

# *Plan Overview*

## Individual High Deductible (MSA Compatible) Health Plans

*Both plans feature a \$5,000,000 per member lifetime maximum in benefits.*

This matrix is intended to help you compare UNICARE in-network and out-of-network plan benefits and reflects your share of costs for covered expenses after you have met any applicable deductibles. When you use UNICARE in-network (participating) providers, your costs are based on a specially negotiated rate for UNICARE that may often save you money. When you use out-of-network (nonparticipating) providers, your costs are based on charges considered to be reasonable for that service and area. Reasonable charges may be less than your provider's billed charges and often result in higher costs to you.

*This is only a brief description of high deductible plans available. For a more detailed description of coverage, benefits, limitations and exclusions, preservice and utilization review, authorization process, additional deductibles, and penalties that may apply, please refer to the applicable plan. Only the actual plan provisions govern how benefits are determined.*



**Individual and Family  
Plans**

# Texas

Benefits effective 2/1/03

## Your Deductible Options

By law, the deductible for the health plan you choose directly affects the amount you may deposit into your MSA each year. UNICARE offers you the choice of a Single Party Plan (for you as an Individual) or a Family Plan for your family. You may choose a \$2,500 deductible for yourself or a \$4,950 deductible for yourself and your family. Individuals may deposit up to 65% of their deductible into their MSA each year, as shown in the table below.

Your Plan	Deductible	Annual Amount You May Deposit in Your MSA
Single Party	\$2,500.00 x 65% =	\$1,625.00
Family	\$4,950.00 x 75% =	\$3,712.50

In addition, your maximum allowable annual deposit must be reduced proportionately if you were not covered under the High Deductible (MSA Compatible) Plan for the entire year. For example, if your plan goes into effect July 1, you may only contribute 50% of the respective maximum amount in that calendar year.

### What Is the Advantage of Having the MSA?

Your UNICARE High Deductible (MSA Compatible) Plan pays benefits for certain covered medical services once your deductible is satisfied.

The funds you deposit into your MSA can be used to pay for these covered expenses.

There may be some other medical expenses not covered by this High Deductible Plan, such as cosmetic surgery or dental services, that you may be able pay for without penalty by using the funds deposited into your MSA. Please refer to section 213(d) of the IRS Code.

### Eligibility

To enroll in a UNICARE High Deductible Plan, you must be eligible to open a qualified MSA.

UNICARE's determination of eligibility for coverage is not a determination that you are qualified to establish and/or maintain a Medical Savings Account. You should consult with your tax or legal advisor to determine if you are eligible under the law to establish and/or maintain an MSA.

### Apply for Your UNICARE

#### High Deductible Plan Now

You must first enroll in a high deductible health plan before you can establish a Medical Savings Account. Because you must have a high deductible health insurance plan to open an MSA, *be sure you are accepted into the UNICARE Individual High Deductible (MSA Compatible) Health Plan BEFORE you open your MSA.* You must continue your enrollment in your high deductible plan in order to continue making contributions into your MSA.

**UNICARE high deductible plans are not MSAs. The MSA, which must be established for tax-advantaged treatment, is a separate arrangement between the individual and a bank or other qualified institution. You must be an "eligible" individual under IRS regulations to receive the MSA tax benefits. The IRS has not yet issued MSA or high deductible health plan regulations or determined that UNICARE high-deductible plans are qualifying high deductible health plans. Consultation with a tax advisor is recommended.**

## UNICARE HIGH DEDUCTIBLE SINGLE PARTY AND FAMILY PLANS

These catastrophic medical plans provide quality coverage for eligible medical expenses both in and out of the hospital.

### Benefit Summary

	Single Party Plan	Family Plan
Lifetime maximum benefit	\$5,000,000	\$5,000,000
Calendar year deductible	\$2,500	\$4,950 (per family)
Out-of-pocket maximum (includes calendar year deductible and out-of-network coinsurance)	\$3,300	\$6,050 (per family)

*This is only a brief description of the plans. For more complete details, including benefits, conditions, limitations and exclusions, please refer to the applicable plan.*

### UNICARE Protects You From Catastrophic Expenses

*For covered expenses when using UNICARE participating doctors and hospitals*

#### You Pay

The amount of your calendar year deductible.

#### UNICARE Pays

100% of eligible charges after the deductible is satisfied.

*For covered expenses when you use nonparticipating doctors and hospitals*

#### You Pay

The amount of your calendar year deductible. Thereafter, you pay 25% coinsurance to a maximum additional out-of-pocket of \$800 for the Single Party Plan and \$1,100 for the Family Plan, plus any amounts over covered expenses.

#### UNICARE Pays

75% of eligible charges until your out-of-pocket maximum is reached, then 100% of covered expenses thereafter in a calendar year.

### It Pays to Choose a UNICARE Participating Physician or Hospital

#### Example Only – Participating Providers

If billed charges for covered expenses are .....	\$1,000
and UNICARE's negotiated rate is .....	\$650
you get a discount of .....	\$350
If your deductible is met, UNICARE will pay 100% of this rate for total payment of .....	\$650
<b>Therefore you pay .....</b>	<b>\$.00</b>

*You will usually pay a significantly greater share of costs (out-of-pocket expenses) when you use a nonparticipating provider.*

### Your Share of Costs

The benefits outlined in the table on pages 4 and 5 show your share of payment for covered expenses after you have satisfied your deductible and prior to the coinsurance limit being reached. When you use UNICARE in-network (participating) providers, your costs are based on a specially negotiated rate for UNICARE that may often save you money. Remember that covered expenses may be significantly less than the actual billed charges when you use out-of-network providers. (Out-of-network covered expenses will be paid at the reasonable charge as determined by UNICARE.)

## UNICARE Individual MSA High Deductible Plan – Summary of Benefits

Your Share of Costs for Covered Expense		
Your Plan Features	After payment of your annual deductible, when you use UNICARE providers, you pay:	After payment of your annual deductible, when you use non-UNICARE providers, we determine reasonable charges and of that you pay:
<b>Professional services</b> Office visits, surgery, anesthesia, radiation therapy, in-hospital doctor visits, diagnostic x-ray and lab	0	25% <sup>1</sup>
<b>Preventive Care</b> For Babies/Children (through age 6): Exam, lab Immunization For Adults: Routine Pap smears, annual mammograms, PSA for men, and the related exam	0 0 (annual deductible waived) 0	25% <sup>1</sup> 0 (annual deductible waived) 25% <sup>1</sup>
<b>Outpatient Medical Care</b> <sup>5</sup>	0	25% <sup>1</sup>
<b>Physical/Occupational Therapy/Medicine</b>	Charges over \$25 per visit, up to 12 visits per year.	
<b>Acupuncture/Acupressure</b>	Charges over \$25 per visit, up to 12 visits per year.	
<b>Mental, Emotional or Functional Nervous Disorders</b> (Excluding drug and alcohol abuse)		
Inpatient hospital charges <sup>3</sup>	Charges over \$100 per day. (UNICARE pays up to \$3,000 per year.)	
In- or outpatient professional charges	Charges over \$25 per visit, up to 20 visits per year.	
<b>Smoking Cessation</b>	Charges over \$50 for pharmaceuticals per lifetime, per insured, and over \$50 for other covered services per lifetime, per insured, for any smoking cessation program.	
<b>Infusion Therapy</b> <sup>4</sup> (Administration of drugs and other substances through methods other than oral, such as chemotherapy through a vein.)	0	25% <sup>1</sup>
<b>Durable Medical Equipment</b>	0	25% <sup>1</sup>
<b>Inpatient Hospital Services</b> <sup>3</sup>	0	25% <sup>1</sup> and an additional \$500 deductible per continuing hospital confinement for non-emergency stays.
Surgery, x-rays, in-hospital doctor visits, organ/tissue transplant <sup>6</sup>	0	25% <sup>1</sup>
Inpatient medical emergency <sup>3</sup>	0	Nothing until no longer a medical emergency. Then 25% <sup>1</sup> and a \$500 deductible per continuing hospital confinement.
<b>Ambulatory Surgical Center</b> <sup>2</sup>	0	25% <sup>1</sup>
<b>Ambulance Service</b>	Charges over UNICARE's maximum covered expense of \$750 per trip (air or ground).	25% <sup>1</sup> and charges over UNICARE's maximum covered expense of \$750 per trip (air or ground).
<b>AIDS/ARC Treatment</b> (Limit of \$10,000 per year, \$50,000 lifetime maximum)	0	25% <sup>1</sup>
<b>Home Health Care</b> <sup>6</sup> (Limit of 60 visits per year.)	0	25% <sup>1</sup>
<b>Skilled Nursing Facilities</b> <sup>6</sup> (Limit of 100 days per year.)	Charges over UNICARE's maximum covered expenses of \$400 per day	25% <sup>1</sup> and charges over UNICARE's maximum covered expenses of \$400 per day
<b>Hospice</b> <sup>6</sup> (\$10,000 lifetime maximum)	0	25% <sup>1</sup>

Please refer to the section headed "Utilization Review/Authorization/Penalties" on the next page for an explanation of the footnotes.

## Your Share of Costs for Covered Expense

Your Plan Features	Participating pharmacy, based on UNICARE negotiated rate, you pay:	Non-participating pharmacy, based on the average wholesale price of the drug, you pay:
<b>Pharmacy</b> Maximum 30-day supply		
Generic/Brand Name drugs	0	25% <sup>1</sup>

### Additional Waiting Periods

An insured must be covered by the plan for 6 months to be eligible for payment for removal or treatment of hernia (except strangulated or incarcerated), hemorrhoids, varicose veins, disorders of the reproductive organs, sterilization, or disorders of tonsils or adenoids.

An insured person must be covered by the plan for 30 days prior to the inception of pregnancy to be eligible for any benefits for Complications of Pregnancy.

### Pre-existing Conditions

For medical conditions that existed 12 months prior to effective date of your coverage, there will be no coverage for 12 months after the effective date of your coverage.

### Utilization Review/Authorization/Penalties

This program provides you with valuable information about the medical necessity of services, helping you avoid both unexpected out-of-pocket costs and unnecessary procedures. Utilization review may take place prior to admission to a hospital or ambulatory surgical center, during a hospital stay, or following a discharge from a hospital or ambulatory surgical center. An important aspect of this program is preservice review. The following medical procedures must be reviewed for medical necessity through a preservice review: All non-emergency inpatient hospital stays, and non-emergency outpatient surgeries at an ambulatory surgical center. You must initiate a preservice review at least 3 working days prior to admission. There are penalties without a preservice review as described below.

- 1 In addition to the percentage of reasonable charges you pay, you must also pay any amounts above reasonable charges.
- 2 All surgical services of an ambulatory surgical center require preservice review or you pay an **additional \$50 penalty**. Ambulatory surgical centers must be licensed and accredited and meet all requirements of state and local laws and agencies.
- 3 Inpatient medical care has an **additional \$250 penalty** without preservice review. This penalty is waived on emergency admissions; however, utilization review is still required.
- 4 Infusion Therapy must be authorized by UNICARE. Covered expense includes professional services, compounding fees, incidental supplies, medications, drugs, solutions, durable medical equipment and training related to Infusion Therapy. It will not exceed: Total Parenteral Nutrition (with or without lipids), \$250 per day; Antibiotics, Average Wholesale Price (AWP) + \$125 per day; Chemotherapy, AWP + \$150 per day, Pain Management \$125 per day; Aerosol Therapy, AWP + \$70 per day; Tocolytic Therapy, \$250 per day; Special Items, AWP; Intravenous Hydration, \$75 per day. Failure to obtain authorization will result in an **additional \$500 penalty**.
- 5 Emergency room visits that do not result in inpatient admissions will require an **additional \$30 deductible**.
- 6 In addition to preservice review, you will pay an **additional \$500 penalty** unless UNICARE authorizes benefits. This applies to: Organ/Tissue Transplants, Infusion Therapy, Home Health Services, Skilled Nursing Facilities, and Hospice.

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**READ YOUR PLAN CAREFULLY. This summary of benefits provides a very brief description of the important features of your plan. This is not the insurance contract and only the actual plan provisions will apply. The plan itself sets forth, in detail, the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR PLAN CAREFULLY!**

## **Excluded Services**

### **Exclusions and Limitations**

The primary limitations and exclusions for the plans described in this brochure are listed below. Please take a few moments to review this information. These listings are an overview only. A more detailed list of each plan's limitations and exclusions can be found in the applicable plan.

The plan does not provide benefits for:

- Services for any condition for which benefits are excluded by a waiver.
- Any amounts in excess of maximum amounts of covered expenses.
- Services not specifically listed in the plan as covered services.
- Services or supplies that are not medically necessary.
- Services or supplies that are experimental or investigative.
- Services received before the Effective Date of coverage or during an inpatient stay that began before that Effective Date.
- Services received after coverage ends.
- Services for which you have no legal obligation to pay or for which no charge would be made if you did not have health plan or insurance coverage.
- Any condition for which benefits are recovered or can be recovered, either by adjudication, settlement or otherwise, under any workers' compensation, employer's liability law or occupational disease law, even if you do not claim those benefits.
- Services received for any intentionally self-inflicted injury or illness.
- Services received for any condition caused by or contributed by (a) an act of war; (b) the inadvertent release of nuclear energy when government funds are available for treatment; (c) an insured person participating in the military service of any country; (d) an insured person participating in an insurrection, rebellion, or riot; (e) an insured person's commission of, or attempt to commit a felony; (f) an insured person, age 19 or older, being under the influence of illegal narcotics or non-prescribed controlled substances.
- Any services provided by a local, state or federal government agency except (a) when payment under the plan is expressly required by federal or state law; or (b) services provided for the treatment of mental or nervous disorders by a tax supported institution of the state of Texas.
- Any services to the extent that you are entitled to receive Medicare benefits for those services, whether or not Medicare benefits are actually paid. Any services for which payment may be obtained from any local, state or federal government agency (except Medicaid). Veterans Administration hospitals and military treatment facilities will be considered for payment according to current legislation.
- Professional services received or supplies purchased from an insured person, a person who lives in the insured person's home or who is related to the insured person by blood, marriage, or adoption, or the patient's employer.
- Services of a private duty nurse.
- Inpatient room and board charges in connection with a hospital stay primarily for environmental change, physical therapy, or treatment of chronic pain; custodial care or rest cures. Services provided by a rest home, a home for the aged, a nursing home, or any similar facility service.
- Inpatient room and board charges in connection with a hospital stay primarily for diagnostic tests which could have been performed safely on an outpatient basis.
- Treatment of mental, emotional, or functional nervous disorders (including a smoking cessation program) or psychological testing except as specifically stated in the plan.
- Treatment of drug, alcohol, or other substance addiction or abuse.
- Dental services.
- Orthodontic services.
- Dental implants or any associated procedures.
- Hearing aids.
- Routine hearing tests except as provided under well baby and well child care.
- Optometric services, eye exercises including orthoptics, eyeglasses, contact lenses, routine eye exams, and routine eye refractions.
- An eye surgery solely for the purpose of correcting refractive defects of the eye.
- Outpatient speech therapy.
- Any drugs, medications, or other substances dispensed or administered in any outpatient setting except as specifically stated in the plan. This includes, but is not limited to, items dispensed by a physician.
- Cosmetic surgery or other services for beautification. This exclusion does not apply to medically necessary reconstructive surgery to restore a bodily function, to correct a deformity caused by injury or congenital defect of a newborn child, or by breast reconstruction performed to restore or achieve breast symmetry incident to a mastectomy.
- Procedures or treatments to change characteristics of the body to those of the opposite sex. This includes any medical, surgical or psychiatric treatment or study related to sex change.
- Treatment of sexual dysfunction or inadequacy.
- All services related to the evaluation or treatment of fertility and/or infertility, including, but not limited to, all tests, consultations, examinations, medications, invasive, medical, laboratory or surgical procedures including sterilization reversals.
- All non-prescription contraceptive drugs and supplies and non-FDA approved prescription contraceptive drugs, devices, and supplies. Prescription contraceptive drugs or devices are covered under the prescription drug benefit of the plan.
- Charges for pregnancy and maternity care including but not limited to normal delivery, elective Cesarean sections, and elective abortions, except as specifically stated in the plan under *Complications of Pregnancy*.
- Cryopreservation of sperm or eggs.
- Orthopedic shoes (except when joined to braces) or shoe inserts, including orthotics.
- Services primarily for weight reduction or treatment of obesity including morbid obesity or any care which involves weight reduction as a main method for treatment.

- Routine physical exams or tests that do not directly treat an actual illness, injury, or condition, including those required by employment or government authority.
- Charges by a provider for telephone consultations. (Note: a Telemedicine Medical Service or Telehealth Service will not be excluded solely because the service is not provided through a face-to-face consultation.)
- Items which are furnished primarily for your personal comfort or convenience.
- Educational services except for a Diabetes Self-Management Training program and as specifically provided or arranged by UNICARE.
- Nutritional counseling or food supplements.
- Durable medical equipment not specifically listed in the plan.
- Any services received on or within twelve months after the effective date of coverage if they are related to a pre-existing condition.
- All Infusion Therapy together with any associated supplies, drugs or professional services except as specifically stated in the plan.
- All incidental supplies used by a provider in the administration of infusion therapy except where specifically stated in the plan.
- Self-administered injectable drugs, except as specifically stated in the prescription drug benefits section of the plan.
- Foreign country provider charges except as specifically stated in the plan.
- Growth hormone treatment.
- Routine foot care.
- Charges for which we are unable to determine our liability because you or an insured person failed within 60 days or as soon as reasonably possible to (a) authorize us to receive all the medical records and information we requested or, (b) provide us with information we requested regarding the circumstances of the claim or other insurance coverage.
- Charges for the services of a standby physician.
- Charges for animal to human organ transplants.
- Drugs and medications not requiring a prescription, except insulin.
- Non-medical substances or items, with the exception that pharmaceuticals to aid smoking cessation are covered up to a lifetime maximum payment of \$50 per insured person.
- Dietary supplements, cosmetics, and health or beauty aids.
- Any expense incurred in excess of the UNICARE negotiated rate.
- Any drug labeled "Caution, limited by federal law to investigational use" or non-FDA approved investigational drugs. Any drug or medication prescribed for experimental indications (such as progesterone suppositories).
- Syringes and/or needles, except those dispensed for use with insulin or other prescribed injectable medications.
- Professional charges in connection with administering, injecting, or dispensing of drugs.
- Drugs and medications dispensed or administered in an outpatient setting, including but not limited to, outpatient hospital facilities and doctors' offices.
- Drugs used for cosmetic purposes.
- Drugs used for the primary purpose of treating infertility.
- Anorexiant.
- Drugs obtained outside the United States.
- Drugs for treatment of a condition, illness, or injury for which benefits are excluded or limited by a waiver, pre-existing condition, or other contract limitation.



UNICARE Life & Health Insurance Company  
Sales Office  
Houston, Texas

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An application is required to be completed to apply for coverage and is  
subject to approval by UNICARE.