical Care Facility confinement authorized for payment will be determined. **Failure to follow this procedure may reduce reimbursement received from the Plan.**

**Concurrent review, discharge planning.** Concurrent review of a course of treatment and discharge planning from a Medical Care Facility are parts of the Prior Approval program. The Covered Person's Medical Care Facility stay, or use of other medical services, will be monitored and either the scheduled release or an extension of the Medical Care Facility stay or extension or cessation of the use of other medical services will be coordinated with the attending Physician, Medical Care Facility, and Covered Person.

**Responsibility for Obtaining Prior Approval.** The following table identifies services which require Prior Approval. If the service or procedure is provided by an In-Network Provider, it is the Provider's responsibility to obtain Prior Approval. If the service or procedure is provided by an Out-of-Network Provider, it is the Covered Person's responsibility to obtain Prior Approval.

Some Out-of-Network Providers may have contracts with either the Claims Administrator or the Blue Cross and Blue Shield plan in the state where services were provided, which make them responsible for any penalty amounts incurred for failure to obtain Prior Approval. The Covered Person may contact Health Advantage at the customer service telephone number listed on the health plan identification card to determine if a specific Out-of-Network Provider has this type of contract.

<b>Services Requiring Prior Approval</b>	
<b>Inpatient admissions, including concurrent care extension, at a Hospital and similar facilities, such as:</b>	
<ul style="list-style-type: none"> <li>• Acute Care Facility</li> <li>• Inpatient Rehabilitation (Physical)</li> <li>• Residential Treatment Facility</li> </ul>	<ul style="list-style-type: none"> <li>• Skilled Nursing Facility</li> <li>• Long Term Acute Care (LTACH)</li> </ul>
<b>Specific Outpatient Medical Services</b>	
<ul style="list-style-type: none"> <li>• Home Health Services</li> <li>• Hospice Care</li> <li>• Cognitive Rehabilitation</li> <li>• Intensity-Modulated Radiation Therapy (IMRT)</li> <li>• Craniofacial Anomaly Services</li> </ul>	<ul style="list-style-type: none"> <li>• Prosthodontics</li> <li>• Enteral Formula Supplies</li> <li>• Applied Behavioral Analysis (ABA) Therapy</li> <li>• Advanced Diagnostic Imaging</li> <li>• Wound Therapy</li> </ul>
<b>Specific Outpatient Medical Procedures</b>	
<ul style="list-style-type: none"> <li>• Uvulopalatopharyngoplasty (UPPP)</li> <li>• Blepharoplasty and/or Brow Lift</li> <li>• Mammoplasty</li> <li>• Rhinoplasty</li> <li>• Gastric Pacemaker</li> <li>• Bariatric Surgery (Including Revisions and Reversals)</li> </ul>	<ul style="list-style-type: none"> <li>• Surgically Implantable Osseointegrated Hearing Aids</li> <li>• Varicose Vein Treatment</li> <li>• Gynecomastia Reduction</li> <li>• Panniculectomy</li> <li>• Scar Revision outside doctor's office</li> </ul>
<b>Specific Durable Medical Equipment</b>	
<ul style="list-style-type: none"> <li>• Spinal Cord Stimulators (implantation and device)</li> <li>• Continuous Glucose Monitoring Devices (CGM)*</li> </ul>	<ul style="list-style-type: none"> <li>• Defibrillator Vests</li> <li>• Power Mobility Devices</li> <li>• Wound Vacuum Therapy / Device</li> </ul>
*The Medtronic Guardian Connect is the only CGM covered as Durable Medical Equipment.	

**Second And/Or Third Opinion Program**

Certain surgical procedures are performed either inappropriately or unnecessarily. In some cases, surgery is only one of several treatment options. In other cases, surgery will not help the condition.

In order to prevent unnecessary or potentially harmful surgical treatments, the second and/or third opinion program fulfills the dual purpose of protecting the health of the Plan's Covered Persons and protecting the financial integrity of the Plan.

Benefits will be provided for a second (and third, if necessary) opinion consultation for an elective surgical procedure sought by a Covered Person to determine. An elective surgical procedure is one that can be scheduled in advance; that is, it is not an emergency or of a life-threatening nature. Benefits for the second (and third, if necessary) opinion will be paid as any other Sickness.

### **Preadmission Testing Service**

Diagnostic lab tests and x-ray exams will be reimbursed according to standard Plan benefit levels when:

1. Performed on an outpatient basis within seven days before a Hospital confinement;
2. Related to the condition which causes the confinement; and
3. Performed in place of tests while Hospital confined.

Covered Charges for this testing will be paid even if tests show the condition requires medical treatment prior to Hospital confinement or the Hospital confinement is not required.

### **Case Management**

Case Management (CM) is a collaborative process of assessment, planning, facilitation, implementation, care coordination, monitoring and evaluation, and advocacy for clinical options and clinical services to meet member, family, and/or caregiver(s) needs. This process is accomplished through communication and the use of available resources to promote quality cost-effective outcomes. The collaborative role of the case manager is clearly defined and communicated to patients and other members of the multidisciplinary team, as well as the Plan Administrator.

**This process enables the CM program to achieve patient-centered goals through the following interventions:**

1. Improve member safety, productivity and promote satisfaction and quality of life;
2. Ensure that appropriate clinical program services are generated in a timely and cost-effective manner;
3. Assist members to achieve an enhanced level of health and to maintain wellness;
4. Assist members to appropriately self-manage care, self-advocate, and make informed health care decisions; and
5. Maintain cost-effectiveness in the provision of health services, supporting clinical programs for appropriate outreaches.

**As advocates for the member, case management:**

1. Promotes and supports the member and caregiver's self-determination, self-care, shared decision-making regarding interventions, autonomy, growth, and self-advocacy;
2. Collaborates with member's PCP and other health care and service Providers including medical and behavioral health, in recognizing the needs, strengths, and goals of the member;
3. Collaborates with appropriate services for clinical needs such as behavioral health care services, social services, and Providers;
4. Educates the member, family, and/or caregiver(s) regarding community resource availability as identified; and
5. Recognizes, prevents, and eliminates disparities in accessing high-quality health care as related to race, ethnicity, national origin, migration background, sex, sexual orientation, marital status, age, religion, political beliefs, physical, mental, or cognitive ability, or other cultural factors.

## PLAN EXCLUSIONS

Even if the Primary Coverage Criteria are met, coverage of a particular service, supply or condition may not be covered under the terms of this Plan. Please see the preceding Covered Charges subsection for coverage criteria for specific covered services.

This Section describes the conditions, Provider services, Health Interventions, and miscellaneous fees or services for which coverage is excluded. However, additional exclusions are also stated elsewhere in this document, including the Medical Benefits Section.

### Health Care Providers NOT covered under this Plan

1. **Custodial Care Facility.** Services or supplies furnished by an institution which is primarily a place of rest or a place for the aged are not covered. Youth homes, boarding schools, or any similar institution are not covered.
2. **Immediate Relatives.** Professional Services performed by a person who ordinarily resides in the covered Member's home, including self, or is related to the covered Member as a Spouse, parent, child, brother or sister, grandparent and grandchild, whether the relationship is by blood or exists in law are not covered.
3. **Midwives, Not Certified.** Services provided by a midwife who is not a licensed certified nurse midwife in the state where he or she renders services and who does not have a collaborative agreement with a Physician are not covered.
4. **Physical Therapy Aide.** Services or supplies provided by a physical therapy aide are not covered.
5. **Provider, Excluded.** Health Interventions received from any Provider who has been excluded from participation in any federally funded program, are not covered.
6. **Private Duty Nurse.** Private duty nursing services and home care aides are not covered.
7. **Recreational Therapist.** Services or supplies provided by a recreational therapist are not covered.
8. **Residents, interns, students, or fellows.** Services performed or provided by a Hospital resident, intern, student, or fellow of any medical related discipline are not covered.
9. **Surgical First Assistants.** Health Advantage does not recognize surgical first assistants as a covered Provider eligible for reimbursement for Covered Services. Any services performed by a surgical first assistant will be denied.
10. **Unlicensed Providers or Provider Outside Scope of Practice.** Coverage is not provided for treatment, procedures or services received from any person or entity, including but not limited to Physicians, who is required to be licensed to perform the treatment, procedure, or service, but is not so licensed, or (2) has had his license suspended, revoked, or otherwise terminated for any reason, or (3) has a license that

does not, in the opinion of Health Advantage's Medical Director, include within its scope the treatment, procedure, or service provided.

#### Health Interventions NOT covered under this Plan

1. **Abortion.** In keeping with Arkansas statutory law, Ark. Code Ann. § 5-61-301et seq, abortion is not covered. However, services related to a natural or spontaneous termination of a pregnancy are eligible for coverage when provided under the direction of a Physician, but only when performed in an In-Network Hospital or In-Network Outpatient Hospital setting.
2. **Abuse of Medications.** Medications, medications, or substances used in an abusive, destructive, or injurious manner are not covered, except when caused by a mental or physical illness.
3. **Acupuncture.** Acupuncture and services related to acupuncture are not covered.
4. **Adoptive Immunotherapy.** Adoptive immunotherapy, (lymphokine-activated killer (LAK) therapy, tumor-infiltrating lymphocyte (TIL) therapy, autolymphocyte therapy (ATL)) is **not** covered. However, subject to Coverage Policy and Prior Approval, chimeric antigen receptor T-cell therapy is covered in a Blue Distinction (BDC) approved facility.
5. **Chimeric Antigen Receptor Therapy.** Chimeric Antigen Receptor Therapy has become eligible benefit under the fully insured book of business with requirements in place including prior approval and coverage must be performed at a Blue Distinction Center.
6. **Allergy Testing by Serial Endpoint Titration (SET).** Allergy testing by serial endpoint titration (SET) is generally **not** covered. However, coverage may be provided for SET upon proof that the Member has airborne allergies with such severe reactions that standard allergy testing is considered too dangerous to attempt.
7. **Antigen immunotherapy.** Antigen immunotherapy for repeat fetal loss is **not** covered.
8. **Arthroereisis for Pes Planus (Flat Feet).** This treatment is sometimes used to treat flat feet and is **not** covered.
9. **Biochemical Markers for Alzheimer's Disease.** Measurement of cerebrospinal fluid and urinary biomarkers of Alzheimer's disease including but not limited to tau protein, amyloid beta peptides and neural thread proteins are not covered.
10. **Biofeedback.** Biofeedback and other forms of self-care or self-help training, and any related diagnostic testing are not covered for any diagnosis or medical condition
11. **Blood Typing.** Blood Typing or DNA analysis for paternity testing is not covered.
12. **Bone Growth Stimulation, electrical, as an adjunct to cervical fusion surgery.** Electrical Bone Growth Stimulation used as an adjunct to cervical fusion surgery is not covered.
13. **Chelation therapy.** Services or supplies provided as, or in conjunction with, chelation therapy, are generally not covered. However, chelation therapy for control of ventricular

arrhythmias or heart block associated with digitalis toxicity, emergency treatment of hypercalcemia, extreme conditions of metal toxicity, including thalassemia intermedia with hemosiderosis, Wilson's disease (hepatolenticular degeneration), lead poisoning, and hemochromatosis is covered.

14. **Chemical Ecology.** Diagnostic studies and treatment of multiple chemical sensitivities, environmental illness, environmental hypersensitivity disorder, total allergy syndrome, or chemical ecology is not covered.
15. **Cognitive Rehabilitation.** Services or supplies provided as or in conjunction with, cognitive rehabilitation are not covered. However, coverage is provided for Neurologic Rehabilitation Facility Services for Members with Severe Traumatic Brain Injury.
16. **Cold Therapy.** Cold Therapy devices are used in place of ice packs. The use of active or passive, intermittent or continuous, with or without pneumatic compression, cold therapy is not covered. Examples of cold therapy devices include, but are not limited to, the Cryocuff device, the Polar Care Cub device, the Autochill device, and the Game Ready device.
17. **Complications of non-covered treatments.** Care, services, or treatment required as a result of complications from a treatment or service not covered under this Plan are not covered. This is true even if coverage was provided through a previous carrier. This exclusion does not apply to complications of a bariatric surgery which was previously approved by the Plan.
18. **Compression Garments.** All types of compression garments, support hose, or elastic supports are not covered even when purchased with a Prescription. However, coverage is provided for compression garments specifically designed to treat severe burns or compression sleeves and gloves used to treat lymphedemas following mastectomy.
19. **Contraceptives.** Contraceptive implants, patches, cervical shields, or any other type of contraception that can be purchased from a Pharmacy or is available over the counter. Oral contraceptives are not covered under Medical Benefits, except as indicated by the PPACA mandate for Women's Contraceptive Services. Additional contraceptive coverage may be covered under the Prescription Drug Card program administered by the pharmacy benefits manager.
20. **Convenience Items.** While not a complete list, personal convenience items such as: assistive talking devices, automobile / van conversion, or addition of patient lifts, hand controls, or wheelchair ramps, and home modifications such as overhead patient lifts and wheelchair ramps are not covered.
21. **Cord Blood.** The collection and/or storage of cord or placental blood cells for an unspecified future use as an autologous stem-cell transplant in the original donor or for some other unspecified future use as an allogeneic stem-cell in a related or unrelated donor is not covered.
22. **Coverage Policy.** The Claims Administrator has developed and published on its website specific Coverage Policies in relation to certain Health Interventions. If a Coverage Policy exists for an Intervention, the Coverage Policy shall determine whether such Intervention meets the Primary Coverage Criteria. If a Coverage Policy determines that a

Health Intervention does not meet the Primary Coverage Criteria, this Plan does not provide coverage for that Intervention. The absence of a specific Coverage Policy with respect to any particular Health Intervention should not be construed to mean that the Intervention meets the Primary Coverage Criteria.

23. **Cranial electrotherapy or cranial electromagnetic stimulation devices.** Cranial electrotherapy or electromagnetic stimulation devices are not covered.
24. **Cranial mandibular disharmony.** Charges related to the treatment of cranial mandibular disharmony are not covered.
25. **Current Perception Threshold Testing.** This testing performed as a substitute for standard nerve conduction studies in diagnosing carpal tunnel or tarsal tunnel syndrome is not covered.
26. **Dental Care or orthodontic services.** Dental Care, Prosthodontic Services and orthodontic services are generally not covered, except as stated in the Medical Benefits section in a manner consistent with Primary Coverage Criteria.
27. **Dietary and Nutritional Services.** Any services or supplies provided for dietary and nutritional services, including but not limited to medical nutrition therapy, unless such dietary supplies are the sole source of nutrition for the Member, are not covered. Baby formula or thickening agents, whether prescribed by a Physician or acquired over the counter, is not a covered benefit. However, coverage is provided for Medical Foods and Low Protein Modified Food Products for the treatment of a Medical Disorder Requiring Specialized Nutrients or Formulas.
28. **Digitization Computer Enhanced X-ray Analysis for Spinal Evaluation.** Spinal visualization using digitization of spinal x-rays and computerized analysis of the back or spine is not covered.
29. **Dynamic Orthotic Cranioplasty.** Dynamic orthotic cranioplasty is not covered.
30. **Dynamic spinal motion visualization techniques such as Digital Motion X-ray, Cineradiography, and Videoradiography.** The use of digital motion x-ray for the evaluation of musculoskeletal conditions is not covered.
31. **EKG, Signal Averaged.** Signal averaged electrocardiography utilized to stratify risk for arrhythmias following myocardial infarction, in patients with cardiomyopathy, in patients with syncope, as an assessment of success after surgery for arrhythmia, in detection of acute rejection of heart transplants, as an assessment of efficiency of antiarrhythmic medication therapy and in the assessment of successful pharmacological, mechanical, or surgical interventions to restore coronary blood flow is not covered.
32. **Electrotherapy and electromagnetic stimulators.** All treatment using electrotherapy stimulators and electromagnetic stimulators, including services and supplies used in connection with such stimulators, and complications resulting from such treatment are not covered. However, coverage is provided for a Transcutaneous Electrical Nerve Stimulator (TENS) to treat chronic pain due to peripheral nerve injury when that pain is unresponsive to medication. Coverage is also provided for neuromuscular electrical stimulation (NMES) for treatment of disuse atrophy where nerve supply to the muscle is

intact, including but not limited to atrophy secondary to prolonged splinting or casting of the affected extremity, contracture due to scarring of soft tissue as in burn lesions and hip replacement surgery until orthotic training begins.

33. **Employment Screening.** Any screening, vaccinations, drug testing required for employment are not covered.
34. **Enhanced External Counterpulsation.** Enhanced external counterpulsation (EECP) is generally not covered. However, coverage is provided for one course of enhanced external counterpulsation for the treatment of disabling angina in patients who are NYHA Class III or IV, or equivalent classification; who have experienced inadequate control of anginal symptoms with a medication regimen that consists of optimal dosages of platelet inhibitors, beta-blockers, calcium channel blockers, long-acting nitrates, lipid-lowering medications, and antihypertensives when these medications are appropriate and there is no contraindication to any of these medications; and who are not amenable to surgical cardiac intervention such as angioplasty or coronary artery bypass grafting. Repeat courses of EECP are not covered.
35. **Enteral Feedings.** Enteral feedings are generally not covered. However, enteral feedings are covered when such feedings have been approved and documented by an In-Network Physician as the Member's sole source of nutrition with Prior Approval by Case Management.
36. **Environmental Intervention.** Services or supplies used in adjusting a Member's home, place of employment, or other environment so that it meets the Member's physical or psychological condition are not covered.
37. **Epiduroscopy/spinal myelography.** This service is used in the diagnosis and treatment of spinal pain and is not covered.
38. **Exercise programs.** Exercise programs for treatment of any condition are not covered.
39. **Extracorporeal Shock Wave Therapy.** Extracorporeal shock wave therapy (ESWT) for any musculoskeletal condition, including but not limited to plantar fasciitis or tennis elbow, is not covered.
40. **Family Planning.** The following family planning services are not covered:
  - a. Reversal of sterilization;
  - b. Preimplantation;
  - c. Surrogate mothers;
  - d. Treatment of Infertility; and
  - e. In-vitro fertilization.
41. **Foot care.** Non-custom shoe inserts are not covered. Services or supplies for the treatment of subluxations of the foot, arthroeresis for flat feet, care of corns, bunions, (except capsular or bone surgery), calluses, toenails, fallen arches, weak feet, chronic foot strain, and symptomatic complaints of the feet are not covered. However, foot care is provided when required for prevention of complications associated with diabetes mellitus.

42. **Fraud or Material Misrepresentation.** Health Interventions, including but not limited to Medications, obtained by unauthorized or fraudulent use of the health plan identification card or by material misrepresentation are not covered.
43. **Free Health Interventions.** Health Interventions, including but not limited to Medications, provided or dispensed without charge to the Member or for which, normally (in professional practice), there is no charge, are not covered.
44. **Gender reassignment services.** Care, services or treatment related to gender reassignment are not covered. This exclusion includes Prescription Medications, hormone therapy, implants, surgery, or any other services intended to support or achieve gender reassignment.
45. **Genetic testing.** In general, genetic testing to determine:
- The likelihood of developing a disease or condition;
  - The presence of a disease or condition in a relative;
  - The likelihood of passing an inheritable disease, condition or congenital abnormality to an offspring;
  - Genetic testing of the products of amniocentesis to determine the presence of a disease, condition or congenital anomaly in the fetus;
  - Genetic testing of a symptomatic Member's blood or tissue to determine if the Member has a specific disease or condition; and
  - Genetic testing to determine the anticipated response to a particular pharmaceutical are not covered.

However, a limited number of specific genetic tests may be covered for situations **(d)** or **(e)** referenced above when the Plan has determined that the particular genetic test **(a)** is the only way to diagnose the disease or condition, **(b)** has been scientifically proven to improve outcomes when used to direct treatment, and **(c)** will affect the individual's treatment plan. A limited number of specific genetic tests may be covered for situation **(f)** referenced above if criteria **(b)** and **(c)** above are met. The Claims Administrator, acting on the Plan's behalf, has full discretion in determining which particular genetic tests may be eligible for benefits as an exception to this exclusion. Any published Coverage Policy regarding a genetic test will control whether or not benefits are available for that genetic test as an exception to this exclusion.

46. **Hair loss or growth.** Wigs, hair transplants, or any Medication (e.g., Rogaine, minoxidil, etc.) that is taken for hair growth, whether or not prescribed by a Physician, are not covered regardless of the cause of hair loss. Treatment of male or female pattern baldness is not covered.
47. **Heat Bandage.** Treatment of a wound with a Warm-up Active Wound Therapy device or a noncontact radiant heat bandage is not covered.
48. **High dose Chemotherapy, Autologous Transplants, Allogeneic Transplants, or Nonmyeloablative Allogeneic Stem Cell Transplantation.** High dose Chemotherapy, Autologous Transplants, Allogeneic Transplants, or Nonmyeloablative Allogeneic Stem Cell Transplantation are not covered except in the limited circumstances.
49. **Hippotherapy.** Hippotherapy is not covered.

50. **Home delivery.** Services and supplies received in connection with childbirth in the home are not covered regardless of the Provider.
51. **Home Uterine Activity Monitor.** Home uterine activity monitors or their use is not covered.
52. **Hypnotherapy.** Hypnotherapy is not covered for any diagnosis or medical condition.
53. **Illegal Uses.** Medications, medications, or substances that are illegal to dispense, possess, consume, or use under the laws of the United States or any state, or that are dispensed or used in an illegal manner, are not covered.
54. **Inotropic Agents for Congestive Heart Failure.** Chronic, intermittent infusion of positive inotropic agents for patients with severe congestive heart failure is not covered. However, where the patient is on a cardiac transplant list at a Hospital where there is an ongoing cardiac transplantation program, the Plan will cover infusion of inotropic agents.
55. **Interspinous Distraction Devices (Spacers).** These devices are inserted between the spinous processes, and they act as a spacer between the spinous processes. Their proposed use is to treat leg and/or back pain secondary to spinal stenosis and distract the spinous processes and restrict extension. Interspinous Distraction Devices (Spacers) are not covered. Examples include, but are not limited to, the X-STOP interspinous Process by Medtronic, the Wallis System by Abbott Spine, the Coflex implant by Paradigm Spine, the ExtendSure, and CoRoent devices by NuVasive, the NL-Prow by NonLinear Technologies, the Aperius by Medtronic Spine.
56. **In Vitro Chemoresistance and Chemosensitivity Assays.** In vitro chemoresistance and chemosensitivity assays for neoplastic disease, including but not limited to extreme medication resistance assays, histoculture medication response assay, or a fluorescent cytoprint assay are not covered.
57. **Laser Treatment of Spinal Intradiscal and Paravertebral Disc Disorders.** Laser treatment of spinal intradiscal and paravertebral disc disorders is not covered.
58. **Learning Disabilities.** Services or supplies provided for learning disabilities, i.e. reading disorder, alexia, developmental dyslexia, dyscalculia, spelling difficulty, and other learning difficulties, are not covered.
59. **Maintenance Therapy.** The plan does not provide benefits for maintenance therapy. Maintenance Therapy refers to therapy in which an individual actively participates, that is provided after no continued significant and measurable improvement is reasonably or medically anticipated.
60. **Massage Therapy.** Coverage for massage and manual therapy services provided without a chiropractic manipulation for other physical medicine therapy is not covered.
61. **Measurement of Exhaled Nitric Oxide.** Measurement of Exhaled Nitric Oxide used in the diagnosis and management of asthma and other respiratory disorders is not covered.

62. **Measurement of Lipoprotein-Associated Phospholipase (Lp-PLA2).** Measurement of Lipoprotein-Associated Phospholipase (Lp-PLA2), also known as platelet-activating factor acetylhydrolase is not covered. The proposed use of this test is to assess cardiovascular risk.
63. **Measurement of Novel Lipid Risk Factors in Risk Assessment and Management of Cardiovascular Disease.** Measurement of novel lipid risk factors including but not limited to apolipoprotein B, apolipoprotein A-1, HDL subclass, LDL subclass, apolipoprotein E, and Lipoprotein A are not covered.
64. **Measurement of Serum Intermediate Density Lipoproteins (remnant-like particles).** These lipoproteins have a density that falls between low density lipoproteins and very low density lipoproteins. Measurements of these "remnant-like" particles are not covered.
65. **Medical Supplies.** Medical Supplies that can be purchased without a Prescription or over the counter, whether or not a Prescription was obtained, are not covered; for example, medication coated dressings are not covered even with a Physician Prescription. However, Medical Supplies necessary for the management of diabetes mellitus or for home health services are covered. Expenses for Medical Supplies provided in a Physician's office are included in the reimbursement for the procedure or service for which the supplies are used.
66. **Medication Therapy Management Services.** Medication therapy management services by a pharmacist, including but not limited to a review of a Member's history and medical profile, an evaluation of Prescription Medication, over-the-counter medications and herbal medications, are not covered.
67. **Mobile Cardiac Outpatient Telemetry (MCOT).** Mobile Cardiac Outpatient Telemetry is sometimes used in patients who experience infrequent symptoms suggestive of cardiac arrhythmias. MCOT is not covered.
68. **Naturopath/Homeopath Treatment.** Naturopathic or Homeopathic treatments of any condition are not covered.
69. **Neural Therapy.** Neural therapy often involves the injection of a local anesthetic into scars, trigger points, acupuncture points, tendon insertions, ligament insertions, peripheral nerves, autonomic ganglia, the epidural space, and other tissues to treat chronic pain and illness. Neural therapy is not covered.
70. **Neurofeedback.** The proposed use of Neurofeedback has been to reinforce neurobehavior modification in patients with certain neurological and/or neurobehavioral disorders such as ADD, ADHD, Parkinson's Disease, epilepsy, insomnia, depression, mood disorders, post-traumatic stress disorder, alcoholism, medication addiction, menopausal symptoms, and migraine headaches. Neurofeedback is not covered.
71. **Nicotine replacement products.** Charges for nicotine replacement products, including lozenges, nasal sprays, inhalers, nicotine gum, and transdermal nicotine patches purchased over the counter or with a Prescription, are not covered under Medical Benefits.

72. **Non-Medicare Covered Durable Medical Equipment.** Medical equipment and supplies that are not covered by Medicare are specifically excluded and not covered by the Plan. Examples of excluded items include but are not limited to the purchase or rental of air conditioners, air purifiers, water beds, saunas, tanning beds, motorized transportation equipment except with Prior Approval, automobile/van conversion or addition of patient lifts, hand controls, or wheelchair ramps, home modifications such as overhead patient lifts and wheelchair ramps, exercise equipment, or similar items. Replacement or repair of Durable Medical Equipment and Prosthetic Devices is covered only when due to normal wear and tear. Disposable items are not covered.
73. **Orthognathic Surgery.** The surgical repositioning of segments of the mandible or maxilla containing one to several teeth, or the bodily repositioning of entire jaws, whether to reduce a dislocation of temporomandibular joint or for any other purpose, is not covered. However, coverage is provided for the repositioning of the mandible or maxilla after an Accidental Injury or the treatment of a tumor.
74. **Orthoptic, Pleoptic, or Vision Therapy. Orthoptic, pleoptic, or vision therapy services are generally not covered.** However, coverage is provided for office-based orthoptic training in the treatment of convergence insufficiency when supported by the Coverage Policy on Orthoptic Training for the Treatment of Vision and Learning Disabilities.
75. **Out-of-Network Infertility.** Testing, counseling, and planning services for Infertility are not covered when provided by Out-of-Network Providers.
76. **Out-of-Network Mental Health and Substance Abuse Services.** Interventions to treat Mental Health or substance abuse are not covered when rendered by an Out-of-Network Provider.
77. **Out-of-Network Services.** Services rendered Out-of-Network are not covered for Plan Participants enrolled in the Basic Plan unless specifically stated as covered.
78. **Over the Counter Medications.** Over-the-counter Medications (except insulin) are not covered without a Prescription from a Physician.
79. **Pain Pump, Disposable.** Disposable pain pumps following surgery are not covered.
80. **Percutaneous diskectomy and Radio-frequency Thermocoagulation.** Any method of percutaneous diskectomy, including, but not limited to, automated or manual percutaneous diskectomy, laser diskectomy, radiofrequency nucleotomy or nucleolysis, and coblation therapy, is not covered. Radio-frequency Thermocoagulation or Intradiscal electrothermal therapy for discogenic or other forms of back pain are not covered.
81. **Percutaneous Sacroplasty.** Percutaneous sacroplasty is not covered.
82. **Peripheral Vascular Disease Rehabilitation Therapy.** Peripheral vascular disease rehabilitation therapy is not covered.
83. **Prescription Medication Purchased at a Retail Pharmacy.** Prescription Medications purchased at a retail Pharmacy are not covered under Medical Benefits, but coverage

may be available under the prescription medication card program administered by the pharmacy benefits manager.

84. **Prolotherapy.** Prolotherapy or Sclerotherapy for the stimulation of tendon or ligament tissue or for pain relief in a localized area of musculoskeletal origin is not covered.
85. **Radio-frequency Thermal Therapy for Treatment of Orthopedic Conditions.** The use of radio- frequency thermal therapy for treatment of orthopedic conditions is not covered.
86. **Respite care.** Charges for services provided for the purpose of providing temporary relief to family Members or friends from the duties of caring for the Covered Person are not covered.
87. **Rest cures.** Services or supplies for rest cures are not covered.
88. **Rethymic therapy.** No coverage is available under the Plan for Rethymic, a one-time issue-based regenerative therapy for immune reconstitution in pediatric patients with congenital athymia.
89. **Seasonal Affective Disorder (SAD).** Use of photo therapy or light therapy to treat seasonal affective disorder or depression is not covered.
90. **School-Based Interventions.** With the exception of applied behavioral analysis (ABA) therapy for treatment of autism and seasonal flu vaccinations, Health Interventions provided in a school setting are not eligible for coverage under the Plan.
91. **Sensory Stimulation for Coma Patients.** Sensory stimulation, whether visual, auditory, olfactory, gustatory, cutaneous, or kinesthetic, for coma patients is not covered.
92. **Sexual Enhancement Medications.** Medications used for the treatment of sexual dysfunction, including but not limited to medications for erectile dysfunction, are not covered regardless of the reason(s) for the sexual dysfunction.
93. **Short stature syndrome.** Any services related to the treatment of short stature syndrome, except for Laboratory documented growth hormone deficiency, are not covered.
94. **Sleep Apnea, Portable Studies.** Portable sleep apnea studies are not covered unless the following seven channel monitoring information is included: EEG, heart rate, Chin EMG, ECG, airflow, effort, and oxygen saturations, channels to identify awake versus asleep and apnea events. Devices used are considered portable comprehensive polysomnography devices monitoring a minimum of seven channels.
95. **Snoring.** Devices, procedures, or supplies to treat snoring are not covered.
96. **Sperm and Embryo Storage.** Collecting, storing, freezing, or thawing of specimens of sperm or embryos for later use is not covered.
97. **Spinal Manipulation under general anesthesia.** This type of manipulation is sometimes used for treatment of arthrofibrosis of the knee or shoulder and is intended to

overcome the patient's protective reflex mechanism. Spinal manipulation under anesthesia is not covered.

98. **Spinal Uploading Devices for treatment of low back pain.** Spinal uploading devices including, but not limited to, gravity dependent and pneumatic devices are not covered. Examples include, but are not limited to, the Orthotrac Pneumatic Vest and other thoracic-lumbar-sacral orthotics which provide trunk support.
99. **Substance Addiction.** Medications used to sustain or support an addiction or substance dependency are not covered. However, the use of designated agonist (e.g., methadone or buprenorphine) as part of a comprehensive substance abuse treatment plan are covered.
100. **Tanning equipment or salon.** The purchase or rental of tanning equipment, supplies, or the services of a tanning salon are not covered.
101. **Telephone and Other Electronic Consultation.** Electronic consultations such as, but not limited to fax; email; or for services, which are, by their nature, hands-on (e.g., surgery, interventional radiology, coronary, angiography, anesthesia, and endoscopy) are not covered. Audio-only communication is not covered unless it is real-time, interactive, and substantially meets the requirements for a Covered Service that would otherwise be covered by the Plan.
102. **Thermography.** Thermography, the measuring of self-emanating infrared radiation that reveals temperature variation at the surface of the body, is not covered.
103. **Thoracoscopic Laser Ablation of Emphysematous Pulmonary Bullae.** Thoracoscopic laser ablation of emphysematous pulmonary bullae is not covered.
104. **Total Facet Arthroscopy.** Facet arthroscopy refers to the implantation of a spinal prosthesis to restore posterior element structure and function as an adjunct to neural decompression surgery. Total Facet Arthroscopy is not covered. Examples of facet arthroplasty devices include, but are not limited to, the ACADIA facet replacement System, the Total Facet Arthroscopy System, and the Total Posterior-element System (TOPS).
105. **Transesophageal Therapy for Gastroesophageal Reflux Disease.** Transesophageal Therapy for Gastroesophageal Reflux Disease (GERD), Endoscopic Suturing, Transoral Incisionless Fundoplication (TIF) including the following devices EndoCinch™ (CR Bard, Murray Hill, NJ) 2., Plicator™ (Ethicon Endo-Surgery, Chicago, IL) 3., and EsophyX™ (EndoGastric Solutions, Redmond, WA) are not covered. Magnetic Esophageal Ring for GERD including The LINX™ Reflux Management System is not covered.
106. **Transplant procedures.** The following transplant procedures and services are not covered:
  - a. Solid organ transplants of any kind are **not** covered for a Member with a malignancy of any kind that is presently active, in partial remission or in complete remission less than two years. A solid organ transplant of any kind is **not** covered for a Member that has had a malignancy removed or treated in the three years prior to the proposed transplant. For purposes of this section, malignancy

includes a malignancy of the brain or meninges, head or neck, bronchus or lung, thyroid, parathyroid, thymus, pleura, esophagus, heart or pericardium, liver, stomach, small or large bowel, rectum, kidney, bladder, prostate, testicle, ovary, uterus, other organs associated with the genito-urinary tract, bones, muscle, nerves, blood vessels, leukemia, lymphoma or melanoma, and breast.

Exceptions to this non-coverage are:

- i. Hepatocellular carcinoma under certain circumstances, as outlined in the Coverage Policy hepatocellular carcinoma; and
  - ii. Basal cell and squamous cell carcinomas of the skin, absent lymphatic or distant metastasis.
- b. Services are **not** covered unless provided by In-Network facilities or Blue Distinction Centers for Transplant facilities.
  - c. Organ transplants not authorized by Coverage Policy are **not** covered.
  - d. **Donor Services.** Services or supplies incidental to organ and tissue transplant, or other procedures when the covered Person acts as the donor are not covered except for services that use the Covered Person's cells and tissue. When the Covered Person is the potential transplant recipient, expenses for testing of a donor who is found to be incompatible are **not** covered.
  - e. Charges for the following transplant procedures and services are not covered:
    - i. Animal to human transplants;
    - ii. Artificial or mechanical devices designed to replace human organs;
    - iii. Services provided beyond the benefit maximums;
    - iv. Small bowel transplantation;
    - v. Pancreas transplant not done simultaneously with kidney transplant with diabetes and End Stage Renal Disease; and
    - vi. Solid organ transplantation in patients for carcinoma except for liver transplants for patient with hepatoma confined to the liver.
107. **Ultrasounds.** More than one basic level obstetrical ultrasound during Routine Prenatal Care is not covered.
108. **Viscosupplementation for treatment of Osteoarthritis.** Intra-articular hyaluronan such as Synvisc, Hyalgan, Supartz, Orthovisc, and Euflexxa are not covered.
109. **Vision enhancement.** Any procedure, treatment, service, equipment, or supply used to enhance vision by changing the refractive error of the eye is not covered. Examples of non-covered visual enhancement services include, but are not limited to, the refraction for and the provision of eyeglasses and contact lenses, intraocular lenses, and Refractive Keratoplasty, with the exception of excessive, visually debilitating residual astigmatism following anterior segment surgery, i.e., corneal transplantation, cataract extraction, etc. Laser Assisted Insitu Keratomileusis (LASIK), and all other related refractive procedures are not covered. However, a procedure, treatment, service, equipment or supply to correct a refractive error of the eye is covered in two instances:
- a. If such refractive error results from traumatic Accidental Injury or corneal disease, infectious or non-infectious; and
  - b. The single acquisition of eyeglasses or contact lenses within the first six months following cataract surgery.

With respect to such eyeglasses or contact lenses, tinting or anti-reflective coating and progressive lenses are not covered. Eyeglass frames are subject to a \$50 maximum Allowance or Allowable Charge.

110. **Vitamins or Baby Formula.** Vitamins or food/nutrient supplements, except those that are Prescription Medications not available over the counter, are not covered. Baby formula and thickening agents, even if prescribed by a Physician, is not covered. However, coverage is provided for Medical Foods and Low Protein Modified Food Products for the treatment of Medical Disorder Requiring Specialized Nutrients or Formulas.
111. **Vocational rehabilitation.** Vocational rehabilitation services, vocational counseling, and testing, employment counseling or services to assist a Member in gaining employment, are not covered.
112. **Whole body computed tomography.** Whole body computed tomography is not covered.
113. **Wound Treatment.** Blood derived growth factors are not covered.

#### Miscellaneous Fees and Services NOT covered under this Plan

1. **Active Duty.** Charges for an Accidental Injury sustained, or an Illness contracted while on active duty or military service, unless payment is legally required.
2. **Administrative Fees.** Fees incurred for acquiring or copying medical records, sales tax, preparation of records for insurance carriers or insurance agencies, medical evaluation for life, disability, or any type of insurance coverage are not covered.
3. **Appointments.** Charges resulting from the failure to keep a scheduled visit with a Physician or other Provider are not covered.
4. **Clinical Trials.** Phase I, II, III, or IV clinical trials or any study to determine the maximum tolerated dose, toxicity, safety, efficacy, or efficacy as compared with a standard means of treatment or diagnosis of a medication, device, or medical treatment or procedure are not covered. However, Routine Patient Costs for items and services furnished in connection with participation in an Approved Clinical Trial are covered.
5. **Comfort items.** Personal hygiene or comfort items including but not limited to, spray nozzle, heating pad, heating lamp, hot water bottle, ice cap, television, radio, telephone, guest meals, whirlpool bath, adjustable bed, automobile/van conversion, or addition of patient lifts, hand control, or wheelchair ramp, and home modifications such as overhead patient lift and wheelchair ramps are not covered.
6. **Cosmetic Services.** Cosmetic Services, including surgery, care, and treatment provided for cosmetic reasons are not covered.
7. **Custodial Care.** Services or supplies for custodial, convalescent, domiciliary, or supportive care and non-medical services to assist a Member with activities of daily living are not covered.
8. **Domestic Partners.** Domestic partners of the same or opposite sex are not eligible for coverage under this Plan.

9. **Education Programs.** Education programs, including but not limited to physical education programs in a group setting, health club memberships, athletic training, back schools, Work Hardening and Work Integration (Community) training, are not covered. However, coverage is provided for Diabetes Self-Management Training.
10. **Environmental change.** Charges for environmental change including Hospital or Physician charges connected with prescribing an environmental change.
11. **Excess charges.** The part of an expense for care and treatment of an Illness or Accidental Injury that is in excess of the Allowance or Allowable Charge is not covered.
12. **Foreign travel.** Care, treatment, or supplies out of the United States.
13. **Occupational.** Care and treatment of an Accidental Injury or Sickness that is occupational- that is, arises from work for wage or profit including self-employment.
14. **Postage or Delivery Charges.** Charges for shipping, packaging, handling or delivering Medications are not separately covered.
15. **Prescription Medications used in connection with Health Interventions Not Covered by Plan.** Prescription Medications used or intended to be used in connection with or arising from a treatment, service, condition, Sickness, disease, Accidental Injury, or bodily malfunction that is not covered under this Plan, or for which this Plan's benefits have been exhausted, are not covered.
16. **Services Received Outside the United States.** Services or supplies received outside of the United States of America shall not be covered except at the sole discretion of Health Advantage or the Plan Administrator.
17. **Travel or accommodations.** Travel or transportation and accommodations are covered only in connection with approved organ transplants. Travel as a treatment or to receive consultation or treatment, except Ambulance Services, are not covered. Accommodations, while receiving treatment or consultation or for any other purpose, are not covered.
18. **War.** Services or supplies provided for treatment of disease or injuries sustained while serving in the military forces of any nation are not covered.
19. **Workers' Compensation.** Treatment of any compensable injury, as defined by the Workers' Compensation Law is not covered, regardless of whether or not the Member filed a claim for workers' compensation benefits in a timely manner.

## CLAIMS

Following is a description of how the Plan processes claims for benefits and reviews the appeal of any claim that is denied. The terms used in this section are defined below.

**Adverse Benefit Determination** means a decision by a utilization review entity to deny, reduce, or terminate coverage for a health care service furnished or proposed to be furnished to a Covered Member on the basis that the healthcare service is not medically necessary or is Experimental or Investigational in nature.

“Adverse determination” does not include a decision to deny, reduce, or terminate coverage for a healthcare service on any basis other than medical necessity or that the healthcare service is experimental or investigational in nature a claimant’s request for a review of an Adverse Benefit Determination.

**Authorization** means that a utilization review entity has:

1. Reviewed the information provided concerning a healthcare service furnished or proposed to be furnished;
2. Found that the requirements for medical necessity and appropriateness of care have been met; and
3. Determined to pay for the healthcare service according to the provisions of the health benefit plan.

**Appeal** means a claimant’s request for a formal review of an Adverse Benefit Determination by Health Advantage.

**Claim** is any request for a post service Plan benefit, made by a claimant or by a representative of a claimant, which complies with the Plan's reasonable procedure for filing claims and making benefit claims determinations. A determination of an individual's eligibility to participate in the Plan is not considered a Claim.

**Claims Administrator.** Medical Claims administration is provided by a third-party administrator, which has entered into an agreement with the Plan Administrator to process medical claims. Pharmacy Claims administration is provided by a pharmacy benefit manager (PBM) which has entered into an agreement with the Plan Administrator to process pharmacy Claims.

**Expedited Prior Authorization** means prior authorization and notice of that prior authorization for an Urgent Healthcare Service to a Covered Person or the Covered Person’s health care Provider within one business day after the utilization review entity receives all information needed to complete the review of the requested Urgent Healthcare Service.

**Final Adverse Benefit Determination.** If the Claim is denied at the end of the Appeal process, as described below, the Plan's final decision is known as a Final Adverse Benefit Determination. If the claimant receives notice of a Final Adverse Benefit Determination, or if the Plan does not follow the Appeal procedures properly, the claimant then has the right to pursue legal action or, in certain categories of claims, may request an independent external review. The External Review procedures are described later in this section.

**Informal Review** means a claimant’s request for a re-review of an Adverse Benefit Determination.

**Plan Administrator.** Employee Benefits Division for the appropriate department of the State of Arkansas is the Plan Administrator. Benefits under this plan shall be paid only if the Plan Administrator, in its discretion, interprets the Plan to provide such benefits to the Covered Person.

**Urgent Healthcare Service** means a healthcare service for a non-life-threatening condition that, in the opinion of a Physician with knowledge of a Covered Person's medical condition, requires prompt medical care in order to prevent:

1. A serious threat to life, limb, or eyesight;
2. Worsening impairment of a bodily function that threatens the body's ability to regain maximum function;
3. Worsening dysfunction or damage of any bodily organ or part that threatens the body's ability to recover from the dysfunction or damage; or
4. Severe pain that cannot be managed without prompt medical care.

## **Authorization, Claims And Appeal Procedures With Health Advantage**

A claimant has the right to request a review of an Adverse Benefit Determination. This request is an "Appeal." If the Authorization or Claim is denied at the end of the Appeal process, as described below, the Plan's final decision is known as a "Final Adverse Benefit Determination." If the claimant receives notice of a Final Adverse Benefit Determination, or if the Plan does not follow the Appeal procedures properly, the claimant then has the right to pursue legal action or, in certain categories of Claims, may request an independent external review. The External Review procedures are described later in this section.

A claimant must follow and complete all Authorization, Claims and Appeal procedures both internal and external, before he or she can file a lawsuit. If a lawsuit is brought, it must be filed within two years after the final determination of an Appeal.

Any of the authority and responsibilities of the Plan Administrator under the Claims and Appeal Procedures or the External Review Process, including the discretionary authority to interpret the terms of the Plan, may be delegated to a third party. If a Covered Person has any questions regarding these procedures, they should contact the Plan Administrator.

There are different kinds of Authorizations and Claims, and each one has a specific timetable (provided below) for each step in the review process. Upon receipt of the Claim, the Claims Administrator must decide whether to approve or deny the Authorization or Claim whichever the case may be. The Claims Administrator's notification to the claimant of its decision must be made as shown in the timetable below.

However, if the Authorization or Claim has not been filed properly, or if it is incomplete, or if there are other matters beyond the control of the Claims Administrator, the claimant may be notified that the period for providing the notification will need to be extended. If the period is extended because the Claims Administrator needs more information from the claimant, the claimant must provide the requested information within the time shown on the timetable below.

Once the Authorization or Claim is filed properly and complete, the Claims Administrator must make its decision as shown in the timetable:

1. If the Authorization or Claim is denied, in whole or in part, the claimant has the right to file an Appeal.
2. Then, the Claims Administrator must make a determination of the Appeal.
3. If the Appeal is denied, the Claims Administrator provides notice to the claimant within the time periods shown on the timetable below. The time periods shown in the timetable begin at the time the Authorization, Claim or Appeal is filed in accordance with the Plan's procedures.

Decisions will be made within a reasonable period of time appropriate to the circumstances, but within the maximum time periods listed in the timetables.

The Authorization, Claims and the Appeal procedures are intended to provide a full and fair review. This means, among other things, that Authorizations, Claims and Appeals will be decided in a manner designed to ensure the independence and impartiality of the persons involved in making these decisions.

A claimant must follow and complete the applicable procedure both internal and external, before he or she can file a lawsuit. If a lawsuit is brought, it must be filed within two years after the final determination of an Appeal.

Any of the authority and responsibilities of the Plan Administrator under the Claims and Appeal Procedures or the External Review Process, including the discretionary authority to interpret the terms of the Plan, may be delegated to a third party. If the Covered Person has any questions regarding these procedures, they should contact the Plan Administrator.

The definitions of the types of Authorizations and Claims are as follows:

### **Urgent Healthcare Service Authorization**

An Urgent Healthcare Service Authorization means a request for an Urgent Healthcare Service benefit under this Plan where the Plan conditions receipt of benefits, in whole or in part, on approval in advance of obtaining the care or treatment, and using the timetable for a non-urgent care determination could seriously jeopardize the life or health of the claimant; or the ability of the claimant to regain maximum function; or in the opinion of the attending or consulting Physician, would subject the claimant to severe pain that could not be adequately managed without the care or treatment that is the subject of the Authorization.

A Physician with knowledge of the claimant's medical condition may determine if an Authorization is one involving Urgent Care. If there is no such Physician, an individual acting on behalf of the Plan applying the judgment of a prudent layperson who possesses an average knowledge of health and medicine may make the determination.

The Plan Administrator shall render a decision and provide notification of the decision on an Appeal related to an Urgent Healthcare Service Authorization involving hematology or oncology within two business days after the date the Appeal is received.

**In the case of an Authorization involving an Urgent Healthcare Service, the following timetable applies:**

- Notification to claimant of an Authorization determination .....24 hours

**Insufficient information on the Claim, or failure to follow the Plan's procedure for filing a Claim:**

- Notification to claimant, orally or in writing ..... 24 hours
- Response by claimant, orally or in writing ..... 48 hours
- Benefit determination, orally or in writing ..... 48 hours
- Notification of Adverse Benefit Determination on Appeal ..... 72 hours

If there is an Adverse Benefit Determination involving Urgent Healthcare Service Authorization, a request for an expedited Appeal may be submitted orally or in writing by the claimant. All necessary information, including the Plan's benefit determination on review, may be transmitted between the Plan and the claimant by telephone, facsimile, or other similarly expeditious method.

**Pre-Service Authorization**

A pre-service Authorization means any request a benefit under this Plan, in advance of obtaining medical care. These are, for example, services subject to predetermination of benefits and Prior Approval requirements. Please see the Cost Management Services Section of this Plan Document for further information about services which require Prior Approval.

In a situation where the determination of a pre-service Authorization remains adverse, the Plan Participant or the Authorized Representative may request an Appeal. **NOTE:** pre-service Authorizations consist of one level of Appeal without an option for second level. Appeals initiated by a Provider, must be directed to Health Advantage.

This Appeal provision will allow the Provider to:

1. Request a review of any partial or complete denial of any pre-service Authorization for Plan benefits. Such request must be submitted in writing: the name of the patient, his or her Social Security number, and the identification number.
2. The written Appeal request should identify the specific pre-service Authorization, including the date(s) of service and health care Provider(s) involved, as well as stating in clear and concise terms the reason or reasons for this disagreement with the Adverse Benefit Determination of the pre-service Authorization.

The Claims Administrator shall render a decision and provide notification of the decision on an appeal related to a pre-service Authorization involving hematology or oncology within four business days after the date the written Appeal request is received. The Claims Administrator shall provide notification of other types of pre-service Authorization as noted in the following timetable.

**In the case of a Pre-Service Authorization, the following timetable applies:**

- Notification to claimant of..... two days  
Adverse Benefit Determination for Prior Approval
- Notification to claimant of..... 10 days  
Adverse Benefit Determination for predetermination of benefits
- Insufficient information on the Pre-Service Authorization:
  - Notification of ..... two days

- Response by claimant..... 45 days
- Notification of Adverse Benefit Determination on a Pre-Service Authorization Appeal ..... four days

**Concurrent Care Claims**

A Concurrent Care Claim is a special type of Claim that arises if the Plan informs a claimant that benefits for a course of treatment that has been previously approved for a period of time or number of treatments is to be reduced or eliminated. In that case, the Plan must notify the claimant sufficiently in advance of the effective date of the reduction or elimination of treatment to allow the claimant to file an Appeal. This rule does not apply if benefits are reduced or eliminated due to Plan amendment or termination. A similar process applies for Claims based on a rescission of coverage for fraud or misrepresentation.

**In the case of a Concurrent Care Claim, the following timetable applies:**

- Notification to claimant of benefit reduction ..... Sufficiently prior to scheduled termination of course of treatment to allow claimant to appeal
- Notification to claimant of rescission..... 30 days
- Notification of determination on Appeal of Urgent Care Claims..... 24 hours (provided claimant files Appeal more than 24 hours prior to scheduled termination of course of treatment)
- Notification of Adverse Benefit Determination on Appeal for non-Urgent Claims ..... 15 days
- Notification of Adverse Benefit Determination on Appeal for Rescission Claims ..... 30 days

**Claim**

A Claim means any Claim for a Plan benefit that is not a Claim involving Urgent Healthcare Service Authorization or a Pre-Service Authorization; in other words, a Claim that is a request for payment under the Plan for medical services already received by the claimant.

**In the case of a Claim, the following timetable applies:**

- Notification to claimant of Adverse Benefit Determination..... 30 days
- Extension due to matters beyond the control of the Plan..... 15 days
- Extension due to insufficient information on the Claim..... 15 days
- Response by claimant following notice of insufficient information..... 45 days

- Notification of Adverse Benefit Determination on Appeal ..... 60 days

## **PREFERRED PAYMENT PLAN AND HOSPITAL REIMBURSEMENT PROGRAM PARTICIPATING PROVIDERS**

The Plan participates in the Preferred Payment Plan (PPP) and the Hospital Reimbursement Program (HRP) with Health Advantage. Participating Providers agree to accept the Allowances of Health Advantage and not charge the Covered Person more than that amount. No Assignment of Benefits by the Covered Person shall be valid until approved and accepted by the Claims Administrator. The Claims Administrator reserves the right to make payment of benefits, in its sole discretion, directly to the Provider of service or to the Covered Person.

A list of participating Providers is available on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**The Claim Process.** This Plan uses a direct claims administration system. Under this approach, the PPP or HRP Provider submits the claims directly to the Claims Administrator.

Any payment due for eligible services rendered by Preferred Providers will be made directly to the Provider unless the Provider requests payment be made directly to the Covered Person.

Any payment due for eligible services rendered by Non-Preferred Providers will typically be made directly to the Covered Person; however, the Plan reserves the right to make payment of benefits directly to the Provider of service or to the Covered Person.

### **Preferred Provider Organization (PPO)**

The Plan participates in a Preferred Provider Organization (PPO). Participating Providers agree to accept the PPO Allowances and not charge the Covered Person more than that amount.

No Assignment of Benefits by the Covered Person shall be valid until approved and accepted by the Claims Administrator. The Claims Administrator reserves the right to make payment of benefits, in its sole discretion, directly to the Provider of service or to the Covered Person.

A list of participating Providers is available on the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).

**The Claims Process.** The Plan uses a direct claims administration system. Under this approach, the PPO Provider submits the claims directly to the Claims Administrator.

Any payment due for eligible services rendered by PPO Providers will be made directly to the Provider unless the Provider requests payment be made directly to the Covered Person.

Any payment due for eligible services rendered by Non-PPO Providers will typically be made directly to the Covered Person; however, the Plan reserves the right to make payment of benefits directly to the Provider of service or to the Covered Person.

## **BlueCard® Program**

**Out-of-Arkansas Services.** The Health Plan participates in a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as “Inter-Plan Programs.” Whenever a Covered Person obtains health care services outside of the State of Arkansas (“the Service Area”), the claims for these services may be processed through one of these Inter-Plan Programs, which include the BlueCard Program and may include negotiated National Account arrangements available between the Health Plan and other Blue Cross and Blue Shield Licensees.

Typically, when accessing care outside the Service Area, a Covered Person will obtain care from health care Providers that have a contractual agreement (i.e., are “participating Providers”) with the local Blue Cross and/or Blue Shield Licensee in that other geographic area (“Host Blue”). In some instances, a Covered Person may obtain care from nonparticipating health care Providers. The Health Plan’s practices for consideration of payment in both instances are described below.

### **1. BlueCard® Program**

- a. Under the BlueCard® Program, when a Covered Person accesses covered health care services within the geographic area served by a Host Blue, the Health Plan will remain responsible for fulfilling its contractual obligations. However, the Host Blue is responsible for contracting with and generally handling all interactions with its participating health care Providers. Whenever a Covered Person accesses covered health care services outside the Service Area and the claim is processed through the BlueCard Program, the amount a Covered Person pays for covered health care services is calculated based on the lower of:
  - i. The billed Covered Charges for the Covered Services; or
  - ii. The negotiated price that the Host Blue makes available to the Health Plan.
- b. Often, this “negotiated price” will be a simple discount that reflects an actual price that the Host Blue pays to the health care Provider. Sometimes, it is an estimated price that takes into account special arrangements with the health care Provider or Provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, it may be an average price, based on a discount that results in expected average savings for similar types of health care Providers after taking into account the same types of transactions as with an estimated price.
- c. Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or underestimation of modifications of past pricing for the types of transaction modifications noted above. However, such adjustments will not affect the price used for a Covered Person’s claim because the adjustments will not be applied retroactively to claims already paid.
- d. Laws in a small number of states may require the Host Blue to add a surcharge to the calculation. If any state laws mandate other liability calculation methods, including a surcharge, the Health Plan would then calculate the Covered Person’s liability for any covered health care services according to applicable law.

### **2. Non-Participating Health Care Providers Outside the Service Area**

- a. When covered health care services are provided outside of the Service Area by non-participating health care Providers, the amount a Covered Person pays for such services will generally be based on either the Host Blue’s non-participating health care Provider local payment or the pricing arrangements required by applicable state law. In these situations, a Covered Person may be liable for the

difference between the amount that the non-participating health care Provider bills and any payment made for the Covered Services as set forth in this paragraph.

- b. In certain situations, the Health Plan may use other payment bases, such as billed Covered Charges, the payment the Health Plan would make if the health care services had been obtained within the Service Area, or a special negotiated payment, as permitted under Inter-Plan Programs Policies, to determine the amount the Health Plan will pay for services rendered by nonparticipating health care Providers. In these situations, a Covered Person may be liable for the difference between the amount that the non-participating health care Provider bills and the payment the Health Plan will make for the Covered Services as set forth in this paragraph.

### **Blue Cross Blue Shield Global Core**

If the Covered Person is outside the United States (hereinafter “BlueCard Service Area”), they may be able to take advantage of Blue Cross Blue Shield Global Core when accessing Medically Necessary Covered Services available under the medical benefits of the Plan. Blue Cross Blue Shield Global Core is unlike the BlueCard Program available in the BlueCard Service Area in certain ways. For instance, although Blue Cross Blue Shield Global Core assists individuals with accessing a network of inpatient, outpatient, and professional Providers, the network is not served by a Host Blue. As such, when a Covered Person receives care from Providers outside the BlueCard Service Area, they will typically have to pay the Provider directly. If a Covered Person needs medical assistance services (including locating a doctor or Hospital) outside the BlueCard Service Area, they may contact customer service at the number on the back of their health plan identification card or additional information can be found at [www.bcbsglobalcore.com](http://www.bcbsglobalcore.com).

1. **Inpatient Services.** In most cases, if the Covered Person contacts Blue Cross Blue Shield Global Core for assistance, Hospitals will not require a Covered Person to pay for covered inpatient services, except for applicable cost-share amounts (Deductibles, Coinsurance, etc.). In such cases, the Hospital will submit claims to the service center to begin claims processing. However, if the Covered Person paid in full at the time of service, they must submit a claim to receive a benefit determination. Contact the Claims Administrator to obtain Prior Approval for non-emergency inpatient services. The Prior Approval requirement is waived for admissions related to a Medical Emergency.
2. **Outpatient Services.** Physicians, urgent care centers, and other outpatient Providers located outside the BlueCard Service Area will typically require the Covered Person to pay in full at the time of service. A claim must be submitted to receive a benefit determination.
3. **Submitting a Blue Cross Blue Shield Global Core Claim.** When the Covered Person pays for services outside the BlueCard Service Area, a claim must be submitted to receive a benefit determination. For institutional and professional claims, a Blue Cross Blue Shield Global Core Claim form should be completed and sent with the Provider’s itemized bill(s) to the service center (the address is on the form) to initiate Claims processing. Following the instructions on the Claim form will help ensure timely processing of the Claim. The Claim form is available from the service center or online at [www.bcbsglobalcore.com](http://www.bcbsglobalcore.com).

## **ALL OTHER PROVIDERS**

When a Covered Person has a Claim to submit for payment that person must:

1. Obtain a Claim form from their Health Insurance Representative or the Claims Administrator's website at [www.healthadvantage-hmo.com](http://www.healthadvantage-hmo.com).
2. Complete the Employee portion of the form. ALL QUESTIONS MUST BE ANSWERED.
3. For Plan reimbursements, attach bills for services rendered. ALL BILLS MUST SHOW:

Name of Plan  
Employee's name  
Name of patient  
Name, address, telephone number of the Provider of care  
Diagnosis  
Type of services rendered, with diagnosis and/or procedure codes  
Date of services  
Charges

Send the above to the Claims Administrator at this address:

HMO Partners, Inc. d/b/a Health Advantage  
P.O. Office Box 8069  
Little Rock, Arkansas 72203-8069

## **DEADLINE FOR FILING A PLAN BENEFITS CLAIM**

The Plan has established and will enforce a 180-day timely filing deadline for all claims for benefits under the Plan, meaning that the Covered Person, the treating Provider, or an Authorized Representative acting on the Covered Person's behalf, must submit the claim to the Claims Administrator within 180 days from the date of service. However, In-Network Providers must submit claims within the time limits provided in their applicable Provider contract, if shorter than 180 days. Claims are not payable if they are not submitted to the Claims Administrator within the applicable time limit.

The Claims Administrator will determine if enough information has been submitted to enable proper consideration of the claim. If not, more information may be requested from the claimant. The Plan reserves the right to have a Plan Participant seek a second medical opinion. Please note that in order to constitute a valid Plan Claim and start the clock with respect to the Plan's and Claims Administrator's adjudication deadlines, the Claim must be submitted in writing, and must comply with the Plan and the Claims Administrator's standard claims submission and processing forms, policies, and procedures.

## **EXPLANATION OF BENEFITS (EOB)**

A Plan Participant will be notified within 30 days of receipt of the completed and properly-submitted Claim as to the acceptance or denial of a Claim. If a Plan Participant has not been notified within 30 days, the Claim shall be considered denied. Upon making a determination of a Claim, the Claims Administrator will deliver to the Covered Person an Explanation of Benefits (EOB) containing the following information:

1. The specific reason or reasons for the determination;
2. Specific reference to those Plan provisions on which the denial is based;
3. A description of any additional information or material necessary to correct the claim and an explanation of why such material or information is necessary; and
4. Appropriate information as to the steps to be taken if a Plan Participant wishes to submit the claim for review.

If special circumstances require an extension of time for processing the claim, the Claims Administrator shall send written notice of the extension to the Plan Participant. The extension notice will indicate the special circumstances requiring the extension of time and the date by which the Plan expects to render the final decision on the Claim. In no event will the extension exceed a period of 45 days from the receipt of a completed and properly-submitted Claim.

### **Informal Review**

In cases where a review for benefits payment is denied or reduced in whole or in part, the Plan Participant or the Authorized Representative may request an Informal Review. An Informal Review is not an Appeal or a substitute for an Appeal. Pursuit of an Informal Review will not relieve the requestor from the responsibility of exhausting any Appeal rights under the Plan within the Appeal deadline. In a situation where the determination, after Informal Review, remains adverse, the Plan Participant or the Authorized Representative may request an Appeal of the denial.

The Claims Administrator's written response to the requestor shall cite the specific Plan provision(s) upon which the denial is based.

Requests for an Informal Review may be submitted in writing, email, or by telephone to the Claims Administrator. The request should provide the patient's name, Plan identification number and the specific service(s) to be reviewed. Additional relevant documentation may also be provided to the Claims Administrator to assist in the review. A request for an Informal Review must be submitted within 180 days after notice is received of the denial or reduction in benefits. This 180-day period runs concurrently with the Plan's 180-day deadline to submit an Appeal.

The Claims Administrator will review your request within a reasonable amount of time. And a written decision will be issued to you no later than 60 days after the request for informal review is received by the Claims Administrator.

Where additional time is needed by the Claims Administrator to review the informal request, you will be notified within the 60-day period. After this, a written decision will be issued to you no later than 120 days from the date the Claims Administrator received your informal review request.

Exceptions:

Request for review of a Pre-Service Authorization: A response will be provided within two days after the request for review is received by the Claims Administrator.

Request for review of an Urgent Healthcare Authorization: A response will be provided within 24 hours after the request for review is received by the Claims Administrator.

## APPEALS PROCESS FOR ACTIVE ARBENEFITS MEMBERS

The Plan Participant will receive an EOB explaining the claim determination, and if applicable, the reason or reasons for any denial or reduction of benefits. In cases where a claim for benefits payment is denied or reduced in whole or in part, the Plan Participant or the Authorized Representative may request an informal claim review.

In a situation where the determination, after informal review, remains adverse, the Plan Participant or the Authorized Representative may request an appeal of the denial.

### NOTE:

- Appeals initiated by a Member, can be directed to EBD.
- Appeals initiated by a Provider, must be directed to Health Advantage, or in the case of pharmacy benefit decisions, to Navitus.

This Appeal provision will allow the Plan Participant to:

1. Request a review of any partial or complete denial of any claim for Plan benefits. Such request must be submitted in writing by the Plan Participant/beneficiary or by a duly appointed Authorized Representative, and must include: the name of the Employee, his or her Social Security number, the name of the patient and the Group Identification Number, if any.
2. The written Appeal request should identify the specific services or benefits in dispute, including the date(s) of service and health care Provider(s) involved, as well as stating in clear and concise terms the reason or reasons for this disagreement with the handling of the claim.

### Notice To Claimant of Adverse Benefit Determinations

If a Claim, or an Appeal of a Claim, is denied in whole or in part, the denial is considered to be an Adverse Benefit Determination. The Claims Administrator or Plan Administrator shall provide written or electronic notification of the Adverse Benefit Determination, including in such notifications the content required under applicable law.

### Appeals Submitted to EBD By Members

Members must file an Appeal using the *ARBenefits Appeal Request Form*. If an Authorized Representative is making an Appeal on behalf of a Member, an *Authorization to Release Information form* must be completed and on file with ARBenefits. Forms may be located at <https://www.www.sas.arkansas.gov/employee-benefits/>. Appeals will not be accepted if they are received without the required *Appeal Request Form*.

Appeals must be submitted separately for each individual and each issue.

1. **First Level Review.** All first level reviews are presented to the EBD Appeals Committee; a seven-person panel. Designees may be named for any Member on a case-by-case basis due to absence or recusals.

In preparing an Appeal, a Member or their Authorized Representative will have the right to present documents and other information pertinent to the Claim. A complete review of the Claim will be performed by the Appeals Department. Members will be notified of the Appeal determination within 30 days of EBD's receipt of the Appeal.

If, because of extenuating circumstances, the appeal processor is unable to complete the review process within 30 days, the appeal processor shall notify the Plan Participant of the delay within the 30-day period and shall provide a final written response to the request for review within 60 days of the date the appeals processor received the Plan Participant's written request for review.

- 2. Second Level Review.** If a Member is not satisfied with the determination received on the first level review, he or she may request a second level review. The appeal must be received within 60 days of the notification of denial by the first level appeal. This request must also be made in writing following the established appeal process used when filing the first level Appeal and should contain any additional information not presented during the first level review.

All second level reviews are presented to the EBD Appeals Committee; a three-person panel. Designees may be named for any Member on a case-by-case basis due to absence or recusals.

A Member of the Appeals Department will present the information to the Appeals Committee along with all information presented by the Member and gathered from any outside resource such as medical professionals or other insurance carriers.

The Appeals Committee will review and make a determination of the appeal within 30 days after the receipt of a second level appeal. Once the second level appeal have been determined, there are no other options to go further with EBD.

## **Appeals Submitted to Health Advantage By Providers**

The request for review must be submitted to the Claims Administrator no later than 180 days after the date of the notification of payment or denial of any disputed benefits. Failure to submit an Appeal within the 180-day period allowed under the Plan waives any further challenge to the Plan's or Claims Administrator's benefits adjudication.

Upon timely submission of a properly-submitted appeal, the Claims Administrator will conduct its review and will provide the Plan Participant with a written response within 60 days. If not notified, the Plan Participant may deem the claim denied. If, because of extenuating circumstances, the Claims Administrator is unable to complete the review process within 60 days, the Claims Administrator shall notify the Plan Participant of the delay within the 60-day period and shall provide a final written response to the request for review within 120 days of the date the Claims Administrator received the Plan Participant's written request for review.

The Claims Administrator's written response to the Plan Participant shall cite the specific Plan provision(s) upon which the denial is based.

## External Review Process for Health Advantage Appeals

If an Appeal of a claim benefit determination is denied, the claimant may be entitled to request and receive an external review by an independent review organization. In order to be eligible for external review, the following conditions must apply:

1. The claimant must submit a request for external review in writing to the Claims Administrator within 125 days after receiving notice of the denial of the Appeal. External review requests submitted more than 125 days after a claimant receives notice of denial of an Appeal will be denied for lack of timely submission;
2. The claimant must have been eligible for coverage under the Plan at the time the services in question were or will be provided;
3. The denial or Claim must not be based on the claimant's failure to meet the Plan's eligibility requirements;
4. The claimant must have completed the Plan Appeals process outlined in this document;
5. The claimant must have provided all information required by the Claims Administrator in order to process an external review request; and
6. The denial of the Claim must be based on a medical judgement, which may include but is not limited to questions of medical appropriateness, or safety of treatment or care, appropriateness of health care setting, or medical effectiveness of a treatment, service, or covered benefits.

Upon submission of a written request for external review, the Claims Administrator will review the request to determine whether the conditions outlined above are met.

Within one business day after completion of this preliminary review, the Claims Administrator will provide written notification to the claimant of whether the external review request satisfies the conditions for external review, including a description of any additional information or material necessary to complete the external review request.

If the Claims Administrator notifies the claimant or their representative that the request is not complete, the claimant will have 48 hours or until the last day of the 125-day filing period, whichever is later, to submit the additional information.

If the request satisfies the conditions for external review, the Claims Administrator will refer the request to a qualified independent review organization (IRO). The IRO will then be responsible for notifying the claimant, in writing, that the request for external review has been accepted. The IRO's notice should include a statement that the claimant may submit in writing, within 10 days, any additional information the claimant wishes the IRO to consider when conducting the review. The IRO will share this information with the Plan and Claims Administrator. The Claims Administrator, acting as the delegate of the Plan Administrator, may consider this information and decide to reverse its denial of the Claim. If the denial is reversed, the external review process will end.

If the Claims Administrator does not reverse the denial, the IRO will make its decision on the basis of its review of all of the information in the record, as well as additional information where appropriate and available, such as:

1. The claimant's medical records as available and relevant;
2. The attending health care professional's recommendation;
3. Reports from appropriate health care professionals and other documents submitted by the claimant, the Plan, the Claims Administrator, or the treating Provider;
4. The terms of the Plan;
5. Appropriate practice guidelines;
6. Any applicable clinical review criteria developed and used by the plan; and
7. The opinion of the IRO's clinical reviewer.

The IRO must provide written notice to the Plan and the claimant of its final decision within 45 days after the IRO receives the request for the External Review. The IRO's decision notice should contain:

1. A general description of the reason for the External Review, including information sufficient to identify the Claim;
2. The date the IRO received the assignment to conduct the review and the date of the IRO's decision;
3. References to the evidence or documentation the IRO considered in reaching its decision;
4. A discussion of the principal reason(s) for the IRO's decision;
5. A statement that the determination is binding, and that judicial review may be available to the claimant; and
6. Contact information for any applicable office of health insurance consumer assistance or ombudsman established under federal law.

**Expedited External Review for a Health Advantage Appeal.** Generally, as noted above, a claimant must first complete the Plan's Appeals process before requesting and receiving an external review of a Claim denial. However, in some cases the Plan provides for an expedited external review of a Claim denial if:

1. The claimant submits a written request to the Claims Administrator specifically requesting expedited external review; and
2. The time to complete the Plan's appeal process would seriously jeopardize the claimant's life or health or ability to regain maximum function; or
3. The time to complete the Plan's standard external review process would seriously jeopardize the claimant's life or health or ability to regain maximum function, or if the Claim denial in dispute concerns a Hospital admission, availability of care, continued

stay, or health care item or service for which the claimant received emergency services, but has not been discharged from a facility.

Immediately upon receipt of a request for external review, the Claims Administrator will undertake to determine and notify the claimant whether the request satisfies the requirements for expedited review, including the conditions for external review listed above. If the request qualifies for expedited external review, it will be assigned to an IRO. The IRO must make its determination and provide a notice of the decision as expeditiously as the claimant's medical condition or circumstances require, but in no event more than 72 hours after the IRO receives the request for an expedited External Review. If the original notice of its decision is not in writing, the IRO must provide written confirmation of the decision within 48 hours to both the claimant and the Claims Administrator.

### **Authorized Representative**

**One Authorized Representative.** A Covered Person may have one representative, and only one representative at a time, to assist in submitting a Claim or appealing an Adverse Benefit Determination.

**Authority of Authorized Representative.** An Authorized Representative shall have the authority to represent the Covered Person in all matters concerning the Covered Person's Claim or appeal of a claim determination. If the Covered Person has an Authorized Representative, references to or "Covered Person" in the provision of this document entitled "How to Submit a Claim" refer to the Authorized Representative.

**Designation of Authorized Representative.** Except to the extent mandated by applicable law Claims rules in the case of a treating health care professionals and Urgent Healthcare Authorizations, the Plan does not permit Appeals on a Covered Person's behalf by any person or entity not properly designated as an "authorized representative" in the manner specified in this section.

One of the following persons may act as a Covered Person's Authorized Representative:

1. An individual designated by the Covered Person in writing in a form approved by the Claims Administrator. "Designation of Authorized Appeal Representative" and "Authorization for Release of Health Information" forms are available from the Claims Administrator or the Plan Administrator;
2. The treating Provider, if the claim is a claim involving Urgent Healthcare Service Authorization, or if the Covered Person has designated the Provider in writing in a form approved by the Claims Administrator. "Designation of Authorized Appeal Representative" and "Authorization for Release of Health Information" forms are available from the Claims Administrator or the Plan Administrator;
3. A person holding the Covered Person's durable power of attorney;
4. If the Covered Person is incapacitated due to Illness or Accidental Injury, a person appointed as guardian to have care and custody of the Covered Person by a court of competent jurisdiction; or

5. If the Covered Person is a minor, the Covered Person's parent or Legal Guardian, unless the Claims Administrator is notified that the Covered Person's claim involves health care services where the consent of the Covered Person's parent or Legal Guardian is or was not required by law and the Covered Person shall represent himself or herself with respect to the Claim.

**Term of the Authorized Representative.** The authority of an Authorized Representative shall continue for the period specified in the Covered Person's appointment of the Authorized Representative or until the Covered Person is legally competent to represent him or herself and notifies the Claims Administrator in writing that the Authorized Representative is no longer required.

#### **Communication with Authorized Representative.**

1. If the Authorized Representative represents the Covered Person because the Authorized Representative is the Covered Person's parent or Legal Guardian or attorney in fact under a durable power of attorney, the Claims Administrator shall send all correspondence, notices, and benefit determinations in connection with the Covered Person's claim to the Authorized Representative.
2. If the Authorized Representative represents the Covered Person in connection with the submission of a pre-service Authorization, including a request involving Urgent Healthcare Service Authorization, or in connection with an Appeal, the Claims Administrator shall send all correspondence, notices, and benefit determinations in connection with the Covered Person's claim to the Authorized Representative.
3. If the Authorized Representative represents the Covered Person in connection with the submission of a post-service Claim, the Claims Administrator will send all correspondence, notices, and benefit determinations in connection with the Covered Person's claim to the Covered Person, but the Claims Administrator will provide copies of such correspondence to the Authorized Representative upon request.
4. The Covered Person understands that it will take the Claims Administrator at least 30 days to notify all its personnel about the termination of the Covered Person's Authorized Representative and it is possible that the Claims Administrator may communicate information about the Covered Person to the Authorized Representative during this 30-day period.

## COORDINATION OF BENEFITS

**Coordination of the benefit plans.** Coordination of benefits sets out rules for the order of payment of Covered Charges when two or more plans -- including Medicare -- are paying. When a Covered Person is covered by this Plan and another plan, or the Covered Person's Spouse is covered by this Plan and by another plan or the couple's Covered children are covered under two or more plans, the plans will coordinate benefits when a claim is received.

The plan that pays first according to the rules will pay as if there were no other plan involved. The secondary and subsequent plans will pay the balance due up to 100% of the total Allowable Charges.

**Benefit plan.** This provision will coordinate the medical benefits of a benefit plan. The term benefit plan means this Plan or any one of the following plans:

1. Group or group-type plans, including franchise or blanket benefit plans.
2. Blue Cross and Blue Shield group plans.
3. Group practice and other group prepayment plans.
4. Federal government plans or programs. This includes, but is not limited to, Medicare and Tricare.
5. Other plans required or provided by law. This does not include any benefit plan that, by its terms, does not allow coordination.
6. No Fault Auto Insurance, by whatever name it is called, when not prohibited by law.

**Eligible Charge.** For a charge to be eligible it must be an Allowable Charge and at least part of it must be covered under this Plan.

In the case of HMO (Health Maintenance Organization) or other In-Network only plans: This Plan will not consider any charges in excess of what an HMO or network Provider has agreed to accept as payment in full.

In the case of service type plans where services are provided as benefits, the reasonable cash value of each service will be the Allowable Charge.

**Automobile limitations.** When medical payments are available under vehicle insurance, the Plan shall always be considered the secondary carrier regardless of the individual's election under PIP (personal injury protection) coverage with the auto carrier.

**Benefit plan payment order.** When two or more plans provide benefits for the same Allowable Charge, benefit payment will follow these rules:

1. Plans that do not have a coordination provision, or one like it, will pay first. Plans with such a provision will be considered after those without one.
2. Plans with a coordination provision will pay their benefits up to the Allowable Charge:

- a. The benefits of the plan which covers the person directly (that is, as an employee, member or subscriber) ("Plan A") are determined before those of the plan which covers the person as a Dependent ("Plan B").
- b. The benefits of a benefit plan which covers a person as an Employee who is neither laid off nor retired are determined before those of a benefit plan which covers that person as a laid-off or Retired Employee. The benefits of a benefit plan which covers a person as a Dependent of an Employee who is neither laid off nor retired are determined before those of a benefit plan which covers a person as a Dependent of a laid off or Retired Employee. If the other benefit plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule does not apply.
- c. The benefits of a benefit plan which covers a person as an Employee who is neither laid off nor retired or a Dependent of an Employee who is neither laid off nor retired are determined before those of a plan which covers the person as a COBRA beneficiary.
- d. When a child is covered as a dependent and the parents are not separated or divorced, these rules will apply:
  - i. The benefits of the benefit plan of the parent whose birthday falls earlier in a year are determined before those of the benefit plan of the parent whose birthday falls later in that year; and,
  - ii. If both parents have the same birthday, the benefits of the benefit plan which has covered the parent for the longer time are determined before those of the benefit plan which covers the other parent.
- e. When a child's parents are divorced or legally separated, these rules will apply:
  - i. This rule applies when the parent with custody of the child has not remarried. The benefit plan of the parent with custody will be considered before the benefit plan of the parent without custody.
  - ii. This rule applies when the parent with custody of the child has remarried. The benefit plan of the parent with custody will be considered first. The benefit plan of the stepparent that covers the child as a dependent will be considered next. The benefit plan of the parent without custody will be considered last.
  - iii. This rule will be in place of items (i) and (ii) above when it applies. A court decree may state which parent is financially responsible for medical and dental benefits of the child. In this case, the benefit plan of that parent will be considered before other plans that cover the child as a Dependent.
  - iv. If the specific terms of the court decree state that the parents shall share joint custody, without stating that one of the parents is responsible for the health care expenses of the child, the plans covering the child shall follow the order of benefit determination rules outlined above when a child is covered as a Dependent and the parents are not separated or divorced.
  - v. For parents who were never married to each other, the rules apply as set out above as long as paternity has been established.
- f. If there is still a conflict after these rules have been applied, the benefit plan which has covered the patient for the longer time will be considered first. This includes situations in which a person who is covered as a dependent child under

one benefit plan is also covered as a dependent Spouse under another benefit plan. When there is a conflict in coordination of benefit rules, the Plan will never pay more than 50% of Allowable Charges when paying secondary.

3. Medicare will pay primary, secondary, or last to the extent stated in federal law. When Medicare would be the primary payer if the person had enrolled in Medicare, this Plan will base its payment upon benefits that would have been paid by Medicare under Parts A and B regardless of whether or not the person was enrolled under any of these parts. ARBenefits is an entirely different benefit plan than that which is available through Medicare and is subject to different coverages and exclusions, as defined by EBD. ARBenefits is not a Medicare Supplement plan.
4. If a Plan Participant is under a disability extension from a previous benefit plan, that benefit plan will pay first and this Plan will pay second.
5. The Plan will pay primary to Tricare and a State child health plan to the extent required by federal law.

**Claims determination period.** Benefits will be coordinated on a Calendar Year basis. This is called the claims determination period.

**Right to receive or release necessary information.** To make this provision work, this Plan may give or obtain needed information from another insurer or any other organization or person. This information may be given or obtained without the consent of or notice to any other person. A Covered Person will give this Plan the information it asks for about other plans and their payment of Allowable Charges.

**Facility of payment.** This Plan may repay other plans for benefits paid that the Plan Administrator determines it should have paid. That repayment will count as a valid payment under this Plan.

**Right of recovery.** This Plan may pay benefits that should be paid by another benefit plan. In this case this Plan may recover the amount paid.

Further, this Plan may pay benefits that are later found to be greater than the Allowable Charge. In this case, this Plan may recover the amount of the overpayment from the source to which it was paid.

**Exception to Medicaid.** The Plan shall not take into consideration the fact that an individual is eligible for or is provided medical assistance through Medicaid when enrolling an individual in the Plan or making a determination about the payments for benefits received by a Covered Person under the Plan.

## THIRD PARTY RECOVERY PROVISION

### Recovery and Reimbursement

On occasion, the Plan may pay for health care services for which another party is responsible. In such cases, the Plan is entitled to recover funds from the third party, including but not limited to, uninsured and underinsured motorist coverage, any No-Fault Auto Insurance, medical payment coverage (auto, homeowners or otherwise), workers' compensation settlement, compromises or awards, other group insurance (including student plans), and direct recoveries from liable parties. If a recovery is made, the Plan shall have first priority in payment over the Covered Person or the legal representative, estate or heirs of the Covered Person (collectively referred to as the "Covered Person"), or any other party, to receive reimbursement of the benefits advanced on the Covered Person's behalf.

When a Covered Person recovers damages from a third party, by settlement, verdict or otherwise, for an Injury, Sickness or other condition, the Covered Person shall promptly convey moneys or other property from any settlement, arbitration award, verdict or any insurance proceeds or monetary recovery from any party received by the Covered Person, to the Plan for the reasonable value of the medical benefits advanced or provided by the Plan to the Covered Person, regardless of whether or not:

1. Liability for payment is admitted by the Covered Person or any other party; or
2. The recovery by the Covered Person is itemized or called anything other than a recovery for medical expenses incurred.

In order to secure the rights of the Plan under this section, and because of the Plan's advancement of benefits, the Covered Person hereby:

1. Acknowledges that the Plan shall have first priority against proceeds of any such settlement, arbitration award, verdict, or any other amounts received by the Covered Person; and
2. Assigns the Plan any benefits the Covered Person may have under any automobile policy or other coverage, to the extent of the Plan's claim for reimbursement.

The Covered Person shall sign and deliver, at the request of the Plan or its agents, any documents needed to protect such priority or reimbursement right, or to affect such assignment of benefits. By accepting any benefits advanced by the Plan under this section, the Covered Person acknowledges that any proceeds of settlement or judgment, including a Covered Person's claim to such proceeds held by another person, held by the Covered Person or by another, are being held for the benefit of the Plan under these provisions.

The Covered Person shall cooperate with the Plan and its agents and shall sign and deliver such documents as the Plan or its agents reasonably request to protect the Plan's right of reimbursement, provide any relevant information, and take such actions as the Plan or its agents reasonably request to assist the Plan making a full recovery of the reasonable value of the benefits provided. The Covered Person shall not take any action that prejudices the Plan's rights of reimbursement and consents to the right of the Plan, by and through its agent, to impress an equitable lien or constructive trust on the proceeds of any settlement to enforce the Plan's rights under this section, and/or to set off from any future benefits otherwise payable

under the Plan the value of benefits advanced under this section to the extent not recovered by the Plan.

The Plan shall be responsible only for those legal fees and expenses to which it agrees in writing. No Covered Person hereunder shall incur any expenses on behalf of the Plan in pursuit of the Plan's rights hereunder. Specifically, no court costs or attorney's fees may be deducted from the Plan's recovery without the express written consent of the Plan. Any so-called "Fund Doctrine" or "Common Fund Doctrine" or "Attorney's Fund Doctrine" shall not defeat this right.

The Plan shall recover the full amount of benefits advanced and paid hereunder, without regard to any claim or fault on the part of any beneficiary of Covered Person, whether under comparative negligence or otherwise.

## **Subrogation**

This section applies when another party is, or may be considered, liable for a Covered Person's Accidental Injury, Sickness, or other condition (including insurance carriers who are financially liable) and the Plan has advanced benefits.

In consideration for the advancement of benefits, the Plan is subrogated to all of the rights of the Covered Person against any party liable for the Covered Person's Accidental Injury or Illness, or is or may be liable for the payment for the medical treatment of such Accidental Injury or occupational Illness (including any insurance carrier), to the extent of the value of the medical benefits advanced to the Covered Person under the Plan. The Plan may assert this right independently of the Covered Person. This right includes, but is not limited to, the Covered Person's rights under uninsured and underinsured motorist coverage, any No-Fault Auto Insurance, medical payment coverage (auto, homeowners or otherwise), workers' compensation coverage, or other insurance, as well as the Covered Person's rights under the Plan to bring an action to clarify his or her rights under the Plan. The Plan is not obligated in any way to pursue this right independently or on behalf of the Covered Person but may choose to pursue its rights to reimbursement under the Plan, at its sole discretion.

The Covered Person is obligated to cooperate with the Plan and its agents in order to protect the Plan's subrogation rights. Cooperation means providing the Plan or its agents with any relevant information requested by them, signing and delivering such documents as the Plan or its agents reasonably request to secure the Plan's subrogation claim, and obtaining the consent of the Plan or its agents before releasing any party from liability for payment of medical expenses.

If the Covered Person enters into litigation or settlement negotiations regarding the obligations of other parties, the Covered Person must not prejudice, in any way, the subrogation rights of the Plan under this section. In the event that the Covered Person fails to cooperate with this provision, including executing any documents required herein, the Plan may, in addition to remedies provided elsewhere in the Plan and/or under the law, set off from any future benefits otherwise payable under the Plan the value of benefits advanced under this section to the extent not recovered by the Plan.

The costs of legal representation of the Plan in matters related to subrogation shall be borne solely by the Plan. The costs of legal representation of the Covered Person shall be borne solely by the Covered Person.

## COVERAGE CONTINUATION DURING RETIREMENT

Retirees who meet the eligibility requirements for coverage as defined in the Eligibility Section of this document have the following enrollment options:

### Retirement Health Enrollment Options

**Option 1:** If a Retiree meets the following eligibility requirements at the time of termination of active employment, they are eligible to enroll onto the Retirement Health Plan if they:

- Members hired prior to June 30, 2022, must be enrolled on an active ARBenefits health plan their last day of employment;
- Members hired after July 1, 2022, are required to have participated in the ARBenefits Health Plan for at least five (5) cumulative years before retirement;
- Are a fully vested Member of one of the participating retirement systems;
- And are retired and drawing their retirement benefit

**Option 2:** If a Retiree meets the above eligibility requirements listed in Option 1, except eligibility to draw their retirement annuity at termination of employment, they will have a qualifying event to enroll at a later date once they began drawing their retirement annuity. Often this applies to Members who have the service but at the time of termination do not meet the age requirements.

The Retiree under Option 2 has 30 days from the time they begin drawing their annuity to enroll in the Retirement Health Plan. No documentation is required for the time between termination of employment and their qualifying to draw their annuity of other employer sponsored group health coverage.

**Option 3:** If a Retiree meets all the eligibility requirements listed in Option 1, but currently have employer sponsored group health coverage under their Spouse, or new employment, they can delay their enrollment onto the Retirement Health Plan. Once they experience a qualifying event of involuntary loss of employer sponsored group health coverage, they have 30 days to enroll onto the Retirement Health Plan. They will need to provide documentation of uninterrupted group health coverage from their last day of employment up to their qualifying event. The Member may have a need during this time to enroll on COBRA for a short period to avoid any break in service.

### Rehired Retirees

If a Medicare Retiree goes back to work as an Active Employee as a State or Public School Employee, and is eligible for benefits, he or she MUST come off the retirement health insurance and enroll in one of the active plans. Once the Employee terminates employment again, the Employee has the option to re-enroll in the retirement health plan within 30 days of the loss of benefits. If an Employee chooses not to enroll in the retirement health plan at the second time of termination and obtains health insurance outside of the State and Public School Health Plan, the Employee will not have a qualifying event to enroll a second time in the retirement health insurance.

A non-Medicare Retiree who is reemployed as an Active State or Public School Employee and is eligible for benefits MAY enroll in one of the active plans. Once the Employee terminates employment again, the Employee has the option to re-enroll in the retirement health plan within 30 days of the loss of benefits. If an Employee chooses not to enroll in the retirement health plan at the second time of termination and obtains health insurance outside of the State and Public School Health Plan, the Employee will not have a qualifying event to enroll a second time in the retirement health insurance. A Retiree who returns to work as an Arkansas State Employee or Public School Employee is not eligible to re-enroll in an active plan.

If a Retiree does not elect, decline, or meet the Arkansas Legislative Code eligibility requirements for retirement health insurance during their 30-day election period, it is not an option to return to active employment as a rehired Retiree to re-establish eligibility. Eligibility is determined at the initial time the individual elects to become an active Retiree and begins drawing their retirement annuity.

### **Vesting Schedule:**

Employment service prior to July 1, 1997, requires 10 years of fully vested service.  
Employment service after July 1, 1997, requires five years of fully vested service.

1. An Employee fully vested as a state Employee AND fully vested as a Public School Employee (a participating Member under both APERS and ATRS and drawing a retirement annuity from each) may choose to enroll in either the ASE or PSE retiree health plan. Verification by EBD is required.
2. Effective July 1, 1997 – Vesting for retirement changed from a 10-year vesting to five years. Service prior to July 1, 1997, is still held to the 10-year vesting.
3. A Member, who is not fully vested under either system, will enroll in the retiree health plan with the most vested years.

### **Retiree Enrollment Procedures**

Members should notify EBD within 30 days of their termination by submitting a *Retiree Election Form* and a *Spousal Affidavit* if they are continuing coverage for a Spouse from the active health plan coverage. Coverage will be effective the first of the month following the date on the Election Form. The *Retiree Election Form* can be accessed online at [www.sas.arkansas.gov/employee-benefits/](http://www.sas.arkansas.gov/employee-benefits/).

### **Adding a Spouse or Dependents at the initial enrollment onto the retirement health plan**

1. At initial enrollment in retirement health insurance coverage, Retirees may only continue coverage on the Spouse/Dependents that are currently covered on the active plan at the time of enrollment in the retirement plan.
2. Retirees may add newly acquired dependents, i.e., newborn children, adopted children, or a new Spouse within 30 days of the event with supporting documentation.

3. A Spouse cannot be on the retirement health plan as a Dependent if they are currently employed and have health insurance available through their employer. Retirees may bring them onto their plan if they experience a qualifying event of loss of employer sponsored group health coverage, but the Retiree must apply within 30 days of the event by completing an *Election Form*, *Spousal Affidavit*, and provide proof of continued group health coverage up until their qualifying event and submitting to EBD. A copy of the Marriage License is also required.
4. Non-Medicare Retirees have the option to change plans (Basic, Classic, or Premium) only during Open Enrollment.
5. Medicare Retirees have the option to change between ARBenefits Primary Plan with Health Advantage or ARBenefits Group Medicare Advantage Prescription Drug (MAPD) PPO Plan with United Healthcare only during Retiree Open Enrollment.
6. If a Retiree has a Spouse on their plan that is also a retired Member of a State or Public School retirement system, they can make a one-time option and split off on separate plans, or they can move from separate plans to an Employee/Spouse plan. This is a one-time option, and Member cannot return to the former plan except for death of the policy holder. This one-time option is only available during Open Enrollment.
7. At open enrollment, a Retiree who is fully vested under both the State & Public School retirement systems can make a one-time option and change to the other retirement system. The vesting requirement does not include reciprocity service.

### **Medicare Eligible Members/Dependents**

Member and Dependents are required to send EBD a copy of their Medicare card.

If Medicare is due to End Stage Renal Disease (ESRD), ARBenefits is required to be primary for a period of 30 months. During this 30-month period, premiums will remain as a non-Medicare Retiree. When the 30-month period is ended, Medicare will become Primary and ARBenefits will be secondary. At that time premiums will reduce to the appropriate Medicare premium. It is the Member's responsibility to notify EBD of an ESRD or disability status. EBD is able to identify Members/Spouses who are age 65 but are unable to identify Members who become Medicare eligible due to disability or End Stage Renal Disease (ESRD). The Member is asked to notify EBD so that claims are paid according to Medicare rules. EBD will need a copy of the Member's Medicare card.

When a Retiree or Spouse reaches the age of 65, or becomes eligible for Medicare, the only plan option is the Medicare Primary Plan. When this occurs, the Member and Dependents will automatically be moved to the Medicare Primary Plan at the Premium level if they are currently enrolled in the Classic or Basic Plan.

Active Employees have the option to terminate coverage on their Spouse when the Spouse becomes Medicare-eligible and not be moved to the Medicare Primary Plan, if the Active Employee wishes to remain on the Classic or Basic Plan. The Active Employee must submit an Election Form, to EBD, requesting termination of the Spouse 60 days prior to the eligibility date of the Medicare for the Spouse, so that the plan change will not automatically occur. After the

plan change has been made, the Employee cannot change back to their original plan until Open Enrollment for the next January effective date.

Ninety days prior to a Spouse becoming age 65, EBD will send a letter informing the Employee of the automatic move to the Medicare Primary Plan, due to the Spouse's Medicare eligibility. If the Employee wishes to avoid this move and drop coverage on their Spouse, there will be included a form that the Employee will need to complete and send back to EBD 60 days prior to the Spouse becoming age 65.

Approximately 60 days prior to a Retiree and/or their Spouse becoming age 65, EBD will send a letter requesting Medicare information and a copy of any Medicare card(s). The Member must disclose if coverage is due to age, disability or End State Renal Disease.

***NOTE: The ARBenefits Medicare Premium Plan for Retirees will coordinate as if Medicare Part A and Part B are both in force at the time of service. Medicare Part B generally pays 80% of the Medicare allowed amount and the ARBenefits plan covers the remaining 20%.***

If the member does not have Part B, the plan will pay 20% and the member will be responsible for the 80%. The Plan's benefits do not increase to cover the Medicare portion of the claim.

## Terminating Retirement Health Plan Coverage

Once a Member has exercised their one-time option to enroll in the retirement health insurance plan and request that the coverage be terminated, the decision is final, and they will no longer be eligible to participate in the Plan.

The only exception to this rule is if a Member cancels to go back as an Active Employee with a state or public school agency and is eligible for active benefits. A Member is able to re-enroll in the plan once they terminate active employment again. This exception does not apply if a Member cancels retiree coverage to go back to active employment that is not affiliated with the state or public school agency.

## Death of Retiree

1. If a Retiree dies and has covered Dependents on the ARBenefits Plan at the time of death, the Dependents have the right to continue coverage under the Plan. Dependent child(ren) may be covered until they reach the maximum age limit of 26 years. A surviving Spouse may continue coverage under the Plan provided payments are made when due.
2. If a surviving Spouse or Dependent that was covered under the plan declines to enroll or cancels coverage after electing coverage, then the surviving Spouse/Dependent has no further privileges under the Plan. Surviving dependents cannot add other dependents to the Plan.
3. A Surviving Spouse/dependent Packet will be sent to the Dependent(s) once EBD has received notification of the death of the Retiree. EBD requires a copy of the Death Certificate. Surviving dependents will have 30 days from the date of the letter to submit an Election Form to EBD for enrollment. This decision is final.

4. If a Spouse/dependent is not eligible to draw a survivor annuity from the Retiree, premiums must be setup to be bank-drafted monthly.

***NOTE:** If the Spouse and/or Dependents do not enroll in the retirement health plan or COBRA within their respective enrollment periods, all privileges under the plan are terminated.*

## CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain Employees and their families covered under ARBenefits (the Plan) will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

COBRA continuation coverage under the Plan is administered by the COBRA Administrator. Complete instructions on COBRA, as well as election forms and other information, will be provided by the COBRA Administrator to Plan Participants who become Qualified Beneficiaries under COBRA.

**There may be other options available when group health coverage is lost.** For example, an individual may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, he or she may qualify for lower costs on their monthly premiums and lower out-of-pocket costs. Additionally, an individual may qualify for a 30-day special enrollment period for another group health plan for which he or she is eligible (such as a Spouse's plan), even if that plan generally doesn't accept late enrollees. More information about these options is available at [www.healthcare.gov](http://www.healthcare.gov).

**What is COBRA continuation coverage?** COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the Plan coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated Active Employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

**Who can become a Qualified Beneficiary?** In general, a Qualified Beneficiary can be:

1. Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the Plan coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.
2. Any child who is born to or has a finalized placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered

coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the Plan coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan (e.g., common-law Employees (full or part-time), self-employed individuals, independent contractor, or corporate director). However, this provision does not establish eligibility of these individuals. Eligibility for Plan Coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual.

Each Qualified Beneficiary (including a child who is born to or has a finalized adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

**What is a Qualifying Event?** A Qualifying Event is any of the following if the Plan provided that the Plan Participant would lose coverage (i.e.: cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

1. The death of a covered Employee.
2. The termination (other than by reason of the Employee's gross misconduct) or reduction of hours of a covered Employee's employment.
3. The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.
4. A covered Employee's enrollment in any part of the Medicare program.
5. A dependent child's ceasing to satisfy the Plan's requirements for a dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993, as amended ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the Employee portion of premiums for coverage under the Plan during the FMLA leave. For non-FMLA leaves of absence, the COBRA Qualifying Event date will be the day after the leave ends, if the Employee does not return to work in an Eligible Class.

**What factors should be considered when determining to elect COBRA continuation coverage?** When considering other options for health coverage, Qualified Beneficiaries should consider:

1. **Premiums.** This plan can charge up to 102% of total plan premiums for COBRA coverage. Other options, like coverage on a Spouse's plan or through the Marketplace, may be less expensive. Qualified Beneficiaries have special enrollment rights under federal law (HIPAA). They have the right to request special enrollment in another group health plan for which they are otherwise eligible (such as a plan sponsored by a Spouse's employer) within 30 days after Plan coverage ends due to one of the Qualifying Events listed above.
2. **Provider Networks.** If a Qualified Beneficiary is currently getting care or treatment for a condition, a change in health coverage may affect access to a particular health care Provider. An individual may want to check to see if their current health care Providers participate in a network in considering options for health coverage.
3. **Medication Formularies.** For Qualified Beneficiaries taking medication, a change in health coverage may affect costs for medication - and in some cases, the medication may not be covered by another plan. Qualified beneficiaries should check to see if current medications are listed in medication formularies for other health coverage.
4. **Severance payments.** If COBRA rights arise because the Employee has lost his job and there is a severance package available from the employer, the former employer may have offered to pay some or all of the Employee's COBRA payments for a period of time. This can affect the timing of coverage available in the Marketplace. In this scenario, the Employee may want to contact the Department of Labor at 1-866-444-3272 to discuss options.
5. **Medicare Eligibility.** Individuals should be aware of how COBRA coverage coordinates with Medicare eligibility. If an individual is eligible for Medicare at the time of the Qualifying Event, or if he or she will become eligible soon after the Qualifying Event, he or she has eight months to enroll in Medicare after employment -related health coverage ends. Electing COBRA coverage does not extend this eight-month period. For more information, see <https://www.Medicare.gov/sign-up-change-plans/>.

6. **Service Areas.** If benefits under the Plan are limited to specific service or coverage areas, benefits may not be available to a Qualified Beneficiary who moves out of the area.
7. **Other Cost-Sharing.** In addition to premiums or contributions for health coverage, the Plan requires participants to pay Copayments, Deductibles, Coinsurance, or other amounts as benefits are used. Qualified beneficiaries should check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher Deductible and higher Copayments.

**What is the procedure for obtaining COBRA continuation coverage?** The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

**What is the election period and how long must it last?** The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of his or her right to elect COBRA continuation coverage. If coverage is not elected within the 60-day period, all rights to elect COBRA continuation coverage are forfeited.

***NOTE:** If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, as extended by the Trade Preferences Extension Act of 2015, and the Employee and his or her covered Dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks that he and/or his family members may qualify for assistance under this special provision should contact the Plan Administrator for further information about the special second election period. If continuation coverage is elected under this extension, it will not become effective prior to the beginning of this special second election period.*

**Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?** The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator has been timely notified that a Qualifying Event has occurred. The employer (if the employer is not the Plan Administrator) will notify the Plan Administrator of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

1. The end of employment or reduction of hours of employment;
2. Death of the Employee;
3. Commencement of a proceeding in bankruptcy with respect to the employer; or
4. Entitlement of the employee to any part of Medicare.

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**IMPORTANT:**

**For the other Qualifying Events (divorce or legal separation of the Employee and Spouse or a dependent child's losing eligibility for coverage as a dependent child), the Covered Person or someone acting on their behalf must notify the Plan Administrator within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any Spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage.**

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**NOTICE PROCEDURES:**

Any notice must be *in writing*. Oral notice, including notice by telephone, is not acceptable. The notice must be mailed, faxed or hand-delivered to the Plan Administrator.

If mailed, the notice must be postmarked no later than the last day of the required notice period. Any notice provided must state:

- the name of the plan or plans under which coverage has been lost or is being lost,
- the name and address of the Employee covered under the plan,
- the name(s) and address(es) of the Qualified Beneficiary(ies), and
- the Qualifying Event and the date it happened.

If the Qualifying Event is a divorce or legal separation, the notice must include a copy of the divorce decree or the legal separation agreement.

There are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives timely notice that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered Employees may elect COBRA continuation coverage for their Spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If an individual does not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

**Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?** If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the COBRA Administrator.

**Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?** Qualified beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage.

**When may a Qualified Beneficiary's COBRA continuation coverage be terminated?** During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

1. The last day of the applicable maximum coverage period.
2. The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.
3. The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
4. The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).
5. In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
  - a. 29 months after the date of the Qualifying Event; or
  - b. The first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
  - c. The end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate the coverage of a Qualified Beneficiary for cause on the same basis that the Plan terminates the coverage of similarly situated non-COBRA beneficiaries; for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

**What are the maximum coverage periods for COBRA continuation coverage?** The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below:

1. In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.

2. In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries ends on the later of:
  - a. 36 months after the date the covered Employee becomes enrolled in the Medicare program. This extension does not apply to the covered Employee; or
  - b. 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.
3. In the case of a Qualified Beneficiary who is a child born to or has a finalized adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or adoption finalized.
4. In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

**Under what circumstances can the maximum coverage period be expanded?** If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second Qualifying Event within 60 days of the second Qualifying Event. This notice must be sent to Plan Administrator in accordance with the procedures above.

**How does a Qualified Beneficiary become entitled to a disability extension?** A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice should be sent to Plan Administrator in accordance with the procedures above.

**Does the Plan require payment for COBRA continuation coverage?** For any period of COBRA continuation coverage under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage. Qualified beneficiaries will pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which Timely Payment is not made.

**Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?** Yes. The Plan is also permitted to allow for payment at other intervals.

**What is Timely Payment for payment for COBRA continuation coverage?** Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

#### **For More Information**

If an individual has questions about COBRA continuation coverage, they should contact the Plan Sponsor. For more information about rights under COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

#### **Keep The Plan Administrator Informed of Address Changes**

In order for an individual to protect his or her family's rights, they should keep the Plan Administrator informed of any changes in the addresses of family members. The individual should also keep a copy, for his or her records, of any notices sent to the Plan Administrator.

## RESPONSIBILITIES FOR PLAN ADMINISTRATION

### Plan Sponsor

The State Board of Finance (the Board) is the Plan Sponsor as established by Act 114 of 2022. The Board establishes the benefit design, sets the rates, and sets policies for the Plan with the assistance of the Public School and State Employee Health Benefits Advisory Commissions.

The Board establishes the benefit design, sets the rates, and sets policies for the Plan.

### Plan Administrator

The Employee Benefits Division (EBD) for the State of Arkansas Department of Shared Administrative Services administers the Plan on behalf of the Board.

EBD has the administrative oversight of the day-to-day operations of the Plan with such functions as determining and maintaining eligibility, managing appeals, and coordination of member communication. EBD has contractual relationships with outside vendors, including Health Advantage, to perform such services as Provider network management, claims payment, case management, and utilization review.

As the Administrator of the Plan, EBD has the full right to access all medical and claim information regarding the membership but will make every effort to protect any personal health information in accordance with applicable state and federal laws.

The Plan is not established under or subject to the Federal Employee Retirement Income Security Act of 1974 (commonly known as ERISA).

Service of legal process may be made upon the Plan Administrator.

### Duties Of the Plan Administrator:

1. To administer the Plan in accordance with its terms;
2. To interpret the Plan, including the right to remedy possible ambiguities, inconsistencies, or omissions;
3. To decide disputes which may arise relative to a Plan Participant's rights;
4. To prescribe procedures for filing a claim for benefits and to review claim denials;
5. To keep and maintain the Plan documents and all other records pertaining to the Plan;
6. To appoint a Claims Administrator to pay claims;
7. To establish and communicate procedures to determine whether a medical child support order is qualified; and
8. To delegate to any person or entity such powers, duties, and responsibilities as it deems appropriate.

### Plan Administration Compensation

All expenses for plan administration, including compensation for hired services, will be paid by the Plan.

### **Health Insurance Representatives**

Each state agency and school district has appointed at least one person to work as their Health Insurance Representative (HIR). These individuals often work in the payroll or personnel sections they can provide Members with enrollment information and assist with questions.

### **Benefit Coordinators**

EBD contracts with various companies to work with the Plan to ensure that the Members get the right coverage based on their election. Benefit Coordinators are contracted third-party administrators who perform many services, including but not limited to the list below:

1. Provide a network of Physicians, Hospitals, labs, and other service Providers to ensure coverage under the Plan is appropriately managed;
2. Pay claims on behalf of the Plan for medical claims submitted by health care Providers; and
3. Provide limited medical management services.

Benefit Coordinators have the authority and responsibility to make decisions on behalf of the Plan when there are questions about coverage. The decision of the Benefit Coordinator is final unless the Member follows the steps outlined in the Appeals section of this document.

### **Fiduciary**

A fiduciary exercises discretionary authority or control over management of the Plan or the disposition of its assets, renders investment advice to the Plan or has discretionary authority or responsibility in the administration of the Plan.

#### **Fiduciary Duties**

A fiduciary must carry out his or her duties and responsibilities for the purpose of providing benefits to the Employees and their Dependent(s) and defraying reasonable expenses of administering the Plan. These are duties which must be carried out:

1. With care, skill, prudence, and diligence under the given circumstances that a prudent person, acting in a like capacity and familiar with such matters, would use in a similar situation;
2. By diversifying the investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and
3. In accordance with the Plan documents.

#### **The Named Fiduciary**

A "named fiduciary" is the one named in the Plan. A named fiduciary can appoint others to carry out fiduciary responsibilities (other than as a trustee) under the Plan. These other persons become fiduciaries themselves and are responsible for their acts under the Plan.

## COMPLIANCE WITH HIPAA PRIVACY STANDARDS

Certain members of the Employer's workforce perform services in connection with administration of the Plan. In order to perform these services, it is necessary for these Employees from time to time to have access to Protected Health Information (as defined below).

Under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), these Employees are permitted to have such access subject to the following:

1. **General.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this HIPAA Privacy section is met. "Protected Health Information" shall have the same definition as set out in the Privacy Standards but generally shall mean individually identifiable health information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.
2. **Permitted Uses and Disclosures.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken with respect to payment of premiums or contributions, or to determine or fulfill Plan responsibilities with respect to coverage, provision of benefits, or reimbursement for health care. "Health care operations" generally shall mean activities on behalf of the Plan that are related to quality assessment; evaluation, training, or accreditation of health care Providers; underwriting, premium rating, and other functions related to obtaining or renewing an insurance contract, including stop-loss insurance; medical review; legal services or auditing functions; or business planning, management and general administrative activities. However, Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.
3. **Authorized Employees.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for these persons to perform duties with respect to the Plan. For purposes of this HIPAA Privacy section, "members of the Employer's workforce" shall refer to all Employees and other persons under the control of the Employer.
  - a. **Updates Required.** The Employer shall amend the Plan promptly with respect to any changes in the members of its workforce who are authorized to receive Protected Health Information.
  - b. **Use and Disclosure Restricted.** An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.
  - c. **Resolution of Issues of Noncompliance.** In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than

as permitted by the Privacy Standards, the incident shall be reported to the privacy official. The privacy official shall take appropriate action, including:

- i. Investigation of the incident to determine whether the breach occurred inadvertently, through negligence, or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
- ii. Applying appropriate sanctions against the persons causing the breach, which, depending upon the nature of the breach, may include, oral or written reprimand, additional training, or termination of employment;
- iii. Mitigating any harm caused by the breach, to the extent practicable; and,
- iv. Documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

4. **Certification of Employer.** The Employer must provide certification to the Plan that it agrees to:

- a. Not use or further disclose the Protected Health Information other than as permitted or required by the Plan documents or as required by law;
- b. Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
- c. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
- d. Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures hereunder or required by law;
- e. Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
- f. Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
- g. Make available the Protected Health Information required to provide any accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
- h. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- i. If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose of which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information unfeasible; and
- j. Ensure the adequate separation between the Plan and member of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards.

The following members of workforce are designated as authorized to receive Protected Health Information from ARBenefits ("the Plan") in order to perform their duties with respect to the Plan: Employee Benefits Division.

## **Compliance With HIPAA Electronic Security Standards**

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"), the Employer agrees to the following:

1. The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity, and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
2. The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
3. The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Compliance With HIPAA Privacy Standards provisions (3) Authorized Employees and (4) Certification of Employers described above.

## **Assignment Of Benefits**

Assignment of benefits due under the Plan are prohibited as stated elsewhere in this document, although the Plan, acting through the Claims Administrator, may choose to accept or honor some assignments, in its sole discretion.

Any payment due for eligible services rendered by Preferred Providers will be made directly to the Provider unless the Provider requests payment be made directly to the Covered Person.

Any payment due for eligible services rendered by Non-Preferred Providers will typically be made directly to the Covered Person; however, the Plan reserves the right to make payment of benefits directly to the Provider of service or to the Covered Person.

Any payment due for eligible services rendered by PPO Providers will be made directly to the Provider unless the Provider requests payment be made directly to the Covered Person.

Any payment due for eligible services rendered by Non-PPO Providers will typically be made directly to the Covered Person; however, the Plan reserves the right to make payment of benefits directly to the Provider of service or to the Covered Person.

## **Funding The Plan and Payment Of Benefits**

The Plan is considered a Self-Insured Plan, which means that all expenses incurred by the Plan are paid by contributions from the Employer and Members. The Plan is responsible for the payment of all eligible claims and does not rely on protection from outside carriers to assume the risk. The Plan maintains a cash balance held in reserve to cover catastrophic claims if they are incurred. This claims reserve and other monies collected are held in trust and are used to administer the Plan.

Benefits are paid directly from the Plan through the Claims Administrator.

On an annual basis, claims information of the Plan, national inflationary factors, and other information is examined by an outside actuary/consulting team and rates are presented to the Board for review and approval. The rate that each member pays is derived from the base monthly premium for the benefit option elected by the member, less any Employer contributions and/or additional subsidies.

Rates are not published in this document but are available on the central website for the Plan (<https://www.sas.arkansas.gov/employee-benefits/>).

### **Plan Is Not an Employment Contract**

The Plan is not to be construed as a contract for or of employment.

### **Clerical Error**

Any clerical error by the Plan Administrator or an agent of the Plan Administrator in keeping pertinent records or a delay in making any changes will not invalidate coverage otherwise validly in force or continue coverage validly terminated. An equitable adjustment of contributions will be made when the error or delay is discovered.

If an overpayment occurs in a Plan reimbursement amount, the Plan retains a contractual right to the overpayment. The person or institution receiving the overpayment will be required to return the incorrect amount of money. In the case of a Plan Participant, the amount of overpayment may be deducted from future benefits payable.

### **Amending And Terminating the Plan**

If the Plan is terminated, the rights of the Plan Participants are limited to expenses incurred before termination.

The Employer reserves the right, at any time, to amend, suspend or terminate the Plan in whole or in part. This includes amending the benefits under the Plan or the Trust agreement (if any).

## GENERAL PLAN INFORMATION

### Type of Administration

The Plan is a self-funded group health Plan, and the claims administration is provided through a Third Party Claims Administrator. The funding for the benefits is derived from the funds of the Employer and contributions made by covered Employees. The Plan is not insured.

- **PLAN NAME:** ARBenefits
- **PLAN NUMBER:** 1-501-682-5500
- **TAX ID NUMBER:** 81-4185138
- **PLAN EFFECTIVE DATE:** January 1, 2022, and is amended and restated effective January 1, 2026.
- **PLAN YEAR ENDS:** December 31

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### EMPLOYER INFORMATION

Employee Benefits Division  
501 Woodlane Street, Suite 501  
Little Rock, Arkansas 72201  
1-877-815-1017

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### PLAN ADMINISTRATOR

Employee Benefits Division  
501 Woodlane Street, Suite 501  
Little Rock, Arkansas 72201  
1-877-815-1017

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### NAMED FIDUCIARY

Employee Benefits Division  
501 Woodlane Street, Suite 501  
Little Rock, Arkansas 72201  
1-877-815-1017

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### AGENT FOR SERVICE OF LEGAL PROCESS

Fiscal Support Manager  
501 Woodlane Street, Suite 501  
Little Rock, Arkansas 72201  
1-877-815-1017 or 501-682-9656

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### CLAIMS ADMINISTRATOR

HMO Partners, Inc. d/b/a Health Advantage  
P.O. Office Box 8069  
Little Rock, Arkansas 72203-8069

BY THIS AGREEMENT, the ARBenefits is hereby adopted as shown.

IN WITNESS WHEREOF, this instrument is executed for the Employee Benefits Division of the Arkansas State Department of Shared Administrative Services on or as of the day and year first below written.

By 

Date 12/08/25

Witness Janelle Dhill

Date 12/08/25



## PRESCRIPTION MEDICATION COVERAGE

A Prescription Medication Program covers most members of the Plan with the exception being the Public School Medicare-Primary Retirees. Coverage under the Prescription Medication Program is not available without participation in the medical plan, meaning that a member cannot elect to have coverage for his or her prescription medications as a stand-alone plan.

### **What prescription medication coverage options are available to Public School retirees?**

Public School retirees who are Medicare eligible have the option to enroll in the ARBenefits Group Medicare Advantage (MAPD) PPO plan which provides Public School retirees coverage under the MAPD Prescription Medication Program. Public school retirees who are Medicare eligible may alternatively choose to stay under the ARBenefits Medicare Primary Premium Plan. However, they will not have prescription medication coverage. If a public school retiree does not select the option under the MAPD plan they may obtain a Medicare Part D plan for prescription medication coverage. Public School retirees who are not Medicare eligible will have prescription medication coverage under the ARBenefits Plan.

### **What prescription medication coverage options are available to Arkansas State retirees?**

Arkansas State retirees who are eligible for Medicare have the option to enroll in the ARBenefits Group Medicare Advantage (MAPD) PPO plan which provides Arkansas State retirees with coverage under the Prescription Medication Program. An Arkansas State retiree who is eligible for Medicare may alternatively choose to stay under the ARBenefits Medicare Primary Premium Plan will **also have** prescription medication coverage under this plan. Arkansas State retirees who are not Medicare eligible will have prescription medication coverage under the ARBenefits Plan.

The Prescription Medication Program covers a wide selection of medications, but not all prescription medications available in the United States are covered. The Plan uses an established Formulary of covered medications and, in most cases, has the medications classified into one of six tiers. Medications that are not on the formulary are not covered by the Plan and any cost associated with the medication would be the responsibility of the member.

- Tier I Generic
- Tier II Formulary Brand (Preferred)
- Tier III Non-Formulary Brand (Non-Preferred)
- Tier IV Specialty
- Brand to Generic Incentive

*Note: See section, "How much will my prescription cost?"*

**Who coordinates the prescription medication program?** EBD has a contract with Navitus Health Solutions, LLC, who serves as the PBM (Pharmacy Benefit Manager) for the Plan. The PBM has the responsibility to contract with pharmacies, negotiate discounts, and work with EBD to create a quality benefit program for the membership.

### **What types of prescription medications and supplies are covered?**

- Medications prescribed by a Physician that require a prescription under federal law and are purchased in the United States at an In-Network pharmacy, unless otherwise excluded from the plan.

- Diabetic supplies such as lancets and test strips when prescribed by a Physician.

**Are there any limitations on the covered medications?** Benefits for any one prescription may be limited to:

- Quantity limits established by the Plan
- Refills only up to the time specified by a Physician
- Refills up to one year from the date of order by a Physician
- Prior authorization review on certain medications
- Step therapy guidelines established by the Plan

**How much will my prescription medications cost?** The cost of a Covered Persons Prescription at an In-Network pharmacy will depend on a variety of issues, such as the plan option, the tier of the medication, and how much of the Deductible has been met, if applicable.

If a Covered Person is a Member of the ARBenefits or ARBenefits Retiree plans (excluding the Public School Medicare-Primary Retirees), the cost of most covered prescription medications will be tied to a co-payment based on the tier to which the medication has been assigned. The co-pay amounts are shown in the Schedule of Benefits. The co-pay is the maximum cost that a member will pay for a medication in a particular tier although the member will pay less if the medication price is lower than the fixed co-pay.

If a Covered Person is a member of the ARBenefits HD Classic or Basic plans, he or she will be responsible for the total cost of the prescription (after any applicable network discount) until they have satisfied their Deductible. After the Deductible has been met, they will be responsible for a portion of the cost as a Coinsurance up to the point when the maximum out-of-pocket annual Coinsurance limit has been reached. When the annual Coinsurance limit has been reached, the Plan will cover 100% of the cost of all covered medications.

**Note:** *the ASE Basic plan does not have an annual Coinsurance limit. The deductible is equal to the Out-of-Pocket Limit. The plan will pay 100% once this amount has been reached.*

**What is the Brand Generic Program?** Currently, brand-name medications that are available in the generic form are covered with a brand copayment. Choosing to fill a brand-name medication that is available in an equivalent generic form will require a tiered copayment PLUS the difference in the cost between the generic and equivalent brand-name medication. (**Note:** brand name medications with equivalent generics available will be non-covered on the Classic and Basic plans and will not apply to the annual Out-of-Pocket Limits on the Premium and Primary plans.)

**How is a prescription filled at an Out-of-Network pharmacy?** If a prescription is filled at an Out-of-Network pharmacy, the member will be responsible for 100% of the cost of the medication when the medication is dispensed. The plan does not allow coverage for Out-of-Network pharmacies.

**How are prescription medications assigned to a Tier?** As new medications receive FDA approval and are released to the open market, they are excluded from coverage until the Pharmacy Benefits Manager (PBM) and the Prescription Benefit Consultant (University of Arkansas for Medical Sciences, College of Pharmacy) reviews them. Their recommendations

are then taken to each of the Plans' governing bodies where determinations are made in the best interest of the Plan as a whole.

**How do I find out which medications are in which Tier?** The prescription medication formulary is provided at <https://www.sas.arkansas.gov/employee-benefits/>.

If your medication is not listed on the formulary, you can obtain coverage information by calling the Navitus Customer Care team at 844-384-2438. Alternatively, you may log in to the ARBenefits member portal <https://www.sas.arkansas.gov/employee-benefits/>, click on "Member Links", under "Internal Links" section, and then click on "Pharmacy". The Navitus member portal will open.

**What are my options for purchasing medication under the Plan?** The Prescription Medication Program offers two convenient and cost-effective ways to purchase prescription medications. The combined medical/prescription medication card may be used to obtain prescription medications at a discounted cost from a participating retail pharmacy. The Mail Order Prescription Medication Program does not offer additional cost savings on medications; however, does provide a member with the convenience of receiving up to a 3-month supply of medications at their doorstep, paying one (1) co-pay for each month's supply. The Mail Order Program is limited to medications that are required on a long term or maintenance basis.

- Contact the Navitus Customer Care team at 844-384-2438 for information regarding prescriptions that can be filled through the Mail Order Program, or
- Contact the mail order pharmacy, Costco directly at 800-607-6861.
  - They are available Monday – Friday from 8:00 a.m. to 10:00 p.m. and Saturday from 12:30 p.m. to 5 p.m. (Eastern Time).
- You do not need to be a Costco member to use the mail order pharmacy.

**How do I use the Retail Prescription Medication Card Program?** Medications that are prescribed for short-term use should be filled from a network pharmacy using the combined medical and pharmacy identification card. The network includes most pharmacies in Arkansas and pharmacies nationwide. Most chain stores participate in this network, as well as many independent pharmacies across the nation. Confirmation of participating pharmacies may be obtained by calling the Navitus Customer Care Team at 844-384-2438.

Most retail prescriptions are limited to a 31-day supply. Prescriptions are dispensed according to the instructions of the prescribing Physician. If the medical condition is such that the prescription medication is to be taken over a prolonged period of time, (months or even years), a Covered Person may be able to receive up to a 93-day supply. Contact the Navitus Customer Care Team at 844-384-2438 to verify if your medication will be covered for a 93-day supply at a retail pharmacy or the mail order prescription medication program. (Examples of medications not covered for more than a 31-day supply include antidepressants, proton pump inhibitors, stimulants including those for ADHD, sleep aides, and non-steroidal anti-inflammatory agents.)

**How do I use the Pharmacy Mail Order Program?** The mail order prescription program is designed to assist individuals who take the same medication for a long period of time for chronic conditions. You may ask your Physician for a prescription for up to a 93-day supply, if appropriate. The mail order program allows up to a 93-day supply of certain medications to be obtained at one time for one copayment for each month's supply.

The mail order option may be used by calling the mail order pharmacy, Costco, at 800-607-6861.

Each mail order prescription is limited to a maximum quantity limit of a 93-day supply. Pharmacies are required by law to dispense the prescription in the exact quantity specified by the Physician. Therefore, if the quantity prescribed is for less than 93 days per refill, the mail order pharmacy will fill the exact quantity written by the Physician. Please be aware that not all medications are available through the mail order program.

- Contact either the Navitus Customer Care team at 844-384-2438, or
- Costco Pharmacy directly at 800-607-6861 to verify that your prescription is covered through mail order.
- You do not need to be a Costco member to use the mail order pharmacy.

**Why does the Plan encourage generic medications?** A generic medication is identical in chemical composition to its brand name counterpart, has been approved by the Food and Medication Administration (FDA) to be therapeutically equivalent, and is as effective as the brand name product. The use of generics performs a vital role in controlling the cost of prescription medications for both the participant and the Plan.

**Who do I contact for medication information?** If a Physician or pharmacist is unable to answer medication information questions, contact the Arkansas Medication Information Center, a service provided by the UAMS College of Pharmacy at 1-888-228-1233.

**What about prescriptions for weight loss or smoking cessation?** The ARBenefits plan offers coverage for some tobacco cessation products at no cost with a prescription from your physician. The plan will allow coverage for two (2) quit-smoking attempts per plan year. Smoking cessation medications and products are listed under the “Smoking Deterrents” section on the Arkansas Medication List (formulary).

- The medication list can be found on the Plan website, <https://www.sas.arkansas.gov/employee-benefits/>.
- Alternatively, you can contact the Navitus Customer Care team at 844-384-2438 for information regarding smoking cessation products.

Weight loss medications are not a covered benefit.

**Does the Plan have any special programs, limitations, or restrictions?** The Pharmacy Benefits Manager for the Plan has several cost saving initiatives in place designed to assist our prescription medication program in delivering the best possible healthcare at the most reasonable cost. The programs described below are Prior Authorization, Quantity Limits, Daily Dose Edits, and Step Therapy Medications listed on the Arkansas Medication List (formulary) are marked with the abbreviations PA, QL, or ST when applicable.

**Prior Authorization (PA).** The Prior Authorization program helps to ensure the appropriate usage of certain medications by applying FDA approved indications and the manufacturer’s guidelines to the utilization of certain medications, such as those that may have a high potential for serious side effects, high costs, or high abuse potential.

**The following steps should be taken to obtain a Prior Authorization:**

- Your Physician may contact the Navitus Customer Care team at 844-384-2438 to discuss prescription medications that require prior authorization.
- Once the prior authorization clinical guidelines are met, your prior authorization will be approved and entered into the claims adjudication system.
- If the clinical guidelines are not met, your Physician will be notified, and a denial will be entered into the claims adjudication system.
- If the prior authorization is denied, you can still obtain your medication; however, you will be financially responsible for the full cost of the prescription.

**Quantity Limits (QL).** The QL program is intended to clarify the usual quantity that constitutes a 31-day supply for particular medications. The quantities allowed per each fill are based upon the dosing recommendations made by the manufacturer. To get access to this list of medications, you can call the Navitus Customer Care team at 844-384-2438. In addition, these items are indicated on the Arkansas Medication List (formulary) with a (QL).

***Note:** Some medications, such as opioids for pain control, may have limits in place that allow for smaller quantities to be filled for a shorter time period than 31 days.*

**Step Therapy (ST).** Step therapy is a program designed for people who take prescription medications used to treat certain ongoing medical conditions. The step therapy program is designed with safety, cost, and most importantly, health in mind. It allows a Covered Person and their Covered Dependents to receive the affordable treatment they need and helps the Plan contain the rising cost of prescription medication coverage.

Prescription medications that are placed under the step therapy program generally require a Covered Person to have failed therapy with one or more covered medications before coverage for another medication will be approved, unless their Physician has a compelling reason they should not first try one of the other covered products.

To find out which medications are included in the Step Therapy program, contact the Navitus Customer Care team at 844-384-2438. These products are also indicated on the Arkansas Medication List (formulary) with (ST).

**Timely Filing.** In the event that a medication is not processed through the prescription medication program at the time of service, the member has 180 days from the date the prescription is filled to submit for member reimbursement. Please note that paper claims submitted by a member are subject to the same coverage criteria as any other prescriptions. Paper claims are processed at the same discounted pharmacy rate that would apply had the pharmacy processed the claim. Member reimbursement will be applied after the plan discount and member copayment are determined. This may result in a member reimbursement less than what is expected. Submission of materials does not guarantee payment.

The *Prescription Medication Claim Form* for reimbursement is located on the website <https://www.navitus.com> or you can contact the Navitus Customer Care team at 844-384-2438.