Physicians Plus

2010 POLICY BENEFIT CHANGES

The following is a **SUMMARY** of policy changes for all Group and Individual policies (except Individual Medicare Supplement policies) that renew on or after **October 1, 2010**. All services must be medically necessary and provided by a participating provider unless your policy indicates coverage with non-participating providers.

This POLICY CHANGE information is provided to the policy holder (group) and is available to members upon request.

EMPLOYERS: It is the policy holder's responsibility to communicate policy changes to employee. Please make copies and post this material for all employees who have Physicians Plus insurance coverage to access.

Please review your Medical Certificate and Schedule/Summary of Benefits for complete coverage details.

If you have any questions, please contact your Group Service representative or e-mail Member Services at ppicinfo@pplusic.com or call (608) 282-8900 or (800) 545-5015.

Materials are also available at www.pplusic.com

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1. **Behavioral Health (BH) and Alcohol and other Drug Abuse (AODA) Services: NEW:**
   In accordance with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, the prior limits for Behavioral Health and AODA services will be removed. Services for BH and AODA diagnoses will be treated the same as medical diagnoses. All cost-sharing will apply to the specific service received. If you have a deductible, coinsurance and/or copay for inpatient, outpatient or office visits services, that same cost share will apply to the appropriate service received. If you have a standard tiered copay plan, the primary care level will apply for office visits. Prior authorization is required for all services on all plan types (HMO, POS/PPO).

   Physicians Plus will not cover: Non-traditional therapy including but not limited to: animal therapy, dance therapy, art therapy, video therapy; hypnotherapy; marriage counseling; family counseling; residential care (except as described under transitional Treatment Services); halfway houses (except as described under Transitional Treatment Services); biofeedback; Long-Term or Maintenance Care/Therapy; gambling addiction; nicotine dependency (diagnosis code 305.1); caffeine intoxication (diagnosis code 305.90); learning disabilities (diagnosis codes 315.00 - 315.80); mental retardation (diagnosis codes 317.00-319.00); all Behavioral Health diagnosis V-Codes such as marital problems and academic problems.

1. **Autism – NEW –** The Wisconsin State Budget mandates coverage for evidence based therapy for members with a verified diagnosis of Autism Spectrum Disorder. Coverage must be provided for member up to $50,000 for intensive level services per insured per year if services begin between the ages of 2-9 with at least 20 hours of care per week for up to 4 cumulative years; and $25,000 for non-intensive services per member per year. These monetary amounts will be adjusted annually beginning in 2011. Coverage will be subject to Deductibles, Coinsurance and Copayments that generally apply to other conditions and services covered by the plan. Coverage may not be subject to limitations on the number of treatments.

   LARGE EMPLOYERS (51 or more employees) fall under the BH/AODA benefit and are not subject to a benefit limit.

   SMALL EMPLOYERS (2-50 employees) have a limited Autism benefit of $25,000 per member per year for non-intensive services and $50,000 per member per year for intensive services.

2. **Dependent Eligibility: NEW –** All GROUPS must meet this minimum requirement. The State of Wisconsin Budget Bill requires insurers to provide coverage of unmarried adult child through age 26 (date of birth) if they are not eligible for coverage under a group plan offered by the child's employer where the child's premium contribution would be less than the premium amount for his or her coverage as a adult child. Additionally, the Budget includes

provisions to allow coverage for a adult child, regardless of age, who is returning to school after being called to active duty in the National Guard or Reserves while a full-time student. The Maximum Dependent (Adult Child) Age means 26 years old. Special enrollments may apply and must be applied for in a timely manner- 31 days from renewal.

Effective October 1, 2010 Federal dependent (adult child) eligibility rules apply except when State of Wisconsin adult child eligibility rules are more favorable to the adult child. Federal rules include coverage for adult children under the age of 26, whether married or unmarried. The adult child does not have to be supported by the employee or be a full time student. Federal rules do not extend the coverage to the adult child's spouse or the adult child's children.

Under the current Wisconsin law, a adult child, who otherwise meets the age requirements, will not be eligible under his/her parent's plan if the adult child is married or if the adult child is eligible for coverage through his/her own employer for which his/her premium contribution is LESS than the premium for his/her coverage as a adult child under his/her parent's coverage.

The more favorable treatment of a adult child under the federal and state laws will apply. An unmarried or a married adult child, *who is under age 26*, will be eligible under federal law for coverage under the parent's plan, regardless of the cost of any coverage that the adult child may be eligible for through his/her employment. A adult child, *who is 26 years of age*, will be eligible under Wisconsin law for coverage as a adult child under his/her parent's plan only if he/she is unmarried and is not eligible for coverage through his/her employment for which his/her premium contribution would be less than the premium amount for his/her coverage as a adult child.

Effective April 1, 2010 the IRS has amended their definition of an adult child (see IRS regulations and definitions) to include a dependent (married or unmarried) *up to age 26*. Effective on or after your October 1, 2010 renewal, the HCR bill also increases adult child coverage up to age 26 *including married adult children.*. This includes married adult children but not THEIR spouse or dependents.

This may cause a special enrollment event for adult children; this should be done at renewal.

3. **Lifetime Maximums:** Effective on or after your October 1, 2010 renewal policy lifetime limits will be removed.

4. **Annual Limits:** Please refer to your Medical Certificate of Coverage and Schedule/Summary of Benefits for any annual benefit limits that may apply to coverage. Effective on or after your October 1, 2010 renewal coverage for transplants has increased from $500,000 to $750,000. Limits include medical and pharmacy services combined.

5. **Preexisting Condition Limitations:** Effective on or after October 1, 2010 renewal preexisting condition exclusions and limitations will not apply to children under age 19 for new individual plans and all group plans (this is new for POS and PPO plans; our HMO plans currently have no preexisting condition limitation).

6. **Preventive Services and Benefits:** Effective on or after your October 1, 2010 renewal preventive services and benefits meeting the requirements under federal reform and state mandates are covered under core benefits for all plans. Cost sharing, frequency, procedure and age limits may apply to some services. Please find specific information in your Medical Certificate of Coverage and Schedule/Summary of Benefits.

7. **Hearing Aids and Cochlear Implants: NEW:** Your policy will cover one standard hearing aid per ear for member's ages 0–18 when medically necessary, replaceable every 36 months. Your plan also includes coverage for cochlear implants for members ages 0–18 when medically necessary (this is not new or a change for most policies). Cost sharing (coinsurance and deductibles) will be applied for hearing aids and cochlear implants; on most plans this will be 20% coinsurance. Cochlear implants require prior authorization.

8. **Birth Control: NEW:** The Budget requires health plans covering outpatient health care services to provide coverage for drugs (NOTE: Not all policies provide prescription drug coverage. Please refer to your employer if you have questions about RX coverage) or devices approved by the Federal Food and Drug Administration that are prescribed by a health care provider to prevent pregnancy. Any outpatient consultations, examinations, procedures, and medical services that are necessary to prescribe, administer, maintain, or remove the contraceptives must also be covered. The coverage may be subject to the exclusions, limitations, and cost-sharing provisions that generally

apply to the coverage of outpatient health care services, preventative treatments, and prescription drugs and devices provided under the policy.

9. **Physical, Speech and Occupational (PT, ST, OT) Therapies: NEW:** An order from your physician is required for all therapy services (this does not mean a referral approved by Physicians Plus).

   A copayment will apply to services beginning with the 6th visit (all three therapies are combined to determine the number of visits) per member per calendar year. For members with a tiered copay plan a Tier 1 (one) copay will apply. As with other copayments, this is a cost sharing mechanism and is not a penalty for the use of services. Copays do not apply to Maximum Out of Pocket amounts (MOOP). *REMINDER: Therapy coverage is limited to the treatment of an acute illness or injury.*

10. **Independent Review:** The state budget bill eliminates the $25 fee paid by a member for requesting an independent review.

11. **Sleep Studies: NEW:** A copayment may apply when a medically necessary sleep study is provided in a facility setting. Please refer to the "OTHER OUTPATIENT SERVICES" section in your Schedule/Summary of Benefits for more information.

12. **Air Ambulance: NEW:** $500 copay will apply on most policies for medically necessary Air Ambulance services. As with other copayments, this is a cost-sharing mechanism and not a penalty for the use of services. Prior authorization is required for all non-emergent transports.

13. **Surrogate Mother Services: CLARIFICATION:** Physicians Plus does not cover surrogate mother charges under infertility. This clarification has been added to the infertility section of the Medical Certificate.

14. **Cosmetic Surgery/Services: CLARIFICATION:** Your policy with Physicians Plus does not cover Cosmetic Surgery and/or Services. This includes, but is not limited to, the removal of skin tags, chemical peels, dermabrasion, laser treatments (for acne, rosacea etc).

15. **Dental Services provided in a Hospital – Medical Benefit: CLARIFICATION:** Physicians Plus will cover *facility and ambulatory surgery center charges and anesthesia* for dental care provided in a Participating Hospital/Facility and/or Ambulatory Surgery Center if the Member meets one of the following conditions: is a child under the age of 5 years; has a Chronic Disability; or has a medical condition that requires hospitalization and/or general anesthesia for dental care. All services must be prior authorized.

16. **Dental Benefit: CHANGE/CLARIFICATION:** NOTE: Not all policies provide dental coverage. Please refer to your employer if you have questions.
    a. Orthodontic Services: Physicians Plus will cover orthodontia services at 50% up to $1500 per member per lifetime;
    b. Other Dental Services will be covered (first dollar) up to $75.00.

17. **Full-Time Student: UPDATED Definition:** This applies to provisions of the policy that require full time student status (i.e. the military service exception in the new dependent eligibility requirement). A full-time student is defined as someone who is enrolled in and attending classes full-time (according to the school's definition or criteria for full time) at a school maintaining a regular faculty and an established curriculum, and having an organized body of students in attendance. It includes colleges, universities, technical and Mechanical schools, and similar institutions as determined by Physicians Plus. Full-time student does not include a student taking only/all classes online.