IN THE IOWA DISTRICT COURT FOR POLK COUNTY

JESSE VROEGH, Plaintiff, v. IOWA DEPARTMENT OF CORRECTIONS, IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES, WELLMARK, INC., d/b/a WELLMARK BLUE CROSS AND BLUE SHIELD OF IOWA, and PATTI WACHTENDORF, Individually and in her Official Capacities, Defendants.	Case No. LACL138797 **MEMORANDUM OF LAW IN SUPPORT OF WELLMARK, INC., d/b/a WELLMARK BLUE CROSS AND BLUE SHIELD OF IOWA'S MOTION TO DISMISS** **ORAL ARGUMENT REQUESTED**

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INTRODUCTION

Plaintiff Jesse Vroegh ("Vroegh" or "Plaintiff") has taken a shotgun approach in this purported employment discrimination action, naming a number of parties as Defendants. In doing so, Plaintiff has incorrectly included Defendant Wellmark, Inc. doing business as Wellmark Blue Cross and Blue Shield of Iowa ("Wellmark") in this action. Wellmark is nothing more than a third-party administrator for the State's employer-sponsored, self-funded health benefit plan. Plaintiff's allegations against Wellmark in Count V of the Amended Petition are vague and conclusory and without any substance. What is missing from the Amended Petition speaks volumes about Plaintiff's meritless claim against Wellmark:

- Plaintiff does not allege, nor can he, that Wellmark is Plaintiff's employer.
- Plaintiff does not allege, nor can he, that Wellmark designed the group health plan at issue.
- Plaintiff does not allege, nor can he, that Wellmark had any role in negotiating the health plan terms between the State and the union during the collective bargaining process.

Wellmark's role as a third-party administrator for the employer-sponsored, self-funded plan has no connection with Plaintiff's employment discrimination claims, which are at the very heart of this action.

In an attempt to circumvent Wellmark's tenuous connection to these parties and the health plan's design, Plaintiff alleges "discrimination in provision and administration of benefits" under the Iowa Civil Rights Act, Iowa Code Chapter 216, against Defendant Wellmark. *See* Am. Pet. p. 11. In support of his claim, Vroegh alleges that Wellmark is "an agent of [his] employer, the State of Iowa." Am. Pet. ¶ 72. Vroegh does not allege that Wellmark was actually his employer when he worked as a Registered Nurse at the Correctional Institute for Women ("ICIW"); rather, he alleges that Wellmark, as the third party administrator of his employer-

sponsored medical benefit plan (the "Plan"), discriminated against Vroegh when it applied allegedly facially discriminatory coverage terms to Vroegh. *See* Am. Pet. ¶¶ 66-72. Plaintiff's allegation ignores the fact that Wellmark, as the third-party administrator, was contractually obligated to comply with the health plan terms, as designed by the State.

As set forth in the Amended Petition, the Plan is an employer-sponsored, self-insured health benefit plan. *See* Am. Pet. ¶¶ 43, 54. This means that the employer "endures the financial risk associated with being responsible for paying health care charges incurred by its employees," and the employer has contracted with Wellmark—a third party administrator—"to perform certain administrative functions for the employer and each plan." *See America's Health Ins. Plans v. Hudgens*, 742 F.3d 1319, 1324 (11th Cir. 2014); *see* Ex. A, p. 2.

Vroegh alleges that he requested "coverage for a medically necessary surgical procedure" that was denied pursuant to the Plan provided by his employer, ICIW, and administered by Wellmark. Am. Pet. ¶ 71. Vroegh alleges the Plan does "not provide coverage for transgender employees," and that the Plan "discriminate[s] against transgender members by excluding coverage for certain medical treatment and procedures based on the member's transgender status, gender identity, and sex." Am. Pet. ¶¶ 68, 69. The Plan that was effective in 2015, 2016, and 2017, is attached hereto as Exhibits A, B, and C, respectively. Because the Plan, on its face, is alleged by Vroegh to be discriminatory, the terms of the Plan are necessarily incorporated by reference in Vroegh's Amended Petition.[1] Counsel for Vroegh clarified the legal and factual bases for Vroegh's Amended Petition at the hearing on the State's motion to dismiss, confirming

[1] This Court can grant Wellmark's motion to dismiss based solely on the facts included in the Plaintiff's Amended Petition. Following the October 12, 2017, hearing on the State Defendants' motion to dismiss and the concession by counsel for Plaintiff that his discrimination claim regarding health insurance benefits is based solely on the plain language of the Plan terms, it is appropriate to provide a copy of the relevant Plan documents for the Court, as those terms are necessarily incorporated into Plaintiff's discrimination claim. Those documents are attached hereto as Exhibits A, B, and C.

that Vroegh's claim of discrimination is based on specific language in the Plan that excluded coverage for Vroegh's requested treatment. Counsel for Vroegh confirmed that he is not alleging that Wellmark made any discretionary decision to deny treatment.

The question before this Court is therefore quite narrow: Whether a third party administrator—like Wellmark—may be sued for discrimination by a plan participant in an employer-sponsored medical benefit plan under the Iowa Civil Rights Act, where the third party administrator is alleged to have administered the plan in accordance with its terms. Because such an action is unsupported by law, Vroegh's claim against Wellmark should be dismissed.

ARGUMENT

"The purpose of a motion to dismiss is to test the legal sufficiency of the petition." *Shumate v. Drake Univ.*, 846 N.W.2d 503, 507 (Iowa 2014) (internal quotation omitted). This Court must "accept as true the petition's well-pleaded factual allegations, but *not* its legal conclusions." *Id.* (emphasis added). "A court should grant a motion to dismiss if the petition fails to state a claim upon which any relief may be granted." *U.S. Bank v. Barbour*, 770 N.W.2d 350, 353 (Iowa 2009). Because Count V of Vroegh's Amended Petition fails to state a claim upon which relief can be granted, dismissal is proper. *See* Iowa R. of Civ. P. 1.421(1)(f).

I. COUNT V, TO THE EXTENT VROEGH IS ASSERTING AN EMPLOYMENT DISCRIMINATION CLAIM, SHOULD BE DISMISSED FOR FAILURE TO STATE A CLAIM.

Iowa Code section 216.6(1)(a) prohibits discrimination "in employment" on the basis of the employee's inclusion in a protected class – including gender identity. An "employee" under the Iowa Civil Rights Act ("ICRA") includes "any person employed by an employer," and an "employer" under the statute includes "the state of Iowa or any political subdivision, board, commission, department, institution, or school district thereof, and every other person employing

employees within the state." *Id.* at 216.2(6) and (7). The ICRA prevents discrimination in employment by employers, supervisory employees, and occasionally third parties that exercise control over the employer's decisions regarding the plaintiff employee. *See Grahek v. Voluntary Hosp. Co-op Ass'n of Iowa, Inc.*, 473 N.W.2d 31, 35 (Iowa 1991) (discussing limitations to the scope of ICRA liability); *see also Vivian v. Madison*, 601 N.W.2d 872, 878 (Iowa 1999) (addressing liability of supervisory employees); *see also Johnson v. BE & K Constr. Co., LLC*, 593 F. Supp. 2d 1044, 1049-50 (S.D. Iowa 2009) (analyzing liability for non-employer third parties following *Grahek* and *Vivian*).

Vroegh alleges in the Amended Petition that "[a]s an agent of [Vroegh's] employer, the State of Iowa, Wellmark is jointly and severally liable for illegal discrimination that has caused Vroegh damage." Am. Pet. ¶ 72. Vroegh does not allege that Wellmark is Vroegh's employer, or that Wellmark had any control over any of the employment decisions made by the other defendants. The only alleged adverse action articulated by Vroegh against Wellmark is his allegation that Wellmark denied coverage for treatment sought by Vroegh under the Plan. *See* Am. Pet. ¶¶ 66-72.

Wellmark entered into a contract for the administration of insurance benefits with Vroegh's employer, and Wellmark is required to provide benefits in accordance with those contract terms. *See* Ex. A, p. 2 ("This group health plan is sponsored and funded by your employer or group sponsor. . . . Wellmark provides administrative services and provider network access only and does not assume any financial risk or obligation for claim payment amounts."). In his Amended Petition, Vroegh alleges the Plan itself does "not provide coverage for transgender employees," and that the Plan "discriminate[s] against transgender members by excluding coverage for certain medical treatment and procedures based on the member's

transgender status, gender identity, and sex." Am. Pet. ¶¶ 68, 69. Vroegh then contends Wellmark should have proposed an alternative Plan to the State. Am. Pet. ¶ 70. Vroegh never alleges that Wellmark administered the Plan in a discriminatory fashion. In fact, Vroegh's attorney confirmed at the hearing on the State's Motion to Dismiss that Vroegh is only asserting that the terms of the Plan are facially discriminatory; he is not asserting any claim of discrimination with regard to the way in which Wellmark administered the Plan. Mot. to Dismiss Hrg. Tr. pp. 15-16, attached hereto as Exhibit D. Because Vroegh is asserting discrimination with regard to the Plan *design*, and not the *administration* of the Plan, this Court should dismiss Vroegh's claim against Wellmark and address Vroegh's concerns with his employer—the entity that was responsible for the Plan design. To the extent Vroegh asserts an employment discrimination claim against Wellmark, his claim should be dismissed for failure to state a legal claim for relief.

II. COUNT V, TO THE EXTENT VROEGH IS ASSERTING A PUBLIC ACCOMMODATION DISCRIMINATION CLAIM, SHOULD BE DISMISSED FOR FAILURE TO STATE A CLAIM.

To the extent Vroegh raises a public accommodation discrimination claim under Chapter 216, Vroegh fails to state a claim upon which relief may be granted. Under the Iowa Civil Rights Act, it is considered unlawful discrimination for:

> "[A]ny owner, lessee, sublessee, proprietor, manager, or superintendent of any public accommodation or an agent or employee thereof:
>
> a. To refuse or deny to any person because of . . . gender identity . . . the accommodations, advantages, facilities, services, or privileges thereof, or otherwise to discriminate against any person because of . . . gender identity . . . in the furnishing of such accommodations, advantages, facilities, services, or privileges."

Iowa Code § 216.7(1). This statutory language has been interpreted by the Iowa Supreme Court and federal courts sitting in Iowa to require a physical establishment that constitutes the "public

accommodation" referenced in the first clause of the statute, and the rights allegedly infringed upon must flow from the complainant's experience with that physical establishment. Under Iowa law, entities like insurance companies are not "places" of "public accommodation."

In *U.S. Jaycees v. Iowa Civil Rights Comm'n*, 427 N.W.2d 450, 452 (Iowa 1988), the Iowa Supreme Court held that the organization's membership did not constitute a "public accommodation" under the ICRA. The Court recognized that "the United States Jaycees is not a 'place' within our definition of 'public accommodation'" under the "literal and ordinary definition of the statutory term." *Id.* at 454 (citing *Webster's Third New Int'l Dictionary* 1727 (1976)). It also was not an "establishment" or a "facility." *Id.* (*citing Plew v. James Horrabin & Co.*, 157 N.W. 453, 455 (Iowa 1916); *Webster's Third Int'l Dictionary* 778 and 812-13); *see also Kiray v. Hy-Vee, Inc.*, No. CVCV 62614, 2004 WL 5453120 (Iowa Dist. Ct. Aug. 10, 2004) (viewing public accommodations discrimination in the context of Hy-Vee providing services at a physical location—a store). The Court in *U.S. Jaycees* reasoned that the ordinary use of the terms "place," "establishment," and "facility" "connotes a spatial dimension which the Jaycees' membership, as such, does not possess." 427 N.W.2d at 454. Because the complainant did not assert any allegation of discrimination in the use of the Jaycees' office facility itself, the complainant failed to state a prima facie case of public accommodation discrimination. *Id.* at 455.

Federal courts in Iowa have applied the same meaning to "public accommodation" discrimination. *See Torres v. N. Fayette Cmty. Sch. Dist.,* 600 F. Supp. 2d 1026, 1031 (N.D. Iowa 2008) ("A person subject to discrimination in accommodation is denied the use of a public facility or the services or privileges of a public facility. Stated another way, discrimination in accommodation results in a person's inability to use or enjoy a public facility." (internal citation

omitted)); *Dahlsten v. Lee*, 531 F. Supp. 2d 1029, 1046 (N.D. Iowa 2008) (addressing whether a private residence was a public accommodation and focusing on the fact that a public accommodation must be a physical place or facility); *Kirt v. Fashion Bug #3253, Inc.*, 479 F. Supp. 2d 938, 964-66 (N.D. Iowa 2007) (setting forth as a requirement for a prima facie case of public accommodation race discrimination that the alleged wrong experienced by the complainant was in reference to a specific physical establishment—the Fashion Bug store).

The definition of "public accommodation" under the ICRA is similar to what multiple federal circuits have adopted in the disability discrimination context. Under Title III of the Americans with Disabilities Act, "No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation by any person who owns, leases (or leases to), or operates a place of public accommodation." 42 U.S.C. § 12182(a). Federal courts have interpreted the ADA to mean that "[a] benefit plan offered by an employer, like those health care benefit plans covering the appellants in the present case, is not goods offered by a place of public accommodation." *Kolling v. Blue Cross & Blue Shield of Mich.*, 318 F.3d 715, 716 (6th Cir. 2003); *see Weyer v. Twentieth Century Fox Film Corp.*, 198 F.3d 1104, 1114, 1115 (9th Cir. 2000) ("The dispute in this case, over terms of a contract that the insurer markets through an employer, is not what Congress addressed in the public accommodations provisions," so "an insurance company administering an employer-provided disability policy is not a 'place of public accommodation' under Title III."); *see also Ford v. Schering-Plough Corp.*, 145 F.3d 601, 612-13 (3d Cir. 1998) ("Since Ford received her disability benefits via her employment at Schering, she had no nexus to MetLife's 'insurance office' and thus was not discriminated against in connection with a public accommodation."); *but see Pallozzi v. Allstate Life Ins. Co.*,

198 F.3d 28 (2d Cir. 1999); *Carparts Distribution Ctr., Inc. v. Auto. Wholesaler's Ass'n of New England, Inc.*, 37 F.3d 12 (1st Cir. 1994). A benefit plan offered by an employer is not a public accommodation offered by the third party administrator of the benefit plan because the employee does "not obtain their health care coverage directly from [the health insurance company] nor did they buy their respective policies from an insurance office. Rather, they obtained their benefits through their employer." *Kolling*, 318 F.3d at 716.

In the disability discrimination context, therefore, "[a] public accommodation is limited to a physical place and cannot be applied to the contents of employer-furnished benefit plans." *Kolling*, 318 F.3d at 716; *see also Ford*, 145 F.3d at 613 ("Furthermore, the 'goods, services, facilities, privileges, advantages, or accommodations' concerning which a disabled person cannot suffer discrimination are not free-standing concepts but rather all refer to the statutory term 'public accommodation' and thus to what these places of public accommodation provide."); *Parker v. Metro Life Ins. Co.*, 121 F.3d 1006, 1010-1011 (6th Cir. 1997) (reiterating that the public accommodation must be a physical location where the services at issue were obtained).

As set forth above, the law is well-established that insurance companies are not places of public accommodation. Wellmark, even if its headquarters are considered a public accommodation that must provide services on a non-discriminatory basis to those who enter the front doors, is not being accused of failing to provide services to individuals at its place of business in a discriminatory fashion. Wellmark did not provide health insurance directly to Vroegh at Wellmark's place of business. Even if the employer-sponsored health benefit plan is considered a service provided to Vroegh, that service was provided directly to Vroegh *by his employer*, not by Wellmark. Wellmark was merely the third party administrator of the plan, and

Wellmark administered benefits consistent with the plan terms designed by the employer. Dismissal of Vroegh's claim, with prejudice, is appropriate.

III. WELLMARK, AS A THIRD PARTY ADMINISTRATOR, IS NOT RESPONSIBLE FOR AN ALLEGEDLY DISCRIMINATORY EMPLOYER-SPONSORED PLAN DESIGN, AS A MATTER OF LAW.

Although Vroegh has not alleged a violation of the Affordable Care Act, 42 U.S.C. section 18116, the federal guidance regarding liability of third party administrators is informative in this case, as the relationship between a third party administrator and a plan participant is the same no matter what type of legal claim is asserted by the plan participant (i.e., Vroegh). As recognized by the Department of Health and Human Services: "[T]hird party administrators are generally not responsible for the benefit design of the self-insured plans they administer and that ERISA . . . requires plans to be administered consistent with their terms." Department of Health and Human Services, Nondiscrimination in Health Programs and Activities; Final Rule, 81 Fed. Reg. 31,376, 31,432 (May 18, 2016) (codified at 45 C.F.R. Pt. 92). The Department recognized that it would be improper to hold a third party administrator responsible for plan features over which the administrator had no control. *Id.* The Office for Civil Rights ("OCR") has therefore set out that if "the alleged discrimination relates to the benefit design of a self-insured plan—for example, where a plan excludes coverage for all health services related to gender transition—and where OCR has jurisdiction over a claim against an employer . . . [the Office of Civil Rights] will typically address the complaint against that employer." *Id.*

Wellmark has never employed Vroegh and has never provided a service to Vroegh at Wellmark's place of business. Wellmark did not design the employer-sponsored health benefit plan at issue in this matter—Vroegh's employer did. *See* Ex. A, p. 2. As the third party administrator of an employer-sponsored health benefit plan, Wellmark should not be held liable

for any discrimination relating to the benefit design of the plan at issue in this case. *See* 81 Fed. Reg. 31,432. Vroegh's discrimination claim fails as a matter of law, and Count V should be dismissed with prejudice.

IV. VROEGH'S PETITION IS MOOT AS OF JANUARY 1, 2017.

Vroegh's employer amended its plan design, effective January 1, 2017, to provide benefits for gender identity disorder and gender reassignment surgery, by removing the exclusion for such services. *Compare* Ex. B, pp. 21 and 26, with Ex. C, pp. 22 and 26. The Amended Plan is attached as Exhibit C, and is referenced by and necessarily incorporated in Vroegh's Amended Petition based on his allegation that the Plan is facially discriminatory. *See* Am. Pet. ¶ 56. Any of Vroegh's claims for treatment after January 1, 2017, were covered under the updated Benefit Booklet, so to the extent Vroegh's Amended Petition alleges discrimination after January 1, 2017, such allegations are moot.

CONCLUSION

Because Vroegh's claim of discrimination against Wellmark under either an employment or public accommodation theory fail as a matter of law, dismissal with prejudice is appropriate.

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BLUE CROSS AND BLUE SHIELD OF IOWA

CERTIFICATE OF SERVICE

I certify that on October 27, 2017, I electronically filed the foregoing with the Clerk of Court using the ECF system, which will send notification of such filing to the parties participating in the Court's electronic filing system.

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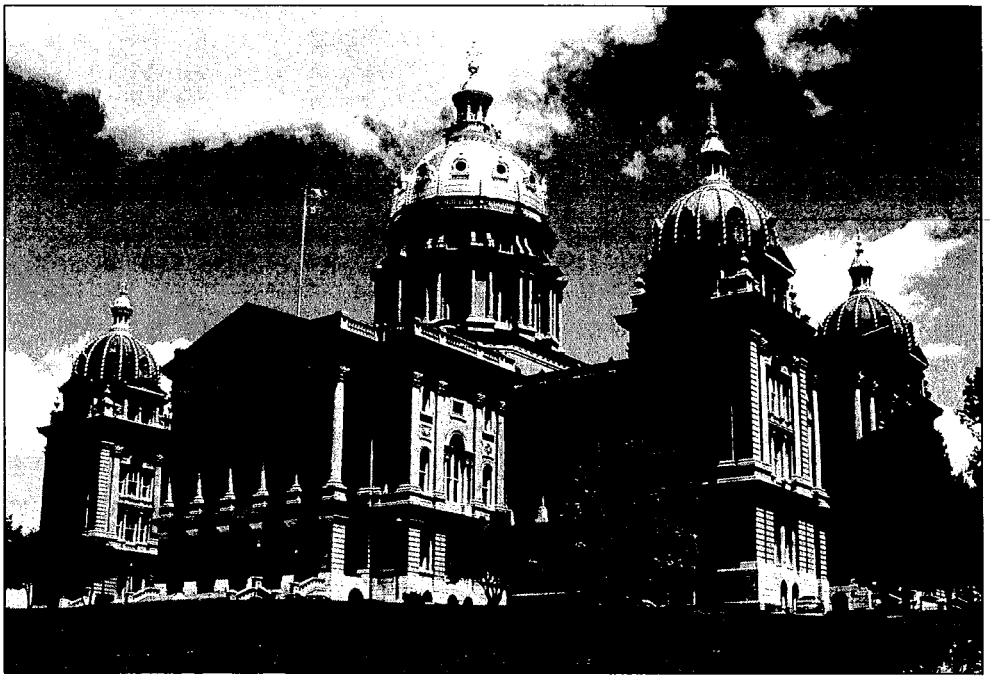
Wellmark Health Plan of Iowa

Wellmark Health Plan of Iowa, Inc. is an Independent Licensee of the Blue Cross and Blue Shield Association.

B E N E F I T B O O K L E T

State of Iowa
BLUE ACCESS

Blue Access / Blue Rx Complete Prescription Drug Plan



If you have questions about your coverage or about a specific claim, call the Wellmark Health Plan of Iowa customer service unit for State employees.

Toll Free: **800-553-7801** ● Precertification: **800-558-4409**

Group Effective Date: 1/1/2015
Plan Year: 01/01
Print Date: 5/4/2015
Coverage Code: EEW EF3 EEY 4V8 M81
Version: 01/15

Form Number: Wellmark IA Grp (SOI Blue Access)

EXHIBIT A

NOTICE

This group health plan is sponsored and funded by your employer or group sponsor. Your employer or group sponsor has a financial arrangement with Wellmark under which your employer or group sponsor is solely responsible for claim payment amounts for covered services provided to you. Wellmark provides administrative services and provider network access only and does not assume any financial risk or obligation for claim payment amounts.

Contents

About This Benefit Booklet

Contract

This benefit booklet describes your rights and responsibilities under your group health plan. You and your covered dependents have the right to request a copy of this benefit booklet, at no cost to you, by contacting your employer or group sponsor.

Please note: Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

You should familiarize yourself with the entire booklet because it describes your benefits, payment obligations, provider networks, claim processes, and other rights and responsibilities.

This group health plan consists of medical benefits and prescription drug benefits. The medical benefits are called Blue Access. The prescription drug benefits are called Blue Rx Complete. This benefit booklet will indicate when the service, supply or drug is considered medical benefits or drug benefits by using sections, headings, and notes when necessary.

Charts

Some sections have charts, which provide a quick reference or summary but are not a complete description of all details about a topic. A particular chart may not describe some significant factors that would help determine your coverage, payments, or other responsibilities. It is important for you to look up details and not to rely only upon a chart. It is also important to follow any references to other parts of the booklet. (References tell you to "see" a section or subject heading, such as, "See *Details – Covered and Not Covered*." References may also include a page number.)

Complete Information

Very often, complete information on a subject requires you to consult more than one section of the booklet. For instance, most information on coverage will be found in these sections:

- At a Glance – Covered and Not Covered
- Details – Covered and Not Covered
- General Conditions of Coverage, Exclusions, and Limitations

However, coverage might be affected also by your choice of provider (information in the *Choosing a Provider* section), certain notification requirements if applicable to your group health plan (the *Notification Requirements and Care Coordination* section), and considerations of eligibility (the *Coverage Eligibility and Effective Date* section).

Even if a service is listed as covered, benefits might not be available in certain situations, and even if a service is not specifically described as being excluded, it might not be covered.

Read Thoroughly

You can use your group health plan to the best advantage by learning how this document is organized and how sections are related to each other. And whenever you look up a particular topic, follow any references, and read thoroughly.

Your coverage includes many services, treatments, supplies, devices, and drugs. Throughout the benefit booklet, the words *services or supplies* refer to any services, treatments, supplies, devices, or drugs, as applicable in the context, that may be used to diagnose or treat a condition.

Grandfathered Health Plan Status

This group health plan was in effect on March 23, 2010 and is being categorized as a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the "Affordable Care Act").

As permitted under the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when the law was enacted and does not have to include certain consumer protections that apply to non-grandfathered health plans, such as coverage of preventive health services without any cost-sharing obligation. (Certain other consumer protections such as the elimination of lifetime limits on benefits apply to all group health plans, regardless of their status as a grandfathered health plan.)

For questions regarding which consumer protections apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status contact your employer or group sponsor.

You may also contact the *U.S. Department of Health and Human Services (HHS)* at *www.hhs.gov*.

Questions

If you have questions about your group health plan, or are unsure whether a particular service or supply is covered, call the Customer Service number on your ID card.

1. What You Pay

This section is intended to provide you with an overview of your payment obligations under this group health plan. This section is not intended to be and does not constitute a complete description of your payment obligations. To understand your complete payment obligations you must become familiar with this entire benefit booklet, especially the *Factors Affecting What You Pay* and *Choosing a Provider* sections.

Blue Access

Payment Summary

This chart summarizes your payment responsibilities. It is only intended to provide you with an overview of your payment obligations. It is important that you read this entire section and not just rely on this chart for your payment obligations.

Category	You Pay
Emergency Room Copayment	**$50**
Office Visit Copayment	**$10**
Other Copayment	**$10** for outpatient chemotherapy, speech therapy, occupational therapy, physical therapy, and inhalation therapy.
Coinsurance	**20%** for: ■ Dental treatment for accidental injury. ■ Home/durable medical equipment. ■ Medical supplies (excluding oxygen and equipment required to administer oxygen). ■ Prosthetic devices.
Out-of-Pocket Maximum	**$750** per person **$1,500** (maximum) per family*

*Family amounts are reached from amounts accumulated on behalf of any combination of covered family members.

Blue Rx Complete

Category	You Pay†
Coinsurance or Copayment	**Retail Drugs and Mail Order Non-Maintenance Drugs:** **$5** for Tier 1 medications. **$15** for Tier 2 medications. **25%** or **$30**, whichever is greater for Tier 3 and 4 medications except copayment only applies to Tier 3 and 4 specialty drugs. **Mail Order Maintenance Drugs:** **$10** for Tier 1 medications. **$30** for Tier 2 medications. **$60** for Tier 3 and 4 medications. For more information see *Tiers*, page 48.

†You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See Wellmark Blue Rx Complete Drug List, page 25.

Prescription Maximums

Generally, there is a maximum days' supply of medication you may receive in a single prescription. However, exceptions may be made for certain prescriptions packaged in a dose exceeding the maximum days' supply covered under your Blue Rx Complete prescription drug benefits. To determine if this exception applies to your prescription, call the Customer Service number on your ID card.

Your payment obligations may be determined by the quantity of medication you purchase.

Prescription Maximum	Payment
30 day retail	**1** copayment or coinsurance, as applicable
90 day retail maintenance	Payment per days' supply: **1** copayment or coinsurance, as applicable, for 30 day supply **2** copayments or coinsurance, as applicable, for 60 day supply **3** copayments or coinsurance, as applicable, for 90 day supply
30 day mail order	**1** copayment or coinsurance, as applicable
90 day mail order maintenance	**1** copayment
30 day specialty	**1** copayment

Payment Details

Blue Access

Copayment

This is a fixed dollar amount that you pay each time you receive certain covered services.

Emergency Room Copayment.

The emergency room copayment:

- applies to emergency room services.
- is taken once per facility per date of service.
- is waived if you are admitted as an inpatient of a facility immediately following emergency room services.

Office Visit Copayment.

The office visit copayment:

- applies to covered office services.
- is taken once per practitioner per date of service.

The office visit copayment does not apply to:

- dental treatment for accidental injury.
- home/durable medical equipment.
- prosthetic devices.

These services are subject to coinsurance and not this copayment.

Other Copayment.

The other copayment:

- applies to outpatient chemotherapy, occupational, physical, speech, and inhalation therapy.
- is taken once per provider per date of service.

Copayment amount(s) are waived for some services. See *Waived Payment Obligations* later in this section.

Coinsurance

Coinsurance is an amount you pay for certain covered services. Coinsurance is calculated by multiplying the fixed percentage(s) shown earlier in this section by either Wellmark's payment arrangement

amount or by the amount charged for a service. The calculation method differs depending on the contracting status of the provider and/or the state where you receive services. For details, see *How Coinsurance is Calculated*, page 45.

Coinsurance applies to the following services:

- Dental treatment for accidental injury.
- Home/durable medical equipment.
- Medical supplies (excluding oxygen and equipment required to administer oxygen).
- Prosthetic devices.

Coinsurance amounts are waived for some services. See *Waived Payment Obligations* later in this section.

Out-of-Pocket Maximum

The out-of-pocket maximum is the maximum amount you pay, out of your pocket, for most covered services in a benefit year. Many amounts you pay for covered services during a benefit year accumulate toward the out-of-pocket maximum. These amounts include:

- Coinsurance.
- Copayments.

The family out-of-pocket maximum is reached from applicable amounts paid on behalf of any combination of covered family members.

However, certain amounts do not apply toward your out-of-pocket maximum.

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 29.

These amounts continue even after you have met your out-of-pocket maximum.

Benefits Maximums

Benefits maximums are the maximum benefit amounts that each member is eligible to receive.

Benefits maximums are accumulated from benefits under this medical benefits plan and prior medical benefits plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Waived Payment Obligations

Some payment obligations are waived for the following covered services.

Covered Service	Payment Obligation Waived
Immunizations.	Copayment
Independent laboratory services related to a covered office visit.	Copayment
Mental health conditions and chemical dependency treatment – office services.	Copayment
Mental health conditions and chemical dependency treatment related to chemotherapy, inhalation, occupational, physical, and speech therapy – outpatient services.	Copayment
Physician services related to maternity care.	Copayment

Covered Service	Payment Obligation Waived
Preventive care.	Coinsurance
Services subject to copayment amounts.	Coinsurance
X-ray and lab – office services.	Copayment

Blue Rx Complete

Coinsurance or Copayment

Coinsurance is the amount you pay, calculated using a fixed percentage of the maximum allowable fee, each time a covered prescription is filled or refilled. Copayment is a fixed dollar amount you pay each time a covered prescription is filled or refilled.

You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See *Wellmark Blue Rx Complete Drug List*, page 25.

2. At a Glance - Covered and Not Covered

Blue Access

Your coverage provides benefits for many services and supplies. There are also services for which this coverage does not provide benefits. The following chart is provided for your convenience as a quick reference only. This chart is not intended to be and does not constitute a complete description of all coverage details and factors that determine whether a service is covered or not. All covered services are subject to the contract terms and conditions contained throughout this benefit booklet. Many of these terms and conditions are contained in *Details – Covered and Not Covered*, page 11. To fully understand which services are covered and which are not, you must become familiar with this entire benefit booklet. Please call us if you are unsure whether a particular service is covered or not.

The headings in this chart provide the following information:

Category. Service categories are listed alphabetically and are repeated, with additional detailed information, in *Details – Covered and Not Covered*.

Covered. The listed category is generally covered, but some restrictions may apply.

Not Covered. The listed category is generally not covered.

See Page. This column lists the page number in *Details – Covered and Not Covered* where there is further information about the category.

Benefits Maximums. This column lists maximum benefit amounts that each member is eligible to receive. Benefits maximums that apply per benefit year or per lifetime are reached from benefits accumulated under this group health plan and any prior group health plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Please note: Benefits maximums accumulate for medical and prescription drug benefits separately.

Category	Covered	Not Covered	See Page	Benefits Maximum
Acupuncture Treatment		⦸	11	
Allergy Testing and Treatment	●		11	
Ambulance Services	●		11	
Anesthesia	●		11	
Blood and Blood Administration	●		11	
Chemical Dependency Treatment	●		11	
Chemotherapy and Radiation Therapy	●		12	
Contraceptives	●		12	
Cosmetic Services		⦸	12	
Counseling and Education Services		⦸	12	
Dental Treatment for Accidental Injury	●		13	

Category	Covered	Not Covered	See Page	Benefits Maximum
Dialysis	●		13	
Education Services for Diabetes	●		13	10 hours of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.
Emergency Services	●		14	
Fertility Services	●		14	
Genetic Testing	●		14	
Hearing Services	●		14	One routine hearing examination per benefit year.
Home Health Services	●		14	The daily benefit for home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for skilled nursing facility services.
Home/Durable Medical Equipment	●		15	
Hospice Services	●		15	15 days per lifetime for inpatient hospice respite care. 15 days per lifetime for outpatient hospice respite care. **Please note:** Hospice respite care must be used in increments of not more than five days at a time.
Hospitals and Facilities	●		16	120 days per benefit year of skilled nursing services in a hospital or nursing facility.
Illness or Injury Services	●		17	
Infertility Treatment		⦸	17	
Inhalation Therapy	●		17	60 visits per benefit year.
Maternity Services	●		17	
Medical and Surgical Supplies	●		18	
Mental Health Services	●		18	
Morbid Obesity Treatment		⦸	19	
Motor Vehicles		⦸	19	
Musculoskeletal Treatment	●		19	
Nonmedical Services		⦸	19	
Occupational Therapy	●		19	60 visits per benefit year.
Orthotics		⦸	20	

Category	Covered	Not Covered	See Page	Benefits Maximum
Physical Therapy	●		20	60 visits per benefit year.
Physicians and Practitioners			20	
Advanced Registered Nurse Practitioners	●		20	
Audiologists	●		21	
Chiropractors	●		21	
Doctors of Osteopathy	●		21	
Licensed Independent Social Workers	●		21	
Medical Doctors	●		21	
Occupational Therapists	●		21	
Optometrists	●		21	
Oral Surgeons	●		21	
Physical Therapists	●		21	
Physician Assistants	●		21	
Podiatrists	●		21	
Psychologists	●		21	
Speech Pathologists	●		21	
Prescription Drugs	●		21	
Preventive Care	●		22	Well-child care until the child reaches age seven. One routine physical examination per benefit year. One routine mammogram per benefit year. One routine gynecological examination per benefit year.
Prosthetic Devices	●		22	
Reconstructive Surgery	●		23	
Self-Help Programs		⦸	23	
Sleep Apnea Treatment	●		23	
Speech Therapy	●		23	60 visits per benefit year.
Surgery	●		23	
Temporomandibular Joint Disorder (TMD)		⦸	23	
Transplants	●		24	
Travel or Lodging Costs		⦸	24	
Vision Services	●		24	One routine vision examination per benefit year.
Wigs or Hairpieces		⦸	24	
X-ray and Laboratory Services	●		24	

Blue Rx Complete

Please note: To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

For details on drug coverage, drug limitations, and drug exclusions, see the next section, *Details – Covered and Not Covered*.

3. Details - Covered and Not Covered

All covered services or supplies listed in this section are subject to the general contract provisions and limitations described in this benefit booklet. Also see the section *General Conditions of Coverage, Exclusions, and Limitations*, page 29. If a service or supply is not specifically listed, do not assume it is covered.

Blue Access

Acupuncture Treatment

Not Covered: Acupuncture and acupressure treatment.

Allergy Testing and Treatment

Covered.

Ambulance Services

Covered: Professional air and ground ambulance transportation to a hospital or nursing facility in the surrounding area where your ambulance transportation originates.

All of the following are required to qualify for benefits:

- The services required to treat your illness or injury are not available in the facility where you are currently receiving care if you are an inpatient at a facility.
- You are transported to the nearest hospital or nursing facility in the Wellmark Health Plan Network with adequate facilities to treat your medical condition. In an emergency situation, you may seek care at the nearest appropriate facility, whether the facility is in network or out of network.
- No other method of transportation is appropriate.
- In addition to the preceding requirements, for air ambulance services to be covered, all of the following conditions must be met:
  - The air ambulance has the necessary patient care equipment and supplies to meet your needs.
  - Your medical condition requires immediate and rapid ambulance transport that cannot be provided by a ground ambulance; or the point of pick up is inaccessible by a land vehicle.
  - Great distances, limited time frames, or other obstacles are involved in getting you to the nearest hospital with appropriate facilities for treatment.
  - Your condition is such that the time needed to transport you by land poses a threat to your health.

Not Covered: Professional air ambulance transport from a facility capable of treating your condition when performed primarily for your convenience or the convenience of your family, physician, or other health care provider.

Anesthesia

Covered: Anesthesia and the administration of anesthesia.

Not Covered: Local or topical anesthesia billed separately from related surgical or medical procedures.

Blood and Blood Administration

Covered: Blood and blood administration, including blood derivatives, and blood components.

Chemical Dependency Treatment

Covered: Treatment for a condition with physical or psychological symptoms

produced by the habitual use of certain drugs as described in the most current *Diagnostic and Statistical Manual of Mental Disorders*.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;
- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires 24-hour licensed registered nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Hospitals and Facilities later in this section.

Chemotherapy and Radiation Therapy

Covered: Use of chemical agents or radiation to treat or control a serious illness.

Contraceptives

Covered: The following conception prevention, as approved by the U.S. Food and Drug Administration:

- Contraceptive medical devices, such as intrauterine devices and diaphragms.
- Implanted contraceptives.
- Injected contraceptives.

Please note: Contraceptive drugs and contraceptive drug delivery devices, such as insertable rings and patches are covered under your Blue Rx Complete prescription drug benefits described later in this section.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer Service number on your ID card and request a copy of the Drug List.

Cosmetic Services

Not Covered: Cosmetic services, supplies, or drugs if provided primarily to improve physical appearance. A service, supply or drug that results in an incidental improvement in appearance may be covered if it is provided primarily to restore function lost or impaired as the result of an illness, accidental injury, or a birth defect. You are also not covered for treatment for any complications resulting from a noncovered cosmetic procedure.

See Also:

Reconstructive Surgery later in this section.

Counseling and Education Services

Not Covered:

- Bereavement counseling or services (including volunteers or clergy), family counseling or training services, and marriage counseling or training services.
- Education or educational therapy other than covered education for self-management of diabetes.

See Also:

Genetic Testing later in this section.

Education Services for Diabetes later in this section.

Mental Health Services later in this section.

Dental Services

Covered:

- Dental treatment for accidental injuries when all of the following requirements are met:
  - Treatment is completed within six months of the injury.
  - Treatment must have occurred while the member was covered under this group health plan.
- Anesthesia (general) and hospital or ambulatory surgical facility services related to covered dental services if:
  - You are under age 14 and, based on a determination by a licensed dentist and your treating physician, you have a dental or developmental condition for which patient management in the dental office has been ineffective and requires dental treatment in a hospital or ambulatory surgical facility; or
  - Based on a determination by a licensed dentist and your treating physician, you have one or more medical conditions that would create significant or undue medical risk in the course of delivery of any necessary dental treatment or surgery if not rendered in a hospital or ambulatory surgical facility.
- Impacted teeth removal (surgical) as an inpatient or outpatient of a facility only when you have a medical condition (such as hemophilia) that requires hospitalization.
- Facial bone fracture reduction.
- Incisions of accessory sinus, mouth, salivary glands, or ducts.
- Jaw dislocation manipulation.
- Orthodontic services required for surgical management of cleft palate.
- Treatment of abnormal changes in the mouth due to disease.

Not Covered:

- General dentistry including, but not limited to, diagnostic and preventive services, restorative services, endodontic services, periodontal services, indirect fabrications, dentures and bridges, and orthodontic services unrelated to accidental injuries or surgical management of cleft palate.
- Injuries associated with or resulting from the act of chewing.
- Maxillary or mandibular tooth implants (osseointegration) unrelated to accidental injuries or abnormal changes in the mouth due to injury or disease.

Dialysis

Covered: Removal of toxic substances from the blood when the kidneys are unable to do so when provided as an inpatient in a hospital setting or as an outpatient in a Medicare-approved dialysis center.

Education Services for Diabetes

Covered: Inpatient and outpatient training and education for the self-management of all types of diabetes mellitus.

All covered training or education must be prescribed by a licensed physician. Outpatient training or education must be provided by a state-certified program.

The state-certified diabetic education program helps any type of diabetic and his or her family understand the diabetes disease process and the daily management of diabetes.

Benefits Maximum:

- **10 hours** of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.

Emergency Services

Covered: When treatment is for a medical condition manifested by acute symptoms of sufficient severity, including pain, that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect absence of immediate medical attention to result in:

- Placing the health of the individual or, with respect to a pregnant woman, the health of the woman and her unborn child, in serious jeopardy; or
- Serious impairment to bodily function; or
- Serious dysfunction of any bodily organ or part.

In an emergency situation, if you cannot reasonably reach a Wellmark Health Plan Network provider, covered services will be reimbursed as though they were received from a Wellmark Health Plan Network provider. However, because we do not have contracts with nonparticipating providers and they may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered service.

See Also:

Nonparticipating providers, page 46.

Fertility Services

Covered:

- Fertility prevention, such as tubal ligation (or its equivalent) or vasectomy (initial surgery only).

Genetic Testing

Covered: Genetic molecular testing (specific gene identification) and related counseling are covered when both of the following requirements are met:

- You are an appropriate candidate for a test under medically recognized standards (for example, family background, past diagnosis, etc.).
- The outcome of the test is expected to determine a covered course of treatment or prevention and is not merely informational.

Hearing Services

Covered:

- Routine hearing examinations.

Benefits Maximum:

- **One** routine hearing examination per benefit year.

Not Covered:

- Hearing aids.

Home Health Services

Covered: All of the following requirements must be met in order for home health services to be covered:

- You require a medically necessary skilled service such as skilled nursing, physical therapy, or speech therapy.
- Services are received from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) and/or a Medicare-certified agency.
- Services are prescribed by a physician and approved by our case manager for the treatment of illness or injury.
- Services are not more costly than alternative services that would be effective for diagnosis and treatment of your condition.
- The care is referred by a network provider and approved by a Wellmark case manager.

The following are covered services and supplies:

Home Health Aide Services—when provided in conjunction with a medically necessary skilled service also received in the home.

Home Skilled Nursing. Treatment must be given by a registered nurse

(R.N.) or licensed practical nurse (L.P.N.) from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency. Home skilled nursing is intended to provide a safe transition from other levels of care when medically necessary, to provide teaching to caregivers for ongoing care, or to provide short-term treatments that can be safely administered in the home setting. The daily benefit for home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for care in a skilled nursing facility. Home skilled nursing will be coordinated by a case manager. Custodial care is not included in this benefit.

Inhalation Therapy.

Medical Equipment.

Medical Social Services.

Medical Supplies.

Occupational Therapy—but only for services to treat the upper extremities, which means the arms from the shoulders to the fingers. You are not covered for occupational therapy supplies.

Oxygen and Equipment for its administration.

Parenteral and Enteral Nutrition.

Physical Therapy.

Prescription Drugs and Medicines administered in the vein or muscle.

Prosthetic Devices and Braces.

Speech Therapy.

Not Covered: Custodial home care services and supplies, which help you with your daily living activities. This type of care does not require the continuing attention and assistance of licensed medical or trained paramedical personnel. Some examples of custodial care are assistance in walking and getting in and out of bed; aid in bathing, dressing, feeding, and other forms of assistance with normal bodily functions; preparation of special diets; and supervision of medication that can usually be self-administered. You are also not covered for sanitaria care or rest cures.

See Also:

Case Management, page 42.

Referrals, page 33.

Home/Durable Medical Equipment

Covered: Equipment that meets all of the following requirements:

- Durable enough to withstand repeated use.
- Primarily and customarily manufactured to serve a medical purpose.
- Used to serve a medical purpose.

In addition, we determine whether to pay the rental amount or the purchase price amount for an item, and we determine the length of any rental term. Benefits will never exceed the lesser of the amount charged or the maximum allowable fee.

See Also:

Medical and Surgical Supplies later in this section.

Orthotics later in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 31.

Prosthetic Devices later in this section.

Referrals, page 33.

Hospice Services

Covered: Care (generally in a home setting) for patients who are terminally ill and who have a life expectancy of six months or less. Hospice care covers the same services as described under *Home Health Services*, as well as hospice respite care from a facility approved by Medicare or

by the Joint Commission for Accreditation of Health Care Organizations (JCAHO).

Hospice respite care offers rest and relief help for the family caring for a terminally ill patient. Inpatient respite care can take place in a nursing home, nursing facility, or hospital.

Benefits Maximum:

- **15 days** per lifetime for inpatient hospice respite care.
- **15 days** per lifetime for outpatient hospice respite care.
- Not more than **five days** of hospice respite care at a time.

Hospitals and Facilities

Covered: Hospitals and other facilities that meet standards of licensing, accreditation or certification. Following are some recognized facilities:

Ambulatory Surgical Facility. This type of facility provides surgical services on an outpatient basis for patients who do not need to occupy an inpatient hospital bed.

Chemical Dependency Treatment Facility. This type of facility provides treatment of chemical dependency and must be licensed and approved by Wellmark.

Community Mental Health Center. This type of facility provides outpatient treatment of mental health conditions and must be licensed and approved by Wellmark.

Hospital. This type of facility provides for the diagnosis, treatment, or care of injured or sick persons on an inpatient and outpatient basis. The facility must be licensed as a hospital under applicable law.

Nursing Facility. This type of facility provides continuous skilled nursing services as ordered and certified by your attending physician on an inpatient basis. A registered nurse (R.N.) must supervise services and supplies on a 24-hour basis. The facility must be licensed as a nursing facility under applicable law.

Residential Treatment Facility. This is a licensed facility other than a hospital or nursing facility that provides:

- treatment on an intensive outpatient basis;
- partial hospitalization treatment;
- sub-acute, medically monitored inpatient treatment for patients whose condition requires 24-hour licensed registered nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program;
- inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Psychiatric Medical Institution for Children (PMIC). This type of facility provides inpatient psychiatric services to children and is licensed as a PMIC under Iowa Code Chapter 135H.

Prior approval is required and benefits will be provided pursuant to the Iowa mandate. For information on how to submit a prior approval request, refer to *Prior Approval* in the *Notification Requirements and Care Coordination* section of this benefit booklet, or call the

Customer Service number on your ID card.

Benefits Maximum:

- **120 days** per benefit year for skilled nursing services in a hospital or nursing facility.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment earlier in this section.

Mental Health Services later in this section.

Illness or Injury Services

Covered: Services or supplies used to treat any bodily disorder, bodily injury, disease, or mental health condition unless specifically addressed elsewhere in this section. This includes pregnancy and complications of pregnancy.

Treatment may be received from an approved provider in any of the following settings:

- Home.
- Inpatient (such as a hospital or nursing facility).
- Office (such as a doctor's office).
- Outpatient.

Infertility Treatment

Not Covered:

- Infertility diagnosis and treatment.
- Infertility treatment if the infertility is the result of voluntary sterilization.
- Infertility treatment related to the collection or purchase of donor semen (sperm) or oocytes (eggs); freezing of sperm, oocytes, or embryos; surrogate parent services.
- Reversal of a tubal ligation (or its equivalent) or vasectomy.

Inhalation Therapy

Covered: Respiratory or breathing treatments to help restore or improve breathing function.

Benefits Maximum:

- **60 visits** per benefit year.

Maternity Services

Covered: Prenatal and postnatal care, delivery, including complications of pregnancy. A complication of pregnancy refers to a cesarean section that was not planned, an ectopic pregnancy that is terminated, or a spontaneous termination of pregnancy that occurs during a period of gestation in which a viable birth is not possible. Complications of pregnancy also include conditions requiring inpatient hospital admission (when pregnancy is not terminated) whose diagnoses are distinct from pregnancy but are adversely affected by pregnancy or are caused by pregnancy.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In accordance with federal or applicable state law, maternity services include a minimum of:

- 48 hours of inpatient care (in addition to the day of delivery care) following a vaginal delivery, or
- 96 hours of inpatient care (in addition to the day of delivery) following a cesarean section.

A practitioner is not required to seek Wellmark's review in order to prescribe a length of stay of less than 48 or 96 hours. The attending practitioner, in consultation with the mother, may discharge the mother or newborn prior to 48 or 96 hours, as applicable.

If the inpatient hospital stay is shorter, coverage includes a follow-up postpartum

home visit by a registered nurse (R.N.). This nurse must be from a home health agency under contract with Wellmark or employed by the delivering physician.

If you have a newborn child, but you do not add that child to your coverage, your newborn child may be added to your coverage solely for the purpose of administering the 48-96 hour mandated requirement. If that occurs, a separate coinsurance will be applied to your newborn child unless your coverage specifically waives the coinsurance for your newborn child.

See Also:

Coverage Change Events, page 55.

Medical and Surgical Supplies

Covered: Medical supplies and devices such as:

- Dressings and casts.
- Oxygen and equipment needed to administer the oxygen.
- Diabetic equipment and supplies including insulin syringes purchased from a covered home/durable medical equipment provider.

Not Covered:

- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Orthotics later in this section.

Blue Rx Complete, page 24.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 31.

Prosthetic Devices later in this section.

Mental Health Services

Covered: Treatment for certain psychiatric, psychological, or emotional conditions as an inpatient or outpatient. Covered facilities for mental health services include licensed and accredited residential treatment facilities and community mental health centers.

Coverage includes diagnosis and treatment of these biologically based mental illnesses:

- Schizophrenia.
- Bipolar disorders.
- Major depressive disorders.
- Schizo-affective disorders.
- Obsessive-compulsive disorders.
- Pervasive developmental disorders.
- Autistic disorders.

To qualify for mental health treatment benefits, the following requirements must be met:

- The disorder is classified as a mental health condition in the *Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition-Revised* (DSM-IV-R) or subsequent revisions.
- The disorder is listed only as a mental health condition and not dually listed elsewhere in the most current version of *International Classification of Diseases, Clinical Modification* used for diagnosis coding.
- The disorder is not a chemical dependency condition.
- The disorder is a behavioral or psychological condition not attributable to a mental disorder that is the focus of professional attention or treatment, but only to the extent services for such conditions are otherwise considered covered under your medical benefits.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;

- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires 24-hour licensed registered nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Please note: Your employer's Employee Assistance Program (EAP) may be able to provide counseling services for certain conditions. For more information, contact your EAP coordinator.

Not Covered:

- Certain disorders related to early childhood, such as academic underachievement disorder.
- Communication disorders, such as stuttering and stammering.
- Impulse control disorders, such as pathological gambling.
- Nicotine dependence.
- Nonpervasive developmental and learning disorders.
- Sensitivity, shyness, and social withdrawal disorders.
- Sexual disorders and gender identity disorders.
- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment and *Hospitals and Facilities* earlier in this section.

Morbid Obesity Treatment

Not Covered: Treatment or regimens, medical or surgical, for the purpose of reducing or controlling your weight or any morbid obesity-related surgery, including but not limited to panniculectomy or other body contouring procedures. Also, you are not covered for weight reduction programs and supplies (including dietary supplements, foods, equipment, laboratory testing, examinations, and prescription drugs), whether or not weight reduction is medically appropriate.

Motor Vehicles

Not Covered: Purchase or rental of motor vehicles such as cars or vans. You are also not covered for equipment or costs associated with converting a motor vehicle to accommodate a disability.

Musculoskeletal Treatment

Covered: Outpatient nonsurgical treatment of ailments related to the musculoskeletal system, such as manipulations or related procedures to treat musculoskeletal injury or disease.

Not Covered: Massage therapy.

Nonmedical Services

Not Covered: Such services as telephone consultations, charges for failure to keep scheduled appointments, charges for completion of any form, charges for medical information, recreational therapy, and any services or supplies that are nonmedical.

Occupational Therapy

Covered: Occupational therapy services are covered when all the following requirements are met:

- Services are to treat the upper extremities, which means the arms from the shoulders to the fingers.
- The goal of the occupational therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Occupational therapy supplies.
- Occupational therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Occupational therapy performed for maintenance.
- Occupational therapy services that do not meet the requirements specified under "Covered."

Orthotics

Not Covered: Orthotic foot devices such as arch supports or in-shoe supports, orthopedic shoes, elastic supports, or examinations to prescribe or fit such devices.

See Also:

Home/Durable Medical Equipment earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 31.

Prosthetic Devices later in this section.

Physical Therapy

Covered. Physical therapy services are covered when all the following requirements are met:

- The goal of the physical therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Physical therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Physical therapy performed for maintenance.
- Physical therapy services that do not meet the requirements specified under "Covered."

Physicians and Practitioners

Covered: Most services provided by practitioners that are recognized by us and meet standards of licensing, accreditation or certification. Following are some recognized physicians and practitioners:

Advanced Registered Nurse Practitioners (ARNP). An ARNP is a registered nurse with advanced training in a specialty area who is registered with the Iowa Board of Nursing to practice in an advanced role with a specialty designation of certified clinical nurse specialist, certified nurse midwife, certified nurse practitioner, or certified registered nurse anesthetist.

Audiologists.

Chiropractors.

Doctors of Osteopathy (D.O.).

Licensed Independent Social Workers.

Medical Doctors (M.D.).

Occupational Therapists. This provider is covered only when treating the upper extremities, which means the arms from the shoulders to the fingers.

Optometrists.

Oral Surgeons.

Physical Therapists.

Physician Assistants.

Podiatrists.

Psychologists. Psychologists must have a doctorate degree in psychology with two years' clinical experience and meet the standards of a national register.

Speech Pathologists.

Not Covered:

- Athletic Trainers.

See Also:

Choosing a Provider, page 33.

Prescription Drugs

Covered: Most prescription drugs and medicines that bear the legend, "Caution, Federal Law prohibits dispensing without a prescription," are generally covered under your Blue Rx Complete prescription drug benefits, not under your medical benefits. However, there are exceptions when prescription drugs and medicines are covered under your medical benefits.

Drugs classified by the FDA as Drug Efficacy Study Implementation (DESI) drugs may also be covered. For a list of these drugs, visit our website at *Wellmark.com* or check with your pharmacist or physician.

Prescription drugs and medicines covered under this medical benefits plan include:

Drugs and Biologicals. Drugs and biologicals approved by the U.S. Food and Drug Administration. This includes such supplies as serum, vaccine, antitoxin, or antigen used in the prevention or treatment of disease.

Intravenous Administration. Intravenous administration of nutrients, antibiotics, and other drugs and fluids when provided in the home (home infusion therapy).

Specialty Drugs. Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your medical benefits or under your Blue Rx Complete prescription drug benefits. To determine whether a particular specialty drug is covered under your medical benefits or under your Blue Rx Complete prescription drug benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Not Covered. Some prescription drugs are not covered under either your medical benefits or your Blue Rx Complete benefits. For example:

- Drugs purchased outside the United States failing the requirements specified earlier in this section.
- Drugs listed on the Wellmark Blue Rx Complete Drug List. These are covered under your Blue Rx Complete prescription drug benefits.
- Prescription drugs that are not FDA-approved.

Some prescription drugs are covered under your Blue Rx Complete benefits:

- Insulin.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer Service number on your ID card and request a copy of the Drug List.

See Also:

Blue Rx Complete later in this section.

Contraceptives earlier in this section.

Medical and Surgical Supplies earlier in this section.

Notification Requirements and Care Coordination, page 39.

Prior Authorization, page 43.

Preventive Care

Covered:

- Physical examinations and related preventive services such as:
  - Gynecological examinations.
  - Immunizations.
  - Mammograms.
  - Pap smears.
- Well-child care including age-appropriate pediatric preventive services, as defined by current recommendations for Preventive Pediatric Health Care of the American Academy of Pediatrics. Pediatric preventive services shall include, at minimum, a history and complete physical examination as well as developmental assessment, anticipatory guidance, immunizations, and laboratory services including, but not limited to, screening for lead exposure as well as blood levels.

To qualify for benefits, you must receive preventive care from providers listed in your provider directory under any of the following categories:

- Advanced registered nurse practitioner (ARNP).
- Family Practice/General Practice.
- Internal Medicine.
- Pediatrics and Obstetrics/Gynecology.
- Physician assistant (PA).

However, you may also receive covered immunizations from any covered provider, including Network Public Health Agencies, Network Visiting Nurse Associations, and Network specialists.

Benefits Maximum:

- Well-child care until the child reaches age seven.
- **One** routine physical examination per benefit year.
- **One** routine mammogram per benefit year.
- **One** routine gynecological examination per benefit year.

Not Covered:

- Routine foot care, including related services or supplies.
- Periodic physicals or health examinations, screening procedures, or immunizations performed solely for school, sports, employment, insurance, licensing, or travel.

See Also:

Hearing Services earlier in this section.

Vision Services later in this section.

Prosthetic Devices

Covered: Devices used as artificial substitutes to replace a missing natural part of the body or to improve, aid, or increase the performance of a natural function.

Also covered are braces, which are rigid or semi-rigid devices commonly used to support a weak or deformed body part or to restrict or eliminate motion in a diseased or injured part of the body. Braces do not include elastic stockings, elastic bandages, garter belts, arch supports, orthodontic devices, or other similar items.

Not Covered:

- Devices such as eyeglasses and air conduction hearing aids or

examinations for their prescription or fitting.
- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Medical and Surgical Supplies earlier in this section.

Orthotics earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 31.

Referrals, page 33.

Reconstructive Surgery

Covered: Reconstructive surgery primarily intended to restore function lost or impaired as the result of an illness, injury, or a birth defect (even if there is an incidental improvement in physical appearance) including breast reconstructive surgery following mastectomy. Breast reconstructive surgery includes the following:

- Reconstruction of the breast on which the mastectomy has been performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses.
- Treatment of physical complications of the mastectomy, including lymphedemas.

See Also:

Cosmetic Services earlier in this section.

Self-Help Programs

Not Covered: Self-help and self-cure products or drugs.

Sleep Apnea Treatment

Covered: Obstructive sleep apnea diagnosis and treatments.

Not Covered: Treatment for snoring without a diagnosis of obstructive sleep apnea.

Speech Therapy

Covered: Rehabilitative speech therapy services when related to a specific illness, injury, or impairment and involve the mechanics of phonation, articulation, or swallowing. Services must be provided by a licensed or certified speech pathologist.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Speech therapy services not provided by a licensed or certified speech pathologist.
- Speech therapy to treat certain developmental, learning, or communication disorders, such as stuttering and stammering.

Surgery

Covered. This includes the following:

- Major endoscopic procedures.
- Operative and cutting procedures.
- Preoperative and postoperative care.

Not Covered: Gender reassignment surgery.

See Also:

Dental Services earlier in this section.

Reconstructive Surgery earlier in this section.

Temporomandibular Joint Disorder (TMD)

Not Covered: All services or supplies for treatment of temporomandibular joint disorders, myofascial pain syndrome, or craniomandibular dysfunction.

Transplants

Covered:

- Certain bone marrow/stem cell transfers from a living donor.
- Heart.
- Heart and lung.
- Kidney.
- Liver.
- Lung.
- Pancreas.
- Simultaneous pancreas/kidney.
- Small bowel.

Transplants are subject to Case Management.

Charges related to the donation of an organ are usually covered by the recipient's medical benefits plan. However, if donor charges are excluded by the recipient's plan, and you are a donor, the charges will be covered by your medical benefits.

To qualify for benefits, the transplant services listed earlier must be from a Wellmark Health Plan Network facility or a facility recognized as a Blue Distinction Center for Transplant. This requirement does not apply to kidney transplants.

Not Covered:

- Expenses of transporting a living donor.
- Expenses related to the purchase of any organ.
- Services or supplies related to mechanical or non-human organs associated with transplants.
- Transplant services and supplies not listed in this section including complications.

See Also:

Case Management, page 42.

Referrals, page 33.

Travel or Lodging Costs

Not Covered.

Vision Services

Covered: Routine vision examinations.

Benefits Maximum:

- **One** routine vision examination per benefit year.

Not Covered:

- Surgery to correct a refractive error (i.e., when the shape of your eye does not bend light correctly resulting in blurred images).
- Eyeglasses or contact lenses, including charges related to their fitting.
- Prescribing of corrective lenses.
- Eye examinations for the fitting of eyewear.

Wigs or Hairpieces

Not Covered.

X-ray and Laboratory Services

Covered: Tests, screenings, imagings, and evaluation procedures as identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

See Also:

Preventive Care earlier in this section.

Blue Rx Complete

Guidelines for Drug Coverage

To be covered, a prescription drug must meet all of the following criteria:

- Listed on the Wellmark Blue Rx Complete Drug List.
- Can be legally obtained in the United States only with a written prescription.

- Deemed both safe and effective by the U.S. Food and Drug Administration (FDA) and approved for use by the FDA after 1962.
- Prescribed by a practitioner prescribing within the scope of his or her license.
- Dispensed by a recognized licensed participating retail pharmacy employing licensed registered pharmacists, through the specialty pharmacy program, or through the mail order drug program unless there is a medical emergency. Drugs purchased from nonparticipating pharmacies are covered only in emergency situations. See *Prescriptions Purchased from Nonparticipating Pharmacies* later in this section.
- Medically necessary for your condition. See *Medically Necessary*, page 29.
- Not available in an equivalent over-the-counter strength. However, certain over-the-counter products prescribed by a physician may be covered. To determine if a particular over-the-counter product is covered, call the Customer Service number on your ID card.
- Reviewed, evaluated, and recommended for addition to the Wellmark Blue Rx Complete Drug List by Wellmark.

Drugs that are Covered

The Wellmark Blue Rx Complete Drug List

The Wellmark Blue Rx Complete Drug List is a reference list that includes generic and brand-name prescription drugs that have been approved by the U.S. Food and Drug Administration (FDA) and are covered under your Blue Rx Complete prescription drug benefits. The Drug List is updated on a quarterly basis, or when new drugs become available, and as discontinued drugs are removed from the marketplace.

To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com,* or call the Customer Service number on your ID card and request a copy of the Drug List.

New drugs will not be added to the Drug List until they have been evaluated by Wellmark. We will periodically update the list to reflect these evaluations and to reflect the changing drug market in general. Revisions to the list will be distributed to providers who participate with Wellmark, and pharmacies that participate with the network used by this prescription drug plan.

The Drug List is subject to change.

Specialty Drugs

Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your Blue Rx Complete prescription drug benefits or under your medical benefits. To determine whether a particular specialty drug is covered under your Blue Rx Complete prescription drug benefits or under your medical benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, check with your pharmacist or physician, or call the Customer Service number on your ID card.

Where to Purchase Prescription Drugs

Participating Pharmacies. You must purchase prescription drugs from participating pharmacies.

If you purchase drugs from nonparticipating pharmacies, you are responsible for the entire cost of the drug. To determine if a pharmacy is participating, ask the

pharmacist, consult the Blue Rx directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our Blue Rx directory also is available upon request by calling the Customer Service number on your ID card.

Limits on Prescription Drug Coverage

We may exclude, discontinue, or limit coverage for any drug by removing it from the Drug List or by moving a drug to a different tier on the Drug List for any of the following reasons:

- New drugs are developed.
- Generic drugs become available.
- Over-the-counter drugs with similar properties become available or a drug's active ingredient is available in a similar strength in an over-the-counter product or as a nutritional or dietary supplement product available over the counter.
- There is a sound medical reason.
- Scientific evidence does not show that a drug works as well and is as safe as other drugs used to treat the same or similar conditions.
- A drug receives FDA approval for a new use.

Drugs that are Not Covered

Drugs and items that are not covered under your prescription drug benefits include but are not limited to:

- Drugs not listed on the Wellmark Blue Rx Complete Drug List.
- Drugs purchased from nonparticipating pharmacies.
- Drugs in excess of a quantity limitation. See *Quantity Limitations* later in this section.
- Drugs that are not FDA approved.
- Experimental or investigational drugs.
- Compounded drugs that do not contain an active ingredient in a form that has been approved by the FDA and that require a prescription to obtain.
- Compounded drugs that contain bulk powders or that are commercially available as a similar prescription drug.
- Drugs determined to be abused or otherwise misused by you.
- Drugs that are lost, damaged, stolen, or used inappropriately.
- Contraceptive medical devices, such as intrauterine devices and diaphragms. These are covered under your medical benefits. See *Contraceptives*, page 12.
- Convenience packaging. If the cost of the convenience packaged drug exceeds what the drug would cost if purchased in its normal container, the convenience packaged drug is not covered.
- Cosmetic drugs.
- Irrigation solutions and supplies.
- Therapeutic devices or medical appliances.
- Infertility drugs.
- Tobacco dependency drugs.
- Weight reduction drugs.

See Also:

Prescription Drugs, page 21.

Prescriptions Purchased from Nonparticipating Pharmacies

You are eligible for benefits for prescription drugs purchased from nonparticipating pharmacies only in emergency situations.

In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Prescription Purchases Outside the United States

To qualify for benefits for prescription drugs purchased outside the United States, all of the following requirements must be met:

- You are injured or become ill while in a foreign country.
- The prescription drug's active ingredient and dosage form are FDA-approved or an FDA equivalent and has the same name and dosage form as the FDA-approved drug's active ingredient.
- The prescription drug would require a written prescription by a licensed practitioner if prescribed in the U.S.
- You provide acceptable documentation that you received a covered service from a practitioner or hospital and the practitioner or hospital prescribed the prescription drug.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Refills

To qualify for refill benefits, all of the following requirements must be met:

- Sufficient time has elapsed since the last prescription was written. Sufficient time means that at least 75 percent of the medication has been taken according to the instructions given by the practitioner. For retirees, sufficient time means at least 60 percent of the medication has been taken according to the instructions given by the practitioner.
- The refill is not to replace medications that have been lost, damaged, stolen, or used inappropriately.
- The refill is for use by the person for whom the prescription is written (and not someone else).
- The refill does not exceed the amount authorized by your practitioner.
- The refill is not limited by state law.

You are allowed one early refill per medication per calendar year if you will be away from home for an extended period of time.

If traveling within the United States, the refill amount will be subject to any applicable quantity limits under this coverage. If traveling outside the United States, the refill amount will not exceed a 90-day supply.

To receive authorization for an early refill, ask your pharmacist to call us.

4. General Conditions of Coverage, Exclusions, and Limitations

The provisions in this section describe general conditions of coverage and important exclusions and limitations that apply generally to all types of services or supplies.

Conditions of Coverage

Medically Necessary
A key general condition in order for you to receive benefits is that the service, supply, device, or drug must be medically necessary. Even a service, supply, device, or drug listed as otherwise covered in *Details - Covered and Not Covered* may be excluded if it is not medically necessary in the circumstances. Unless otherwise required by law, Wellmark determines whether a service, supply, device, or drug is medically necessary, and that decision is final and conclusive. Even though a provider may recommend a service or supply, it may not be medically necessary.

A medically necessary health care service is one that a provider, exercising prudent clinical judgment, provides to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and is:

- Provided in accordance with generally accepted standards of medical practice. Generally accepted standards of medical practice are based on:
  - Credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community;
  - Physician Specialty Society recommendations and the views of physicians practicing in the relevant clinical area; and
  - Any other relevant factors.
- Clinically appropriate in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease.
- Not provided primarily for the convenience of the patient, physician, or other health care provider, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the illness, injury or disease.

An alternative service, supply, device, or drug may meet the criteria of medical necessity for a specific condition. If alternatives are substantially equal in clinical effectiveness and use similar therapeutic agents or regimens, we reserve the right to approve the least costly alternative.

If you receive services that are not medically necessary, you are responsible for the cost if:

- You receive the services from a nonparticipating provider; or
- You receive the services from a Network or participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be not medically necessary; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined are not medically necessary, the Network or participating provider is responsible for these amounts.

- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be not medically necessary. This is true even if the provider does not give you any written notice before the services are rendered.

Member Eligibility
Another general condition of coverage is that the person who receives services must meet requirements for member eligibility. See *Coverage Eligibility and Effective Date*, page 51.

General Exclusions

Even if a service, supply, device, or drug is listed as otherwise covered in *Details - Covered and Not Covered,* it is not eligible for benefits if any of the following general exclusions apply.

Investigational or Experimental
You are not covered for a service, supply, device, or drug that is investigational or experimental. A treatment is considered investigational or experimental when it has progressed to limited human application but has not achieved recognition as being proven effective in clinical medicine.

To determine investigational or experimental status, we may refer to the technical criteria established by the Blue Cross and Blue Shield Association, including whether a service, supply, device, or drug meets these criteria:

- It has final approval from the appropriate governmental regulatory bodies.
- The scientific evidence must permit conclusions concerning its effect on health outcomes.
- It improves the net health outcome.
- It is as beneficial as any established alternatives.
- The health improvement is attainable outside the investigational setting.

These criteria are considered by the Blue Cross and Blue Shield Association's Medical Advisory Panel for consideration by all Blue Cross and Blue Shield member organizations. While we may rely on these criteria, the final decision remains at the discretion of our Medical Director, whose decision may include reference to, but is not controlled by, policies or decisions of other Blue Cross and Blue Shield member organizations. You may access our medical policies, with supporting information and selected medical references for a specific service, supply, device, or drug through our website, *Wellmark.com*.

If you receive services that are investigational or experimental, you are responsible for the cost if:

- You receive the services from a nonparticipating provider; or
- You receive the services from a Network or participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be investigational or experimental; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined to be investigational or experimental, the Network or participating provider is responsible for these amounts.
- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be investigational or experimental. This is true even if the provider does not give you any written notice before the services are rendered.

Complications of a Noncovered Service
You are not covered for a complication resulting from a noncovered service, supply, device, or drug. However, this exclusion does not apply to the treatment of complications resulting from:

- Smallpox vaccinations when payment for such treatment is not available through workers' compensation or government-sponsored programs; or
- A noncovered abortion.

Nonmedical Services
You are not covered for telephone consultations, charges for missed appointments, charges for completion of any form, or charges for information.

Personal Convenience Items
You are not covered for items used for your personal convenience, such as:

- Items not primarily and customarily manufactured to serve a medical purpose or which can be used in the absence of illness or injury (including, but not limited to, air conditioners, dehumidifiers, ramps, home remodeling, hot tubs, swimming pools); or
- Items that do not serve a medical purpose or are not needed to serve a medical purpose.

Provider Is Family Member
You are not covered for a service or supply received from a provider who is in your immediate family (which includes yourself, parent, child, or spouse or domestic partner).

Covered by Other Programs or Laws
You are not covered for a service, supply, device, or drug if:

- You are entitled to claim benefits from a governmental program (other than Medicaid).
- Someone else has the legal obligation to pay for services or without this group health plan, you would not be charged.
- You require services or supplies for an illness or injury sustained while on active military status.

Workers' Compensation
You are not covered for services or supplies that are compensated under workers' compensation laws, including services or supplies applied toward satisfaction of any deductible under your employer's workers' compensation coverage. You are also not covered for any services or supplies that could have been compensated under workers' compensation laws if you had complied with the legal requirements relating to notice of injury, timely filing of claims, and medical treatment authorization.

For treatment of complications resulting from smallpox vaccinations, see *Complications of a Noncovered Service* earlier in this section.

Benefit Limitations

Benefit limitations refer to amounts for which you are responsible under this group health plan. These amounts are not credited toward your out-of-pocket maximum. In addition to the exclusions and conditions described earlier, the following are examples of benefit limitations under this group health plan:

- A service or supply that is not covered under this group health plan is your responsibility.
- If a covered service or supply reaches a benefit maximum, it is no longer eligible for benefits. (A maximum may renew at the next benefit year.) See *Details – Covered and Not Covered,* page 11.
- If you receive benefits that reach a lifetime benefits maximum applicable to any specific service, then you are no longer eligible for benefits for that service under this group health plan. See *Benefits Maximums*, page 5, and *At a Glance–Covered and Not Covered*, page 7.

- If you do not obtain precertification for certain medical services, benefits can be reduced or denied. You are responsible for benefit reductions if you receive the services from a nonparticipating provider. You are responsible for benefit denials only if you are responsible (not your provider) for notification. A Network provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 39.
- If you do not obtain prior approval for certain medical services, benefits will be denied on the basis that you did not obtain prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, benefits for that service will be provided according to the terms of your medical benefits.

  You are responsible for these benefit denials only if you are responsible (not your provider) for notification. A Network provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 39.
- If you do not obtain prior authorization for certain prescription drugs, benefits can be reduced or denied. See *Notification Requirements and Care Coordination*, page 39.
- The type of provider you choose can affect your benefits and what you pay. See *Choosing a Provider*, page 33, and *Factors Affecting What You Pay*, page 45. Examples of charges that depend on the type of provider include but are not limited to:
  - Any difference between the provider's amount charged and our amount paid is your responsibility if you receive services from a nonparticipating practitioner.

5. Choosing a Provider

Blue Access

Your medical benefits are called Blue Access.

Providers who participate with the network utilized by these medical benefits are called Wellmark Health Plan Network providers.

Providers who do not participate with the network utilized by these medical benefits are called nonparticipating providers.

With Blue Access, benefits for most covered services are generally available only when received from Wellmark Health Plan Network providers.

To determine if a provider participates with your medical benefits, ask your provider, refer to our online provider directory at *Wellmark.com*, or call the Customer Service number on your ID card.

Providers are independent contractors and are not agents or employees of Wellmark Health Plan of Iowa, Inc. For types of providers that may be covered under your medical benefits, see *Hospitals and Facilities*, page 16 and *Physicians and Practitioners*, page 20.

Please note: Even though a facility may be a Wellmark Health Plan Network facility, particular providers within the facility may not be Wellmark Health Plan Network providers. Examples include nonparticipating physicians on the staff of a Network hospital, home medical equipment suppliers, and other independent providers. Therefore, when you are referred by a Wellmark Health Plan Network provider to another provider, or when you are admitted into a facility, always ask if the providers are Wellmark Health Plan Network providers.

Always carry your ID card and present it when you receive services. Information on it, especially the ID number, is required to process your claims correctly.

Pharmacies do not participate with Blue Access. Pharmacies typically do not provide services and supplies considered medical benefits under the plan, and are not considered participating providers for such benefits. See *Choosing a Pharmacy* and *Specialty Pharmacy Program* later in this section.

Referrals

If you require services that are not available from a specialist within the Network, you will be referred to a provider outside the Network who has expertise in diagnosing and treating your condition. Wellmark must approve out-of-Network referrals before you receive services or the services will not be covered. **Please note:** Even when your out-of-Network referral is approved, you are still responsible for complying with notification requirements. See *Notification Requirements and Care Coordination*, page 39.

Services Outside the Wellmark Health Plan Network

You are eligible for benefits for covered services received from out-of-Network providers (nonparticipating providers, including out-of-country providers) only in the following situations:

- **Accidental Injuries.**
- **Emergencies.**

When you receive covered services for emergency medical conditions from out-of-Network providers, all of the following statements are true:

- Out-of-Network providers are not responsible for filing your claims.
- We do not have contracts with out-of-Network providers and they may not agree to accept our payment

arrangements. Therefore, you are responsible for any difference between the amount charged and our payment.

- We make claims payments to you, not out-of-Network providers.
- You are responsible for notification requirements.

See *Nonparticipating Providers,* page 46.

- **Continuity of Care.** You may be eligible to continue care from an out-of-Network provider for treatment of a terminal illness, a complex medical condition, or during the second or third trimester of pregnancy if:
  - — You had been receiving care for the condition from a Wellmark Health Plan Network provider but the provider's contract with us terminates; or
  - — You were previously covered by a different carrier or plan and had been receiving care for the condition from an out-of-Network provider when you begin coverage under your medical benefits.

  If either situation applies, you may continue out-of-Network treatment as follows:

  - — Terminal illness (as determined by the provider): for 90 days after the provider's contract terminates or the patient begins coverage with Wellmark while under the care of an out-of-Network provider for treatment of the terminal illness, whichever applies.
  - — Complex medical condition: for a time period or benefit maximum determined by medical management. You or your provider must notify us before receiving services under these medical benefits, and the medical condition must warrant continued treatment by the out-of-Network provider.
  - — Pregnancy in second or third trimester: through postpartum care related to the childbirth and delivery.

  To assist you in making a transition to a Wellmark Health Plan Network provider, you or your provider must call us at **800-552-3993**.

- **Out of Network Referrals.** See *Referrals* earlier in this section.
- **Urgent Care.**

Guest Membership. Members traveling long-term, any covered dependents attending college out of state, or covered family members living apart are eligible to become a guest member any time they are outside the Wellmark Health Plan Network area for at least 90 days. Not all services covered under your medical benefits are covered under Guest Membership. To determine which services are covered under the Guest Membership program, call us.

Before you leave the Wellmark Health Plan Network area, call the Customer Service number on your ID card to set up a guest membership.

Laboratory services. You may have laboratory specimens or samples collected by a Network provider and those laboratory specimens may be sent to another laboratory services provider for processing or testing. If that laboratory services provider does not have a contractual relationship with the Blue Plan where the specimen was drawn, the service will not be covered and you will be responsible for the entire amount charged.

Home/durable medical equipment. If you purchase or rent home/durable medical equipment from a provider that does not have a contractual relationship with the Blue Plan where you purchased or rented the equipment, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase or rent home/durable medical equipment and have that equipment shipped to a service area of a

Blue Plan that does not have a contractual relationship with the home/durable medical equipment provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase or rent home/durable medical equipment and have the equipment shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the home/durable medical equipment provider.

Prosthetic devices. If you purchase prosthetic devices from a provider that does not have a contractual relationship with the Blue Plan where you purchased the prosthetic devices, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase prosthetic devices and have that equipment shipped to a service area of a Blue Plan that does not have a contractual relationship with the provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase prosthetic devices and have them shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the provider.

Talk to your provider. Whenever possible, before receiving laboratory services, home/durable medical equipment, or prosthetic devices, ask your provider to utilize a provider that has a contractual arrangement with the Blue Plan where you received services, purchased or rented equipment, or shipped equipment, or ask your provider to utilize a provider that has a contractual arrangement with Wellmark.

To determine if a provider has a contractual arrangement with a particular Blue Plan or with Wellmark, call the Customer Service number on your ID card or visit our website, *Wellmark.com*.

See *Nonparticipating Providers,* page 46.

BlueCard Program. Wellmark Health Plan of Iowa, Inc., is an affiliate of Wellmark Blue Cross and Blue Shield of Iowa, independent licensees of the Blue Cross and Blue Shield Association. We have relationships with other Blue Cross and/or Blue Shield Plans. These relationships are generally referred to as Inter-Plan Programs. Whenever you obtain services outside the Wellmark Health Plan Network, the claims for these services may be processed through one of these Inter-Plan Programs, which include the BlueCard Program. These programs ensure that members of any Blue Plan have access to the advantages of participating providers throughout the United States. Participating providers have a contractual arrangement with the Blue Cross or Blue Shield Plan in their home state ("Host Blue"). The Host Blue is responsible for contracting with and generally handling all interactions with its participating providers.

The BlueCard Program is one of the advantages of your coverage with Wellmark Health Plan of Iowa, Inc. It provides conveniences and benefits outside the Wellmark Health Plan Network area for emergency care or accidental injury similar to those you would have in the Wellmark Health Plan Network area when you obtain covered medical services from a Network provider. Always carry your ID card (or BlueCard) and present it to your provider when you receive care. Information on it, especially the ID number, is required to process your claims correctly.

In an emergency situation, seek care at the nearest hospital emergency room. Whenever possible, before receiving services outside the Wellmark Health Plan Network, you should always ask the provider if he or she participates with a Blue Cross and/or Blue Shield Plan in that state. To locate BlueCard providers in any state, call **800-810-BLUE**, or visit *www.bcbs.com*.

When you receive covered services from BlueCard providers outside the Wellmark Health Plan Network, all of the following statements are true:

- Claims are filed for you.
- These providers agree to accept payment arrangements or negotiated prices of the Blue Cross and/or Blue Shield Plan with which the provider contracts. These payment arrangements may result in savings.
- The health plan payment is sent directly to the providers.

Typically, when you receive covered services from BlueCard providers outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 39. However, if you are admitted to a BlueCard facility outside the Wellmark Health Plan Network, any BlueCard provider will handle notification requirements for you.

Care in a Foreign Country
For covered services you receive in a country other than the United States, payment level assumes the provider category is nonparticipating except for services received from providers that participate with BlueCard Worldwide.

Blue Rx Complete

Choose a Participating Pharmacy

Your prescription drug benefits are called Blue Rx Complete. Pharmacies that participate with the network used by Blue Rx Complete are called participating pharmacies. Pharmacies that do not participate with the network are called nonparticipating pharmacies. Benefits for covered drugs are generally available only when received from participating pharmacies except in emergency situations.

To determine if a pharmacy is participating, ask the pharmacist, consult the Blue Rx directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our Blue Rx directory also is available upon request by calling the Customer Service number on your ID card.

Nonparticipating Pharmacies
- Prescription drugs purchased from nonparticipating pharmacies are covered only in emergency situations.
- In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Always Present Your ID Card
If you do not have your ID card with you when you fill a prescription at a participating pharmacy, the pharmacist may not be able to access your benefit information. In this case:

- You must pay the full amount charged at the time you receive your prescription, and the amount we reimburse you may be less than what you paid. You are responsible for this difference.
- You must file your claim to be reimbursed. See *Claims*, page 59.

Specialty Pharmacy Program

Specialty drugs are often unavailable from ordinary retail pharmacies. Specialty pharmacies deliver specialty drugs directly to your home or to your physician's office. You must purchase specialty drugs through a participating pharmacy or through the specialty pharmacy program. You must register as a specialty pharmacy program user in order to fill your prescriptions through the specialty pharmacy program.

For information on how to register, call the Customer Service number on your ID card or visit our website at *Wellmark.com*.

You are not covered for specialty drugs purchased from nonparticipating pharmacies.

The specialty pharmacy program administers the distribution of specialty drugs to the home and to physicians' offices.

When you fill your prescription through the specialty pharmacy program, you will usually pay less than if you use a pharmacy outside the specialty pharmacy program. For specialty drug purchases, pharmacies outside the specialty pharmacy program are considered nonparticipating pharmacies. When you purchase covered drugs from nonparticipating pharmacies, you will usually pay more.

When you purchase covered drugs from nonparticipating pharmacies you are responsible for the amount charged for the drug at the time you fill your prescription, and then you must file a claim to be reimbursed. Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your payment obligation. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

Mail Order Drug Program

You must purchase mail order drugs through the mail order drug program. You are not covered for mail order drugs purchased outside the mail order drug program.

You must register as a mail service user in order to fill your prescriptions through the mail order drug program. For information on how to register, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Mail order pharmacy providers outside our mail order program are considered nonparticipating pharmacies. You are not covered for drugs purchased from nonparticipating mail order pharmacies.

See *Participating vs. Nonparticipating Pharmacies*, page 49.

6. Notification Requirements and Care Coordination

Blue Access

Many services require a notification to us or a review by us. If you do not follow notification requirements properly, you may have to pay for services yourself, so the information in this section is critical. For a complete list of services subject to notification or review, visit *Wellmark.com* or call the Customer Service number on your ID card.

BlueCard Providers and Notification Requirements
Typically, only BlueCard providers in the Wellmark Health Plan Network handle notification requirements for you. However, if you are admitted to a BlueCard facility outside the Wellmark Health Plan Network, any BlueCard provider will handle notification requirements for you.

If you receive any other covered services (i.e., services unrelated to an inpatient admission) from a BlueCard provider outside the Wellmark Health Plan Network, you or someone acting on your behalf are responsible for notification requirements.

More than one of the notification requirements and care coordination programs described in this section may apply to a service. Any notification or care coordination decision is based on the medical benefits in effect at the time of your request. If your coverage changes for any reason, you may be required to repeat the notification process.

You or your authorized representative, if you have designated one, may appeal a denial or reduction of benefits resulting from these notification requirements and care coordination programs. See *Appeals*, page 69. Also see *Authorized Representative*, page 73.

Precertification

Purpose	Precertification helps determine whether a service or admission to a facility is medically necessary. Precertification is required; however, it does not apply to maternity or emergency services.
Applies to	For a complete list of the services subject to precertification, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark Health Plan Network providers obtain precertification for you. However, you or someone acting on your behalf are responsible for precertification if: ■ You receive services subject to precertification from a nonparticipating provider.

Process	When you, instead of your provider, are responsible for precertification, call the phone number on your ID card before receiving services. Wellmark will respond to a precertification request within: ■ 72 hours in a medically urgent situation; ■ 15 days in a non-medically urgent situation. Precertification requests must include supporting clinical information to determine medical necessity of the service or admission. After you receive the service(s), Wellmark may review the related medical records to confirm the records document the services subject to the approved precertification request. The medical records also must support the level of service billed and document that the services have been provided by the appropriate personnel with the appropriate level of supervision.

Notification

Purpose	Notification of most facility admissions and certain services helps us identify and initiate discharge planning or care coordination. Notification is required.
Applies to	For a complete list of the services subject to notification, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark Health Plan Network providers perform notification for you. However, you or someone acting on your behalf are responsible for notification if: ■ You receive services subject to notification from a nonparticipating provider.
Process	When you, instead of your provider, are responsible for notification, call the phone number on your ID card before receiving services, except when you are unable to do so due to a medical emergency. In the case of an emergency admission, you must notify us within one business day of the admission or the receipt of services.

Prior Approval

Purpose	Prior approval helps determine whether a proposed treatment plan is medically necessary and a benefit under your medical benefits. Prior approval is required.
Applies to	For a complete list of the services subject to prior approval, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark Health Plan Network Providers request prior approval for you. However, you or someone acting on your behalf are responsible for prior approval if: ■ You are admitted to a facility outside Iowa; ■ You receive services subject to prior approval from a nonparticipating provider.

Process	When you, instead of your provider, are responsible for requesting prior approval, call the number on your ID card to obtain a prior approval form and ask the provider to help you complete the form. Wellmark will determine whether the requested service is medically necessary and eligible for benefits based on the written information submitted to us. We will respond to a prior approval request in writing to you and your provider within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Prior approval requests must include supporting clinical information to determine medical necessity of the services or supplies.
Importance	If your request is approved, the service is covered provided other contractual requirements, such as member eligibility and benefit maximums, are observed. If your request is denied, the service is not covered, and you will receive a notice with the reasons for denial. If you do not request prior approval for a service, the benefit for that service will be denied on the basis that you did not request prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, the benefit for that service will be provided according to the terms of your medical benefits. Approved services are eligible for benefits for a limited time. Approval is based on the medical benefits in effect and the information we had as of the approval date. If your coverage changes for any reason (for example, because of a new job or new medical benefits), an approval may not be valid. If your coverage changes before the approved service is performed, a new approval is recommended.

Concurrent Review

Purpose	Concurrent review is a utilization review conducted during a member's facility stay or course of treatment at home or in a facility setting to determine whether the place or level of service is medically necessary. This care coordination program occurs without any notification required from you.
Applies to	For a complete list of the services subject to concurrent review, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark

Process	Wellmark may review your case to determine whether your current level of care is medically necessary. Responses to Wellmark's concurrent review requests must include supporting clinical information to determine medical necessity as a condition of your coverage.
Importance	Wellmark may require a change in the level or place of service in order to continue providing benefits. If we determine that your current facility setting or level of care is no longer medically necessary, we will notify you, your attending physician, and the facility or agency at least 24 hours before your benefits for these services end.

Case Management

Purpose	Case management is a process of considering alternative treatments for members with severe illnesses or injuries that require costly, long-term care. Depending on the individual circumstances, a hospital may not be the most appropriate setting for treatment.
Applies to	Examples where case management might be appropriate include but are not limited to: Brain or Spinal Cord Injuries Cystic Fibrosis Degenerative Muscle Disorders Hemophilia Home Health Services Pregnancy (high risk) Transplants
Person Responsible	You, your physician, and the health care facility can work with Wellmark's case managers to identify and arrange alternative treatment plans to meet special needs. Wellmark may initiate a request for case management.
Process	Wellmark's case managers try to identify alternative settings or treatment plans, provided costs do not exceed those of an inpatient facility. A benefit program is tailored to the circumstances of the case. Even if a service is not covered or is subject to a specific limitation, Wellmark may waive exclusions or limitations with the agreement of its medical director. If your current level or setting of care is no longer medically necessary, you, your attending physician, and the facility or agency will be notified at least 24 hours before benefits end.
Importance	Case management provides an opportunity to receive alternative benefits to meet special needs. Wellmark may recommend a different treatment plan that preserves coverage.

Blue Rx Complete

Prior Authorization of Drugs

Purpose	Prior authorization allows us to verify that a prescription drug is part of a specific treatment plan and is medically necessary. In some cases prior authorization may also allow a drug that is normally excluded to be covered if it is part of a specific treatment plan and medically necessary.
Applies to	Prior authorization is required for a number of particular drugs. Visit *Wellmark.com* or check with your pharmacist or practitioner to determine whether prior authorization applies to a drug that has been prescribed for you.
Person Responsible	You are responsible for prior authorization.
Process	Ask your practitioner to call us with the necessary information. If your practitioner has not provided the prior authorization information, participating pharmacists usually ask for it, which may delay filling your prescription. To avoid delays, encourage your provider to complete the prior authorization process before filling your prescription. Nonparticipating pharmacists will fill a prescription without prior authorization but you will be responsible for paying the charge. Wellmark will respond to a prior authorization request within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Calls received after 4:00 p.m. are considered the next business day.
Importance	If you purchase a drug that requires prior authorization but do not obtain prior authorization, you are responsible for paying the entire amount charged.

Exception Process for Noncovered Drugs

Purpose	The exception process may allow a drug that is not normally covered to be covered if it meets Wellmark's medical exception criteria.
Applies to	Drugs not listed on the Wellmark Blue Rx Complete Drug List.
Process	There are two exception processes depending upon whether a noncovered drug has already been purchased or not. ■ If you have not already purchased the noncovered drug: — You may call the Customer Service number on your ID card; or — You may access the Member Initiated Exception Request Form for Noncovered Pharmaceuticals on our website at *Wellmark.com*; or — You or your practitioner may follow the prior authorization process described earlier in this section. ■ If you have already purchased the noncovered drug, you will need to see your practitioner for details on the medical exception process.

Importance	If you purchase a drug that is not covered, you are responsible for paying the entire amount charged.

7. Factors Affecting What You Pay

How much you pay for covered services is affected by many different factors discussed in this section.

Blue Access

Benefit Year

A benefit year is the same as a calendar year. It begins on the effective date of the agreement between Wellmark Health Plan of Iowa, Inc., and your employer or group sponsor and starts over each January 1. Your benefit year continues even if your employer or group sponsor changes Wellmark group health plan benefits during the year.

If you change coverage and your Wellmark identification number is changed, a new benefit year will start under the new ID number for the rest of the calendar year. In this case, the benefit year would be less than a full year.

If you are an inpatient in a covered facility on the date of your annual benefit year renewal, your benefit limitations and payment obligations, including your out-of-pocket maximum, for facility services will renew and will be based on the benefit limitations and payment obligation amounts in effect on the date you were admitted. However, your payment obligations, including your out-of-pocket maximum, for practitioner services will be based on the payment obligation amounts in effect on the day you receive services.

The benefit year is important for calculating:

- Coinsurance.
- Out-of-pocket maximum.
- Benefit maximum.

How Coinsurance is Calculated

The amount on which coinsurance is calculated depends on the state where you receive a covered service and the contracting status of the provider.

Wellmark Health Plan Network and Nonparticipating Providers
Coinsurance is calculated using the payment arrangement amount after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 29.

Nonparticipating Facility Services
For services received at nonparticipating facilities, coinsurance is calculated using the amount charged after the following applicable amounts are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 29.

BlueCard Providers Outside the Wellmark Health Plan Network
If you receive care from a nonparticipating provider out-of-area, you are eligible for benefits only in cases of an emergency, accidental injury, or in certain situations, a referral.

The coinsurance for covered services is calculated on the lower of:

- The amount charged for the covered service, or
- The negotiated price that the Host Blue makes available to Wellmark after the following amounts (if applicable) are subtracted from it:
  - Amounts representing any general exclusions and conditions. See

General Conditions of Coverage, Exclusions, and Limitations, page 29.

Often, the negotiated price will be a simple discount that reflects an actual price the local Host Blue paid to your provider. Sometimes, the negotiated price is an estimated price that takes into account special arrangements with your healthcare provider or provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, the negotiated price may be an average price based on a discount that results in expected average savings for similar types of healthcare providers after taking into account the same types of transactions as with an estimated price. Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or under-estimation of modifications of past pricing for the types of transaction modifications noted previously. However, such adjustments will not affect the price we use for your claim because they will not be applied retroactively to claims already paid.

Occasionally, claims for services you receive from a provider that participates with a Blue Cross and/or Blue Shield Plan outside of Iowa or South Dakota may need to be processed by Wellmark instead of by the BlueCard Program. In that case, coinsurance is calculated using the amount charged for covered services after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 29.

Laws in a small number of states may require the Host Blue Plan to add a surcharge to your calculation. If any state laws mandate other liability calculation methods, including a surcharge, Wellmark will calculate your payment obligation for any covered services according to applicable law. For more information, see *BlueCard Program*, page 35.

Network Providers

Wellmark has a contracting relationship with these providers. When you receive services from a Network provider:

- The Network payment obligation amounts may be waived for certain covered services. See *Waived Payment Obligations*, page 5.

There may be certain exceptions to these rules. Any exceptions are described in *What You Pay*.

Nonparticipating Providers

Wellmark and Blue Cross and/or Blue Shield Plans do not have contracting relationships with nonparticipating providers, and they may not accept our payment arrangements. Pharmacies are considered nonparticipating providers. Therefore, when you receive services from nonparticipating providers:

- You are not eligible for benefits. There may be exceptions to this rule for specific services. If so, these are described in the section *Details – Services Covered and Not Covered*.
- You are responsible for any difference between the amount charged and the maximum allowable fee for a covered service when the maximum allowable fee is less than the practitioner's charge.
- Wellmark does not make claim payments directly to these providers. You are responsible for ensuring that your provider is paid in full.
- The health plan payment for nonparticipating hospitals, M.D.s, and D.O.s in Iowa is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider (plus any billed balance you may owe).

Amount Charged and Maximum Allowable Fee

Amount Charged

The amount charged is the amount a provider charges for a service or supply, regardless of whether the services or supplies are covered under your medical benefits.

Maximum Allowable Fee

The maximum allowable fee is the amount, established by Wellmark, using various methodologies, for covered services and supplies. Wellmark's amount paid may be based on the lesser of the amount charged for a covered service or supply or the maximum allowable fee.

Payment Arrangements

Payment Arrangement Savings

Wellmark has contracting relationships with Network providers. We use different methods to determine payment arrangements, including negotiated fees. These payment arrangements usually result in savings.

The savings from payment arrangements and other important amounts will appear on your Explanation of Benefits statement as follows:

- *Network Savings*, which reflects the amount you save on a claim by receiving services from a participating or Network provider. For the majority of services, the savings reflects the actual amount you saved on a claim. However, depending on many factors, the amount we pay a provider could be different from the covered charge. Regardless of the amount we pay a participating or Network provider, your payment responsibility will always be based on the lesser of the covered charge or the maximum allowable fee.
- *Amount Not Covered*, which reflects the portion of provider charges not covered under your health benefits and for which you are responsible. This amount may include services or supplies not covered; amounts in excess of a benefit maximum, benefit year maximum, or lifetime benefits maximum; reductions or denials for failure to follow a required precertification; and the difference between the amount charged and the maximum allowable fee for services from a nonparticipating provider. For general exclusions and examples of benefit limitations, see *General Conditions of Coverage, Exclusions, and Limitations*, page 29.
- *Amount Paid by Health Plan*, which reflects our payment responsibility to a provider or to you. We determine this amount by subtracting the following amounts (if applicable) from the amount charged:
  - Coinsurance.
  - Copayment.
  - Amounts representing any general exclusions and conditions.
  - Network savings.

Payment Method for Services

Provider payment arrangements are calculated using industry methods, including but not limited to fee schedules, per diems, percentage of charge, capitation, or episodes of care. Some provider payment arrangements may include an amount payable to the provider based on the provider's performance. Performance-based amounts that are not distributed are not allocated to your specific group or to your specific claims and are not considered when determining any amounts you may owe. We reserve the right to change the methodology we use to calculate payment arrangements based on industry practice or business need. Network providers agree to accept our payment arrangements as full settlement for providing covered services, except to the extent of any amounts you may owe.

Capitation

Payment to healthcare providers for certain services is made according to a uniform

amount per patient as determined by Wellmark Health Plan of Iowa, Inc.

Pharmacy Benefits Manager Fees and Drug Company Rebates

Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

Blue Rx Complete

Benefit Year

A benefit year is the same as a calendar year. It begins on the effective date of the agreement between Wellmark Health Plan of Iowa, Inc., and your employer or group sponsor and starts over each January 1.

Wellmark Blue Rx Complete Drug List

Often there is more than one medication available to treat the same medical condition. The Wellmark Blue Rx Complete Drug List ("Drug List") contains drugs physicians recognize as medically effective for a wide range of health conditions.

The Drug List is maintained with the assistance of practicing physicians, pharmacists, and Wellmark's pharmacy department.

To determine if a drug is covered, you or your physician must consult the Drug List. If a drug is not on the Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Although only drugs listed on the Drug List are covered, physicians are not limited to prescribing only the drugs on the list. Physicians may prescribe any medication, but only medications on the Drug List are covered. **Please note:** A medication on the Drug List will not be covered if the drug is specifically excluded under your Blue Rx Complete prescription drug benefits, or other limitations apply.

If a drug is not on the Wellmark Blue Rx Complete Drug List and you believe it should be covered, refer to *Exception Process for Noncovered Drugs,* page 43.

The Wellmark Blue Rx Complete Drug List is subject to change.

Tiers

The Wellmark Blue Rx Complete Drug List also identifies which tier a drug is on:

Tier 1. Most generic drugs and some brand-name drugs that have no generic equivalent. Tier 1 drugs have the lowest payment obligation.

Tier 2. Drugs appear on this tier because they either have no generic equivalent or are considered less cost-effective than Tier 1 drugs. Tier 2 drugs have a higher payment obligation than Tier 1 drugs.

Tier 3. Drugs appear on this tier because they are less cost-effective than Tier 1 or Tier 2 drugs. Tier 3 drugs have a higher payment obligation than Tier 1 or Tier 2 drugs.

Tier 4. Drugs available as combination products, lifestyle drugs, or drugs with more cost-effective options available on Tiers 1, 2, or 3. Tier 4 drugs have the same payment obligation as Tier 3 drugs.

Generic and Brand Name Drugs

Sometimes, a patent holder of a brand name drug grants a license to another manufacturer to produce the drug under a generic name, though it remains subject to patent protection and has a nearly identical price. In these cases, Wellmark's pharmacy benefits manager may treat the licensed product as a brand name drug, rather than generic, and will calculate your payment obligation accordingly.

Generic Drug

Generic drug refers to an FDA-approved "A"-rated generic drug. This is a drug with active therapeutic ingredients chemically identical to its brand name drug counterpart.

Brand Name Drug

Brand name drug is a prescription drug patented by the original manufacturer. Usually, after the patent expires, other manufacturers may make FDA-approved generic copies.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician or consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Amount Charged and Maximum Allowable Fee

Amount Charged

The retail price charged by a pharmacy for a covered prescription drug.

Maximum Allowable Fee

The amount, established by Wellmark using various methodologies and data (such as the average wholesale price), payable for covered drugs.

The maximum allowable fee may be less than the amount charged for the drug.

Participating vs. Nonparticipating Pharmacies

Prescription drugs are generally only covered when purchased from participating pharmacies. Purchases from nonparticipating pharmacies are covered only in emergency situations. If you purchase drugs from nonparticipating pharmacies and it is not an emergency situation, you are responsible for the cost of the drug.

Your payment obligation for the purchase of a covered prescription drug at a participating pharmacy is the lesser of your copayment or coinsurance, the maximum allowable fee, or the amount charged for the drug.

If, in an emergency situation, you purchase a covered prescription drug at a nonparticipating pharmacy, you are responsible for the amount charged for the drug at the time you fill your prescription.

Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your copayment or

coinsurance. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

To determine if a pharmacy is participating, ask the pharmacist, consult the Blue Rx directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our Blue Rx directory also is available upon request by calling the Customer Service number on your ID card.

Special Programs

We evaluate and monitor changes in the pharmaceutical industry in order to determine clinically effective and cost-effective coverage options. These evaluations may prompt us to offer programs that encourage the use of reasonable alternatives. For example, we may, at our discretion, temporarily waive your payment obligation on a qualifying prescription drug purchase.

Visit our website at *Wellmark.com* or call us to determine whether your prescription qualifies.

Savings and Rebates

Payment Arrangements

The benefits manager of this prescription drug program has established payment arrangements with participating pharmacies that may result in savings.

Pharmacy Benefits Manager Fees and Drug Company Rebates

Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

8. Coverage Eligibility and Effective Date

Eligible Members

You are eligible for coverage if you meet your employer's or group sponsor's eligibility requirements. Also eligible for coverage is an eligible member's spouse or domestic partner.

A child is eligible under the plan member's coverage if the child has any of the following relationships to the plan member or an enrolled spouse or domestic partner:

- A natural child.
- Legally adopted or placed for adoption (that is, you assume a legal obligation to provide full or partial support and intend to adopt the child).
- A child for whom you have legal guardianship.
- A stepchild.
- A foster child.
- A natural child a court orders to be covered.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In addition, a child must be one of the following:

- Under age 26.
- An unmarried full-time student over the age of 26 enrolled in an accredited educational institution. Full-time student status continues during:
  - Regularly-scheduled school vacations; and
  - Medically necessary leaves of absence until the earlier of one year from the first day of leave or the date coverage would otherwise end.
- An unmarried child over the age of 26 who is totally and permanently disabled, physically or mentally. The disability must have existed before the child turned age 26, or while the child was a full-time student. In addition, the child must have had creditable coverage without a break of 63 days or more since turning age 26 or since becoming a full-time student.

When Plan Member and Spouse Are Both Eligible Employees

When a husband and wife are both employed by the State, they must enroll under the same family coverage. Employees cannot be covered as both an employee and a dependent under the State's health plans.

Please note: In addition to the preceding requirements, eligibility is affected by coverage enrollment events and coverage termination events. See *Coverage Change Events*, page 55.

Enrollment Requirements

Permanent or probationary employees who work 20 or more hours per week are eligible to apply:

- within 30 calendar days of the date of hire; or
- at the annual change period.

Promise Program

Promise Program employees, as established by Executive Order Number 27, may enroll in single or family coverage within 30 calendar days of expiration of their Medicaid benefits.

Program Selection/Program Movement

Rules on program selection and program movement are detailed in your *Employer's Procedures Manual* and *Collective Bargaining Agreements*.

When Coverage Begins

Coverage begins on the member's effective date.

Your coverage under this group health plan begins on your effective date, which is the first of the month following 30 days of active employment. **Please note:** The month of February is considered a 30-day period.

Any employee or former employee defined as eligible by the State of Iowa, whether actively at work or not, is accepted by the group health plan during an approved enrollment and change period.

This benefit booklet supersedes any other contractual language regarding the member's effective date, benefits available, eligibility, or payment for inpatient hospital, nursing facility, practitioner, or other inpatient charges for State of Iowa group members.

Services received before the effective date of coverage are not eligible for benefits.

Late Enrollees

A late enrollee is a member who declines coverage when initially eligible to enroll and then later wishes to enroll for coverage. However, a member is not a late enrollee if a qualifying enrollment event allows enrollment as a special enrollee, even if the enrollment event coincides with a late enrollment opportunity. See *Coverage Change Events*, page 55.

A late enrollee may enroll for coverage at the group's next renewal or enrollment period.

Changes to Information Related to You or to Your Benefits

Wellmark may, from time to time, permit changes to information relating to you or to your benefits. In such situations, Wellmark shall not be required to reprocess claims as a result of any such changes.

Qualified Medical Child Support Order

If you have a dependent child and you or your spouse's employer or group sponsor receives a Medical Child Support Order recognizing the child's right to enroll in this group health plan or in your spouse's benefits plan, the employer or group sponsor will promptly notify you or your spouse and the dependent that the order has been received. The employer or group sponsor also will inform you or your spouse and the dependent of its procedures for determining whether the order is a Qualified Medical Child Support Order (QMCSO). Participants and beneficiaries can obtain, without charge, a copy of such procedures from the plan administrator.

A QMCSO specifies information such as:

- Your name and last known mailing address.
- The name and mailing address of the dependent specified in the court order.
- A reasonable description of the type of coverage to be provided to the dependent or the manner in which the type of coverage will be determined.
- The period to which the order applies.

A Qualified Medical Child Support Order cannot require that a benefits plan provide any type or form of benefit or option not otherwise provided under the plan, except as necessary to meet requirements of Iowa Code Chapter 252E (2001) or Social Security Act Section 1908 with respect to group health plans.

The order and the notice given by the employer or group sponsor will provide additional information, including actions that you and the appropriate insurer must take to determine the dependent's eligibility and procedures for enrollment in the benefits plan, which must be done within specified time limits.

If eligible, the dependent will have the same coverage as you or your spouse and will be allowed to enroll immediately. You or your

spouse's employer or group sponsor will withhold any applicable share of the dependent's health care premiums from your compensation and forward this amount to us.

If you are subject to a waiting period that expires more than 90 days after the insurer receives the QMCSO, your employer or group sponsor must notify us when you become eligible for enrollment. Enrollment of the dependent will commence after you have satisfied the waiting period.

The dependent may designate another person, such as a custodial parent or legal guardian, to receive copies of explanations of benefits, checks, and other materials.

Your employer or group sponsor may not revoke enrollment or eliminate coverage for a dependent unless the employer or group sponsor receives satisfactory written evidence that:

- The court or administrative order requiring coverage in a group health plan is no longer in effect;
- The dependent's eligibility for or enrollment in a comparable benefits plan that takes effect on or before the date the dependent's enrollment in this group health plan terminates; or
- The employer eliminates dependent health coverage for all employees.

The employer or group sponsor is not required to maintain the dependent's coverage if:

- You or your spouse no longer pay premiums because the employer or group sponsor no longer owes compensation; or
- You or your spouse have terminated employment with the employer and have not elected to continue coverage.

Family and Medical Leave Act of 1993

The Family and Medical Leave Act of 1993 (FMLA), requires a covered employer to allow an employee with 12 months or more of service who has worked for 1,250 hours over the previous 12 months and who is employed at a worksite where 50 or more employees are employed by the employer within 75 miles of that worksite a total of 12 weeks of leave per fiscal year for the birth of a child, placement of a child with the employee for adoption or foster care, care for the spouse, child or parent of the employee if the individual has a serious health condition or because of a serious health condition, the employee is unable to perform any one of the essential functions of the employee's regular position. In addition, FMLA requires an employer to allow eligible employees to take up to 12 weeks of leave per 12-month period for qualifying exigencies arising out of a covered family member's active military duty in support of a contingency operation and to take up to 26 weeks of leave during a single 12-month period to care for a covered family member recovering from a serious illness or injury incurred in the line of duty during active service.

Any employee taking a leave under the FMLA shall be entitled to continue the employee's benefits during the duration of the leave. The employer must continue the benefits at the level and under the conditions of coverage that would have been provided if the employee had remained employed. **Please note:** The employee is still responsible for paying their share of the premium if applicable. If the employee for any reason fails to return from the leave, the employer may recover from the employee that premium or portion of the premium that the employer paid, provided the employee fails to return to work for any reason other than the reoccurrence of the serious health condition or circumstances beyond the control of the employee.

Leave taken under the FMLA does not constitute a qualifying event so as to trigger COBRA rights. However, a qualifying event triggering COBRA coverage may occur when it becomes known that the employee is not returning to work. Therefore, if an employee

does not return at the end of the approved period of Family and Medical Leave and terminates employment with employer, the COBRA qualifying event occurs at that time.

If you have any questions regarding your eligibility or obligations under the FMLA, contact your employer or group sponsor.

9. Coverage Changes and Termination

Certain events may require or allow you to add or remove persons who are covered by this group health plan.

Coverage Change Events

Coverage Enrollment Events: Review the Department of Administrative Services' benefits website (*http://benefits.iowa.gov*) for a list of events that allow changes to your health insurance enrollment.

Requirement to Notify Group Sponsor

You must notify your employer or group sponsor of an event that changes the coverage status of members.

Birth of a Child. A newborn will be added to the existing family health contract when information becomes available from any valid source that the birth has occurred (e.g., hospital or professional claims submission or an enrollment form). The effective date of enrollment will be the date of birth.

If a single contract is in effect at the time of the birth of a biological child, the employee must submit an application form to change to a family contract within 60 days of the date of the birth. The effective date of the family contract will be the first day of the month in which the biological child was born. Appropriate employee deductions for payment of the family contract must be paid retroactively to reflect the change to a family contract.

If the single contract holder does not submit the application for family coverage within 60 days of the birth of the biological child, benefit payments will not be made retroactive to the date of birth.

Adoption, Legal Custody, or Legal Guardianship. The following provisions apply for adoptions or obtaining legal custody or legal guardianship:

If a newborn child is adopted within 30 days of birth or has been placed in your home for the purposes of adoption within 30 days of birth, the effective date of coverage can be:

- the first of the month, in which the child was born; or
- the first of the month following the child's birth.

If you adopt a child or a child is placed in your home for the purposes of adoption more than 30 days after the child's date of birth, the effective date of coverage will be the first of the month in which the adoption or placement for adoption occurs. If you obtain legal custody or legal guardianship of a child more than 30 days after the child's date of birth, the effective date of coverage will also be the first of the month in which the legal action occurs.

Your application for coverage must be signed within 60 days of the event to add the new child to the existing family contract or allow a single contract to be changed to a family contract.

Legal documentation must accompany the application to add the new child indicating:

- employee name and social security number;
- date of birth of the child; and
- date awarded physical custody.

If custody is lost, it is the employee's responsibility to immediately notify their human resources associate or personnel assistant.

Medicaid or the Children's Health Insurance Program. Notify your employer or group sponsor within 60 days in case of the following events:

- You lose eligibility for coverage under Medicaid or the Children's Health Insurance Program (CHIP) (the *hawk-i* plan in Iowa).

- You become eligible for premium assistance under Medicaid or CHIP.

All Other Events. For all other events, you must notify your employer or group sponsor within 30 days of the event.

If you do not provide timely notification of an event that requires you to remove an affected family member, your coverage may be terminated.

If you do not provide timely notification of a coverage enrollment event, the affected person may not enroll until an annual group enrollment period.

Coverage Termination

The following events terminate your coverage eligibility.

- You become unemployed when your eligibility is based on employment.
- You become ineligible under your employer's or group sponsor's eligibility requirements for reasons other than unemployment.
- Your employer or group sponsor discontinues or replaces this group health plan.
- We terminate coverage of all similar group health plans by written notice to your employer or group sponsor 90 days prior to termination.
- The number of individuals covered under this group health plan falls below the number or percentage of eligible individuals required to be covered.
- Your employer sends a written request to terminate coverage.
- You unreasonably refuse to follow a prescribed course of treatment.
- You leave the Wellmark Health Plan Network service area for more than a four-month period (except full-time college students).

Also see *Fraud or Intentional Misrepresentation of Material Facts*, and *Nonpayment* later in this section.

When you become unemployed and your eligibility is based on employment, your coverage will end at the end of the month your employment ends. When your coverage terminates for all other reasons, check with your employer or group sponsor or call the Customer Service number on your ID card to verify the coverage termination date.

If you receive covered facility services as an inpatient of a hospital or a resident of a nursing facility on the date your coverage eligibility terminates, payment for the covered facility services will end on the earliest of the following:

- The end of your remaining days of coverage under this benefits plan.
- The date you are discharged from the hospital or nursing facility following termination of your coverage eligibility.
- A period not more than 60 days from the date of termination.

Only facility services will be covered under this extension of benefits provision. Benefits for professional services will end on the date of termination of your coverage eligibility.

Fraud or Intentional Misrepresentation of Material Facts

Your coverage will terminate immediately if:

- You use this group health plan fraudulently or intentionally misrepresent a material fact in your application; or
- Your employer or group sponsor commits fraud or intentionally misrepresents a material fact under the terms of this group health plan.

If your coverage is terminated for fraud or intentional misrepresentation of a material fact, then:

- We may declare this group health plan void retroactively from the effective date of coverage following a 30-day written notice. In this case, we will recover any claim payments made.

- Premiums may be retroactively adjusted as if the fraud or intentionally misrepresented material fact had been accurately disclosed in your application.
- We will retain legal rights, including the right to bring a civil action.

Nonpayment
Your coverage will terminate immediately if you or your employer or group sponsor fails to make required payments to us when due.

Coverage Continuation

When your coverage ends, you may be eligible to continue coverage under this group health plan or to convert to another Wellmark health benefits plan pursuant to certain state and federal laws.

COBRA Continuation
The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) applies to most non-governmental employers with 20 or more employees. Generally, COBRA entitles you and eligible dependents to continue coverage if it is lost due to a qualifying event, such as employment termination, divorce, or loss of dependent status. You and your eligible dependents will be required to pay for continuation coverage. Other federal or state laws similar to COBRA may apply if COBRA does not. Your employer or group sponsor is required to provide you with additional information on continuation coverage if a qualifying event occurs.

Continuation for Public Group
Iowa Code Sections 509A.7 and 509A.13 may apply if you are an employee of the State. Iowa Code Section 509A.13A may apply to the surviving spouse of a retired State employee. These laws may entitle you to continue participation in this medical benefits plan when you retire.

10. Claims

Once you receive medical services or purchase prescription drugs from a nonparticipating pharmacy we must receive a claim to determine the amount of your benefits. The claim lets us know the services or prescription drugs you received, when you received them, and from which provider.

When to File a Claim

You need to file a claim if you:

- Use a provider who does not file claims for you. Wellmark Health Plan Network providers file claims for you.
- Purchase prescription drugs from a nonparticipating pharmacy. (Remember, these purchases are only covered in emergency situations.)
- Purchase prescription drugs from a participating pharmacy but do not present your ID card.
- Pay in full for a drug that you believe should have been covered.

Your submission of a prescription to a participating pharmacy is not a filed claim and therefore is not subject to appeal procedures as described in the *Appeals* section. However, you may file a claim with us for a prescription drug purchase you think should have been a covered benefit.

Wellmark must receive claims within 365 days following the date of service of the claim. Effective January 1, 2015, Wellmark must receive claims within 180 days following the date of service of the claim.

How to File a Claim

All claims must be submitted in writing.

1. Get a Claim Form

Forms are available at *Wellmark.com* or by calling the Customer Service number on your ID card or from your personnel department.

2. Fill Out the Claim Form

Follow the same claim filing procedure regardless of where you received services. Directions are printed on the back of the claim form. Complete all sections of the claim form. For more efficient processing, all claims (including those completed out-of-country) should be written in English.

If you need assistance completing the claim form, call the Customer Service number on your ID card.

Medical Claim Form. Follow these steps to complete a medical claim form:

- Use a separate claim form for each covered family member and each provider.
- Attach a copy of an itemized statement prepared by your provider. We cannot accept statements you prepare, cash register receipts, receipt of payment notices, or balance due notices. In order for a claim request to qualify for processing, the itemized statement must be on the provider's stationery, and include at least the following:
  - Identification of provider: full name, address, tax or license ID numbers, and provider numbers.
  - Patient information: first and last name, date of birth, gender, relationship to plan member, and daytime phone number.
  - Date(s) of service.
  - Charge for each service.
  - Place of service (office, hospital, etc).
  - For injury or illness: date and diagnosis.
  - For inpatient claims: admission date, patient status, attending physician ID.
  - Days or units of service.
  - Revenue, diagnosis, and procedure codes.

— Description of each service.

Prescription Drugs Covered Under Your Medical Benefits Claim Form. For prescription drugs covered under your medical benefits (not covered under your Blue Rx Complete prescription drug benefits), use a separate prescription drug claim form and include the following information:

- Pharmacy name and address.
- Patient information: first and last name, date of birth, gender, and relationship to plan member.
- Date(s) of service.
- Description and quantity of drug.
- Original pharmacy receipt or cash receipt with the pharmacist's signature on it.

Blue Rx Complete Prescription Drug Claim Form. For prescription drugs covered under your Blue Rx Complete prescription drug benefits, complete the following steps:

- Use a separate claim form for each covered family member and each pharmacy.
- Complete all sections of the claim form. Include your daytime telephone number.
- Submit up to three prescriptions for the same family member and the same pharmacy on a single claim form. Use additional claim forms for claims that exceed three prescriptions or if the prescriptions are for more than one family member or pharmacy.
- Attach receipts to the back of the claim form in the space provided.

3. Sign the Claim Form

4. Submit the Claim

We recommend you retain a copy for your records. The original form you send or any attachments sent with the form cannot be returned to you.

Medical Claims and Claims for Drugs Covered Under Your Medical Benefits. Send the claim to:

Wellmark Health Plan of Iowa, Inc.
Station 1E238
P.O. Box 9291
Des Moines, IA 50306-9291

Medical Claims for Services Received Outside the United States. Send the claim to:

BlueCard Worldwide Service Center
P.O. Box 261630
Miami, FL 33126

Blue Rx Complete Prescription Drug Claims. Send the claim to:

Catamaran
Claims Department
P.O. Box 368022
Schaumburg, IL 60196-8022

We may require additional information from you or your provider before a claim can be considered complete and ready for processing.

Notification of Decision

We will send an Explanation of Benefits (EOB) following your claim. The EOB is a statement outlining how we applied benefits to a submitted claim. It details amounts that providers charged, network savings, our paid amounts, and amounts for which you are responsible.

In case of an adverse decision, the notice will be sent within 30 days of receipt of the claim. We may extend this time by up to 15 days if the claim determination is delayed for reasons beyond our control. If we do not send an explanation of benefits statement or a notice of extension within the 30-day period, you have the right to begin an appeal. We will notify you of the circumstances requiring an extension and the date by which we expect to render a decision.

If an extension is necessary because we require additional information from you,

the notice will describe the specific information needed. You have 45 days from receipt of the notice to provide the information. Without complete information, your claim will be denied.

If you have other insurance coverage, our processing of your claim may utilize coordination of benefits guidelines. See *Coordination of Benefits*, page 63.

Once we pay your claim, whether our payment is sent to you or to your provider, our obligation to pay benefits for the claim is discharged. However, we may adjust a claim due to overpayment or underpayment for up to 18 months after we first process the claim. In the case of nonparticipating hospitals, M.D.s, and D.O.s located in Iowa, the health plan payment is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider, plus any difference between the amount charged and our payment.

11. Coordination of Benefits

Coordination of benefits applies when you have more than one insurance policy or group health plan that provides the same or similar benefits as this plan. Benefits payable under this plan, when combined with those paid under your other coverage, will not be more than 100 percent of either our payment arrangement amount or the other plan's payment arrangement amount.

The method we use to calculate the payment arrangement amount may be different from your other plan's method.

In some instances, our claim payment amount is based on a uniform payment per patient of a primary care provider, called *capitation*. When you receive services payable by capitation and your other carrier has primary payment responsibility for covered services:

- We are not responsible for payment to your health care provider beyond the applicable capitation amount; and
- You are not responsible for copayment amounts that would apply if coverage under this medical benefits plan were the primary coverage.

Other Coverage

When you receive services, you must inform us that you have other coverage, and inform your health care provider about your other coverage. Other coverage includes any of the following:

- Group and nongroup insurance contracts and subscriber contracts.
- HMO contracts.
- Uninsured arrangements of group or group-type coverage.
- Group and nongroup coverage through closed panel plans.
- Group-type contracts.
- The medical care components of long-term contracts, such as skilled nursing care.
- Medicare or other governmental benefits (not including Medicaid).
- The medical benefits coverage of your auto insurance (whether issued on a fault or no-fault basis).

Coverage that is not subject to coordination of benefits includes the following:

- Hospital indemnity coverage or other fixed indemnity coverage.
- Accident-only coverage.
- Specified disease or specified accident coverage.
- Limited benefit health coverage, as defined by Iowa law.
- School accident-type coverage.
- Benefits for non-medical components of long-term care policies.
- Medicare supplement policies.
- Medicaid policies.
- Coverage under other governmental plans, unless permitted by law.

You must cooperate with Wellmark and provide requested information about other coverage. Failure to provide information can result in a denied claim. We may get the facts we need from or give them to other organizations or persons for the purpose of applying the following rules and determining the benefits payable under this plan and other plans covering you. We need not tell, or get the consent of, any person to do this.

Your Wellmark Health Plan Network provider will forward your coverage information to us. If you have a non-Network provider, you are responsible for informing us about your other coverage.

Coordination with Group MedicareBlue Rx

If you are a member of the Retired/Disabled group and you are enrolled in the Group MedicareBlue Rx prescription drug plan, the

benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy; although the benefits of your Group MedicareBlue Rx prescription drug plan are primary, you will continue to pay the copayment or coinsurance you have always paid under your State of Iowa prescription drug plan.

The benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy and you should present your Group MedicareBlue Rx ID card to the pharmacy as the primary payer. The benefits of your Blue Rx Complete prescription drug plan are secondary for prescription drugs purchased at the pharmacy and you should present your Blue Rx Complete ID card to the pharmacy as the secondary payer. You will be required to pay the same copayment or coinsurance amounts that would otherwise apply if you did not have Group MedicareBlue Rx.

Claim Filing

If you know that your other coverage has primary responsibility for payment, after you receive services or obtain a covered prescription drug, a claim should be submitted to your other insurance carrier first. If that claim is processed with an unpaid balance for benefits eligible under this group health plan, you or your provider should submit a claim to us and attach the other carrier's explanation of benefit payment. We may contact your provider or the other carrier for further information.

Rules of Coordination

We follow certain rules to determine which health plan or coverage pays first (as the primary plan) when other coverage provides the same or similar benefits as this group health plan. Here are some of those rules:

- The primary plan pays or provides benefits according to its terms of coverage and without regard to the benefits under any other plan. Except as provided below, a plan that does not contain a coordination of benefits provision that is consistent with applicable regulations is always primary unless the provisions of both plans state that the complying plan is primary.
- Coverage that is obtained by membership in a group and is designed to supplement a part of a basic package of benefits is excess to any other parts of the plan provided by the contract holder. (Examples of such supplementary coverage are major medical coverage that is superimposed over base plan hospital and surgical benefits and insurance-type coverage written in connection with a closed panel plan to provide out-of-network benefits.)

The following rules are to be applied in order. The first rule that applies to your situation is used to determine the primary plan.

- The coverage that you have as an employee, plan member, subscriber, policyholder, or retiree pays before coverage that you have as a spouse or dependent. However, if the person is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the person as a dependent and primary to the plan covering the person as other than a dependent (e.g., a retired employee), then the order of benefits between the two plans is reversed, so that the plan covering the person as the employee, plan member, subscriber, policyholder or retiree is the secondary plan and the other plan is the primary plan.
- The coverage that you have as the result of active employment (not laid off or retired) pays before coverage that you have as a laid-off or retired employee. The same would be true if a person is a dependent of an active employee and that same person is a dependent of a retired or laid-off employee. If the other plan does not have this rule and, as a

result, the plans do not agree on the order of benefits, this rule is ignored.

- If a person whose coverage is provided pursuant to COBRA or under a right of continuation provided by state or other federal law is covered under another plan, the plan covering the person as an employee, plan member, subscriber, policyholder or retiree or covering the person as a dependent of an employee, member, subscriber or retiree is the primary plan and the COBRA or state or other federal continuation coverage is the secondary plan. If the other plan does not have this rule and, as a result, the plans do not agree on the order of benefits, this rule is ignored.
- The coverage with the earliest continuous effective date pays first if none of the rules above apply.
- Notwithstanding the preceding rules, when you present your Blue Rx Complete ID card to a pharmacy as the primary payer, your Blue Rx Complete prescription drug benefits are primary for prescription drugs purchased at the pharmacy. If, under the preceding rules, your Blue Rx Complete prescription drug benefits are secondary and you present your Blue Rx Complete ID card to a pharmacy as the secondary payer, your Blue Rx Complete prescription drug benefits are secondary for prescription drugs purchased at the pharmacy.
- If the preceding rules do not determine the order of benefits, the benefits payable will be shared equally between the plans. In addition, this plan will not pay more than it would have paid had it been the primary plan.

Dependent Children

To coordinate benefits for a dependent child, the following rules apply (unless there is a court decree stating otherwise):

- If the child is covered by both parents who are married (and not separated) or who are living together, whether or not they have been married, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.
- For a child covered by separated or divorced parents or parents who are not living together, whether or not they have been married:
  - If a court decree states that one of the parents is responsible for the child's health care expenses or coverage and the plan of that parent has actual knowledge of those terms, then that parent's coverage pays first. If the parent with responsibility has no health care coverage for the dependent child's health care expenses, but that parent's spouse does, that parent's spouse's coverage pays first. This item does not apply with respect to any plan year during which benefits are paid or provided before the entity has actual knowledge of the court decree provision.
  - If a court decree states that both parents are responsible for the child's health care expense or health care coverage or if a court decree states that the parents have joint custody without specifying that one parent has responsibility for the health care expenses or coverage of the dependent child, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.
  - If a court decree does not specify which parent has financial or insurance responsibility, then the coverage of the parent with custody pays first. The payment order for the child is as follows: custodial parent, spouse of custodial parent, other parent, spouse of other parent. A

custodial parent is the parent awarded custody by a court decree or, in the absence of a court decree, is the parent with whom the child resides more than one-half of the calendar year excluding any temporary visitation.

If none of these rules apply to your situation, we will follow the Iowa Insurance Division's Coordination of Benefits guidelines to determine this health plan payment.

Effects on the Benefits of this Plan
In determining the amount to be paid for any claim, the secondary plan will calculate the benefits it would have paid in the absence of other coverage and apply the calculated amount to any allowable expense under its plan that is unpaid by the primary plan. The secondary plan may then reduce its payment by the amount so that, when combined with the amount paid by the primary plan, total benefits paid or provided by all plans for the claim do not exceed the total allowable expense for that claim. In addition, the secondary plan will credit to its applicable deductible any amounts it would have credited to its deductible in the absence of other coverage.

Right of Recovery
If the amount of payments made by us is more than we should have paid under these coordination of benefits provisions, we may recover the excess from any of the persons to or for whom we paid, or from any other person or organization that may be responsible for the benefits or services provided for the covered person. The amount of payments made includes the reasonable cash value of any benefits provided in the form of services.

Coordination with Medicare

For medical claims only, Medicare is by law the secondary coverage to group health plans in a variety of situations. The following provisions apply only if you have both Medicare and employer group health coverage under this medical benefits plan and your employer has the required minimum number of employees.

However, if you are eligible for Medicare either as a retiree or a spouse of a retiree or because of your or your spouse's disability status, your benefits under this medical benefits plan will be coordinated with benefits available under Medicare Part B, even if you or your spouse are not enrolled in Medicare Part B.

If you are no longer actively working, Medicare will be primary. Therefore, any member enrolled in Medicare Part A should also consider enrolling in Part B, as Retiree benefits under this plan will be reduced by the amount that would have been covered by Medicare Part B.

Medicare's Payment vs. This Plan's Payment
Medicare's allowed amount for a service may be different than our allowed amount (our allowed amount is also referred to as our "maximum allowable fee") for that same service. When Medicare is primary, and Medicare's allowed amount for a service is greater than our allowed amount for that same service, we will reimburse up to our allowed amount for the service. You may be responsible for any difference between Medicare's allowed amount and our allowed amount.

Working Aged
Medicare is the secondary payer if the beneficiary is:

- Age 65 or older; and
- A current employee or spouse of a current employee covered by an employer group health plan.

Working Disabled
Medicare is the secondary payer if the beneficiary is:

- Under age 65;
- A recipient of Medicare disability benefits; and

- A current employee or a spouse or dependent of a current employee, covered by an employer group health plan.

End-Stage Renal Disease (ESRD)
Under ESRD requirements, Medicare is the secondary payer during the first 30 months of Medicare coverage if both of the following are true:

- The beneficiary has Medicare coverage as an ESRD patient; and
- The beneficiary is covered by an employer group health plan.

If the beneficiary is already covered by Medicare due to age or disability and the beneficiary becomes eligible for Medicare ESRD coverage, Medicare generally is the secondary payer during the first 30 months of ESRD eligibility. However, if the group health plan is secondary to Medicare (based on other Medicare secondary-payer requirements) at the time the beneficiary becomes covered for ESRD, the group health plan remains secondary to Medicare.

This is only a general summary of the laws, which may change from time to time. For more information, contact your employer or the Social Security Administration.

12. Appeals

Right of Appeal

You have the right to one full and fair review in the case of an adverse benefit determination that denies, reduces, or terminates benefits, or fails to provide payment in whole or in part. Adverse benefit determinations include a denied or reduced claim or an adverse benefit determination concerning a pre-service notification requirement. Pre-service notification requirements are:

- A precertification request.
- A notification of admission or services.
- A prior approval request.
- A prior authorization request for prescription drugs.

How to Request an Internal Appeal

You or your authorized representative, if you have designated one, may appeal an adverse benefit determination within 180 days from the date you are notified of our adverse benefit determination by submitting a written appeal. Appeal forms are available at our website, *Wellmark.com*. See *Authorized Representative*, page 73.

Medically Urgent Appeal

To appeal an adverse benefit determination involving a medically urgent situation, you may request an expedited appeal, either orally or in writing. Medically urgent generally means a situation in which your health may be in serious jeopardy or, in the opinion of your physician, you may experience severe pain that cannot be adequately controlled while you wait for a decision.

Non-Medically Urgent Appeal

To appeal an adverse benefit determination that is not medically urgent, you must make your request for a review in writing.

What to Include in Your Internal Appeal

You must submit all relevant information with your appeal, including the reason for your appeal. This includes written comments, documents, or other information in support of your appeal. You must also submit:

- Date of your request.
- Your name (please type or print), address, and if applicable, the name and address of your authorized representative.
- Member identification number.
- Claim number from your Explanation of Benefits, if applicable.
- Date of service in question.

For a prescription drug appeal, you also must submit:

- Name and phone number of the pharmacy.
- Name and phone number of the practitioner who wrote the prescription.
- A copy of the prescription.
- A brief description of your medical reason for needing the prescription.

If you have difficulty obtaining this information, ask your provider or pharmacist to assist you.

Where to Send Internal Appeal

Wellmark Health Plan of Iowa, Inc.
Special Inquiries
P.O. Box 9232, Station 5W189
Des Moines, IA 50306-9232

Review of Internal Appeal

Your request for an internal appeal will be reviewed only once. The review will take into account all information regarding the adverse benefit determination whether or

not the information was presented or available at the initial determination. Upon request, and free of charge, you will be provided reasonable access to and copies of all relevant records used in making the initial determination.

The review will not be conducted by the original decision makers or any of their subordinates. The review will be conducted without regard to the original decision. If a decision requires medical judgment, we will consult an appropriate medical expert who was not previously involved in the original decision and who has no conflict of interest in making the decision. If we deny your appeal, in whole or in part, you may request, in writing, the identity of the medical expert we consulted.

Decision on Internal Appeal

The decision on appeal is the final internal determination. Once a decision on internal appeal is reached, your right to internal appeal is exhausted.

Medically Urgent Appeal

For a medically urgent appeal, you will be notified (by telephone, e-mail, fax or another prompt method) of our decision as soon as possible, based on the medical situation, but no later than 72 hours after your expedited appeal request is received. If the decision is adverse, a written notification will be sent.

All Other Appeals

For all other appeals, you will be notified in writing of our decision. Most appeal requests will be determined within 30 days and all appeal requests will be determined within 60 days.

External Review

You have the right to request an external review of a final adverse determination involving a covered service when the determination involved:

- Medical necessity.
- Appropriateness of services or supplies, including health care setting, level of care, or effectiveness of treatment.
- Investigational or experimental services or supplies.
- Concurrent review or admission to a facility. See *Notification Requirements and Care Coordination*, page 39.

An adverse determination eligible for external review does not include a denial of coverage for a service or treatment specifically excluded under this plan.

The external review will be conducted by independent health care professionals who have no association with us and who have no conflict of interest with respect to the benefit determination.

Have you exhausted the appeal process? Before you can request an external review, you must first exhaust the internal appeal process described earlier in this section. However, if you have not received a decision regarding the adverse benefit determination within 30 days following the date of your request for an appeal, you are considered to have exhausted the internal appeal process.

Requesting an external review. You or your authorized representative may request an external review through the Iowa Insurance Division by completing an External Review Request Form and submitting the form as described in this section. You may obtain this request form by calling the Customer Service number on your ID card, by visiting our website at *Wellmark.com*, by contacting the Iowa Insurance Division, or by visiting the Iowa Insurance Division's website at *www.iid.state.ia.us*.

You will be required to authorize the release of any medical records that may be required to be reviewed for the purpose of reaching a decision on your request for external review.

Requests must be filed in writing at the following address, no later than four months

after you receive notice of the final adverse benefit determination:

Iowa Insurance Division
Two Ruan Center
601 Locust, 4th Floor
Des Moines, IA 50309-3738
Fax: 515-281-3059
E-mail:
iid.marketregulation@iid.iowa.gov

How the review works. Upon notification that an external review request has been filed, Wellmark will make a preliminary review of the request to determine whether the request may proceed to external review. Following that review, the Iowa Insurance Division will decide whether your request is eligible for an external review, and if it is, the Iowa Insurance Division will assign an independent review organization (IRO) to conduct the external review. You will be advised of the name of the IRO and will then have five business days to provide new information to the IRO. The IRO will make a decision within 45 days of the date the Iowa Insurance Division receives your request for an external review.

Need help? You may contact the Iowa Insurance Division at **877-955-1212** at any time for assistance with the external review process.

Expedited External Review
You do not need to exhaust the internal appeal process to request an external review of an adverse determination or a final adverse determination if you have a medical condition for which the time frame for completing an internal appeal or for completing a standard external review would seriously jeopardize your life or health or would jeopardize your ability to regain maximum function.

You may also have the right to request an expedited external review of a final adverse determination that concerns an admission, availability of care, concurrent review, or service for which you received emergency services, and you have not been discharged from a facility.

If our adverse benefit determination is that the service or treatment is experimental or investigational and your treating physician has certified in writing that delaying the service or treatment would render it significantly less effective, you may also have the right to request an expedited external review.

You or your authorized representative may submit an oral or written expedited external review request to the Iowa Insurance Division by contacting the Iowa Insurance Division at **877-955-1212**.

If the Insurance Division determines the request is eligible for an expedited external review, the Division will immediately assign an IRO to conduct the review and a decision will be made expeditiously, but in no event more than 72 hours after the IRO receives the request for an expedited external review.

Legal Action

You shall not start legal action against us until you have exhausted the appeal procedure described in this section.

13. General Provisions

Contract

The conditions of your coverage are defined in your contract. Your contract includes:

- Any application you submitted to us or to your employer or group sponsor.
- Any agreement or group policy we have with your employer or group sponsor.
- Any application completed by your employer or group sponsor.
- This benefit booklet and any riders or amendments.

All of the statements made by you or your employer or group sponsor in any of these materials will be treated by us as representations, not warranties.

Interpreting this Benefit Booklet

We will interpret the provisions of this benefit booklet and determine the answer to all questions that arise under it. We have the administrative discretion to determine whether you meet our written eligibility requirements, or to interpret any other term in this benefit booklet. If any benefit described in this benefit booklet is subject to a determination of medical necessity, unless otherwise required by law, we will make that factual determination. Our interpretations and determinations are final and conclusive.

There are certain rules you must follow in order for us to properly administer your benefits. Different rules appear in different sections of your benefit booklet. You should become familiar with the entire document.

Authority to Terminate, Amend, or Modify

Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

Authorized Group Benefits Plan Changes

No agent, employee, or representative of ours is authorized to vary, add to, change, modify, waive, or alter any of the provisions described in this benefit booklet. This benefit booklet cannot be changed except by one of the following:

- Written amendment signed by an authorized officer and accepted by you or your employer or group sponsor.
- Our receipt of proper notification that an event has changed your spouse or dependent's eligibility for coverage. See *Coverage Changes and Termination*, page 55.

Member Participation

You will be provided regular communication regarding matters such as wellness, general health education, and matters of policy and operation of Wellmark Health Plan of Iowa, Inc.

Authorized Representative

You may authorize another person to represent you and with whom you want us to communicate regarding specific claims or an appeal. This authorization must be in writing, signed by you, and include all the information required in our Authorized Representative Form. This form is available at *Wellmark.com* or by calling the Customer Service number on your ID card.

In a medically urgent situation your treating health care practitioner may act as your authorized representative without completion of the Authorized Representative Form.

An assignment of benefits, release of information, or other similar form that you

may sign at the request of your health care provider does not make your provider an authorized representative. You may authorize only one person as your representative at a time. You may revoke the authorized representative at any time.

Release of Information

You have agreed in your application (or in documents kept by us or your employer or group sponsor) to release any necessary information requested about you so we can process claims for benefits.

You must allow any provider, facility, or their employee to give us information about a treatment or condition. If we do not receive the information requested, or if you withhold information in your application, your benefits may be denied. If you fraudulently use your coverage or misrepresent or conceal material facts in your application, then we may terminate your coverage under this group health plan.

Privacy of Information

Your employer or group sponsor is required to protect the privacy of your health information. It is required to request, use, or disclose your health information only as permitted or required by law. For example, your employer or group sponsor has contracted with Wellmark to administer this group health plan and Wellmark will use or disclose your health information for treatment, payment, and health care operations according to the standards and specifications of the federal privacy regulations.

Treatment

We may disclose your health information to a physician or other health care provider in order for such health care provider to provide treatment to you.

Payment

We may use and disclose your health information to pay for covered services from physicians, hospitals, and other providers, to determine your eligibility for benefits, to coordinate benefits, to determine medical necessity, to obtain payment from your employer or group sponsor, to issue explanations of benefits to the person enrolled in the group health plan in which you participate, and the like. We may disclose your health information to a health care provider or entity subject to the federal privacy rules so they can obtain payment or engage in these payment activities.

Health Care Operations

We may use and disclose your health information in connection with health care operations. Health care operations include, but are not limited to, determining payment and rates for your group health plan; quality assessment and improvement activities; reviewing the competence or qualifications of health care practitioners, evaluating provider performance, conducting training programs, accreditation, certification, licensing, or credentialing activities; medical review, legal services, and auditing, including fraud and abuse detection and compliance; business planning and development; and business management and general administrative activities.

Other Disclosures

Your employer or group sponsor or Wellmark is required to obtain your explicit authorization for any use or disclosure of your health information that is not permitted or required by law. For example, we may release claim payment information to a friend or family member to act on your behalf during a hospitalization if you submit an authorization to release information to that person.

Member Health Support Services

Wellmark may from time to time make available to you certain health support services (such as disease management), for a fee or for no fee. Wellmark may offer financial and other incentives to you to use such services. As a part of the provision of these services, Wellmark may:

- Use your personal health information (including, but not limited to, substance abuse, mental health, and HIV/AIDS information); and
- Disclose such information to your health care providers and Wellmark's health support service vendors, for purposes of providing such services to you.

Wellmark will use and disclose information according to the terms of our Privacy Practices Notice, which is available upon request or at *Wellmark.com*.

Value Added or Innovative Benefits

Wellmark may, from time to time, make available to you certain value added or innovative benefits for a fee or for no fee. Examples include discounts on alternative/preventive therapies, fitness, exercise and diet assistance, and elective procedures as well as resources to help you make more informed health decisions.

Value-Based Programs

Value-based programs involve local health care organizations that are held accountable for the quality and cost of care delivered to a defined population. Value-based programs can include accountable care organizations (ACOs), patient centered medical homes (PCMHs), and other programs developed by Wellmark, Blue Cross Blue Shield Association, or other Blue Cross Blue Shield health plans ("Blue Plans"). Wellmark and Blue Plans have entered into collaborative arrangements with value-based programs under which the health care providers participating in them are eligible for financial incentives relating to quality and cost-effective care of Wellmark members. Your claims information may be used by the value-based program and any providers involved in such value-based program.

Nonassignment

Benefits for covered services under this group health plan are for your personal benefit and cannot be transferred or assigned to anyone else without our consent. You are prohibited from assigning any claim or cause of action arising out of or relating to this group health plan. Any attempt to assign this group health plan or rights to payment will be void.

Governing Law

To the extent not superseded by the laws of the United States, the group health plan will be construed in accordance with and governed by the laws of the state of Iowa. Any action brought because of a claim under this plan will be litigated in the state or federal courts located in the state of Iowa and in no other.

Legal Action

You shall not start any legal action against us unless you have exhausted the applicable appeal process and the external review process described in the *Appeals* section.

You shall not bring any legal or equitable action against us because of a claim under this group health plan, or because of the alleged breach of this plan, more than two years after the end of the calendar year in which the services or supplies were provided.

Medicaid Enrollment and Payments to Medicaid

Assignment of Rights

This group health plan will provide payment of benefits for covered services to you, your beneficiary, or any other person who has been legally assigned the right to receive such benefits pursuant to Title XIX of the Social Security Act (Medicaid).

Enrollment Without Regard to Medicaid

Your receipt or eligibility for benefits under Medicaid will not affect your enrollment as a participant or beneficiary of this group health plan, nor will it affect our determination of benefits.

Acquisition by States of Rights of Third Parties

If payment has been made by Medicaid and Wellmark has a legal obligation to provide benefits for those services, Wellmark will make payment of those benefits in accordance with any state law under which a state acquires the right to such payments.

Medicaid Reimbursement

When a Network provider submits a claim to a state Medicaid program for a covered service and Wellmark reimburses the state Medicaid program for the service, Wellmark's total payment for the service will be limited to the amount paid to the state Medicaid program. No additional payments will be made to the provider or to you.

Subrogation

Right of Subrogation

If you or your legal representative have a claim to recover money from a third party and this claim relates to an illness or injury for which this group health plan provides benefits, we, on behalf of your employer or group sponsor, will be subrogated to you and your legal representative's rights to recover from the third party as a condition to your receipt of benefits.

Right of Reimbursement

If you are injured as a result of the act of a third party and you or your legal representative files a claim under this group health plan, as a condition of receipt of benefits, you or your legal representative must reimburse us for all benefits paid for the injury from money received from the third party or its insurer, to the extent of the amount paid by this group health plan on the claim.

Once you receive benefits under this group health plan arising from an illness or injury, we will assume any legal rights you have to collect compensation, damages, or any other payment related to the illness or injury from any of the following:

- The responsible person or that person's insurer.
- Uninsured motorist coverage.
- Underinsured motorist coverage.
- Other insurance coverage, including but not limited to homeowner's, motor vehicle, or medical payments insurance.

You agree to recognize our rights under this group health plan to subrogation and reimbursement. These rights provide us with a priority over any money paid by a third party to you relative to the amount paid by this group health plan, including priority over any claim for non-medical charges, or other costs and expenses. We will assume all rights of recovery, to the extent of payment made under this group health plan, regardless of whether payment is made before or after settlement of a third party claim, and regardless of whether you have received full or complete compensation for an illness or injury.

Procedures for Subrogation and Reimbursement

You or your legal representative must do whatever we request with respect to the exercise of our subrogation and reimbursement rights, and you agree to do nothing to prejudice those rights. In addition, at the time of making a claim for benefits, you or your legal representative must inform us in writing if you were injured by a third party. You or your legal representative must provide the following information, by registered mail, within seven (7) days of such injury to us as a condition to receipt of benefits:

- The name, address, and telephone number of the third party that in any way caused the injury, and of the attorney representing the third party;
- The name, address and telephone number of the third party's insurer and any insurer of you;
- The name, address and telephone number of your attorney with respect to the third party's act;

- Prior to the meeting, the date, time and location of any meeting between the third party or his attorney and you, or your attorney;
- All terms of any settlement offer made by the third party or his insurer or your insurer;
- All information discovered by you or your attorney concerning the insurance coverage of the third party;
- The amount and location of any money that is recovered by you from the third party or his insurer or your insurer, and the date that the money was received;
- Prior to settlement, all information related to any oral or written settlement agreement between you and the third party or his insurer or your insurer;
- All information regarding any legal action that has been brought on your behalf against the third party or his insurer; and
- All other information requested by us.

Send this information to:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue, Station 5E151
Des Moines, IA 50309-2901

You also agree to all of the following:

- You will immediately let us know about any potential claims or rights of recovery related to the illness or injury.
- You will furnish any information and assistance that we determine we will need to enforce our rights under this group health plan.
- You will do nothing to prejudice our rights and interests including, but not limited to, signing any release or waiver (or otherwise releasing) our rights, without obtaining our written permission.
- You will not compromise, settle, surrender, or release any claim or right of recovery described above, without obtaining our written permission.
- If payment is received from the other party or parties, you must reimburse us to the extent of benefit payments made under this group health plan.
- In the event you or your attorney receive any funds in compensation for your illness or injury, you or your attorney will hold those funds (up to and including the amount of benefits paid under this group health plan in connection with the illness or injury) in trust for the benefit of this group health plan as trustee(s) for us until the extent of our right to reimbursement or subrogation has been resolved.
- In the event you invoke your rights of recovery against a third-party related to the illness or injury, you will not seek an advancement of costs or fees from us.
- The amount of our subrogation interest shall be paid first from any funds recovered on your behalf from any source, without regard to whether you have been made whole or fully compensated for your losses, and the "make whole" rule is specifically rejected and inapplicable under this group health plan.
- We will not be liable for payment of any share of attorneys' fees or other expenses incurred in obtaining any recovery, except as expressly agreed in writing, and the "common fund" rule is specifically rejected and inapplicable under this group health plan.

It is further agreed that in the event that you fail to take the necessary legal action to recover from the responsible party, we shall have the option to do so and may proceed in its name or your name against the responsible party and shall be entitled to the recovery of the amount of benefits paid under this group health plan and shall be entitled to recover its expenses, including reasonable attorney fees and costs, incurred for such recovery.

In the event we deem it necessary to institute legal action against you if you fail to repay us as required in this group health plan, you shall be liable for the amount of

such payments made by us as well as all of our costs of collection, including reasonable attorney fees and costs.

You hereby authorize the deduction of any excess benefit received or benefits that should not have been paid, from any present or future compensation payments.

You and your covered family member(s) must notify us if you have the potential right to receive payment from someone else. You must cooperate with us to ensure that our rights to subrogation are protected.

Our right of subrogation and reimbursement under this group health plan applies to all rights of recovery, and not only to your right to compensation for medical expenses. A settlement or judgment structured in any manner not to include medical expenses, or an action brought by you or on your behalf which fails to state a claim for recovery of medical expenses, shall not defeat our rights of subrogation and reimbursement if there is any recovery on your claim.

We reserve the right to offset any amounts owed to us against any future claim payments.

Workers' Compensation

If you have received benefits under this benefits plan for an injury or condition that is the subject or basis of a workers' compensation claim (whether litigated or not), we are entitled to reimbursement to the extent of benefits paid under this plan from your employer, your employer's workers' compensation carrier, or you in the event that your claim is accepted or adjudged to be covered under workers' compensation.

Furthermore, we are entitled to reimbursement from you to the full extent of benefits paid out of any proceeds you receive from any workers' compensation claim, regardless of whether you have been made whole or fully compensated for your losses, regardless of whether the proceeds represent a compromise or disputed settlement, and regardless of any characterization of the settlement proceeds by the parties to the settlement. We will not be liable for any attorney's fees or other expenses incurred in obtaining any proceeds for any workers' compensation claim.

We utilize industry standard methods to identify claims that may be work-related. This may result in initial payment of some claims that are work-related. We reserve the right to seek reimbursement of any such claim or to waive reimbursement of any claim, at our discretion.

Payment in Error

If for any reason we make payment in error, we may recover the amount we paid.

Notice

If a specific address has not been provided elsewhere in this benefit booklet, you may send any notice to Wellmark's home office:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue
Des Moines, IA 50309-2901

Any notice from Wellmark to you is acceptable when sent to your address as it appears on Wellmark's records or the address of the group through which you are enrolled.

Member Rights and Responsibilities

Inspection of Coverage

Except for groups that maintain a cafeteria plan pursuant to Section 125 of the Internal Revenue Code (26 USCA § 125), a member may, if evidence of coverage is not satisfactory for any reason, return the evidence of coverage within 10 days of its receipt and receive full refund of the deposit paid, if any. This right will not act as a cure for misleading or deceptive advertising or marketing methods, nor may it be exercised if the member utilizes the services of the HMO within the 10-day period. Members in cafeteria plans must adhere to the plan

provisions concerning termination or changes in coverage.

Member Rights
All Wellmark members have a right to:

- Receive accurate information about the health plan, its services, its network of providers, and its members' rights and responsibilities;
- Receive accurate information on utilization management notification requirements and case management services.
- Be treated with respect, in a manner that preserves their dignity and recognizes their right to privacy;
- Participate fully, with their providers, in decision-making that affects their health care;
- Expect a candid discussion of all appropriate or medically necessary treatment options pertaining to their conditions, regardless of cost or benefit coverage;
- Voice complaints or appeals about the health plan or the care delivered by any of the providers;
- Make recommendations regarding Wellmark's members' rights and responsibilities policy.

Member Responsibilities
Likewise, Wellmark members share responsibility for maintaining their own good health. Specifically, all Wellmark members have a responsibility to:

- Provide, to the extent possible, information that the health plan needs to process claims, and information the providers need to provide care for them;
- Understand their health problems and participate in developing mutually agreed upon treatment goals to the degree possible;
- Follow the plans and instructions for care that they have agreed to with their providers;
- Present their ID card prior to receiving services.

Making a Complaint

If you do not agree with a denied claim or a benefit reduction, or if you have a complaint regarding a claim, a provider, or service, call the Customer Service number on your ID card. We will attempt to resolve the issue in a timely manner.

Glossary

The definitions in this section are terms that are used in various sections of this benefit booklet. A term that appears in only one section is defined in that section.

Accidental Injury. An injury, independent of disease or bodily infirmity or any other cause, that happens by chance and requires immediate medical attention.

Admission. Formal acceptance as a patient to a hospital or other covered health care facility for a health condition.

Amount Charged. The amount that a provider bills for a service or supply or the retail price that a pharmacy charges for a prescription drug, whether or not it is covered under this group health plan.

Benefits. Medically necessary services or supplies that qualify for payment under this group health plan.

Blue Distinction Center for Transplant. A facility that contracts with the Blue Cross and Blue Shield Association to perform specific types of transplants.

BlueCard Program. The Blue Cross and Blue Shield Association program that permits members of any Blue Cross or Blue Shield Plan to have access to emergency care or accidental injury services similar to those that members have in the Wellmark Health Plan Network.

Compounded Drugs. Compounded prescription drugs are produced by combining, mixing, or altering ingredients by a pharmacist to create an alternate strength or dosage form tailored to the specialized medical needs of an individual patient when an FDA-approved drug is unavailable or a licensed health care provider decides that an FDA-approved drug is not appropriate for a patient's medical needs.

Creditable Coverage. Any of the following categories of coverage, during which there was no break in coverage of more than 63 days:

- Group health plan (including government and church plans).
- Health insurance coverage (including group, individual, and short-term limited duration coverage).
- Medicare (Part A or B of Title XVIII of the Social Security Act).
- Medicaid (Title XIX of the Social Security Act).
- Medical care for members and certain former members of the uniformed services, and for their dependents (Chapter 55 of Title 10, United States Code).
- A medical care program of the Indian Health Service or of a tribal organization.
- A state health benefits risk pool.
- Federal Employee Health Benefit Plan (a health plan offered under Chapter 89 of Title 5, United States Code).
- A State Children's Health Insurance Program (S-CHIP).
- A public health plan as defined in federal regulations (including health coverage provided under a plan established or maintained by a foreign country or political subdivision).
- A health benefits plan under Section 5(e) of the Peace Corps Act.
- An organized delivery system licensed by the director of public health.

Domestic Partner. An unmarried person who has signed an affidavit of domestic partnership with the plan member.

Group. Those plan members who share a common relationship, such as employment or membership.

Group Sponsor. The entity that sponsors this group health plan.

Illness or Injury. Any bodily disorder, bodily injury, disease, or mental health condition, including pregnancy and complications of pregnancy.

Inpatient. Services received, or a person receiving services, while admitted to a health care facility for at least an overnight stay.

Maintenance. An industry-wide classification for prescription drug treatments to control specific, ongoing health conditions.

Medical Appliance. A device or mechanism designed to support or restrain part of the body (such as a splint, bandage or brace); to measure functioning or physical condition of the body (such as glucometers or devices to measure blood pressure); or to administer drugs (such as syringes).

Medically Urgent Situation. A situation where a longer, non-urgent response time to a pre-service notification could seriously jeopardize the life or health of the benefits plan member seeking services or, in the opinion of a physician with knowledge of the member's medical condition, would subject the member to severe pain that cannot be managed without the services in question.

Medicare. The federal government health insurance program established under Title XVIII of the Social Security Act for people age 65 and older and for individuals of any age entitled to monthly disability benefits under Social Security or the Railroad Retirement Program. It is also for those with chronic renal disease who require hemodialysis or kidney transplant.

Member. A person covered under this group health plan.

Nonparticipating Pharmacy. A pharmacy that does not participate with the network used by your prescription drug benefits.

Nonparticipating Provider. A facility or practitioner that does not participate with the Wellmark Health Plan Network.

Outpatient. Services received, or a person receiving services, in the outpatient department of a hospital, an ambulatory surgery center, or the home.

Participating Pharmacy. A pharmacy that participates with the network used by your prescription drug benefits.

Participating Provider. A facility or practitioner that participates with a Blue Cross or Blue Shield Plan.

Plan Member. The person who signed for this group health plan.

Plan Year. A date used for purposes of determining compliance with federal legislation.

Services or Supplies. Any services, supplies, treatments, devices, or drugs, as applicable in the context of this benefit booklet, that may be used to diagnose or treat a medical condition.

Specialty Drugs. Drugs that are typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. Some specialty drugs may be taken orally, but others may require administration by injection, infusion, or inhalation. Specialty drugs may not be available from a retail pharmacy.

Spouse. A man or woman lawfully married to a covered member under any state law (or the law of any U.S. territory or possession or any foreign jurisdiction with legal authority to sanction marriages), including common law marriage, regardless of where the couple lives.

We, Our, Us. Wellmark Health Plan of Iowa, Inc.

Wellmark Health Plan Network Provider. A facility or practitioner that participates with Wellmark Health Plan of Iowa, Inc.

X-ray and Lab Services. Tests, screenings, imagings, and evaluation procedures identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

You, Your. The plan member and family members eligible for coverage under this group health plan.

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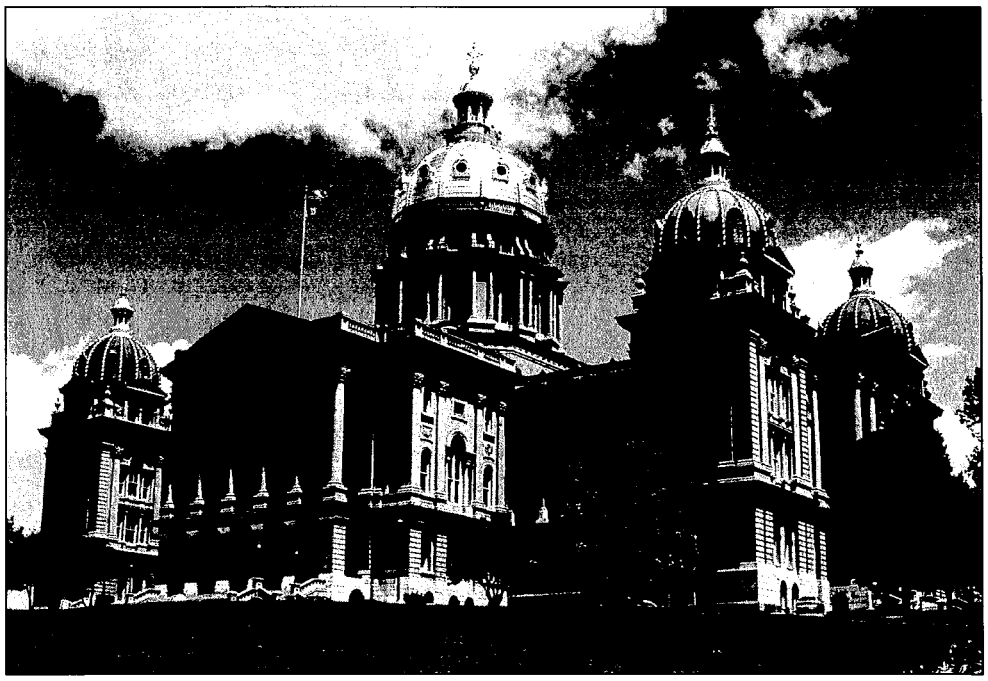
Wellmark Health Plan of Iowa

B E N E F I T B O O K L E T

State of Iowa
BLUE ACCESS Contract

Blue Access / Blue Rx Complete Prescription Drug Plan



If you have questions about your coverage or about a specific claim, call the Wellmark Health Plan of Iowa customer service unit for State employees.

Toll Free: **800-553-7801** ● Precertification: **800-558-4409**

Group Effective Date: 1/1/2016
Plan Year: January 1
Print Date: 1/28/2016
Coverage Code: JoD JoF JoE BoM BoN
Version: 01/16

Form Number: Wellmark IA Grp (SOI Blue Access - V)

EXHIBIT B

NOTICE

This group health plan is sponsored and funded by your employer or group sponsor. Your employer or group sponsor has a financial arrangement with Wellmark under which your employer or group sponsor is solely responsible for claim payment amounts for covered services provided to you. Wellmark provides administrative services and provider network access only and does not assume any financial risk or obligation for claim payment amounts.

Contents

About This Benefit Booklet

Contract

This benefit booklet describes your rights and responsibilities under your group health plan. You and your covered dependents have the right to request a copy of this benefit booklet, at no cost to you, by contacting your employer or group sponsor.

Please note: Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

You should familiarize yourself with the entire booklet because it describes your benefits, payment obligations, provider networks, claim processes, and other rights and responsibilities.

This group health plan consists of medical benefits and prescription drug benefits. The medical benefits are called Blue Access. The prescription drug benefits are called Blue Rx Complete. This benefit booklet will indicate when the service, supply or drug is considered medical benefits or drug benefits by using sections, headings, and notes when necessary.

Charts

Some sections have charts, which provide a quick reference or summary but are not a complete description of all details about a topic. A particular chart may not describe some significant factors that would help determine your coverage, payments, or other responsibilities. It is important for you to look up details and not to rely only upon a chart. It is also important to follow any references to other parts of the booklet. (References tell you to "see" a section or subject heading, such as, "See *Details – Covered and Not Covered*." References may also include a page number.)

Complete Information

Very often, complete information on a subject requires you to consult more than one section of the booklet. For instance, most information on coverage will be found in these sections:

- At a Glance – Covered and Not Covered
- Details – Covered and Not Covered
- General Conditions of Coverage, Exclusions, and Limitations

However, coverage might be affected also by your choice of provider (information in the *Choosing a Provider* section), certain notification requirements if applicable to your group health plan (the *Notification Requirements and Care Coordination* section), and considerations of eligibility (the *Coverage Eligibility and Effective Date* section).

Even if a service is listed as covered, benefits might not be available in certain situations, and even if a service is not specifically described as being excluded, it might not be covered.

Read Thoroughly

You can use your group health plan to the best advantage by learning how this document is organized and how sections are related to each other. And whenever you look up a particular topic, follow any references, and read thoroughly.

Your coverage includes many services, treatments, supplies, devices, and drugs. Throughout the benefit booklet, the words *services or supplies* refer to any services, treatments, supplies, devices, or drugs, as applicable in the context, that may be used to diagnose or treat a condition.

Questions

If you have questions about your group health plan, or are unsure whether a particular service or supply is covered, call the Customer Service number on your ID card.

1. What You Pay

This section is intended to provide you with an overview of your payment obligations under this group health plan. This section is not intended to be and does not constitute a complete description of your payment obligations. To understand your complete payment obligations you must become familiar with this entire benefit booklet, especially the *Factors Affecting What You Pay* and *Choosing a Provider* sections.

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are Out-of-Network Providers. Which provider type you choose will affect what you pay.

Generally, you are only covered for services received from Wellmark Health Plan Network Providers; however, you may be covered for services received from Participating Providers in the case of an emergency, guest membership, or Out-of-Network referrals. You may be covered for services received from Out-of-Network Providers in the case of an emergency or Out-of-Network referrals.

Wellmark Health Plan Network Providers. These providers participate with the Wellmark Health Plan Network. Throughout this benefit booklet we will refer to these providers as "Network Providers." With Blue Access, benefits for most covered services are generally available only when received from Wellmark Health Plan Network Providers.

Participating Providers. These providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area, but not with the Wellmark Health Plan Network. Generally, you are only covered for services received from Participating Providers in case of emergency, guest membership, or Out-of-Network referrals.

Out-of-Network Providers. Out-of-Network Providers do not participate with the Wellmark Health Plan Network or any other Blue Cross and/or Blue Shield Plan. Generally, you are only covered for services received from Out-of-Network Providers in case of emergency or Out-of-Network referrals.

Blue Access Contract

Payment Summary

This chart summarizes your payment responsibilities. It is only intended to provide you with an overview of your payment obligations. It is important that you read this entire section and not just rely on this chart for your payment obligations.

Category	You Pay
Emergency Room Copayment	**$50**
Office Visit Copayment	**$10**
Other Copayment	**$10** for outpatient chemotherapy, speech therapy, occupational therapy, physical therapy, and inhalation therapy.

Category	You Pay
Coinsurance	
	10% **20%** for: ■ Dental treatment for accidental injury ■ Home/durable medical equipment ■ Medical supplies (excluding oxygen and equipment required to administer oxygen) ■ Prosthetic devices
Out-of-Pocket Maximum	
	$750 per person **$1,500** (maximum) per family*

*Family amounts are reached from amounts accumulated on behalf of any combination of covered family members.

Blue Rx Complete

Category	You Pay†
Coinsurance or Copayment	
	Retail Drugs and Mail Order Non-Maintenance Drugs: **$5** for Tier 1 medications. **$15** for Tier 2 medications. **25%** or **$30**, whichever is greater for Tier 3 and 4 medications except copayment only applies to Tier 3 and 4 specialty drugs. **Mail Order Maintenance Drugs:** **$10** for Tier 1 medications. **$30** for Tier 2 medications. **$60** for Tier 3 and 4 medications. For more information see *Tiers*, page 53.
Out-of-Pocket Maximum	
	$5,850 per person **$11,700** (maximum) per family*

*Family amounts are reached from amounts accumulated on behalf of any combination of covered family members.
†You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See Wellmark Blue Rx Complete Drug List, page 28.

Prescription Maximums

Generally, there is a maximum days' supply of medication you may receive in a single prescription. However, exceptions may be made for certain prescriptions packaged in a dose exceeding the maximum days' supply covered under your Blue Rx Complete prescription drug benefits. To determine if this exception applies to your prescription, call the Customer Service number on your ID card.

Your payment obligations may be determined by the quantity of medication you purchase.

Prescription Maximum	Payment
30 day retail	**1** copayment or coinsurance, as applicable
90 day retail maintenance	Payment per days' supply: **1** copayment or coinsurance, as applicable, for 30 day supply **2** copayments or coinsurance, as applicable, for 60 day supply **3** copayments or coinsurance, as applicable, for 90 day supply
30 day mail order	**1** copayment or coinsurance, as applicable

Prescription Maximum	Payment
90 day mail order maintenance	**1** copayment
30 day specialty	**1** copayment

Payment Details

Blue Access Contract

Copayment

This is a fixed dollar amount that you pay each time you receive certain covered services.

Emergency Room Copayment.

The emergency room copayment:

- applies to emergency room services.
- is taken once per facility per date of service.
- is waived if you are admitted as an inpatient of a facility immediately following emergency room services.

Office Visit Copayment.

The office visit copayment:

- applies to covered office services.
- is taken once per practitioner per date of service.

The office visit copayment does not apply to:

- dental treatment for accidental injury.
- home/durable medical equipment.
- prosthetic devices.

These services are subject to coinsurance and not this copayment.

Other Copayment.

The other copayment:

- applies to outpatient chemotherapy, occupational, physical, speech, and inhalation therapy.
- is taken once per provider per date of service.

Copayment amount(s) are waived for some services. See *Waived Payment Obligations* later in this section.

Coinsurance

Coinsurance is an amount you pay for certain covered services. Coinsurance is calculated by multiplying the fixed percentage(s) shown earlier in this section by either Wellmark's payment arrangement amount or by the amount charged for a service. The calculation method differs depending on the contracting status of the provider and/or the state where you receive services. For details, see *How Coinsurance is Calculated*, page 49.

Coinsurance amounts are waived for some services. See *Waived Payment Obligations* later in this section.

Out-of-Pocket Maximum

The out-of-pocket maximum is the maximum amount you pay, out of your pocket, for most covered services in a benefit year. Many amounts you pay for covered services during a benefit year accumulate toward the out-of-pocket maximum. These amounts include:

- Coinsurance.
- Copayments.

The family out-of-pocket maximum is reached from applicable amounts paid on behalf of any combination of covered family members.

However, certain amounts do not apply toward your out-of-pocket maximum.

- Amounts representing any general exclusions and conditions. See *General*

Conditions of Coverage, Exclusions, and Limitations, page 33.

These amounts continue even after you have met your out-of-pocket maximum.

Benefits Maximums

Benefits maximums are the maximum benefit amounts that each member is eligible to receive.

Benefits maximums are accumulated from benefits under this medical benefits plan and prior medical benefits plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Waived Payment Obligations

Some payment obligations are waived for the following covered services.

Covered Service	Payment Obligation Waived
Ambulance services for treatment of mental health conditions and chemical dependency.	Coinsurance
Breast pumps (manual) purchased from a covered home/durable medical equipment provider.	Coinsurance Copayment
Contraceptive medical devices, such as intrauterine devices and diaphragms.	Coinsurance Copayment
Home health services for treatment of mental health conditions and chemical dependency.	Coinsurance
Immunizations.	Copayment
Implanted and injected contraceptives.	Coinsurance Copayment
Independent laboratory services related to a covered office visit.	Coinsurance Copayment
Mental health conditions and chemical dependency treatment – outpatient services.	Coinsurance
Physician services related to maternity care.	Coinsurance
Postpartum home visit (one) when a mother and her baby are voluntarily discharged from the hospital within 48 hours of normal labor and delivery or within 96 hours of cesarean birth.**	Coinsurance

Covered Service	Payment Obligation Waived
Preventive care, items, and services* as follows: ■ Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF); ■ Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention; ■ Preventive care and screenings for infants, children, and adolescents provided for in guidelines supported by the Health Resources and Services Administration (HRSA); and ■ Preventive care and screenings for women provided for in guidelines supported by the HRSA.	Coinsurance Copayment
Services subject to copayment amounts.	Coinsurance
Urgent care center services.	Copayment
Voluntary sterilization for female members.	Coinsurance Copayment
X-ray and lab – office services.	Copayment

*A complete list of recommendations and guidelines related to preventive services can be found at *www.healthcare.gov.* Recommended preventive services are subject to change and are subject to medical management.

**If you have a newborn child, but you do not add that child to your coverage, your newborn child may be added to your coverage solely for the purpose of administering the 48-96 hour mandated requirement. If that occurs, a separate coinsurance will be applied to your newborn child unless your coverage specifically waives the coinsurance for your newborn child.

Blue Rx Complete

Coinsurance or Copayment

Coinsurance is the amount you pay, calculated using a fixed percentage of the maximum allowable fee, each time a covered prescription is filled or refilled. Copayment is a fixed dollar amount you pay each time a covered prescription is filled or refilled.

You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See *Wellmark Blue Rx Complete Drug List*, page 28.

Out-of-Pocket Maximum

The out-of-pocket maximum is the maximum you pay in a given benefit year toward the following amounts:

- Coinsurance.
- Copayments.

The family out-of-pocket maximum is reached from applicable amounts paid on behalf of any combination of covered family members.

Waived Payment Obligations

Some payment obligations are waived for the following covered drugs or services.

Covered Drug or Service	Payment Obligation Waived
Generic contraceptive drugs and generic contraceptive drug delivery devices (e.g., birth control patches). Payment obligations are also waived if you purchase brand name contraceptive drugs or brand name drug delivery devices when an FDA-approved generic equivalent is not available. Payment obligations are not waived if you purchase brand name contraceptive drugs or brand name contraceptive drug delivery devices when an FDA-approved generic equivalent is available.	Coinsurance Copayment
Preventive items or services* as follows: ■ Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF); and ■ Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention.	Coinsurance Copayment
Two smoking cessation attempts per calendar year, up to a 90-days' supply of covered drugs for each attempt, or a 180-days' supply total per calendar year.	Coinsurance Copayment

*A complete list of recommendations and guidelines related to preventive services can be found at *www.healthcare.gov*. Recommended preventive items and services are subject to change and are subject to medical management.

2. At a Glance - Covered and Not Covered

Blue Access Contract

Your coverage provides benefits for many services and supplies. There are also services for which this coverage does not provide benefits. The following chart is provided for your convenience as a quick reference only. This chart is not intended to be and does not constitute a complete description of all coverage details and factors that determine whether a service is covered or not. All covered services are subject to the contract terms and conditions contained throughout this benefit booklet. Many of these terms and conditions are contained in *Details – Covered and Not Covered*, page 13. To fully understand which services are covered and which are not, you must become familiar with this entire benefit booklet. Please call us if you are unsure whether a particular service is covered or not.

The headings in this chart provide the following information:

Category. Service categories are listed alphabetically and are repeated, with additional detailed information, in *Details – Covered and Not Covered*.

Covered. The listed category is generally covered, but some restrictions may apply.

Not Covered. The listed category is generally not covered.

See Page. This column lists the page number in *Details – Covered and Not Covered* where there is further information about the category.

Benefits Maximums. This column lists maximum benefit amounts that each member is eligible to receive. Benefits maximums that apply per benefit year or per lifetime are reached from benefits accumulated under this group health plan and any prior group health plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Please note: Benefits maximums accumulate for medical and prescription drug benefits separately.

Category	Covered	Not Covered	See Page	Benefits Maximum
Acupuncture Treatment		⦸	13	
Allergy Testing and Treatment	●		13	
Ambulance Services	●		13	
Anesthesia	●		13	
Blood and Blood Administration	●		13	
Chemical Dependency Treatment	●		13	
Chemotherapy and Radiation Therapy	●		14	
Clinical Trials	●		14	
Contraceptives	●		14	
Cosmetic Services		⦸	15	
Counseling and Education Services		⦸	15	

Category	Covered	Not Covered	See Page	Benefits Maximum
Dental Treatment for Accidental Injury	●		15	
Dialysis	●		16	
Education Services for Diabetes and Nutrition	●		16	10 hours of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.
Emergency Services	●		16	
Fertility Services	●		16	
Genetic Testing	●		16	
Hearing Services	●		17	One routine hearing examination per benefit year.
Home Health Services	●		17	The daily benefit for short-term home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for skilled nursing facility services.
Home/Durable Medical Equipment	●		18	
Hospice Services	●		18	15 days per lifetime for inpatient hospice respite care. 15 days per lifetime for outpatient hospice respite care. **Please note:** Hospice respite care must be used in increments of not more than five days at a time.
Hospitals and Facilities	●		18	120 days per benefit year of skilled nursing services in a hospital or nursing facility.
Illness or Injury Services	●		19	
Infertility Treatment		⦸	19	
Inhalation Therapy	●		20	60 visits per benefit year.
Maternity Services	●		20	
Medical and Surgical Supplies	●		20	
Mental Health Services	●		21	
Morbid Obesity Treatment (Non-Surgical Only)	●		22	
Motor Vehicles		⦸	22	
Musculoskeletal Treatment	●		22	
Nonmedical Services		⦸	22	
Occupational Therapy	●		22	60 visits per benefit year.
Orthotics		⦸	22	

Category	Covered	Not Covered	See Page	Benefits Maximum
Physical Therapy	●		23	60 visits per benefit year.
Physicians and Practitioners			23	
Advanced Registered Nurse Practitioners	●		23	
Audiologists	●		23	
Chiropractors	●		23	
Doctors of Osteopathy	●		23	
Licensed Independent Social Workers	●		23	
Medical Doctors	●		23	
Occupational Therapists	●		23	
Optometrists	●		23	
Oral Surgeons	●		23	
Physical Therapists	●		23	
Physician Assistants	●		23	
Podiatrists	●		23	
Psychologists	●		23	
Speech Pathologists	●		23	
Prescription Drugs	●		24	
Preventive Care	●		24	Well-child care until the child reaches age seven. One routine physical examination per benefit year. One routine mammogram per benefit year. One routine gynecological examination per benefit year. One routine Pap smear per benefit year.
Prosthetic Devices	●		25	
Reconstructive Surgery	●		26	
Self-Help Programs		⦸	26	
Sleep Apnea Treatment	●		26	
Speech Therapy	●		26	60 visits per benefit year.
Surgery	●		26	
Temporomandibular Joint Disorder (TMD)		⦸	26	
Transplants	●		27	
Travel or Lodging Costs		⦸	27	
Vision Services	●		27	One routine vision examination per benefit year.
Wigs or Hairpieces		⦸	27	
X-ray and Laboratory Services	●		27	

Blue Rx Complete

Please note: To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

For details on drug coverage, drug limitations, and drug exclusions, see the next section, *Details – Covered and Not Covered*.

3. Details - Covered and Not Covered

All covered services or supplies listed in this section are subject to the general contract provisions and limitations described in this benefit booklet. Also see the section *General Conditions of Coverage, Exclusions, and Limitations*, page 33. If a service or supply is not specifically listed, do not assume it is covered.

Blue Access Contract

Acupuncture Treatment

Not Covered: Acupuncture and acupressure treatment.

Allergy Testing and Treatment

Covered.

Ambulance Services

Covered: Professional air and ground ambulance transportation to a hospital or nursing facility in the surrounding area where your ambulance transportation originates.

All of the following are required to qualify for benefits:

- The services required to treat your illness or injury are not available in the facility where you are currently receiving care if you are an inpatient at a facility.
- You are transported to the nearest hospital or nursing facility in the Wellmark Health Plan Network with adequate facilities to treat your medical condition. In an emergency situation, you may seek care at the nearest appropriate facility, whether the facility is in network or out of network.
- No other method of transportation is appropriate.
- In addition to the preceding requirements, for air ambulance services to be covered, all of the following conditions must be met:
  - The air ambulance has the necessary patient care equipment and supplies to meet your needs.
  - Your medical condition requires immediate and rapid ambulance transport that cannot be provided by a ground ambulance; or the point of pick up is inaccessible by a land vehicle.
  - Great distances, limited time frames, or other obstacles are involved in getting you to the nearest hospital with appropriate facilities for treatment.
  - Your condition is such that the time needed to transport you by land poses a threat to your health.

Not Covered: Professional air ambulance transport from a facility capable of treating your condition when performed primarily for your convenience or the convenience of your family, physician, or other health care provider.

Anesthesia

Covered: Anesthesia and the administration of anesthesia.

Not Covered: Local or topical anesthesia billed separately from related surgical or medical procedures.

Blood and Blood Administration

Covered: Blood and blood administration, including blood derivatives, and blood components.

Chemical Dependency Treatment

Covered: Treatment for a condition with physical or psychological symptoms

produced by the habitual use of certain drugs as described in the most current *Diagnostic and Statistical Manual of Mental Disorders*.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;
- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Hospitals and Facilities later in this section.

Chemotherapy and Radiation Therapy

Covered: Use of chemical agents or radiation to treat or control a serious illness.

Clinical Trials

Covered: Medically necessary routine patient costs for items and services otherwise covered under this plan furnished in connection with participation in an approved clinical trial related to the treatment of cancer or other life-threatening diseases or conditions, when a covered member is referred by a Network Provider based on the conclusion that the member is eligible to participate in an approved clinical trial according to the trial protocol or the member provides medical and scientific information establishing that the member's participation in the clinical trial would be appropriate according to the trial protocol.

Not Covered:

- Investigational or experimental items, devices, or services which are themselves the subject of the clinical trial;
- Items and services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient;
- Services that are clearly inconsistent with widely accepted and established standards of care for a particular diagnosis.

Contraceptives

Covered: The following conception prevention, as approved by the U.S. Food and Drug Administration:

- Contraceptive medical devices, such as intrauterine devices and diaphragms.
- Implanted contraceptives.
- Injected contraceptives.

Please note: Contraceptive drugs and contraceptive drug delivery devices, such as insertable rings and patches are covered under your Blue Rx Complete prescription drug benefits described later in this section.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer

Service number on your ID card and request a copy of the Drug List.

Cosmetic Services

Not Covered: Cosmetic services, supplies, or drugs if provided primarily to improve physical appearance. A service, supply or drug that results in an incidental improvement in appearance may be covered if it is provided primarily to restore function lost or impaired as the result of an illness, accidental injury, or a birth defect. You are also not covered for treatment for any complications resulting from a noncovered cosmetic procedure.

See Also:

Reconstructive Surgery later in this section.

Counseling and Education Services

Not Covered:

- Bereavement counseling or services (including volunteers or clergy), family counseling or training services, and marriage counseling or training services.
- Education or educational therapy other than covered education for self-management of diabetes or nutrition education.

See Also:

Genetic Testing later in this section.

Education Services for Diabetes and Nutrition later in this section.

Mental Health Services later in this section.

Dental Services

Covered:

- Dental treatment for accidental injuries when all of the following requirements are met:
  - Treatment is completed within six months of the injury.
  - Treatment must have occurred while the member was covered under this group health plan.
- Anesthesia (general) and hospital or ambulatory surgical facility services related to covered dental services if:
  - You are under age 14 and, based on a determination by a licensed dentist and your treating physician, you have a dental or developmental condition for which patient management in the dental office has been ineffective and requires dental treatment in a hospital or ambulatory surgical facility; or
  - Based on a determination by a licensed dentist and your treating physician, you have one or more medical conditions that would create significant or undue medical risk in the course of delivery of any necessary dental treatment or surgery if not rendered in a hospital or ambulatory surgical facility.
- Impacted teeth removal (surgical) as an inpatient or outpatient of a facility only when you have a medical condition (such as hemophilia) that requires hospitalization.
- Facial bone fracture reduction.
- Incisions of accessory sinus, mouth, salivary glands, or ducts.
- Jaw dislocation manipulation.
- Orthodontic services required for surgical management of cleft palate.
- Treatment of abnormal changes in the mouth due to disease.

Not Covered:

- General dentistry including, but not limited to, diagnostic and preventive services, restorative services, endodontic services, periodontal services, indirect fabrications, dentures and bridges, and orthodontic services unrelated to accidental injuries or surgical management of cleft palate.
- Injuries associated with or resulting from the act of chewing.
- Maxillary or mandibular tooth implants (osseointegration) unrelated to

accidental injuries or abnormal changes in the mouth due to injury or disease.

Dialysis

Covered: Removal of toxic substances from the blood when the kidneys are unable to do so when provided as an inpatient in a hospital setting or as an outpatient in a Medicare-approved dialysis center.

Education Services for Diabetes and Nutrition

Covered: Inpatient and outpatient training and education for the self-management of all types of diabetes mellitus.

All covered training or education must be prescribed by a licensed physician. Outpatient training or education must be provided by a state-certified program.

The state-certified diabetic education program helps any type of diabetic and his or her family understand the diabetes disease process and the daily management of diabetes.

You are also covered for nutrition education to improve your understanding of your metabolic nutritional condition and provide you with information to manage your nutritional requirements. Nutrition education is appropriate for, but not limited to:

- Glucose intolerance.
- High blood pressure.
- Lactose intolerance.
- Morbid obesity.

Benefits Maximum:

- **10 hours** of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.

Emergency Services

Covered: When treatment is for a medical condition manifested by acute symptoms of sufficient severity, including pain, that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect absence of immediate medical attention to result in:

- Placing the health of the individual or, with respect to a pregnant woman, the health of the woman and her unborn child, in serious jeopardy; or
- Serious impairment to bodily function; or
- Serious dysfunction of any bodily organ or part.

In an emergency situation, if you cannot reasonably reach a Wellmark Health Plan Network Provider, covered services will be reimbursed as though they were received from a Wellmark Health Plan Network Provider. However, because we do not have contracts with Out-of-Network Providers and they may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered service.

See Also:

Out-of-Network Providers, page 50.

Fertility Services

Covered:

- Fertility prevention, such as tubal ligation (or its equivalent) or vasectomy (initial surgery only).

Genetic Testing

Covered: Genetic molecular testing (specific gene identification) and related counseling are covered when both of the following requirements are met:

- You are an appropriate candidate for a test under medically recognized standards (for example, family background, past diagnosis, etc.).
- The outcome of the test is expected to determine a covered course of treatment or prevention and is not merely informational.

Hearing Services

Covered:

- Routine hearing examinations.

Benefits Maximum:

- **One** routine hearing examination per benefit year.

Not Covered:

- Hearing aids.

Home Health Services

Covered: All of the following requirements must be met in order for home health services to be covered:

- You require a medically necessary skilled service such as skilled nursing, physical therapy, or speech therapy.
- Services are received from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) and/or a Medicare-certified agency.
- Services are prescribed by a physician and approved by Wellmark for the treatment of illness or injury.
- Services are not more costly than alternative services that would be effective for diagnosis and treatment of your condition.
- The care is referred by a Network Provider and approved by Wellmark.

The following are covered services and supplies:

Home Health Aide Services—when provided in conjunction with a medically necessary skilled service also received in the home.

Short-Term Home Skilled Nursing. Treatment must be given by a registered nurse (R.N.) or licensed practical nurse (L.P.N.) from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency. Short-term home skilled nursing is intended to provide a safe transition from other levels of care when medically necessary, to provide teaching to caregivers for ongoing care, or to provide short-term treatments that can be safely administered in the home setting. The daily benefit for short-term home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for care in a skilled nursing facility. Custodial care is not included in this benefit.

Inhalation Therapy.

Medical Equipment.

Medical Social Services.

Medical Supplies.

Occupational Therapy—but only for services to treat the upper extremities, which means the arms from the shoulders to the fingers. You are not covered for occupational therapy supplies.

Oxygen and Equipment for its administration.

Parenteral and Enteral Nutrition.

Physical Therapy.

Prescription Drugs and Medicines administered in the vein or muscle.

Prosthetic Devices and Braces.

Speech Therapy.

Not Covered:

- Custodial home care services and supplies, which help you with your daily living activities. This type of care does not require the continuing attention and assistance of licensed medical or trained paramedical personnel. Some examples of custodial care are assistance in walking and getting in and out of bed; aid in bathing, dressing, feeding, and other forms of assistance with normal bodily functions; preparation of special diets; and supervision of medication that can usually be self-administered.

You are also not covered for sanitaria care or rest cures.

- Extended home skilled nursing.

See Also:

Referrals, page 37.

Home/Durable Medical Equipment

Covered: Equipment that meets all of the following requirements:

- Durable enough to withstand repeated use.
- Primarily and customarily manufactured to serve a medical purpose.
- Used to serve a medical purpose.

In addition, we determine whether to pay the rental amount or the purchase price amount for an item, and we determine the length of any rental term. Benefits will never exceed the lesser of the amount charged or the maximum allowable fee.

See Also:

Medical and Surgical Supplies later in this section.

Orthotics later in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Referrals, page 37.

Hospice Services

Covered: Care (generally in a home setting) for patients who are terminally ill and who have a life expectancy of six months or less. Hospice care covers the same services as described under *Home Health Services*, as well as hospice respite care from a facility approved by Medicare or by the Joint Commission for Accreditation of Health Care Organizations (JCAHO).

Hospice respite care offers rest and relief help for the family caring for a terminally ill patient. Inpatient respite care can take place in a nursing home, nursing facility, or hospital.

Benefits Maximum:

- **15 days** per lifetime for inpatient hospice respite care.
- **15 days** per lifetime for outpatient hospice respite care.
- Not more than **five days** of hospice respite care at a time.

Hospitals and Facilities

Covered: Hospitals and other facilities that meet standards of licensing, accreditation or certification. Following are some recognized facilities:

Ambulatory Surgical Facility. This type of facility provides surgical services on an outpatient basis for patients who do not need to occupy an inpatient hospital bed.

Chemical Dependency Treatment Facility. This type of facility provides treatment of chemical dependency and must be licensed and approved by Wellmark.

Community Mental Health Center. This type of facility provides outpatient treatment of mental health conditions and must be licensed and approved by Wellmark.

Hospital. This type of facility provides for the diagnosis, treatment, or care of injured or sick persons on an inpatient and outpatient basis. The facility must be licensed as a hospital under applicable law.

Nursing Facility. This type of facility provides continuous skilled nursing services as ordered and certified by your attending physician on an inpatient basis. The facility must be licensed as a nursing facility under applicable law.

Residential Treatment Facility. This is a licensed facility other than a hospital or nursing facility that provides:

- treatment on an intensive outpatient basis;
- partial hospitalization treatment;
- sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program;
- inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Psychiatric Medical Institution for Children (PMIC). This type of facility provides inpatient psychiatric services to children and is licensed as a PMIC under Iowa Code Chapter 135H.

Prior approval is required and benefits will be provided pursuant to the Iowa mandate. For information on how to submit a prior approval request, refer to *Prior Approval* in the *Notification Requirements and Care Coordination* section of this benefit booklet, or call the Customer Service number on your ID card.

Urgent Care Center. This type of facility provides medical care without an appointment during all hours of operation to walk-in patients of all ages who are ill or injured and require immediate care but may not require the services of a hospital emergency room.

Benefits Maximum:

- **120 days** per benefit year for skilled nursing services in a hospital or nursing facility.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment earlier in this section.

Mental Health Services later in this section.

Illness or Injury Services

Covered: Services or supplies used to treat any bodily disorder, bodily injury, disease, or mental health condition unless specifically addressed elsewhere in this section. This includes pregnancy and complications of pregnancy.

Treatment may be received from an approved provider in any of the following settings:

- Home.
- Inpatient (such as a hospital or nursing facility).
- Office (such as a doctor's office).
- Outpatient.

Infertility Treatment

Not Covered:

- Infertility diagnosis and treatment.
- Infertility treatment if the infertility is the result of voluntary sterilization.
- Infertility treatment related to the collection or purchase of donor semen (sperm) or oocytes (eggs); freezing of sperm, oocytes, or embryos; surrogate parent services.
- Reversal of a tubal ligation (or its equivalent) or vasectomy.

Inhalation Therapy

Covered: Respiratory or breathing treatments to help restore or improve breathing function.

Benefits Maximum:

- **60 visits** per benefit year.

Maternity Services

Covered: Prenatal and postnatal care, delivery, including complications of pregnancy. A complication of pregnancy refers to a cesarean section that was not planned, an ectopic pregnancy that is terminated, or a spontaneous termination of pregnancy that occurs during a period of gestation in which a viable birth is not possible. Complications of pregnancy also include conditions requiring inpatient hospital admission (when pregnancy is not terminated) whose diagnoses are distinct from pregnancy but are adversely affected by pregnancy or are caused by pregnancy.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In accordance with federal or applicable state law, maternity services include a minimum of:

- 48 hours of inpatient care (in addition to the day of delivery care) following a vaginal delivery, or
- 96 hours of inpatient care (in addition to the day of delivery) following a cesarean section.

A practitioner is not required to seek Wellmark's review in order to prescribe a length of stay of less than 48 or 96 hours. The attending practitioner, in consultation with the mother, may discharge the mother or newborn prior to 48 or 96 hours, as applicable.

If the inpatient hospital stay is shorter, coverage includes a follow-up postpartum home visit by a registered nurse (R.N.). This nurse must be from a home health agency under contract with Wellmark or employed by the delivering physician.

If you have a newborn child, but you do not add that child to your coverage, your newborn child may be added to your coverage solely for the purpose of administering the 48-96 hour mandated requirement. If that occurs, a separate coinsurance will be applied to your newborn child unless your coverage specifically waives the coinsurance for your newborn child.

See Also:

Coverage Change Events, page 61.

Medical and Surgical Supplies

Covered: Medical supplies and devices such as:

- Dressings and casts.
- Oxygen and equipment needed to administer the oxygen.
- Diabetic equipment and supplies including insulin syringes purchased from a covered home/durable medical equipment provider.

Not Covered:

- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Orthotics later in this section.

Blue Rx Complete, page 28.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Mental Health Services

Covered: Treatment for certain psychiatric, psychological, or emotional conditions as an inpatient or outpatient. Covered facilities for mental health services include licensed and accredited residential treatment facilities and community mental health centers.

Coverage includes diagnosis and treatment of these biologically based mental illnesses:

- Schizophrenia.
- Bipolar disorders.
- Major depressive disorders.
- Schizo-affective disorders.
- Obsessive-compulsive disorders.
- Pervasive developmental disorders.
- Autistic disorders.

To qualify for mental health treatment benefits, the following requirements must be met:

- The disorder is classified as a mental health condition in the *Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition* (DSM-V) or subsequent revisions.
- The disorder is listed only as a mental health condition and not dually listed elsewhere in the most current version of *International Classification of Diseases, Clinical Modification* used for diagnosis coding.
- The disorder is not a chemical dependency condition.
- The disorder is a behavioral or psychological condition not attributable to a mental disorder that is the focus of professional attention or treatment, but only to the extent services for such conditions are otherwise considered covered under your medical benefits.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;
- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Please note: Your employer's Employee Assistance Program (EAP) may be able to provide counseling services for certain conditions. For more information, contact your EAP coordinator.

Not Covered: Treatment for:

- Certain disorders related to early childhood, such as academic underachievement disorder.
- Communication disorders, such as stuttering and stammering.
- Impulse control disorders, such as pathological gambling.
- Nonpervasive developmental and learning disorders.
- Sensitivity, shyness, and social withdrawal disorders.
- Sexual disorders.
- Gender identity disorders.
- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment and *Hospitals and Facilities* earlier in this section.

Morbid Obesity Treatment

Covered: Nonsurgical treatment of morbid obesity.

Not Covered:

- Weight reduction programs or supplies (including dietary supplements, foods, equipment, lab testing, examinations, and prescription drugs), whether or not weight reduction is medically appropriate.
- Any weight reduction or morbid obesity-related surgery, including but not limited to panniculectomy or other body contouring procedures.

Motor Vehicles

Not Covered: Purchase or rental of motor vehicles such as cars or vans. You are also not covered for equipment or costs associated with converting a motor vehicle to accommodate a disability.

Musculoskeletal Treatment

Covered: Outpatient nonsurgical treatment of ailments related to the musculoskeletal system, such as manipulations or related procedures to treat musculoskeletal injury or disease.

Not Covered: Massage therapy.

Nonmedical Services

Not Covered: Such services as telephone consultations, charges for failure to keep scheduled appointments, charges for completion of any form, charges for medical information, recreational therapy, and any services or supplies that are nonmedical. You are also not covered for services delivered to you by a provider via interactive audio only, audio-visual technology, or web-based or similar electronic-based communication network.

Occupational Therapy

Covered: Occupational therapy services are covered when all the following requirements are met:

- Services are to treat the upper extremities, which means the arms from the shoulders to the fingers.
- The goal of the occupational therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Occupational therapy supplies.
- Occupational therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Occupational therapy performed for maintenance.
- Occupational therapy services that do not meet the requirements specified under *Covered*.

Orthotics

Not Covered: Orthotic foot devices such as arch supports or in-shoe supports, orthopedic shoes, elastic supports, or examinations to prescribe or fit such devices.

See Also:

Home/Durable Medical Equipment earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Physical Therapy

Covered: Physical therapy services are covered when all the following requirements are met:

- The goal of the physical therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Physical therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Physical therapy performed for maintenance.
- Physical therapy services that do not meet the requirements specified under *Covered*.

Physicians and Practitioners

Covered: Most services provided by practitioners that are recognized by us and meet standards of licensing, accreditation or certification. Following are some recognized physicians and practitioners:

Advanced Registered Nurse Practitioners (ARNP). An ARNP is a registered nurse with advanced training in a specialty area who is registered with the Iowa Board of Nursing to practice in an advanced role with a specialty designation of certified clinical nurse specialist, certified nurse midwife, certified nurse practitioner, or certified registered nurse anesthetist.

Audiologists.

Chiropractors.

Doctors of Osteopathy (D.O.).

Licensed Independent Social Workers.

Medical Doctors (M.D.).

Occupational Therapists. This provider is covered only when treating the upper extremities, which means the arms from the shoulders to the fingers.

Optometrists.

Oral Surgeons.

Physical Therapists.

Physician Assistants.

Podiatrists.

Psychologists. Psychologists must have a doctorate degree in psychology with two years' clinical experience and meet the standards of a national register.

Speech Pathologists.

See Also:

Choosing a Provider, page 37.

Prescription Drugs

Covered: Most prescription drugs and medicines that bear the legend, "Caution, Federal Law prohibits dispensing without a prescription," are generally covered under your Blue Rx Complete prescription drug benefits, not under your medical benefits. However, there are exceptions when prescription drugs and medicines are covered under your medical benefits.

Drugs classified by the FDA as Drug Efficacy Study Implementation (DESI) drugs may also be covered. For a list of these drugs, visit our website at *Wellmark.com* or check with your pharmacist or physician.

Prescription drugs and medicines covered under your medical benefits include:

Drugs and Biologicals. Drugs and biologicals approved by the U.S. Food and Drug Administration. This includes such supplies as serum, vaccine, antitoxin, or antigen used in the prevention or treatment of disease.

Intravenous Administration. Intravenous administration of nutrients, antibiotics, and other drugs and fluids when provided in the home (home infusion therapy).

Nicotine Dependence. Prescription drugs and devices used to treat nicotine dependence, including over-the-counter drugs prescribed by a physician are covered under your Blue Rx Complete prescription drug benefits and not under your medical benefits. However, related medical evaluations are covered under your medical benefits.

Specialty Drugs. Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your medical benefits or under your Blue Rx Complete prescription drug benefits. To determine whether a particular specialty drug is covered under your medical benefits or under your Blue Rx Complete prescription drug benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Not Covered: Some prescription drugs are not covered under either your medical benefits or your Blue Rx Complete benefits. For example:

- Drugs purchased outside the United States failing the requirements specified earlier in this section.
- Prescription drugs that are not FDA-approved.

Some prescription drugs are covered under your Blue Rx Complete benefits:

- Insulin.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer Service number on your ID card and request a copy of the Drug List.

See Also:

Blue Rx Complete later in this section.

Contraceptives earlier in this section.

Medical and Surgical Supplies earlier in this section.

Notification Requirements and Care Coordination, page 43.

Prior Authorization, page 47.

Preventive Care

Covered: Preventive care such as:

- Gynecological examinations.
- Mammograms.
- Medical evaluations related to nicotine dependence.
- Pap smears.
- Physical examinations.

- Preventive items and services including, but not limited to:
  - Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF);
  - Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
  - Preventive care and screenings for infants, children and adolescents provided for in the guidelines supported by the Health Resources and Services Administration (HRSA); and
  - Preventive care and screenings for women provided for in guidelines supported by the HRSA.
- Well-child care including age-appropriate pediatric preventive services, as defined by current recommendations for Preventive Pediatric Health Care of the American Academy of Pediatrics. Pediatric preventive services shall include, at minimum, a history and complete physical examination as well as developmental assessment, anticipatory guidance, immunizations, and laboratory services including, but not limited to, screening for lead exposure as well as blood levels.

To qualify for benefits, you must receive preventive care from providers listed in your provider directory under any of the following categories:

- Advanced registered nurse practitioner (ARNP).
- Family Practice/General Practice.
- Internal Medicine.
- Pediatrics and Obstetrics/Gynecology.
- Physician assistant (PA).

However, you may also receive covered immunizations from any covered provider, including Network Public Health Agencies, Network Visiting Nurse Associations, and Network specialists.

Benefits Maximum:

- Well-child care until the child reaches age seven.
- **One** routine physical examination per benefit year.
- **One** routine mammogram per benefit year.
- **One** routine gynecological examination per benefit year.
- **One** routine Pap smear per benefit year.

Not Covered:

- Routine foot care, including related services or supplies.
- Periodic physicals or health examinations, screening procedures, or immunizations performed solely for school, sports, employment, insurance, licensing, or travel.

See Also:

Hearing Services earlier in this section.

Vision Services later in this section.

Prosthetic Devices

Covered: Devices used as artificial substitutes to replace a missing natural part of the body or to improve, aid, or increase the performance of a natural function.

Also covered are braces, which are rigid or semi-rigid devices commonly used to support a weak or deformed body part or to restrict or eliminate motion in a diseased or injured part of the body. Braces do not include elastic stockings, elastic bandages, garter belts, arch supports, orthodontic devices, or other similar items.

Not Covered:

- Devices such as eyeglasses and air conduction hearing aids or examinations for their prescription or fitting.

- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Medical and Surgical Supplies earlier in this section.

Orthotics earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Referrals, page 37.

Reconstructive Surgery

Covered: Reconstructive surgery primarily intended to restore function lost or impaired as the result of an illness, injury, or a birth defect (even if there is an incidental improvement in physical appearance) including breast reconstructive surgery following mastectomy. Breast reconstructive surgery includes the following:

- Reconstruction of the breast on which the mastectomy has been performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses.
- Treatment of physical complications of the mastectomy, including lymphedemas.

See Also:

Cosmetic Services earlier in this section.

Self-Help Programs

Not Covered: Self-help and self-cure products or drugs.

Sleep Apnea Treatment

Covered: Obstructive sleep apnea diagnosis and treatments.

Not Covered: Treatment for snoring without a diagnosis of obstructive sleep apnea.

Speech Therapy

Covered: Rehabilitative speech therapy services when related to a specific illness, injury, or impairment and involve the mechanics of phonation, articulation, or swallowing. Services must be provided by a licensed or certified speech pathologist.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Speech therapy services not provided by a licensed or certified speech pathologist.
- Speech therapy to treat certain developmental, learning, or communication disorders, such as stuttering and stammering.

Surgery

Covered. This includes the following:

- Major endoscopic procedures.
- Operative and cutting procedures.
- Preoperative and postoperative care.

Not Covered: Gender reassignment surgery.

See Also:

Dental Services earlier in this section.

Reconstructive Surgery earlier in this section.

Temporomandibular Joint Disorder (TMD)

Not Covered: All services or supplies for treatment of temporomandibular joint disorders, myofascial pain syndrome, or craniomandibular dysfunction.

Transplants

Covered:

- Certain bone marrow/stem cell transfers from a living donor.
- Heart.
- Heart and lung.
- Kidney.
- Liver.
- Lung.
- Pancreas.
- Simultaneous pancreas/kidney.
- Small bowel.

Transplants are subject to case management.

Charges related to the donation of an organ are usually covered by the recipient's medical benefits plan. However, if donor charges are excluded by the recipient's plan, and you are a donor, the charges will be covered by your medical benefits.

To qualify for benefits, the transplant services listed earlier must be from a Wellmark Health Plan Network facility or a facility recognized as a Blue Distinction Center for Transplant. This requirement does not apply to kidney transplants.

Not Covered:

- Expenses of transporting a living donor.
- Expenses related to the purchase of any organ.
- Services or supplies related to mechanical or non-human organs associated with transplants.
- Transplant services and supplies not listed in this section including complications.

See Also:

Case Management, page 47.

Referrals, page 37.

Travel or Lodging Costs

Not Covered.

Vision Services

Covered: Routine vision examinations.

Benefits Maximum:

- **One** routine vision examination per benefit year.

Not Covered:

- Surgery to correct a refractive error (i.e., when the shape of your eye does not bend light correctly resulting in blurred images).
- Eyeglasses or contact lenses, including charges related to their fitting.
- Prescribing of corrective lenses.
- Eye examinations for the fitting of eyewear.

Wigs or Hairpieces

Not Covered.

X-ray and Laboratory Services

Covered: Tests, screenings, imagings, and evaluation procedures as identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

See Also:

Preventive Care earlier in this section.

Guidelines for Drug Coverage

To be covered, a prescription drug must meet all of the following criteria:

- Listed on the Wellmark Blue Rx Complete Drug List.
- Can be legally obtained in the United States only with a written prescription.
- Deemed both safe and effective by the U.S. Food and Drug Administration (FDA) and approved for use by the FDA after 1962.
- Prescribed by a practitioner prescribing within the scope of his or her license.
- Dispensed by a recognized licensed participating retail pharmacy employing licensed registered pharmacists, through the specialty pharmacy program, or through the mail order drug program unless there is a medical emergency. Drugs purchased from nonparticipating pharmacies are covered only in emergency situations. See *Prescriptions Purchased from Nonparticipating Pharmacies* later in this section.
- Medically necessary for your condition. See *Medically Necessary*, page 33.
- Not available in an equivalent over-the-counter strength. However, certain over-the-counter products and over-the-counter tobacco dependency drugs prescribed by a physician may be covered. To determine if a particular over-the-counter product is covered, call the Customer Service number on your ID card.
- Reviewed, evaluated, and recommended for addition to the Wellmark Blue Rx Complete Drug List by Wellmark.

Drugs that are Covered

The Wellmark Blue Rx Complete Drug List

The Wellmark Blue Rx Complete Drug List is a reference list that includes generic and brand-name prescription drugs that have been approved by the U.S. Food and Drug Administration (FDA) and are covered under your Blue Rx Complete prescription drug benefits. The Drug List is updated on a quarterly basis, or when new drugs become available, and as discontinued drugs are removed from the marketplace.

To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com,* or call the Customer Service number on your ID card and request a copy of the Drug List.

New drugs will not be added to the Drug List until they have been evaluated by Wellmark. We will periodically update the list to reflect these evaluations and to reflect the changing drug market in general. Revisions to the list will be distributed to providers who participate with Wellmark, and pharmacies that participate with the network used by this prescription drug plan.

The Drug List is subject to change.

Preventive Items and Services

Preventive items and services received at a participating licensed retail pharmacy, including certain items or services recommended with an “A” or “B” rating by the United States Preventive Services Task Force, and immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention are covered. To determine if a particular preventive item or service is covered, consult the Wellmark Blue Rx Complete Drug List or call the Customer Service number on your ID card.

Specialty Drugs
Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your Blue Rx Complete prescription drug benefits or under your medical benefits. To determine whether a particular specialty drug is covered under your Blue Rx Complete prescription drug benefits or under your medical benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, check with your pharmacist or physician, or call the Customer Service number on your ID card.

Tobacco Dependency Drugs
Prescription drugs and devices used to treat nicotine dependence, including over-the-counter drugs prescribed by a physician are covered.

Benefits Maximum: 180-days' supply of covered over-the-counter drugs for smoking cessation per calendar year.

Where to Purchase Prescription Drugs

Participating Pharmacies. You must purchase prescription drugs from participating pharmacies.

If you purchase drugs from nonparticipating pharmacies, you are responsible for the entire cost of the drug. To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Limits on Prescription Drug Coverage

We may exclude, discontinue, or limit coverage for any drug by removing it from the Drug List or by moving a drug to a different tier on the Drug List for any of the following reasons:

- New drugs are developed.
- Generic drugs become available.
- Over-the-counter drugs with similar properties become available or a drug's active ingredient is available in a similar strength in an over-the-counter product or as a nutritional or dietary supplement product available over the counter.
- There is a sound medical reason.
- Scientific evidence does not show that a drug works as well and is as safe as other drugs used to treat the same or similar conditions.
- A drug receives FDA approval for a new use.

Drugs that are Not Covered

Drugs and items that are not covered under your prescription drug benefits include but are not limited to:

- Drugs not listed on the Wellmark Blue Rx Complete Drug List.
- Drugs purchased from nonparticipating pharmacies.
- Drugs in excess of a quantity limitation. See *Quantity Limitations* later in this section.
- Drugs that are not FDA approved.
- Experimental or investigational drugs.
- Compounded drugs that do not contain an active ingredient in a form that has been approved by the FDA and that require a prescription to obtain.
- Compounded drugs that contain bulk powders or that are commercially available as a similar prescription drug.
- Drugs determined to be abused or otherwise misused by you.

- Drugs that are lost, damaged, stolen, or used inappropriately.
- Contraceptive medical devices, such as intrauterine devices and diaphragms. These are covered under your medical benefits. See *Contraceptives*, page 14.
- Convenience packaging. If the cost of the convenience packaged drug exceeds what the drug would cost if purchased in its normal container, the convenience packaged drug is not covered.
- Cosmetic drugs.
- Irrigation solutions and supplies.
- Therapeutic devices or medical appliances.
- Infertility drugs.
- Weight reduction drugs.

See Also:

Prescription Drugs, page 24.

Prescriptions Purchased from Nonparticipating Pharmacies

You are eligible for benefits for prescription drugs purchased from nonparticipating pharmacies only in emergency situations.

In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Prescription Purchases Outside the United States

To qualify for benefits for prescription drugs purchased outside the United States, all of the following requirements must be met:

- You are injured or become ill while in a foreign country.
- The prescription drug's active ingredient and dosage form are FDA-approved or an FDA equivalent and has the same name and dosage form as the FDA-approved drug's active ingredient.
- The prescription drug would require a written prescription by a licensed practitioner if prescribed in the U.S.
- You provide acceptable documentation that you received a covered service from a practitioner or hospital and the practitioner or hospital prescribed the prescription drug.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Refills

To qualify for refill benefits, all of the following requirements must be met:

- Sufficient time has elapsed since the last prescription was written. Sufficient time means that at least 75 percent of the medication has been taken according to the instructions given by the practitioner. For retirees, sufficient time means at least 60 percent of the medication has been taken according to the instructions given by the practitioner.

- The refill is not to replace medications that have been lost, damaged, stolen, or used inappropriately.
- The refill is for use by the person for whom the prescription is written (and not someone else).
- The refill does not exceed the amount authorized by your practitioner.
- The refill is not limited by state law.

You are allowed one early refill per medication per calendar year if you will be away from home for an extended period of time.

If traveling within the United States, the refill amount will be subject to any applicable quantity limits under this coverage. If traveling outside the United States, the refill amount will not exceed a 90-day supply.

To receive authorization for an early refill, ask your pharmacist to call us.

4. General Conditions of Coverage, Exclusions, and Limitations

The provisions in this section describe general conditions of coverage and important exclusions and limitations that apply generally to all types of services or supplies.

Conditions of Coverage

Medically Necessary
A key general condition in order for you to receive benefits is that the service, supply, device, or drug must be medically necessary. Even a service, supply, device, or drug listed as otherwise covered in *Details - Covered and Not Covered* may be excluded if it is not medically necessary in the circumstances. Unless otherwise required by law, Wellmark determines whether a service, supply, device, or drug is medically necessary, and that decision is final and conclusive. Even though a provider may recommend a service or supply, it may not be medically necessary.

A medically necessary health care service is one that a provider, exercising prudent clinical judgment, provides to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and is:

- Provided in accordance with generally accepted standards of medical practice. Generally accepted standards of medical practice are based on:
  - Credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community;
  - Physician Specialty Society recommendations and the views of physicians practicing in the relevant clinical area; and
  - Any other relevant factors.
- Clinically appropriate in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease.
- Not provided primarily for the convenience of the patient, physician, or other health care provider, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the illness, injury or disease.

An alternative service, supply, device, or drug may meet the criteria of medical necessity for a specific condition. If alternatives are substantially equal in clinical effectiveness and use similar therapeutic agents or regimens, we reserve the right to approve the least costly alternative.

If you receive services that are not medically necessary, you are responsible for the cost if:

- You receive the services from an Out-of-Network Provider; or
- You receive the services from a Network or Participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be not medically necessary; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined are not medically necessary, the Network or Participating provider is responsible for these amounts.

- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be not medically necessary. This is true even if the provider does not give you any written notice before the services are rendered.

Member Eligibility
Another general condition of coverage is that the person who receives services must meet requirements for member eligibility. See *Coverage Eligibility and Effective Date*, page 57.

General Exclusions

Even if a service, supply, device, or drug is listed as otherwise covered in *Details - Covered and Not Covered,* it is not eligible for benefits if any of the following general exclusions apply.

Investigational or Experimental
You are not covered for a service, supply, device, or drug that is investigational or experimental. A treatment is considered investigational or experimental when it has progressed to limited human application but has not achieved recognition as being proven effective in clinical medicine.

To determine investigational or experimental status, we may refer to the technical criteria established by the Blue Cross and Blue Shield Association, including whether a service, supply, device, or drug meets these criteria:

- It has final approval from the appropriate governmental regulatory bodies.
- The scientific evidence must permit conclusions concerning its effect on health outcomes.
- It improves the net health outcome.
- It is as beneficial as any established alternatives.
- The health improvement is attainable outside the investigational setting.

These criteria are considered by the Blue Cross and Blue Shield Association's Medical Advisory Panel for consideration by all Blue Cross and Blue Shield member organizations. While we may rely on these criteria, the final decision remains at the discretion of our Medical Director, whose decision may include reference to, but is not controlled by, policies or decisions of other Blue Cross and Blue Shield member organizations. You may access our medical policies, with supporting information and selected medical references for a specific service, supply, device, or drug through our website, *Wellmark.com*.

If you receive services that are investigational or experimental, you are responsible for the cost if:

- You receive the services from an Out-of-Network Provider; or
- You receive the services from a Network or Participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be investigational or experimental; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined to be investigational or experimental, the Network or Participating provider is responsible for these amounts.
- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be investigational or experimental. This is true even if the provider does not give you any written notice before the services are rendered.

See Also:

Clinical Trials, page 14.

Complications of a Noncovered Service

You are not covered for a complication resulting from a noncovered service, supply, device, or drug. However, this exclusion does not apply to the treatment of complications resulting from:

- Smallpox vaccinations when payment for such treatment is not available through workers' compensation or government-sponsored programs; or
- A noncovered abortion.

Nonmedical Services

You are not covered for telephone consultations, charges for missed appointments, charges for completion of any form, or charges for information. You are also not covered for services delivered to you by a provider via interactive audio only, audio-visual technology, or web-based or similar electronic-based communication network.

Personal Convenience Items

You are not covered for items used for your personal convenience, such as:

- Items not primarily and customarily manufactured to serve a medical purpose or which can be used in the absence of illness or injury (including, but not limited to, air conditioners, dehumidifiers, ramps, home remodeling, hot tubs, swimming pools); or
- Items that do not serve a medical purpose or are not needed to serve a medical purpose.

Provider Is Family Member

You are not covered for a service or supply received from a provider who is in your immediate family (which includes yourself, parent, child, or spouse or domestic partner).

Covered by Other Programs or Laws

You are not covered for a service, supply, device, or drug if:

- You are entitled to claim benefits from a governmental program (other than Medicaid).
- Someone else has the legal obligation to pay for services or without this group health plan, you would not be charged.
- You require services or supplies for an illness or injury sustained while on active military status.

Workers' Compensation

You are not covered for services or supplies that are compensated under workers' compensation laws, including services or supplies applied toward satisfaction of any deductible under your employer's workers' compensation coverage. You are also not covered for any services or supplies that could have been compensated under workers' compensation laws if you had complied with the legal requirements relating to notice of injury, timely filing of claims, and medical treatment authorization.

For treatment of complications resulting from smallpox vaccinations, see *Complications of a Noncovered Service* earlier in this section.

Benefit Limitations

Benefit limitations refer to amounts for which you are responsible under this group health plan. These amounts are not credited toward your out-of-pocket maximum. In addition to the exclusions and conditions described earlier, the following are examples of benefit limitations under this group health plan:

- A service or supply that is not covered under this group health plan is your responsibility.
- If a covered service or supply reaches a benefit maximum, it is no longer eligible for benefits. (A maximum may renew at the next benefit year.) See *Details – Covered and Not Covered,* page 13.

- If you receive benefits that reach a lifetime benefits maximum applicable to any specific service, then you are no longer eligible for benefits for that service under this group health plan. See *Benefits Maximums*, page 6, and *At a Glance–Covered and Not Covered*, page 9.
- If you do not obtain precertification for certain medical services, benefits can be reduced or denied. You are responsible for benefit reductions if you receive the services from an Out-of-Network Provider. You are responsible for benefit denials only if you are responsible (not your provider) for notification. A Network Provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 43.
- If you do not obtain prior approval for certain medical services, benefits will be denied on the basis that you did not obtain prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, benefits for that service will be provided according to the terms of your medical benefits.

  You are responsible for these benefit denials only if you are responsible (not your provider) for notification. A Network Provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 43.
- If you do not obtain prior authorization for certain prescription drugs, benefits can be reduced or denied. See *Notification Requirements and Care Coordination*, page 43.
- The type of provider you choose can affect your benefits and what you pay. See *Choosing a Provider*, page 37, and *Factors Affecting What You Pay*, page 49. Examples of charges that depend on the type of provider include but are not limited to:
  - Any difference between the provider's amount charged and our amount paid is your responsibility if you receive services from an Out-of-Network practitioner.

5. Choosing a Provider

Blue Access Contract

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are Out-of-Network Providers.

Your medical benefits are called Blue Access.

Providers who participate with the network utilized by these medical benefits are called Wellmark Health Plan Network Providers.

Providers who do not participate with the network utilized by these medical benefits are called Out-of-Network Providers.

With Blue Access, benefits for most covered services are generally available only when received from Wellmark Health Plan Network Providers.

To determine if a provider participates with this medical benefits plan, ask your provider, refer to our online provider directory at *Wellmark.com*, or call the Customer Service number on your ID card.

Providers are independent contractors and are not agents or employees of Wellmark Health Plan of Iowa, Inc. For types of providers that may be covered under your medical benefits, see *Hospitals and Facilities*, page 18 and *Physicians and Practitioners*, page 23.

Please note: Even if a specific provider type is not listed as a recognized provider type, Wellmark does not discriminate against a licensed health care provider acting within the scope of his or her state license or certification with respect to coverage under this plan.

Please note: Even though a facility may be a Wellmark Health Plan Network facility, particular providers within the facility may not be Wellmark Health Plan Network Providers. Examples include Out-of-Network physicians on the staff of a Network hospital, home medical equipment suppliers, and other independent providers. Therefore, when you are referred by a Wellmark Health Plan Network Provider to another provider, or when you are admitted into a facility, always ask if the providers are Wellmark Health Plan Network Providers.

Always carry your ID card and present it when you receive services. Information on it, especially the ID number, is required to process your claims correctly.

Pharmacies that contract with our pharmacy benefits manager are considered Participating Providers. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers. See *Choosing a Pharmacy* and *Specialty Pharmacy Program* later in this section. To determine if a pharmacy contracts with our pharmacy benefits manager, ask the pharmacist or call the Customer Service number on your ID card.

Referrals

If you require services that are not available from a specialist within the Network, you will be referred to a provider outside the Network who has expertise in diagnosing and treating your condition. Wellmark must approve Out-of-Network referrals before you receive services or the services will not be covered. **Please note:** Even when your Out-of-Network referral is approved, you are still responsible for complying with notification requirements. See *Notification Requirements and Care Coordination*, page 43.

Services Outside the Wellmark Health Plan Network

You are eligible for benefits for covered services received from Out-of-Network or Participating providers (including out-of-country providers) only in the following situations:

- **Accidental Injuries.**
- **Emergencies.**

When you receive covered services for emergency medical conditions from Out-of-Network Providers, all of the following statements are true:

- Out-of-Network Providers are not responsible for filing your claims.
- We do not have contracts with Out-of-Network Providers and they may not agree to accept our payment arrangements. Therefore, you are responsible for any difference between the amount charged and our payment.
- We make claims payments to you, not Out-of-Network Providers.
- You are responsible for notification requirements.

See *Out-of-Network Providers,* page 50.

- **Continuity of Care.** You may be eligible to continue care from an Out-of-Network Provider for treatment of a terminal illness, a complex medical condition, or during the second or third trimester of pregnancy if:
  - — You had been receiving care for the condition from a Wellmark Health Plan Network Provider but the provider's contract with us terminates; or
  - — You were previously covered by a different carrier or plan and had been receiving care for the condition from an Out-of-Network Provider when you begin coverage under your medical benefits.

  If either situation applies, you may continue Out-of-Network treatment as follows:

  - — Terminal illness (as determined by the provider): for 90 days after the provider's contract terminates or the patient begins coverage with Wellmark while under the care of an Out-of-Network Provider for treatment of the terminal illness, whichever applies.
  - — Complex medical condition: for a time period or benefit maximum determined by medical management. You or your provider must notify us before receiving services under these medical benefits, and the medical condition must warrant continued treatment by the Out-of-Network Provider.
  - — Pregnancy in second or third trimester: through postpartum care related to the childbirth and delivery.

  To assist you in making a transition to a Wellmark Health Plan Network Provider, you or your provider must call us at **800-552-3993**.
- **Out of Network Referrals.** See *Referrals* earlier in this section.

Guest Membership. Members traveling long-term, any covered dependents attending college out of state, or covered family members living apart are eligible to become a guest member any time they are outside the Wellmark Health Plan Network area for at least 90 days. Not all services covered under your medical benefits are covered under Guest Membership. To determine which services are covered under the Guest Membership program, call us.

To receive covered services under the Guest Membership program, you must receive the service(s) from a Participating Provider.

Before you leave the Wellmark Health Plan Network area, call the Customer Service

number on your ID card to set up a guest membership.

Laboratory services. You may have laboratory specimens or samples collected by a Network Provider and those laboratory specimens may be sent to another laboratory services provider for processing or testing. If that laboratory services provider does not have a contractual relationship with the Blue Plan where the specimen was drawn, the service will not be covered and you will be responsible for the entire amount charged.

Home/durable medical equipment. If you purchase or rent home/durable medical equipment from a provider that does not have a contractual relationship with the Blue Plan where you purchased or rented the equipment, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase or rent home/durable medical equipment and have that equipment shipped to a service area of a Blue Plan that does not have a contractual relationship with the home/durable medical equipment provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase or rent home/durable medical equipment and have the equipment shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the home/durable medical equipment provider.

Prosthetic devices. If you purchase prosthetic devices from a provider that does not have a contractual relationship with the Blue Plan where you purchased the prosthetic devices, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase prosthetic devices and have that equipment shipped to a service area of a Blue Plan that does not have a contractual relationship with the provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase prosthetic devices and have them shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the provider.

Talk to your provider. Whenever possible, before receiving laboratory services, home/durable medical equipment, or prosthetic devices, ask your provider to utilize a provider that has a contractual arrangement with the Blue Plan where you received services, purchased or rented equipment, or shipped equipment, or ask your provider to utilize a provider that has a contractual arrangement with Wellmark.

To determine if a provider has a contractual arrangement with a particular Blue Plan or with Wellmark, call the Customer Service number on your ID card or visit our website, *Wellmark.com*.

See *Out-of-Network Providers,* page 50.

BlueCard Program. Wellmark Health Plan of Iowa, Inc., is an affiliate of Wellmark Blue Cross and Blue Shield of Iowa, independent licensees of the Blue Cross and Blue Shield Association. We have relationships with other Blue Cross and/or Blue Shield Plans. These relationships are generally referred to as Inter-Plan Programs. Whenever you obtain services outside the Wellmark Health Plan Network, the claims for these services may be processed through one of these Inter-Plan Programs, which include the BlueCard Program. These programs ensure that members of any Blue Plan have access to the advantages of Participating Providers throughout the United States. Participating Providers have a contractual arrangement with the Blue Cross or Blue Shield Plan in their home state ("Host Blue"). The Host Blue is responsible for contracting with and generally handling all interactions with its Participating Providers.

The BlueCard Program is one of the advantages of your coverage with Wellmark Health Plan of Iowa, Inc. It provides

conveniences and benefits outside the Wellmark Health Plan Network area for emergency care or accidental injury similar to those you would have in the Wellmark Health Plan Network area when you obtain covered medical services from a Network Provider. Always carry your ID card (or BlueCard) and present it to your provider when you receive care. Information on it, especially the ID number, is required to process your claims correctly.

In an emergency situation, seek care at the nearest hospital emergency room. Whenever possible, before receiving services outside the Wellmark Health Plan Network, you should always ask the provider if he or she participates with a Blue Cross and/or Blue Shield Plan in that state. To locate Participating Providers in any state, call **800-810-BLUE**, or visit *www.bcbs.com*.

When you receive covered services from Participating Providers outside the Wellmark Health Plan Network, all of the following statements are true:

- Claims are filed for you.
- These providers agree to accept payment arrangements or negotiated prices of the Blue Cross and/or Blue Shield Plan with which the provider contracts. These payment arrangements may result in savings.
- The health plan payment is sent directly to the providers.

Typically, when you receive covered services from Participating Providers outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 43. However, if you are admitted to a Participating facility outside the Wellmark Health Plan Network, the Participating Provider should handle notification requirements for you.

Care in a Foreign Country
For covered services you receive in a country other than the United States, payment level assumes the provider category is Out-of-Network except for services received from providers that participate with BlueCard Worldwide.

Blue Rx Complete

Choose a Participating Pharmacy

Your prescription drug benefits are called Blue Rx Complete. Pharmacies that participate with the network used by Blue Rx Complete are called participating pharmacies. Pharmacies that do not participate with the network are called nonparticipating pharmacies. Benefits for covered drugs are generally available only when received from participating pharmacies except in emergency situations.

To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Nonparticipating Pharmacies
- Prescription drugs purchased from nonparticipating pharmacies are covered only in emergency situations.
- In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Always Present Your ID Card
If you do not have your ID card with you when you fill a prescription at a participating pharmacy, the pharmacist may not be able to access your benefit information. In this case:

- You must pay the full amount charged at the time you receive your prescription, and the amount we reimburse you may be less than what you paid. You are responsible for this difference.
- You must file your claim to be reimbursed. See *Claims*, page 65.

Specialty Pharmacy Program

Specialty drugs are often unavailable from ordinary retail pharmacies. Specialty pharmacies deliver specialty drugs directly to your home or to your physician's office. You must purchase specialty drugs through a participating pharmacy or through the specialty pharmacy program. You must register as a specialty pharmacy program user in order to fill your prescriptions through the specialty pharmacy program. For information on how to register, call the Customer Service number on your ID card or visit our website at *Wellmark.com*.

You are not covered for specialty drugs purchased from nonparticipating pharmacies.

The specialty pharmacy program administers the distribution of specialty drugs to the home and to physicians' offices.

When you fill your prescription through the specialty pharmacy program, you will usually pay less than if you use a pharmacy outside the specialty pharmacy program. For specialty drug purchases, pharmacies outside the specialty pharmacy program are considered nonparticipating pharmacies. When you purchase covered drugs from nonparticipating pharmacies, you will usually pay more.

When you purchase covered drugs from nonparticipating pharmacies you are responsible for the amount charged for the drug at the time you fill your prescription, and then you must file a claim to be reimbursed. Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your payment obligation. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

Mail Order Drug Program

You must purchase mail order drugs through the mail order drug program. You are not covered for mail order drugs purchased outside the mail order drug program.

You must register as a mail service user in order to fill your prescriptions through the mail order drug program. For information on how to register, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Mail order pharmacy providers outside our mail order program are considered nonparticipating pharmacies. You are not covered for drugs purchased from nonparticipating mail order pharmacies.

See *Participating vs. Nonparticipating Pharmacies*, page 54.

6. Notification Requirements and Care Coordination

Blue Access Contract

Many services require a notification to us or a review by us. If you do not follow notification requirements properly, you may have to pay for services yourself, so the information in this section is critical. For a complete list of services subject to notification or review, visit *Wellmark.com* or call the Customer Service number on your ID card.

Providers and Notification Requirements
Participating Providers in the Wellmark Health Plan Network should handle notification requirements for you. If you are admitted to a Participating facility outside the Wellmark Health Plan Network, the Participating Provider should handle notification requirements for you.

If you receive any other covered services (i.e., services unrelated to an inpatient admission) from a Participating Provider outside the Wellmark Health Plan Network, you or someone acting on your behalf are responsible for notification requirements.

More than one of the notification requirements and care coordination programs described in this section may apply to a service. Any notification or care coordination decision is based on the medical benefits in effect at the time of your request. If your coverage changes for any reason, you may be required to repeat the notification process.

You or your authorized representative, if you have designated one, may appeal a denial or reduction of benefits resulting from these notification requirements and care coordination programs. See *Appeals*, page 75. Also see *Authorized Representative*, page 79.

Precertification

Purpose	Precertification helps determine whether a service or admission to a facility is medically necessary. Precertification is required; however, it does not apply to maternity or emergency services.
Applies to	For a complete list of the services subject to precertification, visit *Wellmark.com* or call the Customer Service number on your ID card.

Person Responsible for Obtaining Precertification	**You** or someone acting on your behalf are responsible for obtaining precertification if: ■ You receive services subject to precertification from an Out-of-Network Provider; or ■ You receive non-inpatient services subject to precertification from a Participating Provider outside Iowa. **Please note:** Services from Out-of-Network Providers or from Participating Providers must be approved through the Out-of-Network Referral process described on page 37, except in cases of an emergency or guest membership. **Your Provider** should obtain precertification for you if: ■ You receive services subject to precertification from a Wellmark Health Plan Network Provider in Iowa; or ■ You receive inpatient services subject to precertification from a Participating Provider outside Iowa. **Please note:** If you are ever in doubt whether precertification has been obtained, call the Customer Service number on your ID card.
Process	When you, instead of your provider, are responsible for precertification, call the phone number on your ID card before receiving services. Wellmark will respond to a precertification request within: ■ 72 hours in a medically urgent situation; ■ 15 days in a non-medically urgent situation. Precertification requests must include supporting clinical information to determine medical necessity of the service or admission. After you receive the service(s), Wellmark may review the related medical records to confirm the records document the services subject to the approved precertification request. The medical records also must support the level of service billed and document that the services have been provided by the appropriate personnel with the appropriate level of supervision.

Notification

Purpose	Notification of most facility admissions and certain services helps us identify and initiate discharge planning or care coordination. Notification is required.
Applies to	For a complete list of the services subject to notification, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark Health Plan Network Providers perform notification for you. However, you or someone acting on your behalf are responsible for notification if: ■ You receive services subject to notification from an Out-of-Network Provider.

Process	When you, instead of your provider, are responsible for notification, call the phone number on your ID card before receiving services, except when you are unable to do so due to a medical emergency. In the case of an emergency admission, you must notify us within one business day of the admission or the receipt of services.

Prior Approval

Purpose	Prior approval helps determine whether a proposed treatment plan is medically necessary and a benefit under your medical benefits. Prior approval is required.
Applies to	For a complete list of the services subject to prior approval, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible for Obtaining Prior Approval	**You** or someone acting on your behalf are responsible for obtaining prior approval if: ■ You receive services subject to prior approval from an Out-of-Network Provider; or ■ You receive non-inpatient services subject to prior approval from a Participating Provider outside Iowa. **Please note:** Services from Out-of-Network Providers or from Participating Providers must be approved through the Out-of-Network Referral process described on page 37, except in the cases of an emergency or guest membership. **Your Provider** should obtain prior approval for you if: ■ You receive services subject to prior approval from a Wellmark Health Plan Network Provider in Iowa; or ■ You receive inpatient services subject to prior approval from a Participating Provider outside Iowa. **Please note:** If you are ever in doubt whether prior approval has been obtained, call the Customer Service number on your ID card.
Process	When you, instead of your provider, are responsible for requesting prior approval, call the number on your ID card to obtain a prior approval form and ask the provider to help you complete the form. Wellmark will determine whether the requested service is medically necessary and eligible for benefits based on the written information submitted to us. We will respond to a prior approval request in writing to you and your provider within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Prior approval requests must include supporting clinical information to determine medical necessity of the services or supplies.

Importance	If your request is approved, the service is covered provided other contractual requirements, such as member eligibility and benefit maximums, are observed. If your request is denied, the service is not covered, and you will receive a notice with the reasons for denial. If you do not request prior approval for a service, the benefit for that service will be denied on the basis that you did not request prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, the benefit for that service will be provided according to the terms of your medical benefits. Approved services are eligible for benefits for a limited time. Approval is based on the medical benefits in effect and the information we had as of the approval date. If your coverage changes for any reason (for example, because of a new job or new medical benefits), an approval may not be valid. If your coverage changes before the approved service is performed, a new approval is recommended.

Concurrent Review

Purpose	Concurrent review is a utilization review conducted during a member's facility stay or course of treatment at home or in a facility setting to determine whether the place or level of service is medically necessary. This care coordination program occurs without any notification required from you.
Applies to	For a complete list of the services subject to concurrent review, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark
Process	Wellmark may review your case to determine whether your current level of care is medically necessary. Responses to Wellmark's concurrent review requests must include supporting clinical information to determine medical necessity as a condition of your coverage.
Importance	Wellmark may require a change in the level or place of service in order to continue providing benefits. If we determine that your current facility setting or level of care is no longer medically necessary, we will notify you, your attending physician, and the facility or agency at least 24 hours before your benefits for these services end.

Case Management

Purpose	Case management is intended to identify and assist members with the most severe illnesses by collaborating with members, members' families, and providers to develop individualized care plans.
Applies to	A wide group of members including those who have experienced potentially preventable emergency room visits; hospital admissions/readmissions; those with catastrophic or high cost health care needs; those with potential long term illnesses; and those newly diagnosed with health conditions requiring life-time management. Examples where case management might be appropriate include but are not limited to: Brain or Spinal Cord Injuries Cystic Fibrosis Degenerative Muscle Disorders Hemophilia Pregnancy (high risk) Transplants
Person Responsible	You, your physician, and the health care facility can work with Wellmark's case managers. Wellmark may initiate a request for case management.
Process	Members are identified and referred to the Case Management program through Customer Service and claims information, referrals from providers or family members, and self-referrals from members.
Importance	Case management is intended to identify and coordinate appropriate care and care alternatives including reviewing medical necessity; negotiating care and services; identifying barriers to care including contract limitations and evaluation of solutions outside the health plan; assisting the member and family to identify appropriate community-based resources or government programs; and assisting members in the transition of care when there is a change in coverage.

Blue Rx Complete

Prior Authorization of Drugs

Purpose	Prior authorization allows us to verify that a prescription drug is part of a specific treatment plan and is medically necessary. In some cases prior authorization may also allow a drug that is normally excluded to be covered if it is part of a specific treatment plan and medically necessary.
Applies to	Prior authorization is required for a number of particular drugs. Visit *Wellmark.com* or check with your pharmacist or practitioner to determine whether prior authorization applies to a drug that has been prescribed for you.

Person Responsible	You are responsible for prior authorization.
Process	Ask your practitioner to call us with the necessary information. If your practitioner has not provided the prior authorization information, participating pharmacists usually ask for it, which may delay filling your prescription. To avoid delays, encourage your provider to complete the prior authorization process before filling your prescription. Nonparticipating pharmacists will fill a prescription without prior authorization but you will be responsible for paying the charge. Wellmark will respond to a prior authorization request within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Calls received after 4:00 p.m. are considered the next business day.
Importance	If you purchase a drug that requires prior authorization but do not obtain prior authorization, you are responsible for paying the entire amount charged.

7. Factors Affecting What You Pay

How much you pay for covered services is affected by many different factors discussed in this section.

Blue Access Contract

Benefit Year

A benefit year is a period of 12 consecutive months beginning on January 1 or beginning on the day your coverage goes into effect. The benefit year starts over each January 1. Your benefit year continues even if your employer or group sponsor changes Wellmark group health plan benefits during the year or you change to a different plan offering mid-benefit year from your same employer or group sponsor.

Certain coverage changes result in your Wellmark identification number changing. In some cases, a new benefit year will start under the new ID number for the rest of the benefit year. In this case, the benefit year would be less than a full 12 months. In other cases (e.g., adding your spouse to your coverage) the benefit year would continue and not start over.

If you are an inpatient in a covered facility on the date of your annual benefit year renewal, your benefit limitations and payment obligations, including your out-of-pocket maximum, for facility services will renew and will be based on the benefit limitations and payment obligation amounts in effect on the date you were admitted. However, your payment obligations, including your out-of-pocket maximum, for practitioner services will be based on the payment obligation amounts in effect on the day you receive services.

The benefit year is important for calculating:

- Coinsurance.
- Out-of-pocket maximum.
- Benefit maximum.

How Coinsurance is Calculated

The amount on which coinsurance is calculated depends on the state where you receive a covered service and the contracting status of the provider.

Wellmark Health Plan Network and Out-of-Network Providers

Coinsurance is calculated using the payment arrangement amount after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Out-of-Network Facility Services

For services received at out-of-network facilities, coinsurance is calculated using the amount charged after the following applicable amounts are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Participating Providers Outside the Wellmark Health Plan Network

You are eligible for benefits from Participating Providers only in cases of an emergency, accidental injury, or in certain situations, a referral.

The coinsurance for covered services is calculated on the lower of:

- The amount charged for the covered service, or
- The negotiated price that the Host Blue makes available to Wellmark after the

following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Often, the negotiated price will be a simple discount that reflects an actual price the local Host Blue paid to your provider. Sometimes, the negotiated price is an estimated price that takes into account special arrangements with your healthcare provider or provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, the negotiated price may be an average price based on a discount that results in expected average savings for similar types of healthcare providers after taking into account the same types of transactions as with an estimated price. Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or under-estimation of modifications of past pricing for the types of transaction modifications noted previously. However, such adjustments will not affect the price we use for your claim because they will not be applied retroactively to claims already paid.

Occasionally, claims for services you receive from a provider that participates with a Blue Cross and/or Blue Shield Plan outside of Iowa or South Dakota may need to be processed by Wellmark instead of by the BlueCard Program. In that case, coinsurance is calculated using the amount charged for covered services after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Laws in a small number of states may require the Host Blue Plan to add a surcharge to your calculation. If any state laws mandate other liability calculation methods, including a surcharge, Wellmark will calculate your payment obligation for any covered services according to applicable law. For more information, see *BlueCard Program*, page 39.

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are Out-of-Network Providers.

Participating Providers

Participating Providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area, but not with the Wellmark Health Plan Network. When you receive services from Participating Providers:

- You are eligible for benefits only in limited situations. These are described in the *Choosing a Provider* section.
- Wellmark makes claim payments directly to these providers.

Network Providers

Wellmark has a contracting relationship with these providers. When you receive services from a Network Provider:

- The Network payment obligation amounts may be waived for certain covered services. See *Waived Payment Obligations*, page 6.

There may be certain exceptions to these rules. Any exceptions are described in *What You Pay*.

Out-of-Network Providers

Wellmark and Blue Cross and/or Blue Shield Plans do not have contracting relationships with Out-of-Network Providers, and they may not accept our payment arrangements. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network

Providers. Therefore, when you receive services from Out-of-Network Providers:

- You are not eligible for benefits. There may be exceptions to this rule for specific services. If so, these are described in the section *Details – Services Covered and Not Covered*.
- You are responsible for any difference between the amount charged and the maximum allowable fee for a covered service when the maximum allowable fee is less than the practitioner's charge.
- Wellmark does not make claim payments directly to these providers. You are responsible for ensuring that your provider is paid in full.
- The health plan payment for Out-of-Network hospitals, M.D.s, and D.O.s in Iowa is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider (plus any billed balance you may owe).

Amount Charged and Maximum Allowable Fee

Amount Charged

The amount charged is the amount a provider charges for a service or supply, regardless of whether the services or supplies are covered under your medical benefits.

Maximum Allowable Fee

The maximum allowable fee is the amount, established by Wellmark, using various methodologies, for covered services and supplies. Wellmark's amount paid may be based on the lesser of the amount charged for a covered service or supply or the maximum allowable fee.

Payment Arrangements

Payment Arrangement Savings

Wellmark has contracting relationships with Network Providers. We use different methods to determine payment arrangements, including negotiated fees. These payment arrangements usually result in savings.

The savings from payment arrangements and other important amounts will appear on your Explanation of Benefits statement as follows:

- *Network Savings*, which reflects the amount you save on a claim by receiving services from a Participating or Network provider. For the majority of services, the savings reflects the actual amount saved on a claim. However, depending on many factors, the amount we pay a provider could be different from the covered charge. Regardless of the amount we pay a Participating or Network provider, your payment responsibility will always be based on the lesser of the covered charge or the maximum allowable fee.
- *Amount Not Covered*, which reflects the portion of provider charges not covered under your health benefits and for which you are responsible. This amount may include services or supplies not covered; amounts in excess of a benefit maximum, benefit year maximum, or lifetime benefits maximum; reductions or denials for failure to follow a required precertification; and the difference between the amount charged and the maximum allowable fee for services from an Out-of-Network Provider. For general exclusions and examples of benefit limitations, see *General Conditions of Coverage, Exclusions, and Limitations*, page 33.
- *Amount Paid by Health Plan*, which reflects our payment responsibility to a provider or to you. We determine this amount by subtracting the following amounts (if applicable) from the amount charged:
  - Coinsurance.
  - Copayment.
  - Amounts representing any general exclusions and conditions.
  - Network savings.

Payment Method for Services
When you receive a covered service or services that result in multiple claims, we will calculate your payment obligations based on the order in which we process the claims.

Provider Payment Arrangements
Provider payment arrangements are calculated using industry methods, including but not limited to fee schedules, per diems, percentage of charge, capitation, or episodes of care. Some provider payment arrangements may include an amount payable to the provider based on the provider's performance. Performance-based amounts that are not distributed are not allocated to your specific group or to your specific claims and are not considered when determining any amounts you may owe. We reserve the right to change the methodology we use to calculate payment arrangements based on industry practice or business need. Wellmark Health Plan Network Providers agree to accept our payment arrangements as full settlement for providing covered services, except to the extent of any amounts you may owe.

Capitation
Payment to healthcare providers for certain services is made according to a uniform amount per patient as determined by Wellmark Health Plan of Iowa, Inc.

Pharmacy Benefits Manager Fees and Drug Company Rebates

Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

Blue Rx Complete

Benefit Year

A benefit year is a period of 12 consecutive months beginning on January 1 or beginning on the day your coverage goes into effect. The benefit year starts over each January 1. Your benefit year continues even if your employer or group sponsor changes Wellmark group health plan benefits during the year or you change to a different plan offering mid-benefit year from your same employer or group sponsor.

Certain coverage changes result in your Wellmark identification number changing. In some cases, a new benefit year will start under the new ID number for the rest of the benefit year. In this case, the benefit year would be less than a full 12 months. In other cases (e.g., adding your spouse to your coverage) the benefit year would continue and not start over.

The benefit year is important for calculating:

- Out-of-pocket maximum.

Wellmark Blue Rx Complete Drug List

Often there is more than one medication available to treat the same medical condition. The Wellmark Blue Rx Complete Drug List ("Drug List") contains drugs

physicians recognize as medically effective for a wide range of health conditions.

The Drug List is maintained with the assistance of practicing physicians, pharmacists, and Wellmark's pharmacy department.

To determine if a drug is covered, you or your physician must consult the Drug List. If a drug is not on the Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Although only drugs listed on the Drug List are covered, physicians are not limited to prescribing only the drugs on the list. Physicians may prescribe any medication, but only medications on the Drug List are covered. **Please note:** A medication on the Drug List will not be covered if the drug is specifically excluded under your Blue Rx Complete prescription drug benefits, or other limitations apply.

If a drug is not on the Wellmark Blue Rx Complete Drug List and you believe it should be covered, refer to *Exception Requests for Non-Formulary Prescription Drugs,* page 67.

The Wellmark Blue Rx Complete Drug List is subject to change.

Tiers

The Wellmark Blue Rx Complete Drug List also identifies which tier a drug is on:

Tier 1. Most generic drugs and some brand-name drugs that have no generic equivalent. Tier 1 drugs have the lowest payment obligation.

Tier 2. Drugs appear on this tier because they either have no generic equivalent or are considered less cost-effective than Tier 1 drugs. Tier 2 drugs have a higher payment obligation than Tier 1 drugs.

Tier 3. Drugs appear on this tier because they are less cost-effective than Tier 1 or Tier 2 drugs. Tier 3 drugs have a higher payment obligation than Tier 1 or Tier 2 drugs.

Tier 4. Drugs available as combination products or lifestyle drugs. Tier 4 drugs have the same payment obligation as Tier 3 drugs.

Generic and Brand Name Drugs

Sometimes, a patent holder of a brand name drug grants a license to another manufacturer to produce the drug under a generic name, though it remains subject to patent protection and has a nearly identical price. In these cases, Wellmark's pharmacy benefits manager may treat the licensed product as a brand name drug, rather than generic, and will calculate your payment obligation accordingly.

Generic Drug

Generic drug refers to an FDA-approved "A"-rated generic drug. This is a drug with active therapeutic ingredients chemically identical to its brand name drug counterpart.

Brand Name Drug

Brand name drug is a prescription drug patented by the original manufacturer. Usually, after the patent expires, other manufacturers may make FDA-approved generic copies.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician or consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Amount Charged and Maximum Allowable Fee

Amount Charged
The retail price charged by a pharmacy for a covered prescription drug.

Maximum Allowable Fee
The amount, established by Wellmark using various methodologies and data (such as the average wholesale price), payable for covered drugs.

The maximum allowable fee may be less than the amount charged for the drug.

Participating vs. Nonparticipating Pharmacies
Prescription drugs are generally only covered when purchased from participating pharmacies. Purchases from nonparticipating pharmacies are covered only in emergency situations. If you purchase drugs from nonparticipating pharmacies and it is not an emergency situation, you are responsible for the cost of the drug.

If, in an emergency situation, you purchase a covered prescription drug at a nonparticipating pharmacy, you are responsible for the amount charged for the drug at the time you fill your prescription.

Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your copayment or coinsurance. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

Your payment obligation for the purchase of a covered prescription drug at a participating pharmacy is the lesser of your copayment or coinsurance, the maximum allowable fee, or the amount charged for the drug.

To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Special Programs
We evaluate and monitor changes in the pharmaceutical industry in order to determine clinically effective and cost-effective coverage options. These evaluations may prompt us to offer programs that encourage the use of reasonable alternatives. For example, we may, at our discretion, temporarily waive your payment obligation on a qualifying prescription drug purchase.

Visit our website at *Wellmark.com* or call us to determine whether your prescription qualifies.

Savings and Rebates

Payment Arrangements
The benefits manager of this prescription drug program has established payment arrangements with participating pharmacies that may result in savings.

Pharmacy Benefits Manager Fees and Drug Company Rebates
Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives

these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

8. Coverage Eligibility and Effective Date

Eligible Members

You are eligible for coverage if you meet your employer's or group sponsor's eligibility requirements. Your spouse or domestic partner may also be eligible for coverage if spouses or domestic partners are covered under this plan.

If a child is eligible for coverage under the employer's or group sponsor's eligibility requirements, the child must next have one of the following relationships to the plan member or an enrolled spouse or domestic partner:

- A natural child.
- Legally adopted or placed for adoption (that is, you assume a legal obligation to provide full or partial support and intend to adopt the child).
- A child for whom you have legal guardianship.
- A stepchild.
- A foster child.
- A natural child a court orders to be covered.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In addition, a child must be one of the following:

- Under age 26.
- An unmarried full-time student over the age of 26 enrolled in an accredited educational institution. Full-time student status continues during:
  - Regularly-scheduled school vacations; and
  - Medically necessary leaves of absence until the earlier of one year from the first day of leave or the date coverage would otherwise end.
- An unmarried child over the age of 26 who is totally and permanently disabled, physically or mentally. The disability must have existed before the child turned age 26, or while the child was a full-time student.

When Plan Member and Spouse Are Both Eligible Employees

When a husband and wife are both employed by the State, they must enroll under the same family coverage. Employees cannot be covered as both an employee and a dependent under the State's health plans.

Please note: In addition to the preceding requirements, eligibility is affected by coverage enrollment events and coverage termination events. See *Coverage Change Events*, page 61.

Enrollment Requirements

Permanent or probationary employees who work 20 or more hours per week are eligible to apply:

- within 30 calendar days of the date of hire; or
- at the annual change period.

Promise Program

Promise Program employees, as established by Executive Order Number 27, may enroll in single or family coverage within 30 calendar days of expiration of their Medicaid benefits.

Program Selection/Program Movement

Rules on program selection and program movement are detailed in your *Employer's Procedures Manual* and *Collective Bargaining Agreements*.

When Coverage Begins

Coverage begins on the member's effective date.

Your coverage under this group health plan begins on your effective date, which is the first of the month following 30 days of active employment. **Please note:** The month of February is considered a 30-day period.

Any employee or former employee defined as eligible by the State of Iowa, whether actively at work or not, is accepted by the group health plan during an approved enrollment and change period.

This benefit booklet supersedes any other contractual language regarding the member's effective date, benefits available, eligibility, or payment for inpatient hospital, nursing facility, practitioner, or other inpatient charges for State of Iowa group members.

Services received before the effective date of coverage are not eligible for benefits.

Late Enrollees

A late enrollee is a member who declines coverage when initially eligible to enroll and then later wishes to enroll for coverage. However, a member is not a late enrollee if a qualifying enrollment event allows enrollment as a special enrollee, even if the enrollment event coincides with a late enrollment opportunity. See *Coverage Change Events*, page 61.

A late enrollee may enroll for coverage at the group's next renewal or enrollment period.

Changes to Information Related to You or to Your Benefits

Wellmark may, from time to time, permit changes to information relating to you or to your benefits. In such situations, Wellmark shall not be required to reprocess claims as a result of any such changes.

Qualified Medical Child Support Order

If you have a dependent child and you or your spouse's employer or group sponsor receives a Medical Child Support Order recognizing the child's right to enroll in this group health plan or in your spouse's benefits plan, the employer or group sponsor will promptly notify you or your spouse and the dependent that the order has been received. The employer or group sponsor also will inform you or your spouse and the dependent of its procedures for determining whether the order is a Qualified Medical Child Support Order (QMCSO). Participants and beneficiaries can obtain, without charge, a copy of such procedures from the plan administrator.

A QMCSO specifies information such as:

- Your name and last known mailing address.
- The name and mailing address of the dependent specified in the court order.
- A reasonable description of the type of coverage to be provided to the dependent or the manner in which the type of coverage will be determined.
- The period to which the order applies.

A Qualified Medical Child Support Order cannot require that a benefits plan provide any type or form of benefit or option not otherwise provided under the plan, except as necessary to meet requirements of Iowa Code Chapter 252E (2001) or Social Security Act Section 1908 with respect to group health plans.

The order and the notice given by the employer or group sponsor will provide additional information, including actions that you and the appropriate insurer must take to determine the dependent's eligibility and procedures for enrollment in the benefits plan, which must be done within specified time limits.

If eligible, the dependent will have the same coverage as you or your spouse and will be allowed to enroll immediately. You or your

spouse's employer or group sponsor will withhold any applicable share of the dependent's health care premiums from your compensation and forward this amount to us.

If you are subject to a waiting period that expires more than 90 days after the insurer receives the QMCSO, your employer or group sponsor must notify us when you become eligible for enrollment. Enrollment of the dependent will commence after you have satisfied the waiting period.

The dependent may designate another person, such as a custodial parent or legal guardian, to receive copies of explanations of benefits, checks, and other materials.

Your employer or group sponsor may not revoke enrollment or eliminate coverage for a dependent unless the employer or group sponsor receives satisfactory written evidence that:

- The court or administrative order requiring coverage in a group health plan is no longer in effect;
- The dependent's eligibility for or enrollment in a comparable benefits plan that takes effect on or before the date the dependent's enrollment in this group health plan terminates; or
- The employer eliminates dependent health coverage for all employees.

The employer or group sponsor is not required to maintain the dependent's coverage if:

- You or your spouse no longer pay premiums because the employer or group sponsor no longer owes compensation; or
- You or your spouse have terminated employment with the employer and have not elected to continue coverage.

Family and Medical Leave Act of 1993

The Family and Medical Leave Act of 1993 (FMLA), requires a covered employer to allow an employee with 12 months or more of service who has worked for 1,250 hours over the previous 12 months and who is employed at a worksite where 50 or more employees are employed by the employer within 75 miles of that worksite a total of 12 weeks of leave per fiscal year for the birth of a child, placement of a child with the employee for adoption or foster care, care for the spouse, child or parent of the employee if the individual has a serious health condition or because of a serious health condition, the employee is unable to perform any one of the essential functions of the employee's regular position. In addition, FMLA requires an employer to allow eligible employees to take up to 12 weeks of leave per 12-month period for qualifying exigencies arising out of a covered family member's active military duty in support of a contingency operation and to take up to 26 weeks of leave during a single 12-month period to care for a covered family member recovering from a serious illness or injury incurred in the line of duty during active service.

Any employee taking a leave under the FMLA shall be entitled to continue the employee's benefits during the duration of the leave. The employer must continue the benefits at the level and under the conditions of coverage that would have been provided if the employee had remained employed. **Please note:** The employee is still responsible for paying their share of the premium if applicable. If the employee for any reason fails to return from the leave, the employer may recover from the employee that premium or portion of the premium that the employer paid, provided the employee fails to return to work for any reason other than the reoccurrence of the serious health condition or circumstances beyond the control of the employee.

Leave taken under the FMLA does not constitute a qualifying event so as to trigger COBRA rights. However, a qualifying event triggering COBRA coverage may occur when it becomes known that the employee is not returning to work. Therefore, if an employee

does not return at the end of the approved period of Family and Medical Leave and terminates employment with employer, the COBRA qualifying event occurs at that time.

If you have any questions regarding your eligibility or obligations under the FMLA, contact your employer or group sponsor.

9. Coverage Changes and Termination

Certain events may require or allow you to add or remove persons who are covered by this group health plan.

Coverage Change Events

Coverage Enrollment Events: Review the Department of Administrative Services' benefits website (*http://benefits.iowa.gov*) for a list of events that allow changes to your health insurance enrollment.

Requirement to Notify Group Sponsor

You must notify your employer or group sponsor of an event that changes the coverage status of members.

Birth of a Child. A newborn will be added to the existing family health contract when information becomes available from any valid source that the birth has occurred (e.g., hospital or professional claims submission or an enrollment form). The effective date of enrollment will be the date of birth.

If a single contract is in effect at the time of the birth of a biological child, the employee must submit an application form to change to a family contract within 60 days of the date of the birth. The effective date of the family contract will be the first day of the month in which the biological child was born. Appropriate employee deductions for payment of the family contract must be paid retroactively to reflect the change to a family contract.

If the single contract holder does not submit the application for family coverage within 60 days of the birth of the biological child, benefit payments will not be made retroactive to the date of birth.

Adoption, Legal Custody, or Legal Guardianship. The following provisions apply for adoptions or obtaining legal custody or legal guardianship:

If a newborn child is adopted within 30 days of birth or has been placed in your home for the purposes of adoption within 30 days of birth, the effective date of coverage can be:

- the first of the month, in which the child was born; or
- the first of the month following the child's birth.

If you adopt a child or a child is placed in your home for the purposes of adoption more than 30 days after the child's date of birth, the effective date of coverage will be the first of the month in which the adoption or placement for adoption occurs. If you obtain legal custody or legal guardianship of a child more than 30 days after the child's date of birth, the effective date of coverage will also be the first of the month in which the legal action occurs.

Your application for coverage must be signed within 60 days of the event to add the new child to the existing family contract or allow a single contract to be changed to a family contract.

Legal documentation must accompany the application to add the new child indicating:

- employee name and social security number;
- date of birth of the child; and
- date awarded physical custody.

If custody is lost, it is the employee's responsibility to immediately notify their human resources associate or personnel assistant.

Medicaid or the Children's Health Insurance Program. Notify your employer or group sponsor within 60 days in case of the following events:

- You lose eligibility for coverage under Medicaid or the Children's Health Insurance Program (CHIP) (the *hawk-i* plan in Iowa).

- You become eligible for premium assistance under Medicaid or CHIP.

All Other Events. For all other events, you must notify your employer or group sponsor within 30 days of the event.

If you do not provide timely notification of an event that requires you to remove an affected family member, your coverage may be terminated.

If you do not provide timely notification of a coverage enrollment event, the affected person may not enroll until an annual group enrollment period.

Coverage Termination

The following events terminate your coverage eligibility.

- You become unemployed when your eligibility is based on employment.
- You become ineligible under your employer's or group sponsor's eligibility requirements for reasons other than unemployment.
- Your employer or group sponsor discontinues or replaces this group health plan.
- We terminate coverage of all similar group health plans by written notice to your employer or group sponsor 90 days prior to termination.
- The number of individuals covered under this group health plan falls below the number or percentage of eligible individuals required to be covered.
- Your employer sends a written request to terminate coverage.
- You unreasonably refuse to follow a prescribed course of treatment.
- You leave the Wellmark Health Plan Network service area for more than a four-month period (except full-time college students).

Also see *Fraud or Intentional Misrepresentation of Material Facts*, and *Nonpayment* later in this section.

When you become unemployed and your eligibility is based on employment, your coverage will end at the end of the month your employment ends. When your coverage terminates for all other reasons, check with your employer or group sponsor or call the Customer Service number on your ID card to verify the coverage termination date.

If you receive covered facility services as an inpatient of a hospital or a resident of a nursing facility on the date your coverage eligibility terminates, payment for the covered facility services will end on the earliest of the following:

- The end of your remaining days of coverage under this benefits plan.
- The date you are discharged from the hospital or nursing facility following termination of your coverage eligibility.
- A period not more than 60 days from the date of termination.

Only facility services will be covered under this extension of benefits provision. Benefits for professional services will end on the date of termination of your coverage eligibility.

Fraud or Intentional Misrepresentation of Material Facts

Your coverage will terminate immediately if:

- You use this group health plan fraudulently or intentionally misrepresent a material fact in your application; or
- Your employer or group sponsor commits fraud or intentionally misrepresents a material fact under the terms of this group health plan.

If your coverage is terminated for fraud or intentional misrepresentation of a material fact, then:

- We may declare this group health plan void retroactively from the effective date of coverage following a 30-day written notice. In this case, we will recover any claim payments made.

- Premiums may be retroactively adjusted as if the fraud or intentionally misrepresented material fact had been accurately disclosed in your application.
- We will retain legal rights, including the right to bring a civil action.

Nonpayment
Your coverage will terminate immediately if you or your employer or group sponsor fails to make required payments to us when due.

Coverage Continuation

When your coverage ends, you may be eligible to continue coverage under this group health plan or to convert to another Wellmark health benefits plan pursuant to certain state and federal laws.

COBRA Continuation
The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) applies to most non-governmental employers with 20 or more employees. Generally, COBRA entitles you and eligible dependents to continue coverage if it is lost due to a qualifying event, such as employment termination, divorce, or loss of dependent status. You and your eligible dependents will be required to pay for continuation coverage. Other federal or state laws similar to COBRA may apply if COBRA does not. Your employer or group sponsor is required to provide you with additional information on continuation coverage if a qualifying event occurs.

Continuation for Public Group
Iowa Code Sections 509A.7 and 509A.13 may apply if you are an employee of the State. Iowa Code Section 509A.13A may apply to the surviving spouse of a retired State employee. These laws may entitle you to continue participation in this medical benefits plan when you retire.

10. Claims

Once you receive medical services or purchase prescription drugs from a nonparticipating pharmacy we must receive a claim to determine the amount of your benefits. The claim lets us know the services or prescription drugs you received, when you received them, and from which provider.

When to File a Claim

You need to file a claim if you:

- Use a provider who does not file claims for you. Wellmark Health Plan Network Providers file claims for you.
- Purchase prescription drugs from a nonparticipating pharmacy. (Remember, these purchases are only covered in emergency situations.)
- Purchase prescription drugs from a participating pharmacy but do not present your ID card.
- Pay in full for a drug that you believe should have been covered.

Your submission of a prescription to a participating pharmacy is not a filed claim and therefore is not subject to appeal procedures as described in the *Appeals* section. However, you may file a claim with us for a prescription drug purchase you think should have been a covered benefit.

Wellmark must receive claims within 180 days following the date of service of the claim.

How to File a Claim

All claims must be submitted in writing.

1. Get a Claim Form
Forms are available at *Wellmark.com* or by calling the Customer Service number on your ID card or from your personnel department.

2. Fill Out the Claim Form
Follow the same claim filing procedure regardless of where you received services. Directions are printed on the back of the claim form. Complete all sections of the claim form. For more efficient processing, all claims (including those completed out-of-country) should be written in English.

If you need assistance completing the claim form, call the Customer Service number on your ID card.

Medical Claim Form. Follow these steps to complete a medical claim form:

- Use a separate claim form for each covered family member and each provider.
- Attach a copy of an itemized statement prepared by your provider. We cannot accept statements you prepare, cash register receipts, receipt of payment notices, or balance due notices. In order for a claim request to qualify for processing, the itemized statement must be on the provider's stationery, and include at least the following:
  - Identification of provider: full name, address, tax or license ID numbers, and provider numbers.
  - Patient information: first and last name, date of birth, gender, relationship to plan member, and daytime phone number.
  - Date(s) of service.
  - Charge for each service.
  - Place of service (office, hospital, etc).
  - For injury or illness: date and diagnosis.
  - For inpatient claims: admission date, patient status, attending physician ID.
  - Days or units of service.
  - Revenue, diagnosis, and procedure codes.

— Description of each service.

Prescription Drugs Covered Under Your Medical Benefits Claim Form. For prescription drugs covered under your medical benefits (not covered under your Blue Rx Complete prescription drug benefits), use a separate prescription drug claim form and include the following information:

- Pharmacy name and address.
- Patient information: first and last name, date of birth, gender, and relationship to plan member.
- Date(s) of service.
- Description and quantity of drug.
- Original pharmacy receipt or cash receipt with the pharmacist's signature on it.

Blue Rx Complete Prescription Drug Claim Form. For prescription drugs covered under your Blue Rx Complete prescription drug benefits, complete the following steps:

- Use a separate claim form for each covered family member and each pharmacy.
- Complete all sections of the claim form. Include your daytime telephone number.
- Submit up to three prescriptions for the same family member and the same pharmacy on a single claim form. Use additional claim forms for claims that exceed three prescriptions or if the prescriptions are for more than one family member or pharmacy.
- Attach receipts to the back of the claim form in the space provided.

3. Sign the Claim Form

4. Submit the Claim

We recommend you retain a copy for your records. The original form you send or any attachments sent with the form cannot be returned to you.

Medical Claims and Claims for Drugs Covered Under Your Medical Benefits. Send the claim to:

Wellmark Health Plan of Iowa, Inc.
Station 1E238
P.O. Box 9291
Des Moines, IA 50306-9291

Medical Claims for Services Received Outside the United States. Send the claim to:

BlueCard Worldwide Service Center
P.O. Box 261630
Miami, FL 33126

Blue Rx Complete Prescription Drug Claims. Send the claim to the address printed on the claim form.

We may require additional information from you or your provider before a claim can be considered complete and ready for processing.

Notification of Decision

You will receive an Explanation of Benefits (EOB) following your claim. The EOB is a statement outlining how we applied benefits to a submitted claim. It details amounts that providers charged, network savings, our paid amounts, and amounts for which you are responsible.

In case of an adverse decision, the notice will be sent within 30 days of receipt of the claim. We may extend this time by up to 15 days if the claim determination is delayed for reasons beyond our control. If we do not send an explanation of benefits statement or a notice of extension within the 30-day period, you have the right to begin an appeal. We will notify you of the circumstances requiring an extension and the date by which we expect to render a decision.

If an extension is necessary because we require additional information from you, the notice will describe the specific information needed. You have 45 days from receipt of the notice to provide the

information. Without complete information, your claim will be denied.

If you have other insurance coverage, our processing of your claim may utilize coordination of benefits guidelines. See *Coordination of Benefits*, page 69.

Once we pay your claim, whether our payment is sent to you or to your provider, our obligation to pay benefits for the claim is discharged. However, we may adjust a claim due to overpayment or underpayment for up to 18 months after we first process the claim. In the case of Out-of-Network hospitals, M.D.s, and D.O.s located in Iowa, the health plan payment is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider, plus any difference between the amount charged and our payment.

Exception Requests for Non-Formulary Prescription Drugs

Prescription drugs that are not listed on the Wellmark Blue Rx Complete Drug List are not covered. However, you may submit an exception request for coverage of a non-formulary drug (i.e., a drug that is not included on the Wellmark Blue Rx Complete Drug List). The form is available at *Wellmark.com* or by calling the Customer Service number on your ID card. Your prescribing physician or other provider must provide a clinical justification supporting the need for the non-formulary drug to treat your condition. The provider should include a statement that:

- All covered formulary drugs on any tier have been ineffective; or
- All covered formulary drugs on any tier will be ineffective; or
- All covered formulary drugs on any tier would not be as effective as the non-formulary drug; or
- All covered formulary drugs would have adverse effects.

Wellmark will respond within 72 hours of receiving the Exception Request for Non-Formulary Prescription Drugs form. For expedited requests, Wellmark will respond within 24 hours.

In the event Wellmark denies your exception request, you and your provider will be sent additional information regarding your ability to request an independent review of our decision. If the independent reviewer approves your exception request, we will treat the drug as a covered benefit for the duration of your prescription. You will be responsible for out-of-pocket costs (for example: deductible, copay, or coinsurance, if applicable) as if the non-formulary drug is on the highest tier of the Wellmark Blue Rx Complete Drug List. Amounts you pay will be counted toward any applicable out-of-pocket maximums. If the independent reviewer upholds Wellmark's denial of your exception request, the drug will not be covered, and this decision will not be considered an adverse benefit determination, and will not be eligible for further appeals. You may choose to purchase the drug at your own expense.

The Exception Request for Non-Formulary Prescription Drugs process is only available for FDA-approved prescription drugs that are not on the Wellmark Blue Rx Complete Drug List. It is not available for items that are specifically excluded under your benefits, such as cosmetic drugs, convenience packaging, non-FDA approved drugs, infused drugs, most over-the-counter medications, nutritional, vitamin and dietary supplements, or antigen therapy. The preceding list of excluded items is illustrative only and is not a complete list of items that are not eligible for the process.

Request for Benefit Exception Review

If you have received an adverse benefit determination that denies or reduces benefits or fails to provide payment in whole or in part for any of the following services,

when recommended by your treating provider as medically necessary, you or an individual acting as your authorized representative may request a benefit exception review.

Services subject to this exception process:

- For a woman who previously has had breast cancer, ovarian cancer, or other cancer, but who has not been diagnosed with BRCA-related cancer, appropriate preventive screening, genetic counseling, and genetic testing.
- FDA-approved contraceptive items or services prescribed by your health care provider based upon a specific determination of medical necessity for you.
- For transgender individuals, sex-specific preventive care services (e.g., mammograms and Pap smears) that his or her attending provider has determined are medically appropriate.
- For dependent children, certain well-woman preventive care services that the attending provider determined are age- and developmentally-appropriate.
- Anesthesia services in connection with a preventive colonoscopy when your attending provider determined that anesthesia would be medically appropriate.
- A required consultation prior to a screening colonoscopy, if your attending provider determined that the pre-procedure consultation would be medically appropriate for you.
- Certain immunizations that ACIP recommends for specified individuals (rather than for routine use for an entire population), when prescribed by your health care provider consistent with the ACIP recommendations.
- FDA-approved intrauterine devices and implants, if prescribed by your health care provider.

You may request a benefit exception review orally or in writing by submitting your request to the address listed in the *Appeals* section. To be considered, your request must include a letter or statement from your treating provider that the services or supplies were medically necessary and your treating provider's reason(s) for their determination that the services or supplies were medically necessary.

Your request will be addressed within the timeframes outlined in the *Appeals* section based upon whether your request is medically urgent or non-medically urgent matter.

11. Coordination of Benefits

Coordination of benefits applies when you have more than one insurance policy or group health plan that provides the same or similar benefits as this plan. Benefits payable under this plan, when combined with those paid under your other coverage, will not be more than 100 percent of either our payment arrangement amount or the other plan's payment arrangement amount.

The method we use to calculate the payment arrangement amount may be different from your other plan's method.

In some instances, our claim payment amount is based on a uniform payment per patient of a primary care provider, called *capitation*. When you receive services payable by capitation and your other carrier has primary payment responsibility for covered services:

- We are not responsible for payment to your health care provider beyond the applicable capitation amount; and
- You are not responsible for copayment amounts that would apply if coverage under this medical benefits plan were the primary coverage.

Other Coverage

When you receive services, you must inform us that you have other coverage, and inform your health care provider about your other coverage. Other coverage includes any of the following:

- Group and nongroup insurance contracts and subscriber contracts.
- HMO contracts.
- Uninsured arrangements of group or group-type coverage.
- Group and nongroup coverage through closed panel plans.
- Group-type contracts.
- The medical care components of long-term contracts, such as skilled nursing care.
- Medicare or other governmental benefits (not including Medicaid).
- The medical benefits coverage of your auto insurance (whether issued on a fault or no-fault basis).

Coverage that is not subject to coordination of benefits includes the following:

- Hospital indemnity coverage or other fixed indemnity coverage.
- Accident-only coverage.
- Specified disease or specified accident coverage.
- Limited benefit health coverage, as defined by Iowa law.
- School accident-type coverage.
- Benefits for non-medical components of long-term care policies.
- Medicare supplement policies.
- Medicaid policies.
- Coverage under other governmental plans, unless permitted by law.

You must cooperate with Wellmark and provide requested information about other coverage. Failure to provide information can result in a denied claim. We may get the facts we need from or give them to other organizations or persons for the purpose of applying the following rules and determining the benefits payable under this plan and other plans covering you. We need not tell, or get the consent of, any person to do this.

Your Wellmark Health Plan Network Provider will forward your coverage information to us. If you have an Out-of-Network Provider, you are responsible for informing us about your other coverage.

Coordination with Group MedicareBlue Rx

If you are a member of the Retired/Disabled group and you are enrolled in the Group MedicareBlue Rx prescription drug plan, the

benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy; although the benefits of your Group MedicareBlue Rx prescription drug plan are primary, you will continue to pay the copayment or coinsurance you have always paid under your State of Iowa prescription drug plan.

The benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy and you should present your Group MedicareBlue Rx ID card to the pharmacy as the primary payer. The benefits of your Blue Rx Complete prescription drug plan are secondary for prescription drugs purchased at the pharmacy and you should present your Blue Rx Complete ID card to the pharmacy as the secondary payer. You will be required to pay the same copayment or coinsurance amounts that would otherwise apply if you did not have Group MedicareBlue Rx.

Claim Filing

If you know that your other coverage has primary responsibility for payment, after you receive services or obtain a covered prescription drug, a claim should be submitted to your other insurance carrier first. If that claim is processed with an unpaid balance for benefits eligible under this group health plan, you or your provider should submit a claim to us and attach the other carrier's explanation of benefit payment. We may contact your provider or the other carrier for further information.

Rules of Coordination

We follow certain rules to determine which health plan or coverage pays first (as the primary plan) when other coverage provides the same or similar benefits as this group health plan. Here are some of those rules:

- The primary plan pays or provides benefits according to its terms of coverage and without regard to the benefits under any other plan. Except as provided below, a plan that does not contain a coordination of benefits provision that is consistent with applicable regulations is always primary unless the provisions of both plans state that the complying plan is primary.
- Coverage that is obtained by membership in a group and is designed to supplement a part of a basic package of benefits is excess to any other parts of the plan provided by the contract holder. (Examples of such supplementary coverage are major medical coverage that is superimposed over base plan hospital and surgical benefits and insurance-type coverage written in connection with a closed panel plan to provide Out-of-Network benefits.)

The following rules are to be applied in order. The first rule that applies to your situation is used to determine the primary plan.

- The coverage that you have as an employee, plan member, subscriber, policyholder, or retiree pays before coverage that you have as a spouse or dependent. However, if the person is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the person as a dependent and primary to the plan covering the person as other than a dependent (e.g., a retired employee), then the order of benefits between the two plans is reversed, so that the plan covering the person as the employee, plan member, subscriber, policyholder or retiree is the secondary plan and the other plan is the primary plan.
- The coverage that you have as the result of active employment (not laid off or retired) pays before coverage that you have as a laid-off or retired employee. The same would be true if a person is a dependent of an active employee and that same person is a dependent of a retired or laid-off employee. If the other plan does not have this rule and, as a

result, the plans do not agree on the order of benefits, this rule is ignored.

- If a person whose coverage is provided pursuant to COBRA or under a right of continuation provided by state or other federal law is covered under another plan, the plan covering the person as an employee, plan member, subscriber, policyholder or retiree or covering the person as a dependent of an employee, member, subscriber or retiree is the primary plan and the COBRA or state or other federal continuation coverage is the secondary plan. If the other plan does not have this rule and, as a result, the plans do not agree on the order of benefits, this rule is ignored.
- The coverage with the earliest continuous effective date pays first if none of the rules above apply.
- Notwithstanding the preceding rules, when you present your Blue Rx Complete ID card to a pharmacy as the primary payer, your Blue Rx Complete prescription drug benefits are primary for prescription drugs purchased at the pharmacy. If, under the preceding rules, your Blue Rx Complete prescription drug benefits are secondary and you present your Blue Rx Complete ID card to a pharmacy as the secondary payer, your Blue Rx Complete prescription drug benefits are secondary for prescription drugs purchased at the pharmacy.
- If the preceding rules do not determine the order of benefits, the benefits payable will be shared equally between the plans. In addition, this plan will not pay more than it would have paid had it been the primary plan.

Dependent Children

To coordinate benefits for a dependent child, the following rules apply (unless there is a court decree stating otherwise):

- If the child is covered by both parents who are married (and not separated) or who are living together, whether or not they have been married, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.
- For a child covered by separated or divorced parents or parents who are not living together, whether or not they have been married:
  - If a court decree states that one of the parents is responsible for the child's health care expenses or coverage and the plan of that parent has actual knowledge of those terms, then that parent's coverage pays first. If the parent with responsibility has no health care coverage for the dependent child's health care expenses, but that parent's spouse does, that parent's spouse's coverage pays first. This item does not apply with respect to any plan year during which benefits are paid or provided before the entity has actual knowledge of the court decree provision.
  - If a court decree states that both parents are responsible for the child's health care expense or health care coverage or if a court decree states that the parents have joint custody without specifying that one parent has responsibility for the health care expenses or coverage of the dependent child, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.
  - If a court decree does not specify which parent has financial or insurance responsibility, then the coverage of the parent with custody pays first. The payment order for the child is as follows: custodial parent, spouse of custodial parent, other parent, spouse of other parent. A

custodial parent is the parent awarded custody by a court decree or, in the absence of a court decree, is the parent with whom the child resides more than one-half of the calendar year excluding any temporary visitation.

If none of these rules apply to your situation, we will follow the Iowa Insurance Division's Coordination of Benefits guidelines to determine this health plan payment.

Effects on the Benefits of this Plan
In determining the amount to be paid for any claim, the secondary plan will calculate the benefits it would have paid in the absence of other coverage and apply the calculated amount to any allowable expense under its plan that is unpaid by the primary plan. The secondary plan may then reduce its payment by the amount so that, when combined with the amount paid by the primary plan, total benefits paid or provided by all plans for the claim do not exceed the total allowable expense for that claim. In addition, the secondary plan will credit to its applicable deductible any amounts it would have credited to its deductible in the absence of other coverage.

Right of Recovery
If the amount of payments made by us is more than we should have paid under these coordination of benefits provisions, we may recover the excess from any of the persons to or for whom we paid, or from any other person or organization that may be responsible for the benefits or services provided for the covered person. The amount of payments made includes the reasonable cash value of any benefits provided in the form of services.

Coordination with Medicare

For medical claims only, Medicare is by law the secondary coverage to group health plans in a variety of situations.

The following provisions apply only if you have both Medicare and employer group health coverage under your medical benefits and your employer has the required minimum number of employees.

Medicare Part B Drugs
Drugs paid under Medicare Part B are covered under the medical benefits of this plan.

However, if you are eligible for Medicare either as a retiree or a spouse of a retiree or because of your or your spouse's disability status, your benefits under this medical benefits plan will be coordinated with benefits available under Medicare Part B, even if you or your spouse are not enrolled in Medicare Part B.

If you are no longer actively working, Medicare will be primary. Therefore, any member enrolled in Medicare Part A should also consider enrolling in Part B, as Retiree benefits under this plan will be reduced by the amount that would have been covered by Medicare Part B.

Medicare's Payment vs. This Plan's Payment
Medicare's allowed amount for a service may be different than our allowed amount (our allowed amount is also referred to as our "maximum allowable fee") for that same service. When Medicare is primary, and Medicare's allowed amount for a service is greater than our allowed amount for that same service, we will reimburse up to our allowed amount for the service. You may be responsible for any difference between Medicare's allowed amount and our allowed amount.

Working Aged
Medicare is the secondary payer if the beneficiary is:

- Age 65 or older; and
- A current employee or spouse of a current employee covered by an employer group health plan.

Working Disabled
Medicare is the secondary payer if the beneficiary is:

- Under age 65;
- A recipient of Medicare disability benefits; and
- A current employee or a spouse or dependent of a current employee, covered by an employer group health plan.

End-Stage Renal Disease (ESRD)
Under ESRD requirements, Medicare is the secondary payer during the first 30 months of Medicare coverage if both of the following are true:

- The beneficiary has Medicare coverage as an ESRD patient; and
- The beneficiary is covered by an employer group health plan.

If the beneficiary is already covered by Medicare due to age or disability and the beneficiary becomes eligible for Medicare ESRD coverage, Medicare generally is the secondary payer during the first 30 months of ESRD eligibility. However, if the group health plan is secondary to Medicare (based on other Medicare secondary-payer requirements) at the time the beneficiary becomes covered for ESRD, the group health plan remains secondary to Medicare.

This is only a general summary of the laws, which may change from time to time. For more information, contact your employer or the Social Security Administration.

12. Appeals

Right of Appeal

You have the right to one full and fair review in the case of an adverse benefit determination that denies, reduces, or terminates benefits, or fails to provide payment in whole or in part. Adverse benefit determinations include a denied or reduced claim, a rescission of coverage, or an adverse benefit determination concerning a pre-service notification requirement. Pre-service notification requirements are:

- A precertification request.
- A notification of admission or services.
- A prior approval request.
- A prior authorization request for prescription drugs.

How to Request an Internal Appeal

You or your authorized representative, if you have designated one, may appeal an adverse benefit determination within 180 days from the date you are notified of our adverse benefit determination by submitting a written appeal. Appeal forms are available at our website, *Wellmark.com*. See *Authorized Representative*, page 79.

Medically Urgent Appeal

To appeal an adverse benefit determination involving a medically urgent situation, you may request an expedited appeal, either orally or in writing. Medically urgent generally means a situation in which your health may be in serious jeopardy or, in the opinion of your physician, you may experience severe pain that cannot be adequately controlled while you wait for a decision.

Non-Medically Urgent Appeal

To appeal an adverse benefit determination that is not medically urgent, you must make your request for a review in writing.

What to Include in Your Internal Appeal

You must submit all relevant information with your appeal, including the reason for your appeal. This includes written comments, documents, or other information in support of your appeal. You must also submit:

- Date of your request.
- Your name (please type or print), address, and if applicable, the name and address of your authorized representative.
- Member identification number.
- Claim number from your Explanation of Benefits, if applicable.
- Date of service in question.

For a prescription drug appeal, you also must submit:

- Name and phone number of the pharmacy.
- Name and phone number of the practitioner who wrote the prescription.
- A copy of the prescription.
- A brief description of your medical reason for needing the prescription.

If you have difficulty obtaining this information, ask your provider or pharmacist to assist you.

Where to Send Internal Appeal

Wellmark Health Plan of Iowa, Inc.
Special Inquiries
P.O. Box 9232, Station 5W189
Des Moines, IA 50306-9232

Review of Internal Appeal

Your request for an internal appeal will be reviewed only once. The review will take into account all information regarding the adverse benefit determination whether or

not the information was presented or available at the initial determination. Upon request, and free of charge, you will be provided reasonable access to and copies of all relevant records used in making the initial determination. Any new information or rationale gathered or relied upon during the appeal process will be provided to you prior to Wellmark issuing a final adverse benefit determination and you will have the opportunity to respond to that information or to provide information.

The review will not be conducted by the original decision makers or any of their subordinates. The review will be conducted without regard to the original decision. If a decision requires medical judgment, we will consult an appropriate medical expert who was not previously involved in the original decision and who has no conflict of interest in making the decision. If we deny your appeal, in whole or in part, you may request, in writing, the identity of the medical expert we consulted.

Decision on Internal Appeal

The decision on appeal is the final internal determination. Once a decision on internal appeal is reached, your right to internal appeal is exhausted.

Medically Urgent Appeal

For a medically urgent appeal, you will be notified (by telephone, e-mail, fax or another prompt method) of our decision as soon as possible, based on the medical situation, but no later than 72 hours after your expedited appeal request is received. If the decision is adverse, a written notification will be sent.

All Other Appeals

For all other appeals, you will be notified in writing of our decision. Most appeal requests will be determined within 30 days and all appeal requests will be determined within 60 days.

External Review

You have the right to request an external review of a final adverse determination involving a covered service when the determination involved:

- Medical necessity.
- Appropriateness of services or supplies, including health care setting, level of care, or effectiveness of treatment.
- Investigational or experimental services or supplies.
- Concurrent review or admission to a facility. See *Notification Requirements and Care Coordination*, page 43.

An adverse determination eligible for external review does not include a denial of coverage for a service or treatment specifically excluded under this plan.

The external review will be conducted by independent health care professionals who have no association with us and who have no conflict of interest with respect to the benefit determination.

Have you exhausted the appeal process? Before you can request an external review, you must first exhaust the internal appeal process described earlier in this section. However, if you have not received a decision regarding the adverse benefit determination within 30 days following the date of your request for an appeal, you are considered to have exhausted the internal appeal process.

Requesting an external review. You or your authorized representative may request an external review through the Iowa Insurance Division by completing an External Review Request Form and submitting the form as described in this section. You may obtain this request form by calling the Customer Service number on your ID card, by visiting our website at *Wellmark.com*, by contacting the Iowa Insurance Division, or by visiting the Iowa Insurance Division's website at *www.iid.state.ia.us*.

You will be required to authorize the release of any medical records that may be required to be reviewed for the purpose of reaching a decision on your request for external review.

Requests must be filed in writing at the following address, no later than four months after you receive notice of the final adverse benefit determination:

Iowa Insurance Division
Two Ruan Center
601 Locust, 4th Floor
Des Moines, IA 50309-3738
Fax: 515-281-3059
E-mail:
iid.marketregulation@iid.iowa.gov

How the review works. Upon notification that an external review request has been filed, Wellmark will make a preliminary review of the request to determine whether the request may proceed to external review. Following that review, the Iowa Insurance Division will decide whether your request is eligible for an external review, and if it is, the Iowa Insurance Division will assign an independent review organization (IRO) to conduct the external review. You will be advised of the name of the IRO and will then have five business days to provide new information to the IRO. The IRO will make a decision within 45 days of the date the Iowa Insurance Division receives your request for an external review.

Need help? You may contact the Iowa Insurance Division at **877-955-1212** at any time for assistance with the external review process.

Expedited External Review
You do not need to exhaust the internal appeal process to request an external review of an adverse determination or a final adverse determination if you have a medical condition for which the time frame for completing an internal appeal or for completing a standard external review would seriously jeopardize your life or health or would jeopardize your ability to regain maximum function.

You may also have the right to request an expedited external review of a final adverse determination that concerns an admission, availability of care, concurrent review, or service for which you received emergency services, and you have not been discharged from a facility.

If our adverse benefit determination is that the service or treatment is experimental or investigational and your treating physician has certified in writing that delaying the service or treatment would render it significantly less effective, you may also have the right to request an expedited external review.

You or your authorized representative may submit an oral or written expedited external review request to the Iowa Insurance Division by contacting the Iowa Insurance Division at **877-955-1212**.

If the Insurance Division determines the request is eligible for an expedited external review, the Division will immediately assign an IRO to conduct the review and a decision will be made expeditiously, but in no event more than 72 hours after the IRO receives the request for an expedited external review.

Legal Action

You shall not start legal action against us until you have exhausted the appeal procedure described in this section.

13. General Provisions

Contract

The conditions of your coverage are defined in your contract. Your contract includes:

- Any application you submitted to us or to your employer or group sponsor.
- Any agreement or group policy we have with your employer or group sponsor.
- Any application completed by your employer or group sponsor.
- This benefit booklet and any riders or amendments.

All of the statements made by you or your employer or group sponsor in any of these materials will be treated by us as representations, not warranties.

Interpreting this Benefit Booklet

We will interpret the provisions of this benefit booklet and determine the answer to all questions that arise under it. We have the administrative discretion to determine whether you meet our written eligibility requirements, or to interpret any other term in this benefit booklet. If any benefit described in this benefit booklet is subject to a determination of medical necessity, unless otherwise required by law, we will make that factual determination. Our interpretations and determinations are final and conclusive.

There are certain rules you must follow in order for us to properly administer your benefits. Different rules appear in different sections of your benefit booklet. You should become familiar with the entire document.

Authority to Terminate, Amend, or Modify

Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

Authorized Group Benefits Plan Changes

No agent, employee, or representative of ours is authorized to vary, add to, change, modify, waive, or alter any of the provisions described in this benefit booklet. This benefit booklet cannot be changed except by one of the following:

- Written amendment signed by an authorized officer and accepted by you or your employer or group sponsor.
- Our receipt of proper notification that an event has changed your spouse or dependent's eligibility for coverage. See *Coverage Changes and Termination*, page 61.

Member Participation

You will be provided regular communication regarding matters such as wellness, general health education, and matters of policy and operation of Wellmark Health Plan of Iowa, Inc.

Authorized Representative

You may authorize another person to represent you and with whom you want us to communicate regarding specific claims or an appeal. This authorization must be in writing, signed by you, and include all the information required in our Authorized Representative Form. This form is available at *Wellmark.com* or by calling the Customer Service number on your ID card.

In a medically urgent situation your treating health care practitioner may act as your authorized representative without completion of the Authorized Representative Form.

An assignment of benefits, release of information, or other similar form that you

may sign at the request of your health care provider does not make your provider an authorized representative. You may authorize only one person as your representative at a time. You may revoke the authorized representative at any time.

Release of Information

By enrolling in this group health plan, you have agreed to release any necessary information requested about you so we can process claims for benefits.

You must allow any provider, facility, or their employee to give us information about a treatment or condition. If we do not receive the information requested, or if you withhold information, your benefits may be denied. If you fraudulently use your coverage or misrepresent or conceal material facts when providing information, then we may terminate your coverage under this group health plan.

Privacy of Information

Your employer or group sponsor is required to protect the privacy of your health information. It is required to request, use, or disclose your health information only as permitted or required by law. For example, your employer or group sponsor has contracted with Wellmark to administer this group health plan and Wellmark will use or disclose your health information for treatment, payment, and health care operations according to the standards and specifications of the federal privacy regulations.

Treatment

We may disclose your health information to a physician or other health care provider in order for such health care provider to provide treatment to you.

Payment

We may use and disclose your health information to pay for covered services from physicians, hospitals, and other providers, to determine your eligibility for benefits, to coordinate benefits, to determine medical necessity, to obtain payment from your employer or group sponsor, to issue explanations of benefits to the person enrolled in the group health plan in which you participate, and the like. We may disclose your health information to a health care provider or entity subject to the federal privacy rules so they can obtain payment or engage in these payment activities.

Health Care Operations

We may use and disclose your health information in connection with health care operations. Health care operations include, but are not limited to, determining payment and rates for your group health plan; quality assessment and improvement activities; reviewing the competence or qualifications of health care practitioners, evaluating provider performance, conducting training programs, accreditation, certification, licensing, or credentialing activities; medical review, legal services, and auditing, including fraud and abuse detection and compliance; business planning and development; and business management and general administrative activities.

Other Disclosures

Your employer or group sponsor or Wellmark is required to obtain your explicit authorization for any use or disclosure of your health information that is not permitted or required by law. For example, we may release claim payment information to a friend or family member to act on your behalf during a hospitalization if you submit an authorization to release information to that person. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosures permitted by your authorization while it was in effect.

Member Health Support Services

Wellmark may from time to time make available to you certain health support services (such as disease management), for a fee or for no fee. Wellmark may offer financial and other incentives to you to use

such services. As a part of the provision of these services, Wellmark may:

- Use your personal health information (including, but not limited to, substance abuse, mental health, and HIV/AIDS information); and
- Disclose such information to your health care providers and Wellmark's health support service vendors, for purposes of providing such services to you.

Wellmark will use and disclose information according to the terms of our Privacy Practices Notice, which is available upon request or at *Wellmark.com*.

Value Added or Innovative Benefits

Wellmark may, from time to time, make available to you certain value added or innovative benefits for a fee or for no fee. Examples include discounts on alternative/preventive therapies, fitness, exercise and diet assistance, and elective procedures as well as resources to help you make more informed health decisions.

Value-Based Programs

Value-based programs involve local health care organizations that are held accountable for the quality and cost of care delivered to a defined population. Value-based programs can include accountable care organizations (ACOs), patient centered medical homes (PCMHs), and other programs developed by Wellmark, Blue Cross Blue Shield Association, or other Blue Cross Blue Shield health plans ("Blue Plans"). Wellmark and Blue Plans have entered into collaborative arrangements with value-based programs under which the health care providers participating in them are eligible for financial incentives relating to quality and cost-effective care of Wellmark members. Your claims information may be used by the value-based program and any providers involved in such value-based program.

Nonassignment

Benefits for covered services under this group health plan are for your personal benefit and cannot be transferred or assigned to anyone else without our consent. You are prohibited from assigning any claim or cause of action arising out of or relating to this group health plan. Any attempt to assign this group health plan or rights to payment will be void.

Governing Law

To the extent not superseded by the laws of the United States, the group health plan will be construed in accordance with and governed by the laws of the state of Iowa. Any action brought because of a claim under this plan will be litigated in the state or federal courts located in the state of Iowa and in no other.

Legal Action

You shall not start any legal action against us unless you have exhausted the applicable appeal process and the external review process described in the *Appeals* section.

You shall not bring any legal or equitable action against us because of a claim under this group health plan, or because of the alleged breach of this plan, more than two years after the end of the calendar year in which the services or supplies were provided.

Medicaid Enrollment and Payments to Medicaid

Assignment of Rights

This group health plan will provide payment of benefits for covered services to you, your beneficiary, or any other person who has been legally assigned the right to receive such benefits pursuant to Title XIX of the Social Security Act (Medicaid).

Enrollment Without Regard to Medicaid

Your receipt or eligibility for benefits under Medicaid will not affect your enrollment as a participant or beneficiary of this group

health plan, nor will it affect our determination of benefits.

Acquisition by States of Rights of Third Parties
If payment has been made by Medicaid and Wellmark has a legal obligation to provide benefits for those services, Wellmark will make payment of those benefits in accordance with any state law under which a state acquires the right to such payments.

Medicaid Reimbursement
When a Network Provider submits a claim to a state Medicaid program for a covered service and Wellmark reimburses the state Medicaid program for the service, Wellmark's total payment for the service will be limited to the amount paid to the state Medicaid program. No additional payments will be made to the provider or to you.

Subrogation

Right of Subrogation
If you or your legal representative have a claim to recover money from a third party and this claim relates to an illness or injury for which this group health plan provides benefits, we, on behalf of your employer or group sponsor, will be subrogated to you and your legal representative's rights to recover from the third party as a condition to your receipt of benefits.

Right of Reimbursement
If you have an illness or injury as a result of the act of a third party or arising out of obligations you have under a contract and you or your legal representative files a claim under this group health plan, as a condition of receipt of benefits, you or your legal representative must reimburse us for all benefits paid for the illness or injury from money received from the third party or its insurer, or under the contract, to the extent of the amount paid by this group health plan on the claim.

Once you receive benefits under this group health plan arising from an illness or injury, we will assume any legal rights you have to collect compensation, damages, or any other payment related to the illness or injury from any of the following:

- The responsible person or that person's insurer.
- Uninsured motorist coverage.
- Underinsured motorist coverage.
- Other insurance coverage, including but not limited to homeowner's, motor vehicle, or medical payments insurance.

You agree to recognize our rights under this group health plan to subrogation and reimbursement. These rights provide us with a priority over any money paid by a third party to you relative to the amount paid by this group health plan, including priority over any claim for non-medical charges, or other costs and expenses. We will assume all rights of recovery, to the extent of payment made under this group health plan, regardless of whether payment is made before or after settlement of a third party claim, and regardless of whether you have received full or complete compensation for an illness or injury.

Procedures for Subrogation and Reimbursement
You or your legal representative must do whatever we request with respect to the exercise of our subrogation and reimbursement rights, and you agree to do nothing to prejudice those rights. In addition, at the time of making a claim for benefits, you or your legal representative must inform us in writing if you have an illness or injury caused by a third party or arising out of obligations you have under a contract. You or your legal representative must provide the following information, by registered mail, within seven (7) days of such illness or injury to us as a condition to receipt of benefits:

- The name, address, and telephone number of the third party that in any way caused the illness or injury or is a party to the contract, and of the attorney representing the third party;

- The name, address and telephone number of the third party's insurer and any insurer of you;
- The name, address and telephone number of your attorney with respect to the third party's act;
- Prior to the meeting, the date, time and location of any meeting between the third party or his attorney and you, or your attorney;
- All terms of any settlement offer made by the third party or his insurer or your insurer;
- All information discovered by you or your attorney concerning the insurance coverage of the third party;
- The amount and location of any money that is recovered by you from the third party or his insurer or your insurer, and the date that the money was received;
- Prior to settlement, all information related to any oral or written settlement agreement between you and the third party or his insurer or your insurer;
- All information regarding any legal action that has been brought on your behalf against the third party or his insurer; and
- All other information requested by us.

Send this information to:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue, Station 5E151
Des Moines, IA 50309-2901

You also agree to all of the following:

- You will immediately let us know about any potential claims or rights of recovery related to the illness or injury.
- You will furnish any information and assistance that we determine we will need to enforce our rights under this group health plan.
- You will do nothing to prejudice our rights and interests including, but not limited to, signing any release or waiver (or otherwise releasing) our rights, without obtaining our written permission.
- You will not compromise, settle, surrender, or release any claim or right of recovery described above, without obtaining our written permission.
- If payment is received from the other party or parties, you must reimburse us to the extent of benefit payments made under this group health plan.
- In the event you or your attorney receive any funds in compensation for your illness or injury, you or your attorney will hold those funds (up to and including the amount of benefits paid under this group health plan in connection with the illness or injury) in trust for the benefit of this group health plan as trustee(s) for us until the extent of our right to reimbursement or subrogation has been resolved.
- In the event you invoke your rights of recovery against a third-party related to the illness or injury, you will not seek an advancement of costs or fees from us.
- The amount of our subrogation interest shall be paid first from any funds recovered on your behalf from any source, without regard to whether you have been made whole or fully compensated for your losses, and the "make whole" rule is specifically rejected and inapplicable under this group health plan.
- We will not be liable for payment of any share of attorneys' fees or other expenses incurred in obtaining any recovery, except as expressly agreed in writing, and the "common fund" rule is specifically rejected and inapplicable under this group health plan.

It is further agreed that in the event that you fail to take the necessary legal action to recover from the responsible party, we shall have the option to do so and may proceed in its name or your name against the responsible party and shall be entitled to the recovery of the amount of benefits paid under this group health plan and shall be entitled to recover its expenses, including

reasonable attorney fees and costs, incurred for such recovery.

In the event we deem it necessary to institute legal action against you if you fail to repay us as required in this group health plan, you shall be liable for the amount of such payments made by us as well as all of our costs of collection, including reasonable attorney fees and costs.

You hereby authorize the deduction of any excess benefit received or benefits that should not have been paid, from any present or future compensation payments.

You and your covered family member(s) must notify us if you have the potential right to receive payment from someone else. You must cooperate with us to ensure that our rights to subrogation are protected.

Our right of subrogation and reimbursement under this group health plan applies to all rights of recovery, and not only to your right to compensation for medical expenses. A settlement or judgment structured in any manner not to include medical expenses, or an action brought by you or on your behalf which fails to state a claim for recovery of medical expenses, shall not defeat our rights of subrogation and reimbursement if there is any recovery on your claim.

We reserve the right to offset any amounts owed to us against any future claim payments.

Workers' Compensation

If you have received benefits under this group health plan for an injury or condition that is the subject or basis of a workers' compensation claim (whether litigated or not), we are entitled to reimbursement to the extent of benefits paid under this plan from your employer, your employer's workers' compensation carrier, or you in the event that your claim is accepted or adjudged to be covered under workers' compensation.

Furthermore, we are entitled to reimbursement from you to the full extent of benefits paid out of any proceeds you receive from any workers' compensation claim, regardless of whether you have been made whole or fully compensated for your losses, regardless of whether the proceeds represent a compromise or disputed settlement, and regardless of any characterization of the settlement proceeds by the parties to the settlement. We will not be liable for any attorney's fees or other expenses incurred in obtaining any proceeds for any workers' compensation claim.

We utilize industry standard methods to identify claims that may be work-related. This may result in initial payment of some claims that are work-related. We reserve the right to seek reimbursement of any such claim or to waive reimbursement of any claim, at our discretion.

Payment in Error

If for any reason we make payment in error, we may recover the amount we paid.

Notice

If a specific address has not been provided elsewhere in this benefit booklet, you may send any notice to Wellmark's home office:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue
Des Moines, IA 50309-2901

Any notice from Wellmark to you is acceptable when sent to your address as it appears on Wellmark's records or the address of the group through which you are enrolled.

Member Rights and Responsibilities

Inspection of Coverage

Except for groups that maintain a cafeteria plan pursuant to Section 125 of the Internal Revenue Code (26 USCA § 125), a member may, if evidence of coverage is not satisfactory for any reason, return the evidence of coverage within 10 days of its

receipt and receive full refund of the deposit paid, if any. This right will not act as a cure for misleading or deceptive advertising or marketing methods, nor may it be exercised if the member utilizes the services of the HMO within the 10-day period. Members in cafeteria plans must adhere to the plan provisions concerning termination or changes in coverage.

Member Rights
All Wellmark members have a right to:

- Receive accurate information about the health plan, its services, its network of providers, and its members' rights and responsibilities;
- Receive accurate information on utilization management notification requirements and case management services.
- Be treated with respect, in a manner that preserves their dignity and recognizes their right to privacy;
- Participate fully, with their providers, in decision-making that affects their health care;
- Expect a candid discussion of all appropriate or medically necessary treatment options pertaining to their conditions, regardless of cost or benefit coverage;
- Voice complaints or appeals about the health plan or the care delivered by any of the providers;
- Make recommendations regarding Wellmark's members' rights and responsibilities policy.

Member Responsibilities
Likewise, Wellmark members share responsibility for maintaining their own good health. Specifically, all Wellmark members have a responsibility to:

- Provide, to the extent possible, information that the health plan needs to process claims, and information the providers need to provide care for them;
- Understand their health problems and participate in developing mutually agreed upon treatment goals to the degree possible;
- Follow the plans and instructions for care that they have agreed to with their providers;
- Present their ID card prior to receiving services.

Submitting a Complaint

If you are dissatisfied or have a complaint regarding our products or services, call the Customer Service number on your ID card. We will attempt to resolve the issue in a timely manner. You may also contact Customer Service for information on where to send a written complaint.

Glossary

The definitions in this section are terms that are used in various sections of this benefit booklet. A term that appears in only one section is defined in that section.

Accidental Injury. An injury, independent of disease or bodily infirmity or any other cause, that happens by chance and requires immediate medical attention.

Admission. Formal acceptance as a patient to a hospital or other covered health care facility for a health condition.

Amount Charged. The amount that a provider bills for a service or supply or the retail price that a pharmacy charges for a prescription drug, whether or not it is covered under this group health plan.

Benefits. Medically necessary services or supplies that qualify for payment under this group health plan.

Blue Distinction Center. A facility that contracts with the Blue Cross and Blue Shield Association to perform specific types of services or procedures.

BlueCard Program. The Blue Cross and Blue Shield Association program that permits members of any Blue Cross or Blue Shield Plan to have access to emergency care or accidental injury services similar to those that members have in the Wellmark Health Plan Network.

Compounded Drugs. Compounded prescription drugs are produced by combining, mixing, or altering ingredients by a pharmacist to create an alternate strength or dosage form tailored to the specialized medical needs of an individual patient when an FDA-approved drug is unavailable or a licensed health care provider decides that an FDA-approved drug is not appropriate for a patient's medical needs.

Creditable Coverage. Any of the following categories of coverage:

- Group health plan (including government and church plans).
- Health insurance coverage (including group, individual, and short-term limited duration coverage).
- Medicare (Part A or B of Title XVIII of the Social Security Act).
- Medicaid (Title XIX of the Social Security Act).
- Medical care for members and certain former members of the uniformed services, and for their dependents (Chapter 55 of Title 10, United States Code).
- A medical care program of the Indian Health Service or of a tribal organization.
- A state health benefits risk pool.
- Federal Employee Health Benefit Plan (a health plan offered under Chapter 89 of Title 5, United States Code).
- A State Children's Health Insurance Program (S-CHIP).
- A public health plan as defined in federal regulations (including health coverage provided under a plan established or maintained by a foreign country or political subdivision).
- A health benefits plan under Section 5(e) of the Peace Corps Act.
- An organized delivery system licensed by the director of public health.

Domestic Partner. An unmarried person who has signed an affidavit of domestic partnership with the plan member.

Extended Home Skilled Nursing. Treatment provided in the home by a registered (R.N.) or licensed practical nurse (L.P.N.) who is associated with an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency that is ordered by a physician and consists of four or more hours per day of continuous

nursing care that requires the technical proficiency and knowledge of an R.N. or L.P.N.

Group. Those plan members who share a common relationship, such as employment or membership.

Group Sponsor. The entity that sponsors this group health plan.

Illness or Injury. Any bodily disorder, bodily injury, disease, or mental health condition, including pregnancy and complications of pregnancy.

Inpatient. Services received, or a person receiving services, while admitted to a health care facility for at least an overnight stay.

Maintenance. An industry-wide classification for prescription drug treatments to control specific, ongoing health conditions.

Medical Appliance. A device or mechanism designed to support or restrain part of the body (such as a splint, bandage or brace); to measure functioning or physical condition of the body (such as glucometers or devices to measure blood pressure); or to administer drugs (such as syringes).

Medically Urgent Situation. A situation where a longer, non-urgent response time to a pre-service notification could seriously jeopardize the life or health of the benefits plan member seeking services or, in the opinion of a physician with knowledge of the member's medical condition, would subject the member to severe pain that cannot be managed without the services in question.

Medicare. The federal government health insurance program established under Title XVIII of the Social Security Act for people age 65 and older and for individuals of any age entitled to monthly disability benefits under Social Security or the Railroad Retirement Program. It is also for those with chronic renal disease who require hemodialysis or kidney transplant.

Member. A person covered under this group health plan.

Nonparticipating Pharmacy. A pharmacy that does not participate with the network used by your prescription drug benefits.

Out-of-Network Provider. A facility or practitioner that does not participate with either the Wellmark Health Plan Network or a Blue Cross or Blue Shield Plan in any other state. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers.

Outpatient. Services received, or a person receiving services, in the outpatient department of a hospital, an ambulatory surgery center, or the home.

Participating Pharmacy. A pharmacy that participates with the network used by your prescription drug benefits.

Participating Providers. These providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area but not with the Wellmark Health Plan Network.

Plan Member. The person who signed for this group health plan.

Plan Year. A date used for purposes of determining compliance with federal legislation.

Services or Supplies. Any services, supplies, treatments, devices, or drugs, as applicable in the context of this benefit booklet, that may be used to diagnose or treat a medical condition.

Specialty Drugs. Drugs that are typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. Some specialty drugs may be taken orally, but others may require administration by injection, infusion, or inhalation. Specialty drugs may not be available from a retail pharmacy.

Spouse. A man or woman lawfully married to a covered member.

Urgent Care Centers provide medical care without an appointment during all hours of operation to walk-in patients of all ages who are ill or injured and require immediate care but may not require the services of a hospital emergency room.

We, Our, Us. Wellmark Health Plan of Iowa, Inc.

Wellmark Health Plan Network Provider. A facility or practitioner that participates with Wellmark Health Plan of Iowa, Inc.

X-ray and Lab Services. Tests, screenings, imagings, and evaluation procedures identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

You, Your. The plan member and family members eligible for coverage under this group health plan.

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Wellmark Health Plan of Iowa

Wellmark Health Plan of Iowa, Inc. is an Independent Licensee of the Blue Cross and Blue Shield Association.

B E N E F I T B O O K L E T

State of Iowa
BLUE ACCESS Contract

Blue Access / Blue Rx Complete Prescription Drug Plan

If you have questions about your coverage or about a specific claim, call the Wellmark Health Plan of Iowa customer service unit for State employees.

Toll Free: **800-553-7801** ● Precertification: **800-558-4409**

Group Effective Date: 1/1/2017
Plan Year: January 1
Print Date: 2/1/2017
Coverage Code: BKO BJO BEO BoM BoN
Version: 01/17

Form Number: Wellmark IA Grp (SOI Blue Access - V)

EXHIBIT C

NOTICE

This group health plan is sponsored and funded by your employer or group sponsor. Your employer or group sponsor has a financial arrangement with Wellmark under which your employer or group sponsor is solely responsible for claim payment amounts for covered services provided to you. Wellmark provides administrative services and provider network access only and does not assume any financial risk or obligation for claim payment amounts.

Contents

About This Benefit Booklet

Contract

This benefit booklet describes your rights and responsibilities under your group health plan. You and your covered dependents have the right to request a copy of this benefit booklet, at no cost to you, by contacting your employer or group sponsor.

Please note: Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

You should familiarize yourself with the entire booklet because it describes your benefits, payment obligations, provider networks, claim processes, and other rights and responsibilities.

This group health plan consists of medical benefits and prescription drug benefits. Your Wellmark Health Plan of Iowa, Inc., (Wellmark) benefits are called Blue Access. The prescription drug benefits are called Blue Rx Complete. This benefit booklet will indicate when the service, supply or drug is considered medical benefits or drug benefits by using sections, headings, and notes when necessary.

Charts

Some sections have charts, which provide a quick reference or summary but are not a complete description of all details about a topic. A particular chart may not describe some significant factors that would help determine your coverage, payments, or other responsibilities. It is important for you to look up details and not to rely only upon a chart. It is also important to follow any references to other parts of the booklet. (References tell you to "see" a section or subject heading, such as, "See *Details – Covered and Not Covered*." References may also include a page number.)

Complete Information

Very often, complete information on a subject requires you to consult more than one section of the booklet. For instance, most information on coverage will be found in these sections:

- At a Glance – Covered and Not Covered
- Details – Covered and Not Covered
- General Conditions of Coverage, Exclusions, and Limitations

However, coverage might be affected also by your choice of provider (information in the *Choosing a Provider* section), certain notification requirements if applicable to your group health plan (the *Notification Requirements and Care Coordination* section), and considerations of eligibility (the *Coverage Eligibility and Effective Date* section).

Even if a service is listed as covered, benefits might not be available in certain situations, and even if a service is not specifically described as being excluded, it might not be covered.

Read Thoroughly

You can use your group health plan to the best advantage by learning how this document is organized and how sections are related to each other. And whenever you look up a particular topic, follow any references, and read thoroughly.

Your coverage includes many services, treatments, supplies, devices, and drugs. Throughout the benefit booklet, the words *services or supplies* refer to any services, treatments, supplies, devices, or drugs, as applicable in the context, that may be used to diagnose or treat a condition.

Questions

If you have questions about your group health plan, or are unsure whether a particular service or supply is covered, call the Customer Service number on your ID card.

1. What You Pay

This section is intended to provide you with an overview of your payment obligations under this group health plan. This section is not intended to be and does not constitute a complete description of your payment obligations. To understand your complete payment obligations you must become familiar with this entire benefit booklet, especially the *Factors Affecting What You Pay* and *Choosing a Provider* sections.

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are not in your network. Which provider type you choose will affect what you pay.

Generally, you are only covered for services received from Wellmark Health Plan Network Providers; however, you may be covered for services received from Participating Providers in the case of an emergency, guest membership, or approved referrals. You may be covered for services received from Out-of-Network Providers in the case of an emergency or approved Out-of-Network referrals.

Wellmark Health Plan Network Providers. These providers participate with the Wellmark Health Plan Network. Throughout this benefit booklet we will refer to these providers as "Network Providers." With Blue Access, benefits for most covered services are generally available only when received from Wellmark Health Plan Network Providers.

Participating Providers. These providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area, but not with the Wellmark Health Plan Network. Generally, you are only covered for services received from Participating Providers in case of emergency, guest membership, or approved referrals.

Out-of-Network Providers. Out-of-Network Providers do not participate with the Wellmark Health Plan Network or any other Blue Cross and/or Blue Shield Plan. Generally, you are only covered for services received from Out-of-Network Providers in case of emergency or approved Out-of-Network referrals.

Medical Contract

Payment Summary

This chart summarizes your payment responsibilities. It is only intended to provide you with an overview of your payment obligations. It is important that you read this entire section and not just rely on this chart for your payment obligations.

You Pay
Emergency Room Copayment **$50**
Office Visit Copayment **$10**
Other Copayment **$10** for outpatient chemotherapy, speech therapy, occupational therapy, physical therapy, and inhalation therapy.

You Pay
Coinsurance **10%** **20%** for: ■ Dental treatment for accidental injury ■ Home/durable medical equipment ■ Medical supplies (excluding oxygen and equipment required to administer oxygen) ■ Prosthetic devices
Out-of-Pocket Maximum **$750** per person **$1,500** (maximum) per family*

*Family amounts are reached from amounts accumulated on behalf of any combination of covered family members.

Prescription Drugs

You Pay†
Coinsurance or Copayment **Retail and Mail Order Non-Maintenance Drugs:** **$5** for Tier 1 medications. **$15** for Tier 2 medications. **25%** or **$30**, whichever is greater for Tier 3 and 4 medications except copayment only applies to Tier 3 and 4 specialty drugs. **Mail Order Maintenance Drugs:** **$10** for Tier 1 medications. **$30** for Tier 2 medications. **$60** for Tier 3 and 4 medications. For more information see *Tiers*, page 55.
Out-of-Pocket Maximum **$5,850** per person **$11,700** (maximum) per family*

*Family amounts are reached from amounts accumulated on behalf of any combination of covered family members.
†You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See Wellmark Blue Rx Complete Drug List, page 28.

Prescription Maximums

Generally, there is a maximum days' supply of medication you may receive in a single prescription. However, exceptions may be made for certain prescriptions packaged in a dose exceeding the maximum days' supply covered under your Blue Rx Complete prescription drug benefits. To determine if this exception applies to your prescription, call the Customer Service number on your ID card.

Your payment obligations may be determined by the quantity of medication you purchase.

Payment
30 day retail **1** copayment or coinsurance, as applicable
90 day retail maintenance Payment per days' supply: **1** copayment or coinsurance, as applicable, for 30 day supply **2** copayments or coinsurance, as applicable, for 60 day supply **3** copayments or coinsurance, as applicable, for 90 day supply

Payment
30 day mail order **1** copayment or coinsurance, as applicable
90 day mail order maintenance **1** copayment
30 day specialty **1** copayment

Payment Details

Medical Contract

Copayment

This is a fixed dollar amount that you pay each time you receive certain covered services.

Emergency Room Copayment.

The emergency room copayment:

- applies to emergency room services.
- is taken once per facility per date of service.
- is waived if you are admitted as an inpatient of a facility immediately following emergency room services.

Office Visit Copayment.

The office visit copayment:

- applies to covered office services.
- is taken once per practitioner per date of service.

The office visit copayment does not apply to:

- dental treatment for accidental injury.
- home/durable medical equipment.
- prosthetic devices.

These services are subject to coinsurance and not this copayment.

Other Copayment.

The other copayment:

- applies to outpatient chemotherapy, occupational, physical, speech, and inhalation therapy.
- is taken once per provider per date of service.

Copayment amount(s) are waived for some services. See *Waived Payment Obligations* later in this section.

Coinsurance

Coinsurance is an amount you pay for certain covered services. Coinsurance is calculated by multiplying the fixed percentage(s) shown earlier in this section by either Wellmark's payment arrangement amount or by the amount charged for a service. The calculation method differs depending on the contracting status of the provider and/or the state where you receive services. For details, see *How Coinsurance is Calculated*, page 51.

Coinsurance amounts are waived for some services. See *Waived Payment Obligations* later in this section.

Out-of-Pocket Maximum

The out-of-pocket maximum is the maximum amount you pay, out of your pocket, for most covered services in a benefit year. Many amounts you pay for covered services during a benefit year accumulate toward the out-of-pocket maximum. These amounts include:

- Coinsurance.
- Emergency room copayments.
- Office visit copayments.
- Other copayments.

The family out-of-pocket maximum is reached from applicable amounts paid on behalf of any combination of covered family members.

However, certain amounts do not apply toward your out-of-pocket maximum.

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.
- Difference in cost between the provider's amount charged and our maximum allowable fee when you receive services from an Out-of-Network Provider.

These amounts continue even after you have met your out-of-pocket maximum.

Benefits Maximums

Benefits maximums are the maximum benefit amounts that each member is eligible to receive.

Benefits maximums are accumulated from benefits under this medical benefits plan and prior medical benefits plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Waived Payment Obligations

Some payment obligations are waived for the following covered services.

Covered Service	Payment Obligation Waived
Ambulance services for treatment of mental health conditions and chemical dependency.	Coinsurance
Breast pumps (manual) purchased from a covered home/durable medical equipment provider.	Coinsurance Copayment
Contraceptive medical devices, such as intrauterine devices and diaphragms.	Coinsurance Copayment
Home health services for treatment of mental health conditions and chemical dependency.	Coinsurance
Immunizations.	Copayment
Implanted and injected contraceptives.	Coinsurance Copayment
Independent laboratory services related to a covered office visit.	Coinsurance Copayment
Mental health conditions and chemical dependency treatment – outpatient services.	Coinsurance
Physician services related to maternity care.	Coinsurance
Postpartum home visit (one) when a mother and her baby are voluntarily discharged from the hospital within 48 hours of normal labor and delivery or within 96 hours of cesarean birth.**	Coinsurance

Covered Service	Payment Obligation Waived
Preventive care, items, and services* as follows: ■ Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF); ■ Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention; ■ Preventive care and screenings for infants, children, and adolescents provided for in guidelines supported by the Health Resources and Services Administration (HRSA); and ■ Preventive care and screenings for women provided for in guidelines supported by the HRSA.***	Coinsurance Copayment
Services subject to emergency room copayment amounts.	Coinsurance
Services subject to office visit copayment amounts.	Coinsurance
Services subject to other copayment amounts.	Coinsurance
Voluntary sterilization for female members.	Coinsurance Copayment
X-ray and lab – office services.	Copayment

*A complete list of recommendations and guidelines related to preventive services can be found at *www.healthcare.gov*. Recommended preventive services are subject to change and are subject to medical management.

**If you have a newborn child, but you do not add that child to your coverage, your newborn child may be added to your coverage solely for the purpose of administering the 48-96 hour mandated requirement. If that occurs, a separate coinsurance will be applied to your newborn child unless your coverage specifically waives the coinsurance for your newborn child.

***Digital breast tomosynthesis (3D mammogram) may be subject to coinsurance and copayments, as applicable.

Prescription Drugs

Coinsurance or Copayment

Coinsurance is the amount you pay, calculated using a fixed percentage of the maximum allowable fee, each time a covered prescription is filled or refilled. Copayment is a fixed dollar amount you pay each time a covered prescription is filled or refilled.

You pay the entire cost if you purchase a drug that is not on the Wellmark Blue Rx Complete Drug List. See *Wellmark Blue Rx Complete Drug List*, page 28.

Out-of-Pocket Maximum

The out-of-pocket maximum is the maximum you pay in a given benefit year toward the following amounts:

- Coinsurance.

- Copayments.

The family out-of-pocket maximum is reached from applicable amounts paid on behalf of any combination of covered family members.

Waived Payment Obligations

Some payment obligations are waived for the following covered drugs or services.

Covered Drug or Service	Payment Obligation Waived
Generic contraceptive drugs and generic contraceptive drug delivery devices (e.g., birth control patches). Payment obligations are also waived if you purchase brand name contraceptive drugs or brand name drug delivery devices when an FDA-approved generic equivalent is not available. Payment obligations are not waived if you purchase brand name contraceptive drugs or brand name contraceptive drug delivery devices when an FDA-approved generic equivalent is available.	Coinsurance Copayment
Preventive items or services* as follows: ■ Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF); and ■ Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention.	Coinsurance Copayment
Two smoking cessation attempts per calendar year, up to a 90-days' supply of covered drugs for each attempt, or a 180-days' supply total per calendar year.	Coinsurance Copayment

*A complete list of recommendations and guidelines related to preventive services can be found at *www.healthcare.gov*. Recommended preventive items and services are subject to change and are subject to medical management.

2. At a Glance - Covered and Not Covered

Medical Contract

Your coverage provides benefits for many services and supplies. There are also services for which this coverage does not provide benefits. The following chart is provided for your convenience as a quick reference only. This chart is not intended to be and does not constitute a complete description of all coverage details and factors that determine whether a service is covered or not. All covered services are subject to the contract terms and conditions contained throughout this benefit booklet. Many of these terms and conditions are contained in *Details – Covered and Not Covered*, page 13. To fully understand which services are covered and which are not, you must become familiar with this entire benefit booklet. Please call us if you are unsure whether a particular service is covered or not.

The headings in this chart provide the following information:

Category. Service categories are listed alphabetically and are repeated, with additional detailed information, in *Details – Covered and Not Covered*.

Covered. The listed category is generally covered, but some restrictions may apply.

Not Covered. The listed category is generally not covered.

See Page. This column lists the page number in *Details – Covered and Not Covered* where there is further information about the category.

Benefits Maximums. This column lists maximum benefit amounts that each member is eligible to receive. Benefits maximums that apply per benefit year or per lifetime are reached from benefits accumulated under this group health plan and any prior group health plans sponsored by the State of Iowa and administered by Wellmark Health Plan of Iowa, Inc.

Please note: Benefits maximums accumulate for medical and prescription drug benefits separately.

Category	Covered	Not Covered	See Page	Benefits Maximum
Acupuncture Treatment		⦸	13	
Allergy Testing and Treatment	●		13	
Ambulance Services	●		13	
Anesthesia	●		13	
Blood and Blood Administration	●		13	
Chemical Dependency Treatment	●		14	
Chemotherapy and Radiation Therapy	●		14	
Clinical Trials	●		14	
Contraceptives	●		14	
Cosmetic Services		⦸	15	
Counseling and Education Services		⦸	15	

Category	Covered	Not Covered	See Page	Benefits Maximum
Dental Treatment for Accidental Injury	●		15	
Dialysis	●		16	
Education Services for Diabetes and Nutrition	●		16	10 hours of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.
Emergency Services	●		16	
Fertility Services	●		16	
Genetic Testing	●		17	
Hearing Services	●		17	One routine hearing examination per benefit year.
Home Health Services	●		17	The daily benefit for short-term home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for skilled nursing facility services.
Home/Durable Medical Equipment	●		18	
Hospice Services	●		18	15 days per lifetime for inpatient hospice respite care. 15 days per lifetime for outpatient hospice respite care. **Please note:** Hospice respite care must be used in increments of not more than five days at a time.
Hospitals and Facilities	●		18	120 days per benefit year of skilled nursing services in a hospital or nursing facility.
Illness or Injury Services	●		19	
Infertility Treatment		⦸	20	
Inhalation Therapy	●		20	60 visits per benefit year.
Maternity Services	●		20	
Medical and Surgical Supplies	●		20	
Mental Health Services	●		21	
Morbid Obesity Treatment (Non-Surgical Only)	●		22	
Motor Vehicles		⦸	22	
Musculoskeletal Treatment	●		22	
Nonmedical Services		⦸	22	
Occupational Therapy	●		22	60 visits per benefit year.
Orthotics		⦸	23	

Category	Covered	Not Covered	See Page	Benefits Maximum
Physical Therapy	●		23	60 visits per benefit year.
Physicians and Practitioners			23	
Advanced Registered Nurse Practitioners	●		23	
Audiologists	●		23	
Chiropractors	●		23	
Doctors of Osteopathy	●		23	
Licensed Independent Social Workers	●		23	
Medical Doctors	●		23	
Occupational Therapists	●		23	
Optometrists	●		23	
Oral Surgeons	●		23	
Physical Therapists	●		23	
Physician Assistants	●		23	
Podiatrists	●		23	
Psychologists	●		24	
Speech Pathologists	●		24	
Prescription Drugs	●		24	
Preventive Care	●		24	Well-child care until the child reaches age seven. One routine physical examination per benefit year. One routine mammogram per benefit year. One routine gynecological examination per benefit year. One routine Pap smear per benefit year.
Prosthetic Devices	●		25	
Reconstructive Surgery	●		26	
Self-Help Programs		⦸	26	
Sleep Apnea Treatment	●		26	
Speech Therapy	●		26	60 visits per benefit year.
Surgery	●		26	
Temporomandibular Joint Disorder (TMD)		⦸	27	
Transplants	●		27	
Travel or Lodging Costs		⦸	27	
Vision Services	●		27	One routine vision examination per benefit year.
Wigs or Hairpieces		⦸	27	
X-ray and Laboratory Services	●		27	

Prescription Drugs

Please note: To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

For details on drug coverage, drug limitations, and drug exclusions, see the next section, *Details – Covered and Not Covered*.

3. Details - Covered and Not Covered

All covered services or supplies listed in this section are subject to the general contract provisions and limitations described in this benefit booklet. Also see the section *General Conditions of Coverage, Exclusions, and Limitations*, page 33. If a service or supply is not specifically listed, do not assume it is covered.

Medical Contract

Acupuncture Treatment

Not Covered: Acupuncture and acupressure treatment.

Allergy Testing and Treatment

Covered.

Ambulance Services

Covered: Professional air and ground ambulance transportation to a hospital or nursing facility in the surrounding area where your ambulance transportation originates.

All of the following are required to qualify for benefits:

- The services required to treat your illness or injury are not available in the facility where you are currently receiving care if you are an inpatient at a facility.
- You are transported to the nearest hospital or nursing facility in the Wellmark Health Plan Network with adequate facilities to treat your medical condition. In an emergency situation, you should seek care at the nearest appropriate facility, whether the facility is in-network or out-of-network.
- During transportation, your medical condition requires the services that are provided only by an ambulance that is professionally staffed and specially equipped for taking sick or injured people to or from a health care facility in an emergency.
- In addition to the preceding requirements, for air ambulance services to be covered, all of the following conditions must be met:
  - The air ambulance has the necessary patient care equipment and supplies to meet your needs.
  - Your medical condition requires immediate and rapid ambulance transport that cannot be provided by a ground ambulance; or the point of pick up is inaccessible by a land vehicle.
  - Great distances, limited time frames, or other obstacles are involved in getting you to the nearest hospital with appropriate facilities for treatment.
  - Your condition is such that the time needed to transport you by land poses a threat to your health.

Not Covered: Professional air ambulance transport from a facility capable of treating your condition when performed primarily for your convenience or the convenience of your family, physician, or other health care provider.

Anesthesia

Covered: Anesthesia and the administration of anesthesia.

Not Covered: Local or topical anesthesia billed separately from related surgical or medical procedures.

Blood and Blood Administration

Covered: Blood and blood administration, including blood derivatives, and blood components.

Chemical Dependency Treatment

Covered: Treatment for a condition with physical or psychological symptoms produced by the habitual use of certain drugs as described in the most current *Diagnostic and Statistical Manual of Mental Disorders*.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;
- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Hospitals and Facilities later in this section.

Chemotherapy and Radiation Therapy

Covered: Use of chemical agents or radiation to treat or control a serious illness.

Clinical Trials

Covered: Medically necessary routine patient costs for items and services otherwise covered under this plan furnished in connection with participation in an approved clinical trial related to the treatment of cancer or other life-threatening diseases or conditions, when a covered member is referred by a Network Provider based on the conclusion that the member is eligible to participate in an approved clinical trial according to the trial protocol or the member provides medical and scientific information establishing that the member's participation in the clinical trial would be appropriate according to the trial protocol.

Not Covered:

- Investigational or experimental items, devices, or services which are themselves the subject of the clinical trial;
- Items and services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient;
- Services that are clearly inconsistent with widely accepted and established standards of care for a particular diagnosis.

Contraceptives

Covered: The following conception prevention, as approved by the U.S. Food and Drug Administration:

- Contraceptive medical devices, such as intrauterine devices and diaphragms.
- Implanted contraceptives.
- Injected contraceptives.

Please note: Contraceptive drugs and contraceptive drug delivery devices, such as

insertable rings and patches are covered under your Blue Rx Complete prescription drug benefits described later in this section.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer Service number on your ID card and request a copy of the Drug List.

Cosmetic Services

Not Covered: Cosmetic services, supplies, or drugs if provided primarily to improve physical appearance. A service, supply or drug that results in an incidental improvement in appearance may be covered if it is provided primarily to restore function lost or impaired as the result of an illness, accidental injury, or a birth defect. You are also not covered for treatment for any complications resulting from a noncovered cosmetic procedure.

See Also:

Reconstructive Surgery later in this section.

Counseling and Education Services

Not Covered:

- Bereavement counseling or services (including volunteers or clergy), family counseling or training services, and marriage counseling or training services.
- Education or educational therapy other than covered education for self-management of diabetes or nutrition education.

See Also:

Genetic Testing later in this section.

Education Services for Diabetes and Nutrition later in this section.

Mental Health Services later in this section.

Dental Services

Covered:

- Dental treatment for accidental injuries when all of the following requirements are met:
  - Treatment is completed within six months of the injury.
  - Treatment must have occurred while the member was covered under this group health plan.
- Anesthesia (general) and hospital or ambulatory surgical facility services related to covered dental services if:
  - You are under age 14 and, based on a determination by a licensed dentist and your treating physician, you have a dental or developmental condition for which patient management in the dental office has been ineffective and requires dental treatment in a hospital or ambulatory surgical facility; or
  - Based on a determination by a licensed dentist and your treating physician, you have one or more medical conditions that would create significant or undue medical risk in the course of delivery of any necessary dental treatment or surgery if not rendered in a hospital or ambulatory surgical facility.
- Impacted teeth removal (surgical) as an inpatient or outpatient of a facility only when you have a medical condition (such as hemophilia) that requires hospitalization.
- Facial bone fracture reduction.
- Incisions of accessory sinus, mouth, salivary glands, or ducts.
- Jaw dislocation manipulation.
- Orthodontic services required for surgical management of cleft palate.
- Treatment of abnormal changes in the mouth due to disease.

Not Covered:

- General dentistry including, but not limited to, diagnostic and preventive services, restorative services, endodontic services, periodontal services, indirect fabrications, dentures and bridges, and orthodontic services unrelated to accidental injuries or surgical management of cleft palate.
- Injuries associated with or resulting from the act of chewing.
- Maxillary or mandibular tooth implants (osseointegration) unrelated to accidental injuries or abnormal changes in the mouth due to injury or disease.

Dialysis

Covered: Removal of toxic substances from the blood when the kidneys are unable to do so when provided as an inpatient in a hospital setting or as an outpatient in a Medicare-approved dialysis center.

Education Services for Diabetes and Nutrition

Covered: Inpatient and outpatient training and education for the self-management of all types of diabetes mellitus.

All covered training or education must be prescribed by a licensed physician. Outpatient training or education must be provided by a state-certified program.

The state-certified diabetic education program helps any type of diabetic and his or her family understand the diabetes disease process and the daily management of diabetes.

You are also covered for nutrition education to improve your understanding of your metabolic nutritional condition and provide you with information to manage your nutritional requirements. Nutrition education is appropriate for, but not limited to:

- Glucose intolerance.
- High blood pressure.
- Lactose intolerance.
- Morbid obesity.

Benefits Maximum:

- **10 hours** of outpatient diabetes self-management training provided within a 12-month period, plus follow-up training of up to two hours annually.

Emergency Services

Covered: When treatment is for a medical condition manifested by acute symptoms of sufficient severity, including pain, that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect absence of immediate medical attention to result in:

- Placing the health of the individual or, with respect to a pregnant woman, the health of the woman and her unborn child, in serious jeopardy; or
- Serious impairment to bodily function; or
- Serious dysfunction of any bodily organ or part.

In an emergency situation, if you cannot reasonably reach a Wellmark Health Plan Network Provider, covered services will be reimbursed as though they were received from a Wellmark Health Plan Network Provider. However, because we do not have contracts with Out-of-Network Providers and they may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered service.

See Also:

Out-of-Network Providers, page 52.

Fertility Services

Covered:

- Fertility prevention, such as tubal ligation (or its equivalent) or vasectomy (initial surgery only).

Genetic Testing

Covered: Genetic molecular testing (specific gene identification) and related counseling are covered when both of the following requirements are met:

- You are an appropriate candidate for a test under medically recognized standards (for example, family background, past diagnosis, etc.).
- The outcome of the test is expected to determine a covered course of treatment or prevention and is not merely informational.

Hearing Services

Covered:

- Routine hearing examinations.

Benefits Maximum:

- **One** routine hearing examination per benefit year.

Not Covered:

- Hearing aids.

Home Health Services

Covered: All of the following requirements must be met in order for home health services to be covered:

- You require a medically necessary skilled service such as skilled nursing, physical therapy, or speech therapy.
- Services are received from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) and/or a Medicare-certified agency.
- Services are prescribed by a physician and approved by Wellmark for the treatment of illness or injury.
- Services are not more costly than alternative services that would be effective for diagnosis and treatment of your condition.
- The care is referred by a Network Provider and approved by Wellmark.

The following are covered services and supplies:

Home Health Aide Services—when provided in conjunction with a medically necessary skilled service also received in the home.

Short-Term Home Skilled Nursing. Treatment must be given by a registered nurse (R.N.) or licensed practical nurse (L.P.N.) from an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency. Short-term home skilled nursing is intended to provide a safe transition from other levels of care when medically necessary, to provide teaching to caregivers for ongoing care, or to provide short-term treatments that can be safely administered in the home setting. The daily benefit for short-term home skilled nursing services will not exceed Wellmark's daily maximum allowable fee for care in a skilled nursing facility. Custodial care is not included in this benefit.

Inhalation Therapy.

Medical Equipment.

Medical Social Services.

Medical Supplies.

Occupational Therapy—but only for services to treat the upper extremities, which means the arms from the shoulders to the fingers. You are not covered for occupational therapy supplies.

Oxygen and Equipment for its administration.

Parenteral and Enteral Nutrition, except enteral formula administered orally.

Physical Therapy.

Prescription Drugs and Medicines administered in the vein or muscle.

Prosthetic Devices and Braces.

Speech Therapy.

Not Covered:

- Custodial home care services and supplies, which help you with your daily living activities. This type of care does not require the continuing attention and assistance of licensed medical or trained paramedical personnel. Some examples of custodial care are assistance in walking and getting in and out of bed; aid in bathing, dressing, feeding, and other forms of assistance with normal bodily functions; preparation of special diets; and supervision of medication that can usually be self-administered. You are also not covered for sanitaria care or rest cures.
- Extended home skilled nursing.

See Also:

Referrals, page 37.

Home/Durable Medical Equipment

Covered: Equipment that meets all of the following requirements:

- Durable enough to withstand repeated use.
- Primarily and customarily manufactured to serve a medical purpose.
- Used to serve a medical purpose.

In addition, we determine whether to pay the rental amount or the purchase price amount for an item, and we determine the length of any rental term. Benefits will never exceed the lesser of the amount charged or the maximum allowable fee.

See Also:

Medical and Surgical Supplies later in this section.

Orthotics later in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Referrals, page 37.

Hospice Services

Covered: Care (generally in a home setting) for patients who are terminally ill and who have a life expectancy of six months or less. Hospice care covers the same services as described under *Home Health Services*, as well as hospice respite care from a facility approved by Medicare or by the Joint Commission for Accreditation of Health Care Organizations (JCAHO).

Hospice respite care offers rest and relief help for the family caring for a terminally ill patient. Inpatient respite care can take place in a nursing home, nursing facility, or hospital.

Benefits Maximum:

- **15 days** per lifetime for inpatient hospice respite care.
- **15 days** per lifetime for outpatient hospice respite care.
- Not more than **five days** of hospice respite care at a time.

Hospitals and Facilities

Covered: Hospitals and other facilities that meet standards of licensing, accreditation or certification. Following are some recognized facilities:

Ambulatory Surgical Facility. This type of facility provides surgical services on an outpatient basis for patients who do not need to occupy an inpatient hospital bed.

Chemical Dependency Treatment Facility. This type of facility provides treatment of chemical dependency and must be licensed and approved by Wellmark.

Community Mental Health Center. This type of facility provides outpatient treatment of mental health conditions and must be licensed and approved by Wellmark.

Hospital. This type of facility provides for the diagnosis, treatment, or care of injured or sick persons on an inpatient and outpatient basis. The facility must be licensed as a hospital under applicable law.

Nursing Facility. This type of facility provides continuous skilled nursing services as ordered and certified by your attending physician on an inpatient basis. The facility must be licensed as a nursing facility under applicable law.

Residential Treatment Facility. This is a licensed facility other than a hospital or nursing facility that provides:

- treatment on an intensive outpatient basis;
- partial hospitalization treatment;
- sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program;
- inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Psychiatric Medical Institution for Children (PMIC). This type of facility provides inpatient psychiatric services to children and is licensed as a PMIC under Iowa Code Chapter 135H.

Prior approval is required and benefits will be provided pursuant to the Iowa mandate. For information on how to submit a prior approval request, refer to *Prior Approval* in the *Notification Requirements and Care Coordination* section of this benefit booklet, or call the Customer Service number on your ID card.

Urgent Care Center. This type of facility provides medical care without an appointment during all hours of operation to walk-in patients of all ages who are ill or injured and require immediate care but may not require the services of a hospital emergency room.

Benefits Maximum:

- **120 days** per benefit year for skilled nursing services in a hospital or nursing facility.

Not Covered:

- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment earlier in this section.

Mental Health Services later in this section.

Illness or Injury Services

Covered: Services or supplies used to treat any bodily disorder, bodily injury, disease, or mental health condition unless specifically addressed elsewhere in this section. This includes pregnancy and complications of pregnancy.

Treatment may be received from an approved provider in any of the following settings:

- Home.
- Inpatient (such as a hospital or nursing facility).
- Office (such as a doctor's office).
- Outpatient.

Infertility Treatment

Not Covered:

- Infertility diagnosis and treatment.
- Infertility treatment if the infertility is the result of voluntary sterilization.
- Infertility treatment related to the collection or purchase of donor semen (sperm) or oocytes (eggs); freezing of sperm, oocytes, or embryos; surrogate parent services.
- Reversal of a tubal ligation (or its equivalent) or vasectomy.

Inhalation Therapy

Covered: Respiratory or breathing treatments to help restore or improve breathing function.

Benefits Maximum:

- **60 visits** per benefit year.

Maternity Services

Covered: Prenatal and postnatal care, delivery, including complications of pregnancy. A complication of pregnancy refers to a cesarean section that was not planned, an ectopic pregnancy that is terminated, or a spontaneous termination of pregnancy that occurs during a period of gestation in which a viable birth is not possible. Complications of pregnancy also include conditions requiring inpatient hospital admission (when pregnancy is not terminated) whose diagnoses are distinct from pregnancy but are adversely affected by pregnancy or are caused by pregnancy.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In accordance with federal or applicable state law, maternity services include a minimum of:

- 48 hours of inpatient care (in addition to the day of delivery care) following a vaginal delivery, or
- 96 hours of inpatient care (in addition to the day of delivery) following a cesarean section.

A practitioner is not required to seek Wellmark's review in order to prescribe a length of stay of less than 48 or 96 hours. The attending practitioner, in consultation with the mother, may discharge the mother or newborn prior to 48 or 96 hours, as applicable.

If the inpatient hospital stay is shorter, coverage includes a follow-up postpartum home visit by a registered nurse (R.N.). This nurse must be from a home health agency under contract with Wellmark or employed by the delivering physician.

If you have a newborn child, but you do not add that child to your coverage, your newborn child may be added to your coverage solely for the purpose of administering the 48-96 hour mandated requirement. If that occurs, a separate coinsurance will be applied to your newborn child unless your coverage specifically waives the coinsurance for your newborn child.

See Also:

Coverage Change Events, page 63.

Medical and Surgical Supplies

Covered: Medical supplies and devices such as:

- Dressings and casts.
- Oxygen and equipment needed to administer the oxygen.
- Diabetic equipment and supplies including insulin syringes purchased from a covered home/durable medical equipment provider.

Not Covered:

- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Orthotics later in this section.

Prescription Drugs, page 28.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Mental Health Services

Covered: Treatment for certain psychiatric, psychological, or emotional conditions as an inpatient or outpatient. Covered facilities for mental health services include licensed and accredited residential treatment facilities and community mental health centers.

Coverage includes diagnosis and treatment of these biologically based mental illnesses:

- Schizophrenia.
- Bipolar disorders.
- Major depressive disorders.
- Schizo-affective disorders.
- Obsessive-compulsive disorders.
- Pervasive developmental disorders.
- Autistic disorders.

To qualify for mental health treatment benefits, the following requirements must be met:

- The disorder is classified as a mental health condition in the *Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition* (DSM-V) or subsequent revisions.
- The disorder is listed only as a mental health condition and not dually listed elsewhere in the most current version of *International Classification of Diseases, Clinical Modification* used for diagnosis coding.
- The disorder is not a chemical dependency condition.
- The disorder is a behavioral or psychological condition not attributable to a mental disorder that is the focus of professional attention or treatment, but only to the extent services for such conditions are otherwise considered covered under your medical benefits.

For treatment in a residential treatment facility, benefits are available:

- For treatment provided on an intensive outpatient basis, but not including charges related to residential care;
- For partial hospitalization treatment, but not including charges related to residential care;
- For sub-acute, medically monitored inpatient treatment for patients whose condition requires four-hour licensed nurse observation, monitoring, and treatment, as well as services provided by interdisciplinary staff under the direction of a licensed physician, but which does not require the full resources of an acute care general hospital or a medically managed inpatient treatment program; and
- For inpatient, medically managed acute care for patients whose condition requires the resources of an acute care general hospital or a medically managed inpatient treatment program.

Coverage for Psychiatric Medical Institutions for Children (PMIC) is separately addressed in this benefit booklet and is not subject to the preceding provision.

Please note: Your employer's Employee Assistance Program (EAP) may be able to provide counseling services for certain

conditions. For more information, contact your EAP coordinator.

Not Covered: Treatment for:

- Certain disorders related to early childhood, such as academic underachievement disorder.
- Communication disorders, such as stuttering and stammering.
- Impulse control disorders, such as pathological gambling.
- Nonpervasive developmental and learning disorders.
- Sensitivity, shyness, and social withdrawal disorders.
- Sexual disorders.
- Treatment received in a residential treatment facility, except as described under *Covered*.

See Also:

Chemical Dependency Treatment and *Hospitals and Facilities* earlier in this section.

Morbid Obesity Treatment

Covered: Nonsurgical treatment of morbid obesity.

Not Covered:

- Weight reduction programs or supplies (including dietary supplements, foods, equipment, lab testing, examinations, and prescription drugs), whether or not weight reduction is medically appropriate.
- Any weight reduction or morbid obesity-related surgery, including but not limited to panniculectomy or other body contouring procedures.

Motor Vehicles

Not Covered: Purchase or rental of motor vehicles such as cars or vans. You are also not covered for equipment or costs associated with converting a motor vehicle to accommodate a disability.

Musculoskeletal Treatment

Covered: Outpatient nonsurgical treatment of ailments related to the musculoskeletal system, such as manipulations or related procedures to treat musculoskeletal injury or disease.

Not Covered: Massage therapy.

Nonmedical Services

Not Covered: Such services as telephone consultations, charges for failure to keep scheduled appointments, charges for completion of any form, charges for medical information, recreational therapy, and any services or supplies that are nonmedical. You are also not covered for services delivered to you by a provider via interactive audio only, audio-visual technology, or web-based mobile device or similar electronic-based communication network.

Occupational Therapy

Covered: Occupational therapy services are covered when all the following requirements are met:

- Services are to treat the upper extremities, which means the arms from the shoulders to the fingers.
- The goal of the occupational therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Occupational therapy supplies.

- Occupational therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Occupational therapy performed for maintenance.
- Occupational therapy services that do not meet the requirements specified under *Covered*.

Orthotics

Covered: Orthotics training.

Not Covered: Orthotic foot devices such as arch supports or in-shoe supports, orthopedic shoes, elastic supports, or examinations to prescribe or fit such devices.

See Also:

Home/Durable Medical Equipment earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Prosthetic Devices later in this section.

Physical Therapy

Covered: Physical therapy services are covered when all the following requirements are met:

- The goal of the physical therapy is improvement of an impairment or functional limitation.
- The potential for rehabilitation is significant in relation to the extent and duration of services.
- The expectation for improvement is in a reasonable (and generally predictable) period of time.
- There is evidence of improvement by successive objective measurements whenever possible.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Physical therapy provided as an inpatient in the absence of a separate medical condition that requires hospitalization.
- Physical therapy performed for maintenance.
- Physical therapy services that do not meet the requirements specified under *Covered*.

Physicians and Practitioners

Covered: Most services provided by practitioners that are recognized by us and meet standards of licensing, accreditation or certification. Following are some recognized physicians and practitioners:

Advanced Registered Nurse Practitioners (ARNP). An ARNP is a registered nurse with advanced training in a specialty area who is registered with the Iowa Board of Nursing to practice in an advanced role with a specialty designation of certified clinical nurse specialist, certified nurse midwife, certified nurse practitioner, or certified registered nurse anesthetist.

Audiologists.

Chiropractors.

Doctors of Osteopathy (D.O.).

Licensed Independent Social Workers.

Medical Doctors (M.D.).

Occupational Therapists. This provider is covered only when treating the upper extremities, which means the arms from the shoulders to the fingers.

Optometrists.

Oral Surgeons.

Physical Therapists.

Physician Assistants.

Podiatrists.

Psychologists. Psychologists must have a doctorate degree in psychology with two years' clinical experience and meet the standards of a national register.

Speech Pathologists.

See Also:

Choosing a Provider, page 37.

Prescription Drugs

Covered: Most prescription drugs and medicines that bear the legend, "Caution, Federal Law prohibits dispensing without a prescription," are generally covered under your Blue Rx Complete prescription drug benefits, not under your medical benefits. However, there are exceptions when prescription drugs and medicines are covered under your medical benefits.

Drugs classified by the FDA as Drug Efficacy Study Implementation (DESI) drugs may also be covered. For a list of these drugs, visit our website at *Wellmark.com* or check with your pharmacist or physician.

Prescription drugs and medicines covered under your medical benefits include:

Drugs and Biologicals. Drugs and biologicals approved by the U.S. Food and Drug Administration. This includes such supplies as serum, vaccine, antitoxin, or antigen used in the prevention or treatment of disease.

Intravenous Administration. Intravenous administration of nutrients, antibiotics, and other drugs and fluids when provided in the home (home infusion therapy).

Specialty Drugs. Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your medical benefits or under your Blue Rx Complete prescription drug benefits. To determine whether a particular specialty drug is covered under your medical benefits or under your Blue Rx Complete prescription drug benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Not Covered: Some prescription drugs are not covered under either your medical benefits or your Blue Rx Complete benefits. For example:

- Drugs purchased outside the United States failing the requirements specified earlier in this section.
- Prescription drugs that are not FDA-approved.

Some prescription drugs are covered under your Blue Rx Complete benefits:

- Insulin.

See the Wellmark Blue Rx Complete Drug List at *Wellmark.com* or call the Customer Service number on your ID card and request a copy of the Drug List.

See Also:

Prescription Drugs later in this section.

Contraceptives earlier in this section.

Medical and Surgical Supplies earlier in this section.

Notification Requirements and Care Coordination, page 45.

Prior Authorization, page 49.

Preventive Care

Covered: Preventive care such as:

- Digital breast tomosynthesis (3D mammogram).
- Gynecological examinations.
- Mammograms.
- Medical evaluations and counseling for nicotine dependence per U.S. Preventive

Services Task Force (USPSTF) guidelines.
- Pap smears.
- Physical examinations.
- Preventive items and services including, but not limited to:
  - Items or services with an "A" or "B" rating in the current recommendations of the United States Preventive Services Task Force (USPSTF);
  - Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
  - Preventive care and screenings for infants, children and adolescents provided for in the guidelines supported by the Health Resources and Services Administration (HRSA); and
  - Preventive care and screenings for women provided for in guidelines supported by the HRSA.
- Well-child care including age-appropriate pediatric preventive services, as defined by current recommendations for Preventive Pediatric Health Care of the American Academy of Pediatrics. Pediatric preventive services shall include, at minimum, a history and complete physical examination as well as developmental assessment, anticipatory guidance, immunizations, and laboratory services including, but not limited to, screening for lead exposure as well as blood levels.

To qualify for benefits, you must receive preventive care from providers listed in your provider directory under any of the following categories:

- Advanced registered nurse practitioner (ARNP).
- Family Practice/General Practice.
- Internal Medicine.
- Pediatrics and Obstetrics/Gynecology.
- Physician assistant (PA).

However, you may also receive covered immunizations from any covered provider, including Network Public Health Agencies, Network Visiting Nurse Associations, and Network specialists.

Benefits Maximum:

- Well-child care until the child reaches age seven.
- **One** routine physical examination per benefit year.
- **One** routine mammogram per benefit year.
- **One** routine gynecological examination per benefit year.
- **One** routine Pap smear per benefit year.

Not Covered:

- Routine foot care, including related services or supplies.
- Periodic physicals or health examinations, screening procedures, or immunizations performed solely for school, sports, employment, insurance, licensing, or travel.
- All other treatment related to nicotine dependence, except prescription drugs and devices used to treat nicotine dependence, including over-the-counter drugs prescribed by a physician. These are covered under your Blue Rx Complete prescription drug benefits.

See Also:

Hearing Services earlier in this section.

Vision Services later in this section.

Prosthetic Devices

Covered: Devices used as artificial substitutes to replace a missing natural part of the body or to improve, aid, or increase the performance of a natural function.

Also covered are braces, which are rigid or semi-rigid devices commonly used to support a weak or deformed body part or to

restrict or eliminate motion in a diseased or injured part of the body. Braces do not include elastic stockings, elastic bandages, garter belts, arch supports, orthodontic devices, or other similar items.

Not Covered:

- Devices such as eyeglasses and air conduction hearing aids or examinations for their prescription or fitting.
- Elastic stockings or bandages including trusses, lumbar braces, garter belts, and similar items that can be purchased without a prescription.

See Also:

Home/Durable Medical Equipment earlier in this section.

Medical and Surgical Supplies earlier in this section.

Orthotics earlier in this section.

Personal Convenience Items in the section *General Conditions of Coverage, Exclusions, and Limitations*, page 35.

Referrals, page 37.

Reconstructive Surgery

Covered: Reconstructive surgery primarily intended to restore function lost or impaired as the result of an illness, injury, or a birth defect (even if there is an incidental improvement in physical appearance) including breast reconstructive surgery following mastectomy. Breast reconstructive surgery includes the following:

- Reconstruction of the breast on which the mastectomy has been performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses.
- Treatment of physical complications of the mastectomy, including lymphedemas.

See Also:

Cosmetic Services earlier in this section.

Self-Help Programs

Not Covered: Self-help and self-cure products or drugs.

Sleep Apnea Treatment

Covered: Obstructive sleep apnea diagnosis and treatments.

Not Covered: Treatment for snoring without a diagnosis of obstructive sleep apnea.

Speech Therapy

Covered: Rehabilitative speech therapy services when related to a specific illness, injury, or impairment and involve the mechanics of phonation, articulation, or swallowing. Services must be provided by a licensed or certified speech pathologist.

Benefits Maximum:

- **60 visits** per benefit year.

Not Covered:

- Speech therapy services not provided by a licensed or certified speech pathologist.
- Speech therapy to treat certain developmental, learning, or communication disorders, such as stuttering and stammering.

Surgery

Covered. This includes the following:

- Major endoscopic procedures.
- Operative and cutting procedures.
- Preoperative and postoperative care.

See Also:

Dental Services earlier in this section.

Reconstructive Surgery earlier in this section.

Temporomandibular Joint Disorder (TMD)

Not Covered: All services or supplies for treatment of temporomandibular joint disorders, myofascial pain syndrome, or craniomandibular dysfunction.

Transplants

Covered:

- Certain bone marrow/stem cell transfers from a living donor.
- Heart.
- Heart and lung.
- Kidney.
- Liver.
- Lung.
- Pancreas.
- Simultaneous pancreas/kidney.
- Small bowel.

Transplants are subject to case management.

Charges related to the donation of an organ are usually covered by the recipient's medical benefits plan. However, if donor charges are excluded by the recipient's plan, and you are a donor, the charges will be covered by your medical benefits.

To qualify for benefits, the transplant services listed earlier must be from a Wellmark Health Plan Network facility. This requirement does not apply to kidney transplants.

Not Covered:

- Expenses of transporting the recipient.
- Expenses of transporting a living donor.
- Expenses related to the purchase of any organ.
- Services or supplies related to mechanical or non-human organs associated with transplants.
- Transplant services and supplies not listed in this section including complications.

See Also:

Case Management, page 49.

Referrals, page 37.

Travel or Lodging Costs

Not Covered.

Vision Services

Covered: Routine vision examinations.

Benefits Maximum:

- **One** routine vision examination per benefit year.

Not Covered:

- Surgery to correct a refractive error (i.e., when the shape of your eye does not bend light correctly resulting in blurred images).
- Eyeglasses or contact lenses, including charges related to their fitting.
- Prescribing of corrective lenses.
- Eye examinations for the fitting of eyewear.

Wigs or Hairpieces

Not Covered.

X-ray and Laboratory Services

Covered: Tests, screenings, imagings, and evaluation procedures as identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

See Also:

Preventive Care earlier in this section.

Prescription Drugs

Guidelines for Drug Coverage

To be covered, a prescription drug must meet all of the following criteria:

- Listed on the Wellmark Blue Rx Complete Drug List.
- Can be legally obtained in the United States only with a written prescription.
- Deemed both safe and effective by the U.S. Food and Drug Administration (FDA) and approved for use by the FDA after 1962.
- Prescribed by a practitioner prescribing within the scope of his or her license.
- Dispensed by a recognized licensed participating retail pharmacy employing licensed registered pharmacists, through the specialty pharmacy program, or through the mail order drug program unless there is a medical emergency. Drugs purchased from nonparticipating pharmacies are covered only in emergency situations. See *Prescriptions Purchased from Nonparticipating Pharmacies* later in this section.
- Medically necessary for your condition. See *Medically Necessary*, page 33.
- Not available in an equivalent over-the-counter strength. However, certain over-the-counter products and over-the-counter tobacco dependency drugs prescribed by a physician may be covered. To determine if a particular over-the-counter product is covered, call the Customer Service number on your ID card.
- Reviewed, evaluated, and recommended for addition to the Wellmark Blue Rx Complete Drug List by Wellmark.

Drugs that are Covered

The Wellmark Blue Rx Complete Drug List

The Wellmark Blue Rx Complete Drug List is a reference list that includes generic and brand-name prescription drugs that have been approved by the U.S. Food and Drug Administration (FDA) and are covered under your Blue Rx Complete prescription drug benefits. The Drug List is updated on a quarterly basis, or when new drugs become available, and as discontinued drugs are removed from the marketplace.

To determine if a drug is covered, you must consult the Wellmark Blue Rx Complete Drug List. You are covered for drugs listed on the Wellmark Blue Rx Complete Drug List. If a drug is not on the Wellmark Blue Rx Complete Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com,* or call the Customer Service number on your ID card and request a copy of the Drug List.

New drugs will not be added to the Drug List until they have been evaluated by Wellmark. We will periodically update the list to reflect these evaluations and to reflect the changing drug market in general. Revisions to the list will be distributed to providers who participate with Wellmark, and pharmacies that participate with the network used by this prescription drug plan.

The Drug List is subject to change.

Preventive Items and Services

Preventive items and services received at a participating licensed retail pharmacy, including certain items or services recommended with an “A” or “B” rating by the United States Preventive Services Task Force, and immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention are covered. To determine if a particular preventive item or service is covered, consult the Wellmark Blue Rx Complete Drug List or call the Customer Service number on your ID card.

Specialty Drugs
Specialty drugs are high-cost injectable, infused, oral, or inhaled drugs typically used for treating or managing chronic illnesses. These drugs often require special handling (e.g., refrigeration) and administration. They are not available through the mail order drug program.

Specialty drugs may be covered under your Blue Rx Complete prescription drug benefits or under your medical benefits. To determine whether a particular specialty drug is covered under your Blue Rx Complete prescription drug benefits or under your medical benefits, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, check with your pharmacist or physician, or call the Customer Service number on your ID card.

Tobacco Dependency Drugs
Prescription drugs and devices used to treat nicotine dependence, including over-the-counter drugs prescribed by a physician are covered.

Benefits Maximum: 180-days' supply of covered over-the-counter drugs for smoking cessation per calendar year.

Where to Purchase Prescription Drugs

Participating Pharmacies. You must purchase prescription drugs from participating pharmacies.

If you purchase drugs from nonparticipating pharmacies, you are responsible for the entire cost of the drug. To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Limits on Prescription Drug Coverage

We may exclude, discontinue, or limit coverage for any drug by removing it from the Drug List or by moving a drug to a different tier on the Drug List for any of the following reasons:

- New drugs are developed.
- Generic drugs become available.
- Over-the-counter drugs with similar properties become available or a drug's active ingredient is available in a similar strength in an over-the-counter product or as a nutritional or dietary supplement product available over the counter.
- There is a sound medical reason.
- Scientific evidence does not show that a drug works as well and is as safe as other drugs used to treat the same or similar conditions.
- A drug receives FDA approval for a new use.

Drugs that are Not Covered

Drugs and items that are not covered under your prescription drug benefits include but are not limited to:

- Drugs not listed on the Wellmark Blue Rx Complete Drug List.
- Drugs purchased from nonparticipating pharmacies.
- Drugs in excess of a quantity limitation. See *Quantity Limitations* later in this section.
- Drugs that are not FDA approved.
- Experimental or investigational drugs.
- Compounded drugs that do not contain an active ingredient in a form that has been approved by the FDA and that require a prescription to obtain.
- Compounded drugs that contain bulk powders or that are commercially available as a similar prescription drug.
- Drugs determined to be abused or otherwise misused by you.

- Drugs that are lost, damaged, stolen, or used inappropriately.
- Contraceptive medical devices, such as intrauterine devices and diaphragms. These are covered under your medical benefits. See *Contraceptives*, page 14.
- Convenience packaging. If the cost of the convenience packaged drug exceeds what the drug would cost if purchased in its normal container, the convenience packaged drug is not covered.
- Cosmetic drugs.
- Irrigation solutions and supplies.
- Therapeutic devices or medical appliances.
- Infertility drugs.
- Weight reduction drugs.

See Also:

Prescription Drugs, page 24.

Prescriptions Purchased from Nonparticipating Pharmacies

You are eligible for benefits for prescription drugs purchased from nonparticipating pharmacies only in emergency situations.

In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Prescription Purchases Outside the United States

To qualify for benefits for prescription drugs purchased outside the United States, all of the following requirements must be met:

- You are injured or become ill while in a foreign country.
- The prescription drug's active ingredient and dosage form are FDA-approved or an FDA equivalent and has the same name and dosage form as the FDA-approved drug's active ingredient.
- The prescription drug would require a written prescription by a licensed practitioner if prescribed in the U.S.
- You provide acceptable documentation that you received a covered service from a practitioner or hospital and the practitioner or hospital prescribed the prescription drug.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician, consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Refills

To qualify for refill benefits, all of the following requirements must be met:

- Sufficient time has elapsed since the last prescription was written. Sufficient time means that at least 75 percent of the medication has been taken according to the instructions given by the practitioner. For retirees, sufficient time means at least 60 percent of the medication has been taken according to the instructions given by the practitioner.

- The refill is not to replace medications that have been lost, damaged, stolen, or used inappropriately.
- The refill is for use by the person for whom the prescription is written (and not someone else).
- The refill does not exceed the amount authorized by your practitioner.
- The refill is not limited by state law.

You are allowed one early refill per medication per calendar year if you will be away from home for an extended period of time.

If traveling within the United States, the refill amount will be subject to any applicable quantity limits under this coverage. If traveling outside the United States, the refill amount will not exceed a 90-day supply.

To receive authorization for an early refill, ask your pharmacist to call us.

4. General Conditions of Coverage, Exclusions, and Limitations

The provisions in this section describe general conditions of coverage and important exclusions and limitations that apply generally to all types of services or supplies.

Conditions of Coverage

Medically Necessary
A key general condition in order for you to receive benefits is that the service, supply, device, or drug must be medically necessary. Even a service, supply, device, or drug listed as otherwise covered in *Details - Covered and Not Covered* may be excluded if it is not medically necessary in the circumstances. Unless otherwise required by law, Wellmark determines whether a service, supply, device, or drug is medically necessary, and that decision is final and conclusive. Even though a provider may recommend a service or supply, it may not be medically necessary.

A medically necessary health care service is one that a provider, exercising prudent clinical judgment, provides to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and is:

- Provided in accordance with generally accepted standards of medical practice. Generally accepted standards of medical practice are based on:
  - Credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community;
  - Physician Specialty Society recommendations and the views of physicians practicing in the relevant clinical area; and
  - Any other relevant factors.
- Clinically appropriate in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease.
- Not provided primarily for the convenience of the patient, physician, or other health care provider, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the illness, injury or disease.

An alternative service, supply, device, or drug may meet the criteria of medical necessity for a specific condition. If alternatives are substantially equal in clinical effectiveness and use similar therapeutic agents or regimens, we reserve the right to approve the least costly alternative.

If you receive services that are not medically necessary, you are responsible for the cost if:

- You receive the services from an Out-of-Network Provider; or
- You receive the services from a Network or Participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be not medically necessary; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined are not medically necessary, the Network or Participating provider is responsible for these amounts.

- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be not medically necessary. This is true even if the provider does not give you any written notice before the services are rendered.

Member Eligibility
Another general condition of coverage is that the person who receives services must meet requirements for member eligibility. See *Coverage Eligibility and Effective Date*, page 59.

General Exclusions

Even if a service, supply, device, or drug is listed as otherwise covered in *Details - Covered and Not Covered,* it is not eligible for benefits if any of the following general exclusions apply.

Investigational or Experimental
You are not covered for a service, supply, device, or drug that is investigational or experimental. A treatment is considered investigational or experimental when it has progressed to limited human application but has not achieved recognition as being proven effective in clinical medicine.

To determine investigational or experimental status, we may refer to the technical criteria established by the Blue Cross and Blue Shield Association, including whether a service, supply, device, or drug meets these criteria:

- It has final approval from the appropriate governmental regulatory bodies.
- The scientific evidence must permit conclusions concerning its effect on health outcomes.
- It improves the net health outcome.
- It is as beneficial as any established alternatives.
- The health improvement is attainable outside the investigational setting.

These criteria are considered by the Blue Cross and Blue Shield Association's Medical Advisory Panel for consideration by all Blue Cross and Blue Shield member organizations. While we may rely on these criteria, the final decision remains at the discretion of our Medical Director, whose decision may include reference to, but is not controlled by, policies or decisions of other Blue Cross and Blue Shield member organizations. You may access our medical policies, with supporting information and selected medical references for a specific service, supply, device, or drug through our website, *Wellmark.com*.

If you receive services that are investigational or experimental, you are responsible for the cost if:

- You receive the services from an Out-of-Network Provider; or
- You receive the services from a Network or Participating provider and:
  - The provider informs you in writing before rendering the services that Wellmark determined the services to be investigational or experimental; and
  - The provider gives you a written estimate of the cost for such services and you agree in writing, before receiving the services, to assume the payment responsibility.

  If you do not receive such a written notice, and do not agree in writing to assume the payment responsibility for services that Wellmark determined to be investigational or experimental, the Network or Participating provider is responsible for these amounts.
- You are also responsible for the cost if you receive services from a provider outside of the Network that Wellmark determines to be investigational or experimental. This is true even if the provider does not give you any written notice before the services are rendered.

See Also:

Clinical Trials, page 14.

Complications of a Noncovered Service
You are not covered for a complication resulting from a noncovered service, supply, device, or drug. However, this exclusion does not apply to the treatment of complications resulting from:

- Smallpox vaccinations when payment for such treatment is not available through workers' compensation or government-sponsored programs; or
- A noncovered abortion.

Nonmedical Services
You are not covered for telephone consultations, charges for missed appointments, charges for completion of any form, or charges for information. You are also not covered for services delivered to you by a provider via interactive audio only, audio-visual technology, or web-based mobile device or similar electronic-based communication network.

Personal Convenience Items
You are not covered for items used for your personal convenience, such as:

- Items not primarily and customarily manufactured to serve a medical purpose or which can be used in the absence of illness or injury (including, but not limited to, air conditioners, dehumidifiers, ramps, home remodeling, hot tubs, swimming pools); or
- Items that do not serve a medical purpose or are not needed to serve a medical purpose.

Provider Is Family Member
You are not covered for a service or supply received from a provider who is in your immediate family (which includes yourself, parent, child, or spouse or domestic partner).

Covered by Other Programs or Laws
You are not covered for a service, supply, device, or drug if:

- Someone else has the legal obligation to pay for services or without this group health plan, you would not be charged.
- You require services or supplies for an illness or injury sustained while on active military status.

Workers' Compensation
You are not covered for services or supplies that are compensated under workers' compensation laws, including services or supplies applied toward satisfaction of any deductible under your employer's workers' compensation coverage. You are also not covered for any services or supplies that could have been compensated under workers' compensation laws if you had complied with the legal requirements relating to notice of injury, timely filing of claims, and medical treatment authorization.

For treatment of complications resulting from smallpox vaccinations, see *Complications of a Noncovered Service* earlier in this section.

Benefit Limitations

Benefit limitations refer to amounts for which you are responsible under this group health plan. These amounts are not credited toward your out-of-pocket maximum. In addition to the exclusions and conditions described earlier, the following are examples of benefit limitations under this group health plan:

- A service or supply that is not covered under this group health plan is your responsibility.
- If a covered service or supply reaches a benefit maximum, it is no longer eligible for benefits. (A maximum may renew at the next benefit year.) See *Details – Covered and Not Covered,* page 13.
- If you receive benefits that reach a lifetime benefits maximum applicable to any specific service, then you are no

longer eligible for benefits for that service under this group health plan. See *Benefits Maximums*, page 6, and *At a Glance–Covered and Not Covered*, page 9.

- If you do not obtain precertification for certain medical services, benefits can be denied. You are responsible for benefit denials only if you are responsible (not your provider) for notification. A Network Provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 45.
- If you do not obtain prior approval for certain medical services, benefits will be denied on the basis that you did not obtain prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, benefits for that service will be provided according to the terms of your medical benefits.

  You are responsible for these benefit denials only if you are responsible (not your provider) for notification. A Network Provider in the Wellmark Health Plan Network will handle notification requirements for you. If you see a provider outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 45.
- If you do not obtain prior authorization for certain prescription drugs, benefits can be reduced or denied. See *Notification Requirements and Care Coordination*, page 45.
- The type of provider you choose can affect your benefits and what you pay. See *Choosing a Provider*, page 37, and *Factors Affecting What You Pay*, page 51. Examples of charges that depend on the type of provider include but are not limited to:
  - Any difference between the provider's amount charged and our amount paid is your responsibility if you receive services from an Out-of-Network practitioner.

5. Choosing a Provider

Medical Contract

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are not in your network.

Your medical benefits are called Blue Access.

Providers who participate with the network utilized by these medical benefits are called Wellmark Health Plan Network Providers.

Providers who do not participate with the network utilized by these medical benefits are called Out-of-Network Providers.

With Blue Access, benefits for most covered services are generally available only when received from Wellmark Health Plan Network Providers.

To determine if a provider participates with this medical benefits plan, ask your provider, refer to our online provider directory at *Wellmark.com*, or call the Customer Service number on your ID card.

Providers are independent contractors and are not agents or employees of Wellmark Health Plan of Iowa, Inc. For types of providers that may be covered under your medical benefits, see *Hospitals and Facilities*, page 18 and *Physicians and Practitioners*, page 23.

Please note: Even if a specific provider type is not listed as a recognized provider type, Wellmark does not discriminate against a licensed health care provider acting within the scope of his or her state license or certification with respect to coverage under this plan.

Please note: Even though a facility may be a Wellmark Health Plan Network facility, particular providers within the facility may not be Wellmark Health Plan Network Providers. Examples include Out-of-Network physicians on the staff of a Network hospital, home medical equipment suppliers, and other independent providers. Therefore, when you are referred by a Wellmark Health Plan Network Provider to another provider, or when you are admitted into a facility, always ask if the providers are Wellmark Health Plan Network Providers.

Always carry your ID card and present it when you receive services. Information on it, especially the ID number, is required to process your claims correctly.

Pharmacies that contract with our pharmacy benefits manager are considered Participating Providers. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers. See *Choosing a Pharmacy* and *Specialty Pharmacy Program* later in this section. To determine if a pharmacy contracts with our pharmacy benefits manager, ask the pharmacist or call the Customer Service number on your ID card.

Referrals

If you require services that are not available from a specialist within the Network, you will be referred to a provider outside the Network who has expertise in diagnosing and treating your condition. Wellmark must approve referrals outside of the Wellmark Health Plan Network before you receive services or the services will not be covered.
Please note: Even when your referral outside the Wellmark Health Plan Network is approved, you are still responsible for complying with notification requirements. See *Notification Requirements and Care Coordination*, page 45.

Services Outside the Wellmark Health Plan Network

BlueCard Program

This program ensures that members of any Blue Plan have access to the advantages of Participating Providers throughout the United States. Participating Providers have a contractual arrangement with the Blue Cross or Blue Shield Plan in their home state ("Host Blue"). The Host Blue is responsible for contracting with and generally handling all interactions with its Participating Providers.

The BlueCard Program is one of the advantages of your coverage with Wellmark Health Plan of Iowa, Inc. It provides conveniences and benefits outside the Wellmark Health Plan Network area for emergency care or accidental injury similar to those you would have in the Wellmark Health Plan Network area when you obtain covered medical services from a Network Provider. Always carry your ID card (or BlueCard) and present it to your provider when you receive care. Information on it, especially the ID number, is required to process your claims correctly.

In an emergency situation, seek care at the nearest hospital emergency room. Whenever possible, before receiving services outside the Wellmark Health Plan Network, you should always ask the provider if he or she participates with a Blue Cross and/or Blue Shield Plan in that state. To locate Participating Providers in any state, call **800-810-BLUE**, or visit *www.bcbs.com*.

When you receive covered services from Participating Providers outside the Wellmark Health Plan Network, all of the following statements are true:

- Claims are filed for you.
- These providers agree to accept payment arrangements or negotiated prices of the Blue Cross and/or Blue Shield Plan with which the provider contracts. These payment arrangements may result in savings.
- The group health plan payment is sent directly to the providers.

Typically, when you receive covered services from Participating Providers outside the Wellmark Health Plan Network, you are responsible for notification requirements. See *Notification Requirements and Care Coordination*, page 45. However, if you are admitted to a BlueCard facility outside the Wellmark Health Plan Network, any Participating Provider should handle notification requirements for you.

Wellmark Health Plan of Iowa, Inc., is an affiliate of Wellmark, Inc., doing business as Wellmark Blue Cross and Blue Shield of Iowa, independent licensees of the Blue Cross and Blue Shield Association. We have a variety of relationships with other Blue Cross and/or Blue Shield Plans and their Licensed Controlled Affiliates ("Licensees"). Generally, these relationships are called "Inter-Plan Arrangements." These Inter-Plan Arrangements work based on rules and procedures issued by the Blue Cross Blue Shield Association ("Association"). Whenever you obtain healthcare services outside the Wellmark Health Plan Network, the claims for these services may be processed through one of these Inter-Plan Arrangements.

When you receive care outside of our service area, you will receive it from one of two kinds of providers. Most providers ("Participating Providers") contract with the local Blue Cross and/or Blue Shield Plan in that geographic area ("Host Blue"). Some providers ("Out-of-Network Providers") don't contract with the Host Blue. In the following paragraphs we explain how we pay both kinds of providers.

We cover only limited healthcare services received outside of our service area. As used in this section, "out-of-area covered services" include accidental injuries, emergencies, continuity of care, out of network referrals, and Guest Membership

obtained outside the geographic area we serve. Any other services will not be covered when processed through any Inter-Plan Arrangements, unless authorized by us.

Inter-Plan Arrangements Eligibility – Claim Types
All claim types are eligible to be processed through Inter-Plan Arrangements, as described previously, except for all dental care benefits (except when paid as medical benefits), and those prescription drug benefits or vision care benefits that may be administered by a third party contracted by us to provide the specific service or services.

BlueCard® Program
Under the BlueCard® Program, when you receive out-of-area covered services within the geographic area served by a Host Blue, we will remain responsible for doing what we agreed to in the contract. However, the Host Blue is responsible for contracting with and generally handling all interactions with its Participating Providers.

The BlueCard Program enables you to obtain covered out-of-area services, as defined previously in this section, from a healthcare provider participating with a Host Blue, where available. The Participating Provider will automatically file a claim for the covered out-of-area services provided to you, so there are no claim forms for you to fill out. You will be responsible for your payment obligations. See *Referrals* earlier in this section. In addition notification requirements may apply, See *Notification Requirements and Care Coordination*, page 45

Emergency Care Services: If you experience a medical emergency while traveling outside the Wellmark Health Plan Network, go to the nearest emergency or urgent care facility.

When you receive covered out-of-area services outside our service area and the claim is processed through the BlueCard Program, the amount you pay for the covered out-of-area services, if not a flat dollar copayment, is calculated based on the lower of:

- The billed charges for your out-of-area covered services; or
- The negotiated price that the Host Blue makes available to us.

Often, this "negotiated price" will be a simple discount that reflects an actual price that the Host Blue pays to your healthcare provider. Sometimes, it is an estimated price that takes into account special arrangements with your healthcare 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 healthcare providers after taking into account the same types of transactions as with an estimated price.

Estimated pricing and average pricing also take into account adjustments to correct for over- or underestimation of modifications of past pricing of claims, as noted previously. However, such adjustments will not affect the price we have used for your claim because they will not be applied after a claim has already been paid.

Inter-Plan Programs: Federal/State Taxes/Surcharges/Fees
Federal or state laws or regulations may require a surcharge, tax, or other fee that applies to insured accounts. If applicable, we will include any such surcharge, tax, or other fee as part of the claim charge passed on to you.

Out-of-Network Providers Outside the Wellmark Service Area
Your Liability Calculation. When covered out-of-area services are provided outside of our service area by Out-of-Network Providers, the amount you pay for such services will normally be based on either the Host Blue's Out-of-Network Provider local payment or the pricing arrangements required by applicable state

law. In these situations, you may be responsible for the difference between the amount that the Out-of-Network Provider bills and the payment we will make for the covered out-of-area services as set forth in this benefit booklet. Federal or state law, as applicable, will govern payments for Out-of-Network emergency services.

In certain situations, we may use other payment methods, such as billed charges for covered out-of-area services, the payment we would make if the healthcare services had been obtained within our service area, or a special negotiated payment to determine the amount we will pay for services provided by Out-of-Network Providers. In these situations, you may be liable for the difference between the amount that the Out-of-Network Provider bills and the payment we will make for the covered out-of-area services as set forth in this benefit booklet.

Change of Residence

You must notify us prior to relocating outside the Wellmark Health Plan of Iowa, Inc., geographic service area because you will have no benefits for medical services provided outside of Wellmark Health Plan of Iowa, Inc.'s provider network except for emergencies or accidental injuries.

Care in a Foreign Country

For covered services you receive in a country other than the United States, payment level assumes the provider category is Out-of-Network except for services received from providers that participate with Blue Cross Blue Shield Global. You are only covered for emergency care or care for an accidental injury when you receive care in a foreign country.

Blue Cross Blue Shield Global™ Program

If you are outside the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands, you may be able to take advantage of the Blue Cross Blue Shield Global Program when accessing covered services. The Blue Cross Blue Shield Global Program is unlike the BlueCard Program available in the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands in certain ways. For instance, although the Blue Cross Blue Shield Global Program assists you with accessing a network of inpatient, outpatient, and professional providers, the network is not served by a Host Blue. As such, when you receive care from providers outside the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands, you will typically have to pay the providers and submit the claims yourself to obtain reimbursement for these services.

If you need medical assistance services (including locating a doctor or hospital) outside the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands, you should call the Blue Cross Blue Shield Global Service Center at **800-810-BLUE** (2583) or call collect at **804-673-1177**, 24 hours a day, seven days a week. An assistance coordinator, working with a medical professional, can arrange a physician appointment or hospitalization, if necessary.

Inpatient Services. In most cases, if you contact the Blue Cross Blue Shield Global Service Center for assistance, hospitals will not require you to pay for covered inpatient services, except for your deductibles, coinsurance, etc. In such cases, the hospital will submit your claims to the Blue Cross Blue Shield Global Service Center to begin claims processing. However, if you paid in full at the time of service, you must submit a claim to receive reimbursement for covered services. **You must contact us to obtain precertification for non-emergency inpatient services.**

Outpatient Services. Physicians, urgent care centers and other outpatient providers located outside the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands will typically require you to pay in full at the time of service. You must submit a claim to obtain reimbursement for covered services. See *Claims*, page 67.

Submitting a Blue Cross Blue Shield Global Claim

When you pay for covered services outside the United States, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands, you must submit a claim to obtain reimbursement. For institutional and professional claims, you should complete a Blue Cross Blue Shield Global International claim form and send the claim form with the provider's itemized bill(s) to the Blue Cross Blue Shield Global 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 your claim. The claim form is available from us, Blue Cross Blue Shield Global Service Center or online at *www.bluecardworldwide.com*. If you need assistance with your claim submission, you should call the Blue Cross Blue Shield Global Service Center at **800-810-BLUE** (2583) or call collect at **804-673-1177**, 24 hours a day, seven days a week.

You are eligible for benefits for covered services received from Out-of-Network or Participating providers (including out-of-country providers) only in the following situations:

- **Accidental Injuries.**
- **Emergencies.**

When you receive covered services for emergency medical conditions from Out-of-Network Providers, all of the following statements are true:

- Out-of-Network Providers are not responsible for filing your claims.
- We do not have contracts with Out-of-Network Providers and they may not agree to accept our payment arrangements. Therefore, you are responsible for any difference between the amount charged and our payment.
- We make claims payments to you, not Out-of-Network Providers.
- You are responsible for notification requirements.

See *Out-of-Network Providers,* page 52.

- **Continuity of Care.** You may be eligible to continue care from an Out-of-Network Provider for treatment of a terminal illness, a complex medical condition, or during the second or third trimester of pregnancy if:
  - — You had been receiving care for the condition from a Wellmark Health Plan Network Provider but the provider's contract with us terminates; or
  - — You were previously covered by a different carrier or plan and had been receiving care for the condition from an Out-of-Network Provider when you begin coverage under your medical benefits.

  If either situation applies, you may continue Out-of-Network treatment as follows:

  - — Terminal illness (as determined by the provider): for 90 days after the provider's contract terminates or the patient begins coverage with Wellmark while under the care of an Out-of-Network Provider for treatment of the terminal illness, whichever applies.
  - — Complex medical condition: for a time period or benefit maximum determined by medical management. You or your provider must notify us before receiving services under these medical benefits, and the medical condition must warrant continued treatment by the Out-of-Network Provider.
  - — Pregnancy in second or third trimester: through postpartum care related to the childbirth and delivery.

  To assist you in making a transition to a Wellmark Health Plan Network Provider, you or your provider must call us at **800-552-3993**.

- **Referrals.** See *Referrals* earlier in this section.

Guest Membership. Members traveling long-term, any covered dependents attending college out of state, or covered family members living apart are eligible to become a guest member any time they are outside the Wellmark Health Plan Network area for at least 90 days. Not all services covered under your medical benefits are covered under Guest Membership. To determine which services are covered under the Guest Membership program, call us.

To receive covered services under the Guest Membership program, you must receive the service(s) from a Participating Provider.

Before you leave the Wellmark Health Plan Network area, call the Customer Service number on your ID card to set up a guest membership.

Laboratory services. You may have laboratory specimens or samples collected by a Network Provider and those laboratory specimens may be sent to another laboratory services provider for processing or testing. If that laboratory services provider does not have a contractual relationship with the Blue Plan where the specimen was drawn, the service will not be covered and you will be responsible for the entire amount charged.

Home/durable medical equipment. If you purchase or rent home/durable medical equipment from a provider that does not have a contractual relationship with the Blue Plan where you purchased or rented the equipment, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase or rent home/durable medical equipment and have that equipment shipped to a service area of a Blue Plan that does not have a contractual relationship with the home/durable medical equipment provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase or rent home/durable medical equipment and have the equipment shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the home/durable medical equipment provider.

Prosthetic devices. If you purchase prosthetic devices from a provider that does not have a contractual relationship with the Blue Plan where you purchased the prosthetic devices, the service will not be covered and you will be responsible for the entire amount charged.

If you purchase prosthetic devices and have that equipment shipped to a service area of a Blue Plan that does not have a contractual relationship with the provider, the service will not be covered and you will be responsible for the entire amount charged. This includes situations where you purchase prosthetic devices and have them shipped to you in the Wellmark Health Plan Network, when Wellmark does not have a contractual relationship with the provider.

Talk to your provider. Whenever possible, before receiving laboratory services, home/durable medical equipment, or prosthetic devices, ask your provider to utilize a provider that has a contractual arrangement with the Blue Plan where you received services, purchased or rented equipment, or shipped equipment, or ask your provider to utilize a provider that has a contractual arrangement with Wellmark.

To determine if a provider has a contractual arrangement with a particular Blue Plan or with Wellmark, call the Customer Service number on your ID card or visit our website, *Wellmark.com*.

See *Out-of-Network Providers,* page 52.

Prescription Drugs

Choose a Participating Pharmacy

Your prescription drug benefits are called Blue Rx Complete. Pharmacies that participate with the network used by Blue Rx Complete are called participating pharmacies. Pharmacies that do not participate with the network are called nonparticipating pharmacies. Benefits for covered drugs are generally available only when received from participating pharmacies except in emergency situations.

To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Nonparticipating Pharmacies

- Prescription drugs purchased from nonparticipating pharmacies are covered only in emergency situations.
- In an emergency situation, if you cannot reasonably reach a participating pharmacy, covered drugs will be reimbursed as though they were purchased from a participating pharmacy. However, because nonparticipating pharmacies do not participate with the network used by this prescription drug benefits plan and therefore may not accept our payment arrangements, you are responsible for any difference between the amount charged and our amount paid for a covered drug.

Always Present Your ID Card

If you do not have your ID card with you when you fill a prescription at a participating pharmacy, the pharmacist may not be able to access your benefit information. In this case:

- You must pay the full amount charged at the time you receive your prescription, and the amount we reimburse you may be less than what you paid. You are responsible for this difference.
- You must file your claim to be reimbursed. See *Claims*, page 67.

Specialty Pharmacy Program

Specialty drugs are often unavailable from ordinary retail pharmacies. Specialty pharmacies deliver specialty drugs directly to your home or to your physician's office. You must purchase specialty drugs through a participating pharmacy or through the specialty pharmacy program. You must register as a specialty pharmacy program user in order to fill your prescriptions through the specialty pharmacy program. For information on how to register, call the Customer Service number on your ID card or visit our website at *Wellmark.com*.

You are not covered for specialty drugs purchased from nonparticipating pharmacies.

The specialty pharmacy program administers the distribution of specialty drugs to the home and to physicians' offices.

When you fill your prescription through the specialty pharmacy program, you will usually pay less than if you use a pharmacy outside the specialty pharmacy program. For specialty drug purchases, pharmacies outside the specialty pharmacy program are considered nonparticipating pharmacies. When you purchase covered drugs from nonparticipating pharmacies, you will usually pay more.

When you purchase covered drugs from nonparticipating pharmacies you are responsible for the amount charged for the drug at the time you fill your prescription, and then you must file a claim to be

reimbursed. Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your payment obligation. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

Mail Order Drug Program

You must purchase mail order drugs through the mail order drug program. You are not covered for mail order drugs purchased outside the mail order drug program.

You must register as a mail service user in order to fill your prescriptions through the mail order drug program. For information on how to register, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Mail order pharmacy providers outside our mail order program are considered nonparticipating pharmacies. You are not covered for drugs purchased from nonparticipating mail order pharmacies.

See *Participating vs. Nonparticipating Pharmacies*, page 56.

6. Notification Requirements and Care Coordination

Medical Contract

Many services require a notification to us or a review by us. If you do not follow notification requirements properly, you may have to pay for services yourself, so the information in this section is critical. For a complete list of services subject to notification or review, visit *Wellmark.com* or call the Customer Service number on your ID card.

Providers and Notification Requirements
Participating Providers in the Wellmark Health Plan Network should handle notification requirements for you. If you are admitted to a Participating facility outside the Wellmark Health Plan Network, the Participating Provider should handle notification requirements for you.

If you receive any other covered services (i.e., services unrelated to an inpatient admission) from a Participating Provider outside the Wellmark Health Plan Network, you or someone acting on your behalf are responsible for notification requirements.

More than one of the notification requirements and care coordination programs described in this section may apply to a service. Any notification or care coordination decision is based on the medical benefits in effect at the time of your request. If your coverage changes for any reason, you may be required to repeat the notification process.

You or your authorized representative, if you have designated one, may appeal a denial or reduction of benefits resulting from these notification requirements and care coordination programs. See *Appeals*, page 77. Also see *Authorized Representative*, page 81.

Precertification

Purpose	Precertification helps determine whether a service or admission to a facility is medically necessary. Precertification is required; however, it does not apply to maternity or emergency services.
Applies to	For a complete list of the services subject to precertification, visit *Wellmark.com* or call the Customer Service number on your ID card.

Person Responsible for Obtaining Precertification	**You** or someone acting on your behalf are responsible for obtaining precertification if: ■ You receive services subject to precertification from an Out-of-Network Provider; or ■ You receive non-inpatient services subject to precertification from a Participating Provider outside the Wellmark Health Plan Network. **Please note:** Services from Out-of-Network Providers or from Participating Providers must be approved through the Referral process described on page 37, except in cases of an emergency or guest membership. **Your Provider** should obtain precertification for you if: ■ You receive services subject to precertification from a Wellmark Health Plan Network Provider in Iowa; or ■ You receive inpatient services subject to precertification from a Participating Provider outside the Wellmark Health Plan Network. **Please note:** If you are ever in doubt whether precertification has been obtained, call the Customer Service number on your ID card.
Process	When you, instead of your provider, are responsible for precertification, call the phone number on your ID card before receiving services. Wellmark will respond to a precertification request within: ■ 72 hours in a medically urgent situation; ■ 15 days in a non-medically urgent situation. Precertification requests must include supporting clinical information to determine medical necessity of the service or admission. After you receive the service(s), Wellmark may review the related medical records to confirm the records document the services subject to the approved precertification request. The medical records also must support the level of service billed and document that the services have been provided by the appropriate personnel with the appropriate level of supervision.

Notification

Purpose	Notification of most facility admissions and certain services helps us identify and initiate discharge planning or care coordination. Notification is required.
Applies to	For a complete list of the services subject to notification, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark Health Plan Network Providers perform notification for you. However, you or someone acting on your behalf are responsible for notification if: ■ You receive services subject to notification from an Out-of-Network Provider.

Process	When you, instead of your provider, are responsible for notification, call the phone number on your ID card before receiving services, except when you are unable to do so due to a medical emergency. In the case of an emergency admission, you must notify us within one business day of the admission or the receipt of services or as soon as reasonably possible thereafter.

Prior Approval

Purpose	Prior approval helps determine whether a proposed treatment plan is medically necessary and a benefit under your medical benefits. Prior approval is required.
Applies to	For a complete list of the services subject to prior approval, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible for Obtaining Prior Approval	**You** or someone acting on your behalf are responsible for obtaining prior approval if: ■ You receive services subject to prior approval from an Out-of-Network Provider; or ■ You receive non-inpatient services subject to prior approval from a Participating Provider outside the Wellmark Health Plan Network. **Please note:** Services from Out-of-Network Providers or from Participating Providers must be approved through the Referral process described on page 37, except in the cases of an emergency or guest membership. **Your Provider** should obtain prior approval for you if: ■ You receive services subject to prior approval from a Wellmark Health Plan Network Provider in Iowa; or ■ You receive inpatient services subject to prior approval from a Participating Provider outside the Wellmark Health Plan Network. **Please note:** If you are ever in doubt whether prior approval has been obtained, call the Customer Service number on your ID card.
Process	When you, instead of your provider, are responsible for requesting prior approval, call the number on your ID card to obtain a prior approval form and ask the provider to help you complete the form. Wellmark will determine whether the requested service is medically necessary and eligible for benefits based on the written information submitted to us. We will respond to a prior approval request in writing to you and your provider within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Prior approval requests must include supporting clinical information to determine medical necessity of the services or supplies.

Importance	If your request is approved, the service is covered provided other contractual requirements, such as member eligibility and benefit maximums, are observed. If your request is denied, the service is not covered, and you will receive a notice with the reasons for denial. If you do not request prior approval for a service, the benefit for that service will be denied on the basis that you did not request prior approval. Upon receiving an Explanation of Benefits (EOB) indicating a denial of benefits for failure to request prior approval, you will have the opportunity to appeal (see the *Appeals* section) and provide us with medical information for our consideration in determining whether the services were medically necessary and a benefit under your medical benefits. Upon review, if we determine the service was medically necessary and a benefit under your medical benefits, the benefit for that service will be provided according to the terms of your medical benefits. Approved services are eligible for benefits for a limited time. Approval is based on the medical benefits in effect and the information we had as of the approval date. If your coverage changes for any reason (for example, because of a new job or new medical benefits), an approval may not be valid. If your coverage changes before the approved service is performed, a new approval is recommended.

Concurrent Review

Purpose	Concurrent review is a utilization review conducted during a member's facility stay or course of treatment at home or in a facility setting to determine whether the place or level of service is medically necessary. This care coordination program occurs without any notification required from you.
Applies to	For a complete list of the services subject to concurrent review, visit *Wellmark.com* or call the Customer Service number on your ID card.
Person Responsible	Wellmark
Process	Wellmark may review your case to determine whether your current level of care is medically necessary. Responses to Wellmark's concurrent review requests must include supporting clinical information to determine medical necessity as a condition of your coverage.
Importance	Wellmark may require a change in the level or place of service in order to continue providing benefits. If we determine that your current facility setting or level of care is no longer medically necessary, we will notify you, your attending physician, and the facility or agency at least 24 hours before your benefits for these services end.

Case Management

Purpose	Case management is intended to identify and assist members with the most severe illnesses by collaborating with members, members' families, and providers to develop individualized care plans.
Applies to	A wide group of members including those who have experienced potentially preventable emergency room visits; hospital admissions/readmissions; those with catastrophic or high cost health care needs; those with potential long term illnesses; and those newly diagnosed with health conditions requiring life-time management. Examples where case management might be appropriate include but are not limited to: Brain or Spinal Cord Injuries Cystic Fibrosis Degenerative Muscle Disorders Hemophilia Pregnancy (high risk) Transplants
Person Responsible	You, your physician, and the health care facility can work with Wellmark's case managers. Wellmark may initiate a request for case management.
Process	Members are identified and referred to the Case Management program through Customer Service and claims information, referrals from providers or family members, and self-referrals from members.
Importance	Case management is intended to identify and coordinate appropriate care and care alternatives including reviewing medical necessity; negotiating care and services; identifying barriers to care including contract limitations and evaluation of solutions outside the group health plan; assisting the member and family to identify appropriate community-based resources or government programs; and assisting members in the transition of care when there is a change in coverage.

Prescription Drugs

Prior Authorization of Drugs

Purpose	Prior authorization allows us to verify that a prescription drug is part of a specific treatment plan and is medically necessary.
Applies to	Consult the Drug List to determine if a particular drug requires prior authorization. You can locate this list by visiting *Wellmark.com*. You may also check with your pharmacist or practitioner to determine whether prior authorization applies to a drug that has been prescribed for you.
Person Responsible	You are responsible for prior authorization.

Process	Ask your practitioner to call us with the necessary information. If your practitioner has not provided the prior authorization information, participating pharmacists usually ask for it, which may delay filling your prescription. To avoid delays, encourage your provider to complete the prior authorization process before filling your prescription. Nonparticipating pharmacists will fill a prescription without prior authorization but you will be responsible for paying the charge. Wellmark will respond to a prior authorization request within: ■ 72 hours in a medically urgent situation. ■ 15 days in a non-medically urgent situation. Calls received after 4:00 p.m. are considered the next business day.
Importance	If you purchase a drug that requires prior authorization but do not obtain prior authorization, you are responsible for paying the entire amount charged.

7. Factors Affecting What You Pay

How much you pay for covered services is affected by many different factors discussed in this section.

Medical Contract

Benefit Year

A benefit year is a period of 12 consecutive months beginning on January 1 or beginning on the day your coverage goes into effect. The benefit year starts over each January 1. Your benefit year continues even if your employer or group sponsor changes Wellmark group health plan benefits during the year or you change to a different plan offering mid-benefit year from your same employer or group sponsor.

Certain coverage changes result in your Wellmark identification number changing. In some cases, a new benefit year will start under the new ID number for the rest of the benefit year. In this case, the benefit year would be less than a full 12 months. In other cases (e.g., adding your spouse to your coverage) the benefit year would continue and not start over.

If you are an inpatient in a covered facility on the date of your annual benefit year renewal, your benefit limitations and payment obligations, including your out-of-pocket maximum, for facility services will renew and will be based on the benefit limitations and payment obligation amounts in effect on the date you were admitted. However, your payment obligations, including your out-of-pocket maximum, for practitioner services will be based on the payment obligation amounts in effect on the day you receive services.

The benefit year is important for calculating:

- Coinsurance.
- Out-of-pocket maximum.
- Benefit maximum.

How Coinsurance is Calculated

The amount on which coinsurance is calculated depends on the state where you receive a covered service and the contracting status of the provider.

Wellmark Health Plan Network and Out-of-Network Providers

Coinsurance is calculated using the payment arrangement amount after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Out-of-Network Facility Services

For services received at out-of-network facilities, coinsurance is calculated using the amount charged after the following applicable amounts are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Participating Providers Outside the Wellmark Health Plan Network

You are eligible for benefits from Participating Providers only in cases of an emergency, accidental injury, or in certain situations, a referral.

The coinsurance for covered services is calculated on the lower of:

- The amount charged for the covered service, or
- The negotiated price that the Host Blue makes available to Wellmark after the

following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Often, the negotiated price will be a simple discount that reflects an actual price the local Host Blue paid to your provider. Sometimes, the negotiated price is an estimated price that takes into account special arrangements with your healthcare provider or provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, the negotiated price may be an average price based on a discount that results in expected average savings for similar types of healthcare providers after taking into account the same types of transactions as with an estimated price. Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or under-estimation of modifications of past pricing for the types of transaction modifications noted previously. However, such adjustments will not affect the price we use for your claim because they will not be applied retroactively to claims already paid.

Occasionally, claims for services you receive from a provider that participates with a Blue Cross and/or Blue Shield Plan outside of Iowa or South Dakota may need to be processed by Wellmark instead of by the BlueCard Program. In that case, coinsurance is calculated using the amount charged for covered services after the following amounts (if applicable) are subtracted from it:

- Amounts representing any general exclusions and conditions. See *General Conditions of Coverage, Exclusions, and Limitations*, page 33.

Laws in a small number of states may require the Host Blue Plan to add a surcharge to your calculation. If any state laws mandate other liability calculation methods, including a surcharge, Wellmark will calculate your payment obligation for any covered services according to applicable law. For more information, see *BlueCard Program*, page 38.

Provider Network

Under the medical benefits of this plan, your network of providers consists of Wellmark Health Plan Network Providers. All other providers are not in your network.

Participating Providers

Participating Providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area, but not with the Wellmark Health Plan Network. When you receive services from Participating Providers:

- You are eligible for benefits only in limited situations. These are described in the *Choosing a Provider* section.
- Wellmark makes claim payments directly to these providers.

Network Providers

Wellmark has a contracting relationship with these providers. When you receive services from a Network Provider:

- The Network payment obligation amounts may be waived for certain covered services. See *Waived Payment Obligations*, page 6.

There may be certain exceptions to these rules. Any exceptions are described in *What You Pay*.

Out-of-Network Providers

Wellmark and Blue Cross and/or Blue Shield Plans do not have contracting relationships with Out-of-Network Providers, and they may not accept our payment arrangements. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers. Therefore, when you receive services from Out-of-Network Providers:

- You are not eligible for benefits. There may be exceptions to this rule for specific services. If so, these are described in the section *Details – Services Covered and Not Covered*.
- You are responsible for any difference between the amount charged and the maximum allowable fee for a covered service when the maximum allowable fee is less than the practitioner's charge.
- Wellmark does not make claim payments directly to these providers. You are responsible for ensuring that your provider is paid in full.
- The group health plan payment for Out-of-Network hospitals, M.D.s, and D.O.s in Iowa is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider (plus any billed balance you may owe).

Amount Charged and Maximum Allowable Fee

Amount Charged

The amount charged is the amount a provider charges for a service or supply, regardless of whether the services or supplies are covered under your medical benefits.

Maximum Allowable Fee

The maximum allowable fee is the amount, established by Wellmark, using various methodologies, for covered services and supplies. Wellmark's amount paid may be based on the lesser of the amount charged for a covered service or supply or the maximum allowable fee.

Payment Arrangements

Payment Arrangement Savings

Wellmark has contracting relationships with Network Providers. We use different methods to determine payment arrangements, including negotiated fees. These payment arrangements usually result in savings.

The savings from payment arrangements and other important amounts will appear on your Explanation of Benefits statement as follows:

- *Network Savings*, which reflects the amount you save on a claim by receiving services from a Participating or Network provider. For the majority of services, the savings reflects the actual amount saved on a claim. However, depending on many factors, the amount we pay a provider could be different from the covered charge. Regardless of the amount we pay a Participating or Network provider, your payment responsibility will always be based on the lesser of the covered charge or the maximum allowable fee.
- *Amount Not Covered*, which reflects the portion of provider charges not covered under your health benefits and for which you are responsible. This amount may include services or supplies not covered; amounts in excess of a benefit maximum, benefit year maximum, or lifetime benefits maximum; reductions or denials for failure to follow a required precertification; and the difference between the amount charged and the maximum allowable fee for services from an Out-of-Network Provider. For general exclusions and examples of benefit limitations, see *General Conditions of Coverage, Exclusions, and Limitations*, page 33.
- *Amount Paid by Health Plan*, which reflects our payment responsibility to a provider or to you. We determine this amount by subtracting the following amounts (if applicable) from the amount charged:
  - Coinsurance.
  - Copayment.
  - Amounts representing any general exclusions and conditions.
  - Network savings.

Payment Method for Services
When you receive a covered service or services that result in multiple claims, we will calculate your payment obligations based on the order in which we process the claims.

Provider Payment Arrangements
Provider payment arrangements are calculated using industry methods, including but not limited to fee schedules, per diems, percentage of charge, capitation, or episodes of care. Some provider payment arrangements may include an amount payable to the provider based on the provider's performance. Performance-based amounts that are not distributed are not allocated to your specific group or to your specific claims and are not considered when determining any amounts you may owe. We reserve the right to change the methodology we use to calculate payment arrangements based on industry practice or business need. Wellmark Health Plan Network Providers agree to accept our payment arrangements as full settlement for providing covered services, except to the extent of any amounts you may owe.

Capitation
Payment to healthcare providers for certain services is made according to a uniform amount per patient as determined by Wellmark Health Plan of Iowa, Inc.

Pharmacy Benefits Manager Fees and Drug Company Rebates

Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

Prescription Drugs

Benefit Year

A benefit year is a period of 12 consecutive months beginning on January 1 or beginning on the day your coverage goes into effect. The benefit year starts over each January 1. Your benefit year continues even if your employer or group sponsor changes Wellmark group health plan benefits during the year or you change to a different plan offering mid-benefit year from your same employer or group sponsor.

Certain coverage changes result in your Wellmark identification number changing. In some cases, a new benefit year will start under the new ID number for the rest of the benefit year. In this case, the benefit year would be less than a full 12 months. In other cases (e.g., adding your spouse to your coverage) the benefit year would continue and not start over.

The benefit year is important for calculating:

- Out-of-pocket maximum.

Wellmark Blue Rx Complete Drug List

Often there is more than one medication available to treat the same medical condition. The Wellmark Blue Rx Complete Drug List ("Drug List") contains drugs

physicians recognize as medically effective for a wide range of health conditions.

The Drug List is maintained with the assistance of practicing physicians, pharmacists, and Wellmark's pharmacy department.

To determine if a drug is covered, you or your physician must consult the Drug List. If a drug is not on the Drug List, it is not covered.

If you need help determining if a particular drug is on the Drug List, ask your physician or pharmacist, visit our website, *Wellmark.com*, or call the Customer Service number on your ID card.

Although only drugs listed on the Drug List are covered, physicians are not limited to prescribing only the drugs on the list. Physicians may prescribe any medication, but only medications on the Drug List are covered. **Please note:** A medication on the Drug List will not be covered if the drug is specifically excluded under your Blue Rx Complete prescription drug benefits, or other limitations apply.

If a drug is not on the Wellmark Blue Rx Complete Drug List and you believe it should be covered, refer to *Exception Requests for Non-Formulary Prescription Drugs,* page 69.

The Wellmark Blue Rx Complete Drug List is subject to change.

Tiers

The Wellmark Blue Rx Complete Drug List also identifies which tier a drug is on:

Tier 1. Most generic drugs and some brand-name drugs that have no generic equivalent. Tier 1 drugs have the lowest payment obligation.

Tier 2. Drugs appear on this tier because they either have no generic equivalent or are considered less cost-effective than Tier 1 drugs. Tier 2 drugs have a higher payment obligation than Tier 1 drugs.

Tier 3. Drugs appear on this tier because they are less cost-effective than Tier 1 or Tier 2 drugs. Tier 3 drugs have a higher payment obligation than Tier 1 or Tier 2 drugs.

Tier 4. Drugs available as combination products or lifestyle drugs. Tier 4 drugs have the same payment obligation as Tier 3 drugs.

Generic and Brand Name Drugs

Sometimes, a patent holder of a brand name drug grants a license to another manufacturer to produce the drug under a generic name, though it remains subject to patent protection and has a nearly identical price. In these cases, Wellmark's pharmacy benefits manager may treat the licensed product as a brand name drug, rather than generic, and will calculate your payment obligation accordingly.

Generic Drug

Generic drug refers to an FDA-approved "A"-rated generic drug. This is a drug with active therapeutic ingredients chemically identical to its brand name drug counterpart.

Brand Name Drug

Brand name drug is a prescription drug patented by the original manufacturer. Usually, after the patent expires, other manufacturers may make FDA-approved generic copies.

Quantity Limitations

Most prescription drugs are limited to a maximum quantity you may receive in a single prescription.

Federal regulations limit the quantity that may be dispensed for certain medications. If your prescription is so regulated, it may not be available in the amount prescribed by your physician.

In addition, coverage for certain drugs is limited to specific quantities per month, benefit year, or lifetime. Amounts in excess of quantity limitations are not covered.

For a list of drugs with quantity limits, check with your pharmacist or physician or consult the Wellmark Blue Rx Complete Drug List at *Wellmark.com*, or call the Customer Service number on your ID card.

Amount Charged and Maximum Allowable Fee

Amount Charged
The retail price charged by a pharmacy for a covered prescription drug.

Maximum Allowable Fee
The amount, established by Wellmark using various methodologies and data (such as the average wholesale price), payable for covered drugs.

The maximum allowable fee may be less than the amount charged for the drug.

Participating vs. Nonparticipating Pharmacies
Prescription drugs are generally only covered when purchased from participating pharmacies. Purchases from nonparticipating pharmacies are covered only in emergency situations. If you purchase drugs from nonparticipating pharmacies and it is not an emergency situation, you are responsible for the cost of the drug.

If, in an emergency situation, you purchase a covered prescription drug at a nonparticipating pharmacy, you are responsible for the amount charged for the drug at the time you fill your prescription.

Once you submit a claim, you will be reimbursed up to the maximum allowable fee of the drug, less your copayment or coinsurance. The maximum allowable fee may be less than the amount you paid. In other words, you are responsible for any difference in cost between what the pharmacy charges you for the drug and our reimbursement amount.

Your payment obligation for the purchase of a covered prescription drug at a participating pharmacy is the lesser of your copayment or coinsurance, the maximum allowable fee, or the amount charged for the drug.

To determine if a pharmacy is participating, ask the pharmacist, consult the directory of participating pharmacies, visit our website at *Wellmark.com*, or call the Customer Service number on your ID card. Our directory also is available upon request by calling the Customer Service number on your ID card.

Special Programs
We evaluate and monitor changes in the pharmaceutical industry in order to determine clinically effective and cost-effective coverage options. These evaluations may prompt us to offer programs that encourage the use of reasonable alternatives. For example, we may, at our discretion, temporarily waive your payment obligation on a qualifying prescription drug purchase.

Visit our website at *Wellmark.com* or call us to determine whether your prescription qualifies.

Savings and Rebates

Payment Arrangements
The benefits manager of this prescription drug program has established payment arrangements with participating pharmacies that may result in savings.

Pharmacy Benefits Manager Fees and Drug Company Rebates
Wellmark contracts with a pharmacy benefits manager to provide pharmacy benefits management services to its accounts, such as your group. Your group is to pay a monthly fee for such services.

Drug manufacturers offer rebates to pharmacy benefits managers. After your group has had Wellmark prescription drug coverage for at least nine months, the pharmacy benefits manager contracting with Wellmark will calculate, on a quarterly basis, your group's use of drugs for which rebates have been paid. Wellmark receives

these rebates. Your group will be credited with rebate amounts forwarded to us by the pharmacy benefits manager unless your group's arrangement with us requires us to reduce such rebated amounts by the amount of any fees we paid to the pharmacy benefits manager for the services rendered to your group. We will not distribute these rebate amounts to you, and rebates will not be considered when determining your payment obligations.

8. Coverage Eligibility and Effective Date

Eligible Members

You are eligible for coverage if you meet your employer's or group sponsor's eligibility requirements. Your spouse or domestic partner may also be eligible for coverage if spouses or domestic partners are covered under this plan.

If a child is eligible for coverage under the employer's or group sponsor's eligibility requirements, the child must next have one of the following relationships to the plan member or an enrolled spouse or domestic partner:

- A natural child.
- Legally adopted or placed for adoption (that is, you assume a legal obligation to provide full or partial support and intend to adopt the child).
- A child for whom you have legal guardianship.
- A stepchild.
- A foster child.
- A natural child a court orders to be covered.

Please note: You must notify us or your employer or group sponsor if you enter into an arrangement to provide surrogate parent services: Contact your employer or group sponsor or call the Customer Service number on your ID card.

In addition, a child must be one of the following:

- Under age 26.
- An unmarried full-time student over the age of 26 enrolled in an accredited educational institution. Full-time student status continues during:
  - — Regularly-scheduled school vacations; and
  - — Medically necessary leaves of absence until the earlier of one year from the first day of leave or the date coverage would otherwise end.
- An unmarried child over the age of 26 who is deemed disabled. The disability must have existed before the child turned age 26, or while the child was a full-time student. Wellmark considers a dependent disabled when he or she meets the following criteria:
  - — Claimed as a dependent on the employee's, plan member's, subscriber's, policy holder's, or retiree's tax return; and
  - — Enrolled in and receiving Medicare benefits due to disability; or
  - — Enrolled in and receiving Social Security benefits due to disability.

  Documentation will be required.

When Plan Member and Spouse Are Both Eligible Employees

When a husband and wife are both employed by the State, they must enroll under the same family coverage. Employees cannot be covered as both an employee and a dependent under the State's health plans.

Please note: In addition to the preceding requirements, eligibility is affected by coverage enrollment events and coverage termination events. See *Coverage Change Events*, page 63.

Enrollment Requirements

Permanent or probationary employees who work 20 or more hours per week are eligible to apply:

- within 30 calendar days of the date of hire; or
- at the annual change period.

Promise Program

Promise Program employees, as established by Executive Order Number 27, may enroll in single or family coverage within 30

calendar days of expiration of their Medicaid benefits.

Program Selection/Program Movement

Rules on program selection and program movement are detailed in your *Employer's Procedures Manual* and *Collective Bargaining Agreements*.

When Coverage Begins

Coverage begins on the member's effective date.

Your coverage under this group health plan begins on your effective date, which is the first of the month following 30 days of active employment. **Please note:** The month of February is considered a 30-day period.

Any employee or former employee defined as eligible by the State of Iowa, whether actively at work or not, is accepted by the group health plan during an approved enrollment and change period.

This benefit booklet supersedes any other contractual language regarding the member's effective date, benefits available, eligibility, or payment for inpatient hospital, nursing facility, practitioner, or other inpatient charges for State of Iowa group members.

Services received before the effective date of coverage are not eligible for benefits.

Late Enrollees

A late enrollee is a member who declines coverage when initially eligible to enroll and then later wishes to enroll for coverage. However, a member is not a late enrollee if a qualifying enrollment event allows enrollment as a special enrollee, even if the enrollment event coincides with a late enrollment opportunity. See *Coverage Change Events*, page 63.

A late enrollee may enroll for coverage at the group's next renewal or enrollment period.

Changes to Information Related to You or to Your Benefits

Wellmark may, from time to time, permit changes to information relating to you or to your benefits. In such situations, Wellmark shall not be required to reprocess claims as a result of any such changes.

Qualified Medical Child Support Order

If you have a dependent child and you or your spouse's employer or group sponsor receives a Medical Child Support Order recognizing the child's right to enroll in this group health plan or in your spouse's benefits plan, the employer or group sponsor will promptly notify you or your spouse and the dependent that the order has been received. The employer or group sponsor also will inform you or your spouse and the dependent of its procedures for determining whether the order is a Qualified Medical Child Support Order (QMCSO). Participants and beneficiaries can obtain, without charge, a copy of such procedures from the plan administrator.

A QMCSO specifies information such as:

- Your name and last known mailing address.
- The name and mailing address of the dependent specified in the court order.
- A reasonable description of the type of coverage to be provided to the dependent or the manner in which the type of coverage will be determined.
- The period to which the order applies.

A Qualified Medical Child Support Order cannot require that a benefits plan provide any type or form of benefit or option not otherwise provided under the plan, except as necessary to meet requirements of Iowa Code Chapter 252E (2001) or Social Security Act Section 1908 with respect to group health plans.

The order and the notice given by the employer or group sponsor will provide

additional information, including actions that you and the appropriate insurer must take to determine the dependent's eligibility and procedures for enrollment in the benefits plan, which must be done within specified time limits.

If eligible, the dependent will have the same coverage as you or your spouse and will be allowed to enroll immediately. You or your spouse's employer or group sponsor will withhold any applicable share of the dependent's health care premiums from your compensation and forward this amount to us.

If you are subject to a waiting period that expires more than 90 days after the insurer receives the QMCSO, your employer or group sponsor must notify us when you become eligible for enrollment. Enrollment of the dependent will commence after you have satisfied the waiting period.

The dependent may designate another person, such as a custodial parent or legal guardian, to receive copies of explanations of benefits, checks, and other materials.

Your employer or group sponsor may not revoke enrollment or eliminate coverage for a dependent unless the employer or group sponsor receives satisfactory written evidence that:

- The court or administrative order requiring coverage in a group health plan is no longer in effect;
- The dependent's eligibility for or enrollment in a comparable benefits plan that takes effect on or before the date the dependent's enrollment in this group health plan terminates; or
- The employer eliminates dependent health coverage for all employees.

The employer or group sponsor is not required to maintain the dependent's coverage if:

- You or your spouse no longer pay premiums because the employer or group sponsor no longer owes compensation; or
- You or your spouse have terminated employment with the employer and have not elected to continue coverage.

Family and Medical Leave Act of 1993

The Family and Medical Leave Act of 1993 (FMLA), requires a covered employer to allow an employee with 12 months or more of service who has worked for 1,250 hours over the previous 12 months and who is employed at a worksite where 50 or more employees are employed by the employer within 75 miles of that worksite a total of 12 weeks of leave per fiscal year for the birth of a child, placement of a child with the employee for adoption or foster care, care for the spouse, child or parent of the employee if the individual has a serious health condition or because of a serious health condition, the employee is unable to perform any one of the essential functions of the employee's regular position. In addition, FMLA requires an employer to allow eligible employees to take up to 12 weeks of leave per 12-month period for qualifying exigencies arising out of a covered family member's active military duty in support of a contingency operation and to take up to 26 weeks of leave during a single 12-month period to care for a covered family member recovering from a serious illness or injury incurred in the line of duty during active service.

Any employee taking a leave under the FMLA shall be entitled to continue the employee's benefits during the duration of the leave. The employer must continue the benefits at the level and under the conditions of coverage that would have been provided if the employee had remained employed. **Please note:** The employee is still responsible for paying their share of the premium if applicable. If the employee for any reason fails to return from the leave, the employer may recover from the employee that premium or portion of the premium that the employer paid, provided the employee fails to return to work for any

reason other than the reoccurrence of the serious health condition or circumstances beyond the control of the employee.

Leave taken under the FMLA does not constitute a qualifying event so as to trigger COBRA rights. However, a qualifying event triggering COBRA coverage may occur when it becomes known that the employee is not returning to work. Therefore, if an employee does not return at the end of the approved period of Family and Medical Leave and terminates employment with employer, the COBRA qualifying event occurs at that time.

If you have any questions regarding your eligibility or obligations under the FMLA, contact your employer or group sponsor.

9. Coverage Changes and Termination

Certain events may require or allow you to add or remove persons who are covered by this group health plan.

Coverage Change Events

Coverage Enrollment Events: Review the Department of Administrative Services' benefits website (*http://benefits.iowa.gov*) for a list of events that allow changes to your health insurance enrollment.

Requirement to Notify Group Sponsor

You must notify your employer or group sponsor of an event that changes the coverage status of members.

Birth of a Child. A newborn will be added to the existing family health contract when information becomes available from any valid source that the birth has occurred (e.g., hospital or professional claims submission or an enrollment form). The effective date of enrollment will be the date of birth.

If a single contract is in effect at the time of the birth of a biological child, the employee must submit an application form to change to a family contract within 60 days of the date of the birth. The effective date of the family contract will be the first day of the month in which the biological child was born. Appropriate employee deductions for payment of the family contract must be paid retroactively to reflect the change to a family contract.

If the single contract holder does not submit the application for family coverage within 60 days of the birth of the biological child, benefit payments will not be made retroactive to the date of birth.

Adoption, Legal Custody, or Legal Guardianship. The following provisions apply for adoptions or obtaining legal custody or legal guardianship:

If a newborn child is adopted within 30 days of birth or has been placed in your home for the purposes of adoption within 30 days of birth, the effective date of coverage can be:

- the first of the month, in which the child was born; or
- the first of the month following the child's birth.

If you adopt a child or a child is placed in your home for the purposes of adoption more than 30 days after the child's date of birth, the effective date of coverage will be the first of the month in which the adoption or placement for adoption occurs. If you obtain legal custody or legal guardianship of a child more than 30 days after the child's date of birth, the effective date of coverage will also be the first of the month in which the legal action occurs.

Your application for coverage must be signed within 60 days of the event to add the new child to the existing family contract or allow a single contract to be changed to a family contract.

Legal documentation must accompany the application to add the new child indicating:

- employee name and social security number;
- date of birth of the child; and
- date awarded physical custody.

If custody is lost, it is the employee's responsibility to immediately notify their human resources associate or personnel assistant.

Medicaid or the Children's Health Insurance Program. Notify your employer or group sponsor within 60 days in case of the following events:

- You lose eligibility for coverage under Medicaid or the Children's Health Insurance Program (CHIP) (the *hawk-i* plan in Iowa).

- You become eligible for premium assistance under Medicaid or CHIP.

All Other Events. For all other events, you must notify your employer or group sponsor within 30 days of the event.

If you do not provide timely notification of an event that requires you to remove an affected family member, your coverage may be terminated.

If you do not provide timely notification of a coverage enrollment event, the affected person may not enroll until an annual group enrollment period.

Coverage Termination

The following events terminate your coverage eligibility.

- You become unemployed when your eligibility is based on employment.
- You become ineligible under your employer's or group sponsor's eligibility requirements for reasons other than unemployment.
- Your employer or group sponsor discontinues or replaces this group health plan.
- We decide to discontinue offering similar coverage plans by giving written notice to you and your employer or group sponsor at least 90 days prior to termination.
- We decide to nonrenew all health benefit plans delivered or issued for delivery to employers in Iowa by giving written notice to your employer or group sponsor and the Director of Insurance at least 180 days prior to termination.
- The number of individuals covered under this group health plan falls below the number or percentage of eligible individuals required to be covered.
- Your employer sends a written request to terminate coverage.

Also see *Fraud or Intentional Misrepresentation of Material Facts*, and *Nonpayment* later in this section.

When you become unemployed and your eligibility is based on employment, your coverage will end at the end of the month your employment ends. When your coverage terminates for all other reasons, check with your employer or group sponsor or call the Customer Service number on your ID card to verify the coverage termination date.

If you receive covered facility services as an inpatient of a hospital or a resident of a nursing facility on the date your coverage eligibility terminates, payment for the covered facility services will end on the earliest of the following:

- The end of your remaining days of coverage under this benefits plan.
- The date you are discharged from the hospital or nursing facility following termination of your coverage eligibility.
- A period not more than 60 days from the date of termination.

Only facility services will be covered under this extension of benefits provision. Benefits for professional services will end on the date of termination of your coverage eligibility.

Fraud or Intentional Misrepresentation of Material Facts

Your coverage will terminate immediately if:

- You use this group health plan fraudulently or intentionally misrepresent a material fact in your application; or
- Your employer or group sponsor commits fraud or intentionally misrepresents a material fact under the terms of this group health plan.

If your coverage is terminated for fraud or intentional misrepresentation of a material fact, then:

- We may declare this group health plan void retroactively from the effective date of coverage following a 30-day written notice. In this case, we will recover any claim payments made.

- Premiums may be retroactively adjusted as if the fraud or intentionally misrepresented material fact had been accurately disclosed in your application.
- We will retain legal rights, including the right to bring a civil action.

Nonpayment
If you or your employer or group sponsor fail to make required payments to us when due or within the allowed grace period, your coverage will terminate the last day of the month in which the required payments are due.

Coverage Continuation

When your coverage ends, you may be eligible to continue coverage under this group health plan or to convert to another Wellmark health benefits plan pursuant to certain state and federal laws.

COBRA Continuation
The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) applies to most non-governmental employers with 20 or more employees. Generally, COBRA entitles you and eligible dependents to continue coverage if it is lost due to a qualifying event, such as employment termination, divorce, or loss of dependent status. You and your eligible dependents will be required to pay for continuation coverage. Other federal or state laws similar to COBRA may apply if COBRA does not. Your employer or group sponsor is required to provide you with additional information on continuation coverage if a qualifying event occurs.

Continuation for Public Group
Iowa Code Sections 509A.7 and 509A.13 may apply if you are an employee of the State. Iowa Code Section 509A.13A may apply to the surviving spouse of a retired State employee. These laws may entitle you to continue participation in this medical benefits plan when you retire.

10. Claims

Once you receive medical services or purchase prescription drugs from a nonparticipating pharmacy we must receive a claim to determine the amount of your benefits. The claim lets us know the services or prescription drugs you received, when you received them, and from which provider.

When to File a Claim

You need to file a claim if you:

- Use a provider who does not file claims for you. Wellmark Health Plan Network Providers file claims for you.
- Purchase prescription drugs from a nonparticipating pharmacy. (Remember, these purchases are only covered in emergency situations.)
- Purchase prescription drugs from a participating pharmacy but do not present your ID card.
- Pay in full for a drug that you believe should have been covered.

Your submission of a prescription to a participating pharmacy is not a filed claim and therefore is not subject to appeal procedures as described in the *Appeals* section. However, you may file a claim with us for a prescription drug purchase you think should have been a covered benefit.

Wellmark must receive claims within 180 days following the date of service of the claim.

How to File a Claim

All claims must be submitted in writing.

1. Get a Claim Form
Forms are available at *Wellmark.com* or by calling the Customer Service number on your ID card or from your personnel department.

2. Fill Out the Claim Form
Follow the same claim filing procedure regardless of where you received services. Directions are printed on the back of the claim form. Complete all sections of the claim form. For more efficient processing, all claims (including those completed out-of-country) should be written in English.

If you need assistance completing the claim form, call the Customer Service number on your ID card.

Medical Claim Form. Follow these steps to complete a medical claim form:

- Use a separate claim form for each covered family member and each provider.
- Attach a copy of an itemized statement prepared by your provider. We cannot accept statements you prepare, cash register receipts, receipt of payment notices, or balance due notices. In order for a claim request to qualify for processing, the itemized statement must be on the provider's stationery, and include at least the following:
  - Identification of provider: full name, address, tax or license ID numbers, and provider numbers.
  - Patient information: first and last name, date of birth, gender, relationship to plan member, and daytime phone number.
  - Date(s) of service.
  - Charge for each service.
  - Place of service (office, hospital, etc).
  - For injury or illness: date and diagnosis.
  - For inpatient claims: admission date, patient status, attending physician ID.
  - Days or units of service.
  - Revenue, diagnosis, and procedure codes.

— Description of each service.

Prescription Drugs Covered Under Your Medical Benefits Claim Form. For prescription drugs covered under your medical benefits (not covered under your Blue Rx Complete prescription drug benefits), use a separate prescription drug claim form and include the following information:

- Pharmacy name and address.
- Patient information: first and last name, date of birth, gender, and relationship to plan member.
- Date(s) of service.
- Description and quantity of drug.
- Original pharmacy receipt or cash receipt with the pharmacist's signature on it.

Blue Rx Complete Prescription Drug Claim Form. For prescription drugs covered under your Blue Rx Complete prescription drug benefits, complete the following steps:

- Use a separate claim form for each covered family member and each pharmacy.
- Complete all sections of the claim form. Include your daytime telephone number.
- Submit up to three prescriptions for the same family member and the same pharmacy on a single claim form. Use additional claim forms for claims that exceed three prescriptions or if the prescriptions are for more than one family member or pharmacy.
- Attach receipts to the back of the claim form in the space provided.

3. Sign the Claim Form

4. Submit the Claim

We recommend you retain a copy for your records. The original form you send or any attachments sent with the form cannot be returned to you.

Medical Claims and Claims for Drugs Covered Under Your Medical Benefits. Send the claim to:

Wellmark Health Plan of Iowa, Inc.
Station 1E238
P.O. Box 9291
Des Moines, IA 50306-9291

Medical Claims for Services Received Outside the United States. Send the claim to the address printed on the claim form.

Blue Rx Complete Prescription Drug Claims. Send the claim to the address printed on the claim form.

We may require additional information from you or your provider before a claim can be considered complete and ready for processing.

Notification of Decision

You will receive an Explanation of Benefits (EOB) following your claim. The EOB is a statement outlining how we applied benefits to a submitted claim. It details amounts that providers charged, network savings, our paid amounts, and amounts for which you are responsible.

In case of an adverse decision, the notice will be sent within 30 days of receipt of the claim. We may extend this time by up to 15 days if the claim determination is delayed for reasons beyond our control. If we do not send an explanation of benefits statement or a notice of extension within the 30-day period, you have the right to begin an appeal. We will notify you of the circumstances requiring an extension and the date by which we expect to render a decision.

If an extension is necessary because we require additional information from you, the notice will describe the specific information needed. You have 45 days from receipt of the notice to provide the information. Without complete information, your claim will be denied.

If you have other insurance coverage, our processing of your claim may utilize coordination of benefits guidelines. See *Coordination of Benefits*, page 71.

Once we pay your claim, whether our payment is sent to you or to your provider, our obligation to pay benefits for the claim is discharged. However, we may adjust a claim due to overpayment or underpayment for up to 18 months after we first process the claim. In the case of Out-of-Network hospitals, M.D.s, and D.O.s located in Iowa, the health plan payment is made payable to the provider, but the check is sent to you. You are responsible for forwarding the check to the provider, plus any difference between the amount charged and our payment.

Exception Requests for Non-Formulary Prescription Drugs

Prescription drugs that are not listed on the Wellmark Blue Rx Complete Drug List are not covered. However, you may submit an exception request for coverage of a non-formulary drug (i.e., a drug that is not included on the Wellmark Blue Rx Complete Drug List). The form is available at *Wellmark.com* or by calling the Customer Service number on your ID card. Your prescribing physician or other provider must provide a clinical justification supporting the need for the non-formulary drug to treat your condition. The provider should include a statement that:

- All covered formulary drugs on any tier have been ineffective; or
- All covered formulary drugs on any tier will be ineffective; or
- All covered formulary drugs on any tier would not be as effective as the non-formulary drug; or
- All covered formulary drugs would have adverse effects.

Wellmark will respond within 72 hours of receiving the Exception Request for Non-Formulary Prescription Drugs form. For expedited requests, Wellmark will respond within 24 hours.

In the event Wellmark denies your exception request, you and your provider will be sent additional information regarding your ability to request an independent review of our decision. If the independent reviewer approves your exception request, we will treat the drug as a covered benefit for the duration of your prescription. You will be responsible for out-of-pocket costs (for example: deductible, copay, or coinsurance, if applicable) as if the non-formulary drug is on the highest tier of the Wellmark Blue Rx Complete Drug List. Amounts you pay will be counted toward any applicable out-of-pocket maximums. If the independent reviewer upholds Wellmark's denial of your exception request, the drug will not be covered, and this decision will not be considered an adverse benefit determination, and will not be eligible for further appeals. You may choose to purchase the drug at your own expense.

The Exception Request for Non-Formulary Prescription Drugs process is only available for FDA-approved prescription drugs that are not on the Wellmark Blue Rx Complete Drug List. It is not available for items that are specifically excluded under your benefits, such as cosmetic drugs, convenience packaging, non-FDA approved drugs, infused drugs, most over-the-counter medications, nutritional, vitamin and dietary supplements, or antigen therapy. The preceding list of excluded items is illustrative only and is not a complete list of items that are not eligible for the process.

Request for Benefit Exception Review

If you have received an adverse benefit determination that denies or reduces benefits or fails to provide payment in whole or in part for any of the following services, when recommended by your treating provider as medically necessary, you or an individual acting as your authorized

representative may request a benefit exception review.

Services subject to this exception process:

- For a woman who previously has had breast cancer, ovarian cancer, or other cancer, but who has not been diagnosed with BRCA-related cancer, appropriate preventive screening, genetic counseling, and genetic testing.
- FDA-approved contraceptive items or services prescribed by your health care provider based upon a specific determination of medical necessity for you.
- For transgender individuals, sex-specific preventive care services (e.g., mammograms and Pap smears) that his or her attending provider has determined are medically appropriate.
- For dependent children, certain well-woman preventive care services that the attending provider determined are age- and developmentally-appropriate.
- Anesthesia services in connection with a preventive colonoscopy when your attending provider determined that anesthesia would be medically appropriate.
- A required consultation prior to a screening colonoscopy, if your attending provider determined that the pre-procedure consultation would be medically appropriate for you.
- Certain immunizations that ACIP recommends for specified individuals (rather than for routine use for an entire population), when prescribed by your health care provider consistent with the ACIP recommendations.
- FDA-approved intrauterine devices and implants, if prescribed by your health care provider.

You may request a benefit exception review orally or in writing by submitting your request to the address listed in the *Appeals* section. To be considered, your request must include a letter or statement from your treating provider that the services or supplies were medically necessary and your treating provider's reason(s) for their determination that the services or supplies were medically necessary.

Your request will be addressed within the timeframes outlined in the *Appeals* section based upon whether your request is a medically urgent or non-medically urgent matter.

Also, if you received pathology services from an in-network provider related to a preventive colonoscopy screening for which you were responsible for a portion of the cost, such as a deductible, copayment or coinsurance, you or an individual acting as your authorized representative may request a benefit exception review. You may request a benefit exception review orally or in writing by submitting your request to the address listed in the *Appeals* section. Your request will be addressed within the timeframes outlined in the *Appeals* section based upon whether your request is a medically urgent or non-medically urgent matter.

11. Coordination of Benefits

Coordination of benefits applies when you have more than one insurance policy or group health plan that provides the same or similar benefits as this plan. Benefits payable under this plan, when combined with those paid under your other coverage, will not be more than 100 percent of either our payment arrangement amount or the other plan's payment arrangement amount.

The method we use to calculate the payment arrangement amount may be different from your other plan's method.

In some instances, our claim payment amount is based on a uniform payment per patient of a designated personal doctor, called *capitation*. When you receive services payable by capitation and your other carrier has primary payment responsibility for covered services:

- We are not responsible for payment to your health care provider beyond the applicable capitation amount; and
- You are not responsible for copayment amounts that would apply if coverage under this medical benefits plan were the primary coverage.

Other Coverage

When you receive services, you must inform us that you have other coverage, and inform your health care provider about your other coverage. Other coverage includes any of the following:

- Group and nongroup insurance contracts and subscriber contracts.
- HMO contracts.
- Uninsured arrangements of group or group-type coverage.
- Group and nongroup coverage through closed panel plans.
- Group-type contracts.
- The medical care components of long-term contracts, such as skilled nursing care.
- Medicare or other governmental benefits (not including Medicaid).
- The medical benefits coverage of your auto insurance (whether issued on a fault or no-fault basis).

Coverage that is not subject to coordination of benefits includes the following:

- Hospital indemnity coverage or other fixed indemnity coverage.
- Accident-only coverage.
- Specified disease or specified accident coverage.
- Limited benefit health coverage, as defined by Iowa law.
- School accident-type coverage.
- Benefits for non-medical components of long-term care policies.
- Medicare supplement policies.
- Medicaid policies.
- Coverage under other governmental plans, unless permitted by law.

You must cooperate with Wellmark and provide requested information about other coverage. Failure to provide information can result in a denied claim. We may get the facts we need from or give them to other organizations or persons for the purpose of applying the following rules and determining the benefits payable under this plan and other plans covering you. We need not tell, or get the consent of, any person to do this.

Your Wellmark Health Plan Network Provider will forward your coverage information to us. If you have an Out-of-Network Provider, you are responsible for informing us about your other coverage.

Coordination with Group MedicareBlue Rx

If you are a member of the Retired/Disabled group and you are enrolled in the Group MedicareBlue Rx prescription drug plan, the benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy; although the benefits of your Group MedicareBlue Rx prescription drug plan are primary, you will continue to pay the copayment or coinsurance you have always paid under your State of Iowa prescription drug plan.

The benefits of your Group MedicareBlue Rx prescription drug plan are primary for prescription drugs purchased at the pharmacy and you should present your Group MedicareBlue Rx ID card to the pharmacy as the primary payer. The benefits of your Blue Rx Complete prescription drug plan are secondary for prescription drugs purchased at the pharmacy and you should present your Blue Rx Complete ID card to the pharmacy as the secondary payer. You will be required to pay the same copayment or coinsurance amounts that would otherwise apply if you did not have Group MedicareBlue Rx.

Claim Filing

If you know that your other coverage has primary responsibility for payment, after you receive services or obtain a covered prescription drug, a claim should be submitted to your other insurance carrier first. If that claim is processed with an unpaid balance for benefits eligible under this group health plan, you or your provider should submit a claim to us and attach the other carrier's explanation of benefit payment. We may contact your provider or the other carrier for further information.

Rules of Coordination

We follow certain rules to determine which health plan or coverage pays first (as the primary plan) when other coverage provides the same or similar benefits as this group health plan. Here are some of those rules:

- The primary plan pays or provides benefits according to its terms of coverage and without regard to the benefits under any other plan. Except as provided below, a plan that does not contain a coordination of benefits provision that is consistent with applicable regulations is always primary unless the provisions of both plans state that the complying plan is primary.
- Coverage that is obtained by membership in a group and is designed to supplement a part of a basic package of benefits is excess to any other parts of the plan provided by the contract holder. (Examples of such supplementary coverage are major medical coverage that is superimposed over base plan hospital and surgical benefits and insurance-type coverage written in connection with a closed panel plan to provide Out-of-Network benefits.)

The following rules are to be applied in order. The first rule that applies to your situation is used to determine the primary plan.

- The coverage that you have as an employee, plan member, subscriber, policy holder, or retiree pays before coverage that you have as a spouse or dependent. However, if the person is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the person as a dependent and primary to the plan covering the person as other than a dependent (e.g., a retired employee), then the order of benefits between the two plans is reversed, so that the plan covering the person as the employee, plan member, subscriber, policy holder or retiree is the secondary plan and the other plan is the primary plan.
- The coverage that you have as the result of active employment (not laid off or

retired) pays before coverage that you have as a laid-off or retired employee. The same would be true if a person is a dependent of an active employee and that same person is a dependent of a retired or laid-off employee. If the other plan does not have this rule and, as a result, the plans do not agree on the order of benefits, this rule is ignored.

- If a person whose coverage is provided pursuant to COBRA or under a right of continuation provided by state or other federal law is covered under another plan, the plan covering the person as an employee, plan member, subscriber, policy holder or retiree or covering the person as a dependent of an employee, member, subscriber or retiree is the primary plan and the COBRA or state or other federal continuation coverage is the secondary plan. If the other plan does not have this rule and, as a result, the plans do not agree on the order of benefits, this rule is ignored.
- The coverage with the earliest continuous effective date pays first if none of the rules above apply.
- Notwithstanding the preceding rules, when you present your Blue Rx Complete ID card to a pharmacy as the primary payer, your Blue Rx Complete prescription drug benefits are primary for prescription drugs purchased at the pharmacy. If, under the preceding rules, your Blue Rx Complete prescription drug benefits are secondary and you present your Blue Rx Complete ID card to a pharmacy as the secondary payer, your Blue Rx Complete prescription drug benefits are secondary for prescription drugs purchased at the pharmacy.
- If the preceding rules do not determine the order of benefits, the benefits payable will be shared equally between the plans. In addition, this plan will not pay more than it would have paid had it been the primary plan.

Dependent Children

To coordinate benefits for a dependent child, the following rules apply (unless there is a court decree stating otherwise):

- If the child is covered by both parents who are married (and not separated) or who are living together, whether or not they have been married, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.
- For a child covered by separated or divorced parents or parents who are not living together, whether or not they have been married:
  - If a court decree states that one of the parents is responsible for the child's health care expenses or coverage and the plan of that parent has actual knowledge of those terms, then that parent's coverage pays first. If the parent with responsibility has no health care coverage for the dependent child's health care expenses, but that parent's spouse does, that parent's spouse's coverage pays first. This item does not apply with respect to any plan year during which benefits are paid or provided before the entity has actual knowledge of the court decree provision.
  - If a court decree states that both parents are responsible for the child's health care expense or health care coverage or if a court decree states that the parents have joint custody without specifying that one parent has responsibility for the health care expenses or coverage of the dependent child, then the coverage of the parent whose birthday occurs first in a calendar year pays first. If both parents have the same birthday, the plan that has covered the parent the longest is the primary plan.

— If a court decree does not specify which parent has financial or insurance responsibility, then the coverage of the parent with custody pays first. The payment order for the child is as follows: custodial parent, spouse of custodial parent, other parent, spouse of other parent. A custodial parent is the parent awarded custody by a court decree or, in the absence of a court decree, is the parent with whom the child resides more than one-half of the calendar year excluding any temporary visitation.

If none of these rules apply to your situation, we will follow the Iowa Insurance Division's Coordination of Benefits guidelines to determine this group health plan payment.

Effects on the Benefits of this Plan
In determining the amount to be paid for any claim, the secondary plan will calculate the benefits it would have paid in the absence of other coverage and apply the calculated amount to any allowable expense under its plan that is unpaid by the primary plan. The secondary plan may then reduce its payment by the amount so that, when combined with the amount paid by the primary plan, total benefits paid or provided by all plans for the claim do not exceed the total allowable expense for that claim. In addition, the secondary plan will credit to its applicable deductible any amounts it would have credited to its deductible in the absence of other coverage.

Right of Recovery
If the amount of payments made by us is more than we should have paid under these coordination of benefits provisions, we may recover the excess from any of the persons to or for whom we paid, or from any other person or organization that may be responsible for the benefits or services provided for the covered person. The amount of payments made includes the reasonable cash value of any benefits provided in the form of services.

Coordination with Medicare

For medical claims only, Medicare is by law the secondary coverage to group health plans in a variety of situations.

The following provisions apply only if you have both Medicare and employer group health coverage under your medical benefits and your employer has the required minimum number of employees.

Medicare Part B Drugs
Drugs paid under Medicare Part B are covered under the medical benefits of this plan.

However, if you are eligible for Medicare either as a retiree or a spouse of a retiree or because of your or your spouse's disability status, your benefits under this medical benefits plan will be coordinated with benefits available under Medicare Part B, even if you or your spouse are not enrolled in Medicare Part B.

If you are no longer actively working, Medicare will be primary. Therefore, any member enrolled in Medicare Part A should also consider enrolling in Part B, as Retiree benefits under this plan will be reduced by the amount that would have been covered by Medicare Part B.

Medicare's Payment vs. This Plan's Payment
Medicare's allowed amount for a service may be different than our allowed amount (our allowed amount is also referred to as our "maximum allowable fee") for that same service. When Medicare is primary, and Medicare's allowed amount for a service is greater than our allowed amount for that same service, we will reimburse up to our allowed amount for the service. You may be responsible for any difference between Medicare's allowed amount and our allowed amount.

Working Aged
Medicare is the secondary payer if the beneficiary is:

- Age 65 or older; and
- A current employee or spouse of a current employee covered by an employer group health plan.

Working Disabled
Medicare is the secondary payer if the beneficiary is:

- Under age 65;
- A recipient of Medicare disability benefits; and
- A current employee or a spouse or dependent of a current employee, covered by an employer group health plan.

End-Stage Renal Disease (ESRD)
Under ESRD requirements, Medicare is the secondary payer during the first 30 months of Medicare coverage if both of the following are true:

- The beneficiary has Medicare coverage as an ESRD patient; and
- The beneficiary is covered by an employer group health plan.

If the beneficiary is already covered by Medicare due to age or disability and the beneficiary becomes eligible for Medicare ESRD coverage, Medicare generally is the secondary payer during the first 30 months of ESRD eligibility. However, if the group health plan is secondary to Medicare (based on other Medicare secondary-payer requirements) at the time the beneficiary becomes covered for ESRD, the group health plan remains secondary to Medicare.

This is only a general summary of the laws, which may change from time to time. For more information, contact your employer or the Social Security Administration.

12. Appeals

Right of Appeal

You have the right to one full and fair review in the case of an adverse benefit determination that denies, reduces, or terminates benefits, or fails to provide payment in whole or in part. Adverse benefit determinations include a denied or reduced claim, a rescission of coverage, or an adverse benefit determination concerning a pre-service notification requirement. Pre-service notification requirements are:

- A precertification request.
- A notification of admission or services.
- A prior approval request.
- A prior authorization request for prescription drugs.

How to Request an Internal Appeal

You or your authorized representative, if you have designated one, may appeal an adverse benefit determination within 180 days from the date you are notified of our adverse benefit determination by submitting a written appeal. Appeal forms are available at our website, *Wellmark.com*. See *Authorized Representative*, page 81.

Medically Urgent Appeal

To appeal an adverse benefit determination involving a medically urgent situation, you may request an expedited appeal, either orally or in writing. Medically urgent generally means a situation in which your health may be in serious jeopardy or, in the opinion of your physician, you may experience severe pain that cannot be adequately controlled while you wait for a decision.

Non-Medically Urgent Appeal

To appeal an adverse benefit determination that is not medically urgent, you must make your request for a review in writing.

What to Include in Your Internal Appeal

You must submit all relevant information with your appeal, including the reason for your appeal. This includes written comments, documents, or other information in support of your appeal. You must also submit:

- Date of your request.
- Your name (please type or print), address, and if applicable, the name and address of your authorized representative.
- Member identification number.
- Claim number from your Explanation of Benefits, if applicable.
- Date of service in question.

For a prescription drug appeal, you also must submit:

- Name and phone number of the pharmacy.
- Name and phone number of the practitioner who wrote the prescription.
- A copy of the prescription.
- A brief description of your medical reason for needing the prescription.

If you have difficulty obtaining this information, ask your provider or pharmacist to assist you.

Where to Send Internal Appeal

Wellmark Health Plan of Iowa, Inc.
Special Inquiries
P.O. Box 9232, Station 5W189
Des Moines, IA 50306-9232

Review of Internal Appeal

Your request for an internal appeal will be reviewed only once. The review will take into account all information regarding the adverse benefit determination whether or

not the information was presented or available at the initial determination. Upon request, and free of charge, you will be provided reasonable access to and copies of all relevant records used in making the initial determination. Any new information or rationale gathered or relied upon during the appeal process will be provided to you prior to Wellmark issuing a final adverse benefit determination and you will have the opportunity to respond to that information or to provide information.

The review will not be conducted by the original decision makers or any of their subordinates. The review will be conducted without regard to the original decision. If a decision requires medical judgment, we will consult an appropriate medical expert who was not previously involved in the original decision and who has no conflict of interest in making the decision. If we deny your appeal, in whole or in part, you may request, in writing, the identity of the medical expert we consulted.

Decision on Internal Appeal

The decision on appeal is the final internal determination. Once a decision on internal appeal is reached, your right to internal appeal is exhausted.

Medically Urgent Appeal

For a medically urgent appeal, you will be notified (by telephone, e-mail, fax or another prompt method) of our decision as soon as possible, based on the medical situation, but no later than 72 hours after your expedited appeal request is received. If the decision is adverse, a written notification will be sent.

All Other Appeals

For all other appeals, you will be notified in writing of our decision. Most appeal requests will be determined within 30 days and all appeal requests will be determined within 60 days.

External Review

You have the right to request an external review of a final adverse determination involving a covered service when the determination involved:

- Medical necessity.
- Appropriateness of services or supplies, including health care setting, level of care, or effectiveness of treatment.
- Investigational or experimental services or supplies.
- Concurrent review or admission to a facility. See *Notification Requirements and Care Coordination*, page 45.

An adverse determination eligible for external review does not include a denial of coverage for a service or treatment specifically excluded under this plan.

The external review will be conducted by independent health care professionals who have no association with us and who have no conflict of interest with respect to the benefit determination.

Have you exhausted the appeal process? Before you can request an external review, you must first exhaust the internal appeal process described earlier in this section. However, if you have not received a decision regarding the adverse benefit determination within 30 days following the date of your request for an appeal, you are considered to have exhausted the internal appeal process.

Requesting an external review. You or your authorized representative may request an external review through the Iowa Insurance Division by completing an External Review Request Form and submitting the form as described in this section. You may obtain this request form by calling the Customer Service number on your ID card, by visiting our website at *Wellmark.com*, by contacting the Iowa Insurance Division, or by visiting the Iowa Insurance Division's website at *www.iid.state.ia.us*.

You will be required to authorize the release of any medical records that may be required to be reviewed for the purpose of reaching a decision on your request for external review.

Requests must be filed in writing at the following address, no later than four months after you receive notice of the final adverse benefit determination:

Iowa Insurance Division
Two Ruan Center
601 Locust, 4th Floor
Des Moines, IA 50309-3738
Fax: 515-281-3059
E-mail:
iid.marketregulation@iid.iowa.gov

How the review works. Upon notification that an external review request has been filed, Wellmark will make a preliminary review of the request to determine whether the request may proceed to external review. Following that review, the Iowa Insurance Division will decide whether your request is eligible for an external review, and if it is, the Iowa Insurance Division will assign an independent review organization (IRO) to conduct the external review. You will be advised of the name of the IRO and will then have five business days to provide new information to the IRO. The IRO will make a decision within 45 days of the date the Iowa Insurance Division receives your request for an external review.

Need help? You may contact the Iowa Insurance Division at **877-955-1212** at any time for assistance with the external review process.

Expedited External Review
You do not need to exhaust the internal appeal process to request an external review of an adverse determination or a final adverse determination if you have a medical condition for which the time frame for completing an internal appeal or for completing a standard external review would seriously jeopardize your life or health or would jeopardize your ability to regain maximum function.

You may also have the right to request an expedited external review of a final adverse determination that concerns an admission, availability of care, concurrent review, or service for which you received emergency services, and you have not been discharged from a facility.

If our adverse benefit determination is that the service or treatment is experimental or investigational and your treating physician has certified in writing that delaying the service or treatment would render it significantly less effective, you may also have the right to request an expedited external review.

You or your authorized representative may submit an oral or written expedited external review request to the Iowa Insurance Division by contacting the Iowa Insurance Division at **877-955-1212**.

If the Insurance Division determines the request is eligible for an expedited external review, the Division will immediately assign an IRO to conduct the review and a decision will be made expeditiously, but in no event more than 72 hours after the IRO receives the request for an expedited external review.

Legal Action

You shall not start legal action against us until you have exhausted the appeal procedure described in this section.

13. General Provisions

Contract

The conditions of your coverage are defined in your contract. Your contract includes:

- Any application you submitted to us or to your employer or group sponsor.
- Any agreement or group policy we have with your employer or group sponsor.
- Any application completed by your employer or group sponsor.
- This benefit booklet and any riders or amendments.

All of the statements made by you or your employer or group sponsor in any of these materials will be treated by us as representations, not warranties.

Interpreting this Benefit Booklet

We will interpret the provisions of this benefit booklet and determine the answer to all questions that arise under it. We have the administrative discretion to determine whether you meet our written eligibility requirements, or to interpret any other term in this benefit booklet. If any benefit described in this benefit booklet is subject to a determination of medical necessity, unless otherwise required by law, we will make that factual determination. Our interpretations and determinations are final and conclusive.

There are certain rules you must follow in order for us to properly administer your benefits. Different rules appear in different sections of your benefit booklet. You should become familiar with the entire document.

Authority to Terminate, Amend, or Modify

Your employer or group sponsor has the authority to terminate, amend, or modify the coverage described in this benefit booklet at any time. Any amendment or modification will be in writing and will be as binding as this benefit booklet. If your contract is terminated, you may not receive benefits.

Authorized Group Benefits Plan Changes

No agent, employee, or representative of ours is authorized to vary, add to, change, modify, waive, or alter any of the provisions described in this benefit booklet. This benefit booklet cannot be changed except by one of the following:

- Written amendment signed by an authorized officer and accepted by you or your employer or group sponsor.
- Our receipt of proper notification that an event has changed your spouse or dependent's eligibility for coverage. See *Coverage Changes and Termination*, page 63.

Member Participation

You will be provided regular communication regarding matters such as wellness, general health education, and matters of policy and operation of Wellmark Health Plan of Iowa, Inc.

Authorized Representative

You may authorize another person to represent you and with whom you want us to communicate regarding specific claims or an appeal. This authorization must be in writing, signed by you, and include all the information required in our Authorized Representative Form. This form is available at *Wellmark.com* or by calling the Customer Service number on your ID card.

In a medically urgent situation your treating health care practitioner may act as your authorized representative without completion of the Authorized Representative Form.

An assignment of benefits, release of information, or other similar form that you

may sign at the request of your health care provider does not make your provider an authorized representative. You may authorize only one person as your representative at a time. You may revoke the authorized representative at any time.

Release of Information

By enrolling in this group health plan, you have agreed to release any necessary information requested about you so we can process claims for benefits.

You must allow any provider, facility, or their employee to give us information about a treatment or condition. If we do not receive the information requested, or if you withhold information, your benefits may be denied. If you fraudulently use your coverage or misrepresent or conceal material facts when providing information, then we may terminate your coverage under this group health plan.

Privacy of Information

Your employer or group sponsor is required to protect the privacy of your health information. It is required to request, use, or disclose your health information only as permitted or required by law. For example, your employer or group sponsor has contracted with Wellmark to administer this group health plan and Wellmark will use or disclose your health information for treatment, payment, and health care operations according to the standards and specifications of the federal privacy regulations.

Treatment

We may disclose your health information to a physician or other health care provider in order for such health care provider to provide treatment to you.

Payment

We may use and disclose your health information to pay for covered services from physicians, hospitals, and other providers, to determine your eligibility for benefits, to coordinate benefits, to determine medical necessity, to obtain payment from your employer or group sponsor, to issue explanations of benefits to the person enrolled in the group health plan in which you participate, and the like. We may disclose your health information to a health care provider or entity subject to the federal privacy rules so they can obtain payment or engage in these payment activities.

Health Care Operations

We may use and disclose your health information in connection with health care operations. Health care operations include, but are not limited to, determining payment and rates for your group health plan; quality assessment and improvement activities; reviewing the competence or qualifications of health care practitioners, evaluating provider performance, conducting training programs, accreditation, certification, licensing, or credentialing activities; medical review, legal services, and auditing, including fraud and abuse detection and compliance; business planning and development; and business management and general administrative activities.

Other Disclosures

Your employer or group sponsor or Wellmark is required to obtain your explicit authorization for any use or disclosure of your health information that is not permitted or required by law. For example, we may release claim payment information to a friend or family member to act on your behalf during a hospitalization if you submit an authorization to release information to that person. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosures permitted by your authorization while it was in effect.

Member Health Support Services

Wellmark may from time to time make available to you certain health support services (such as disease management), for a fee or for no fee. Wellmark may offer financial and other incentives to you to use

such services. As a part of the provision of these services, Wellmark may:

- Use your personal health information (including, but not limited to, substance abuse, mental health, and HIV/AIDS information); and
- Disclose such information to your health care providers and Wellmark's health support service vendors, for purposes of providing such services to you.

Wellmark will use and disclose information according to the terms of our Privacy Practices Notice, which is available upon request or at *Wellmark.com*.

Value Added or Innovative Benefits

Wellmark may, from time to time, make available to you certain value added or innovative benefits for a fee or for no fee. Examples include Blue 365, identity theft protections, and discounts on alternative/preventive therapies, fitness, exercise and diet assistance, and elective procedures as well as resources to help you make more informed health decisions. Wellmark may also provide rewards or incentives under this plan if you participate in certain voluntary wellness activities or programs that encourage healthy behaviors. Your employer is responsible for any income and employment tax withholding, depositing and reporting obligations that may apply to the value of such rewards and incentives.

Value-Based Programs

Value-based programs involve local health care organizations that are held accountable for the quality and cost of care delivered to a defined population. Value-based programs can include accountable care organizations (ACOs), patient centered medical homes (PCMHs), and other programs developed by Wellmark, Blue Cross Blue Shield Association, or other Blue Cross Blue Shield health plans ("Blue Plans"). Wellmark and Blue Plans have entered into collaborative arrangements with value-based programs under which the health care providers participating in them are eligible for financial incentives relating to quality and cost-effective care of Wellmark members. Your claims information may be used by the value-based program and any providers involved in such value-based program.

Nonassignment

Benefits for covered services under this group health plan are for your personal benefit and cannot be transferred or assigned to anyone else without our consent. You are prohibited from assigning any claim or cause of action arising out of or relating to this group health plan. Any attempt to assign this group health plan or rights to payment will be void.

Governing Law

To the extent not superseded by the laws of the United States, the group health plan will be construed in accordance with and governed by the laws of the state of Iowa. Any action brought because of a claim under this plan will be litigated in the state or federal courts located in the state of Iowa and in no other.

Legal Action

You shall not start any legal action against us unless you have exhausted the applicable appeal process and the external review process described in the *Appeals* section.

You shall not bring any legal or equitable action against us because of a claim under this group health plan, or because of the alleged breach of this plan, more than two years after the end of the calendar year in which the services or supplies were provided.

Medicaid Enrollment and Payments to Medicaid

Assignment of Rights

This group health plan will provide payment of benefits for covered services to you, your beneficiary, or any other person who has been legally assigned the right to receive

such benefits pursuant to Title XIX of the Social Security Act (Medicaid).

Enrollment Without Regard to Medicaid

Your receipt or eligibility for benefits under Medicaid will not affect your enrollment as a participant or beneficiary of this group health plan, nor will it affect our determination of benefits.

Acquisition by States of Rights of Third Parties

If payment has been made by Medicaid and Wellmark has a legal obligation to provide benefits for those services, Wellmark will make payment of those benefits in accordance with any state law under which a state acquires the right to such payments.

Medicaid Reimbursement

When a Network Provider submits a claim to a state Medicaid program for a covered service and Wellmark reimburses the state Medicaid program for the service, Wellmark's total payment for the service will be limited to the amount paid to the state Medicaid program. No additional payments will be made to the provider or to you.

Subrogation

Right of Subrogation

If you or your legal representative have a claim to recover money from a third party and this claim relates to an illness or injury for which this group health plan provides benefits, we, on behalf of your employer or group sponsor, will be subrogated to you and your legal representative's rights to recover from the third party as a condition to your receipt of benefits.

Right of Reimbursement

If you have an illness or injury as a result of the act of a third party or arising out of obligations you have under a contract and you or your legal representative files a claim under this group health plan, as a condition of receipt of benefits, you or your legal representative must reimburse us for all benefits paid for the illness or injury from money received from the third party or its insurer, or under the contract, to the extent of the amount paid by this group health plan on the claim.

Once you receive benefits under this group health plan arising from an illness or injury, we will assume any legal rights you have to collect compensation, damages, or any other payment related to the illness or injury from any of the following:

- The responsible person or that person's insurer.
- Uninsured motorist coverage.
- Underinsured motorist coverage.
- Other insurance coverage, including but not limited to homeowner's, motor vehicle, or medical payments insurance.

You agree to recognize our rights under this group health plan to subrogation and reimbursement. These rights provide us with a priority over any money paid by a third party to you relative to the amount paid by this group health plan, including priority over any claim for non-medical charges, or other costs and expenses. We will assume all rights of recovery, to the extent of payment made under this group health plan, regardless of whether payment is made before or after settlement of a third party claim, and regardless of whether you have received full or complete compensation for an illness or injury.

Procedures for Subrogation and Reimbursement

You or your legal representative must do whatever we request with respect to the exercise of our subrogation and reimbursement rights, and you agree to do nothing to prejudice those rights. In addition, at the time of making a claim for benefits, you or your legal representative must inform us in writing if you have an illness or injury caused by a third party or arising out of obligations you have under a contract. You or your legal representative must provide the following information, by registered mail, within seven (7) days of

such illness or injury to us as a condition to receipt of benefits:

- The name, address, and telephone number of the third party that in any way caused the illness or injury or is a party to the contract, and of the attorney representing the third party;
- The name, address and telephone number of the third party's insurer and any insurer of you;
- The name, address and telephone number of your attorney with respect to the third party's act;
- Prior to the meeting, the date, time and location of any meeting between the third party or his attorney and you, or your attorney;
- All terms of any settlement offer made by the third party or his insurer or your insurer;
- All information discovered by you or your attorney concerning the insurance coverage of the third party;
- The amount and location of any money that is recovered by you from the third party or his insurer or your insurer, and the date that the money was received;
- Prior to settlement, all information related to any oral or written settlement agreement between you and the third party or his insurer or your insurer;
- All information regarding any legal action that has been brought on your behalf against the third party or his insurer; and
- All other information requested by us.

Send this information to:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue, Station 5E151
Des Moines, IA 50309-2901

You also agree to all of the following:

- You will immediately let us know about any potential claims or rights of recovery related to the illness or injury.
- You will furnish any information and assistance that we determine we will need to enforce our rights under this group health plan.
- You will do nothing to prejudice our rights and interests including, but not limited to, signing any release or waiver (or otherwise releasing) our rights, without obtaining our written permission.
- You will not compromise, settle, surrender, or release any claim or right of recovery described above, without obtaining our written permission.
- If payment is received from the other party or parties, you must reimburse us to the extent of benefit payments made under this group health plan.
- In the event you or your attorney receive any funds in compensation for your illness or injury, you or your attorney will hold those funds (up to and including the amount of benefits paid under this group health plan in connection with the illness or injury) in trust for the benefit of this group health plan as trustee(s) for us until the extent of our right to reimbursement or subrogation has been resolved.
- In the event you invoke your rights of recovery against a third-party related to the illness or injury, you will not seek an advancement of costs or fees from us.
- The amount of our subrogation interest shall be paid first from any funds recovered on your behalf from any source, without regard to whether you have been made whole or fully compensated for your losses, and the "make whole" rule is specifically rejected and inapplicable under this group health plan.
- We will not be liable for payment of any share of attorneys' fees or other expenses incurred in obtaining any recovery, except as expressly agreed in writing, and the "common fund" rule is specifically rejected and inapplicable under this group health plan.

It is further agreed that in the event that you fail to take the necessary legal action to recover from the responsible party, we shall have the option to do so and may proceed in its name or your name against the responsible party and shall be entitled to the recovery of the amount of benefits paid under this group health plan and shall be entitled to recover its expenses, including reasonable attorney fees and costs, incurred for such recovery.

In the event we deem it necessary to institute legal action against you if you fail to repay us as required in this group health plan, you shall be liable for the amount of such payments made by us as well as all of our costs of collection, including reasonable attorney fees and costs.

You hereby authorize the deduction of any excess benefit received or benefits that should not have been paid, from any present or future compensation payments.

You and your covered family member(s) must notify us if you have the potential right to receive payment from someone else. You must cooperate with us to ensure that our rights to subrogation are protected.

Our right of subrogation and reimbursement under this group health plan applies to all rights of recovery, and not only to your right to compensation for medical expenses. A settlement or judgment structured in any manner not to include medical expenses, or an action brought by you or on your behalf which fails to state a claim for recovery of medical expenses, shall not defeat our rights of subrogation and reimbursement if there is any recovery on your claim.

We reserve the right to offset any amounts owed to us against any future claim payments.

Workers' Compensation

If you have received benefits under this group health plan for an injury or condition that is the subject or basis of a workers' compensation claim (whether litigated or not), we are entitled to reimbursement to the extent of benefits paid under this plan from your employer, your employer's workers' compensation carrier, or you in the event that your claim is accepted or adjudged to be covered under workers' compensation.

Furthermore, we are entitled to reimbursement from you to the full extent of benefits paid out of any proceeds you receive from any workers' compensation claim, regardless of whether you have been made whole or fully compensated for your losses, regardless of whether the proceeds represent a compromise or disputed settlement, and regardless of any characterization of the settlement proceeds by the parties to the settlement. We will not be liable for any attorney's fees or other expenses incurred in obtaining any proceeds for any workers' compensation claim.

We utilize industry standard methods to identify claims that may be work-related. This may result in initial payment of some claims that are work-related. We reserve the right to seek reimbursement of any such claim or to waive reimbursement of any claim, at our discretion.

Payment in Error

If for any reason we make payment in error, we may recover the amount we paid.

Notice

If a specific address has not been provided elsewhere in this benefit booklet, you may send any notice to Wellmark's home office:

Wellmark Health Plan of Iowa, Inc.
1331 Grand Avenue
Des Moines, IA 50309-2901

Any notice from Wellmark to you is acceptable when sent to your address as it appears on Wellmark's records or the address of the group through which you are enrolled.

Member Rights and Responsibilities

Inspection of Coverage

Except for groups that maintain a cafeteria plan pursuant to Section 125 of the Internal Revenue Code (26 USCA § 125), a member may, if evidence of coverage is not satisfactory for any reason, return the evidence of coverage within 10 days of its receipt and receive full refund of the deposit paid, if any. This right will not act as a cure for misleading or deceptive advertising or marketing methods, nor may it be exercised if the member utilizes the services of the HMO within the 10-day period. Members in cafeteria plans must adhere to the plan provisions concerning termination or changes in coverage.

Member Rights

All Wellmark members have a right to:

- Receive accurate information about the group health plan, its services, its network of providers, and its members' rights and responsibilities;
- Receive accurate information on utilization management notification requirements and case management services.
- Be treated with respect, in a manner that preserves their dignity and recognizes their right to privacy;
- Participate fully, with their providers, in decision-making that affects their health care;
- Expect a candid discussion of all appropriate or medically necessary treatment options pertaining to their conditions, regardless of cost or benefit coverage;
- Voice complaints or appeals about the group health plan or the care delivered by any of the providers;
- Make recommendations regarding Wellmark's members' rights and responsibilities policy.

Member Responsibilities

Likewise, Wellmark members share responsibility for maintaining their own good health. Specifically, all Wellmark members have a responsibility to:

- Provide, to the extent possible, information that the health plan needs to process claims, and information the providers need to provide care for them;
- Understand their health problems and participate in developing mutually agreed upon treatment goals to the degree possible;
- Follow the plans and instructions for care that they have agreed to with their providers;
- Present their ID card prior to receiving services.

Submitting a Complaint

If you are dissatisfied or have a complaint regarding our products or services, call the Customer Service number on your ID card. We will attempt to resolve the issue in a timely manner. You may also contact Customer Service for information on where to send a written complaint.

Glossary

The definitions in this section are terms that are used in various sections of this benefit booklet. A term that appears in only one section is defined in that section.

Accidental Injury. An injury, independent of disease or bodily infirmity or any other cause, that happens by chance and requires immediate medical attention.

Admission. Formal acceptance as a patient to a hospital or other covered health care facility for a health condition.

Amount Charged. The amount that a provider bills for a service or supply or the retail price that a pharmacy charges for a prescription drug, whether or not it is covered under this group health plan.

Benefits. Medically necessary services or supplies that qualify for payment under this group health plan.

BlueCard Program. The Blue Cross and Blue Shield Association program that permits members of any Blue Cross or Blue Shield Plan to have access to emergency care or accidental injury services similar to those that members have in the Wellmark Health Plan Network.

Compounded Drugs. Compounded prescription drugs are produced by combining, mixing, or altering ingredients by a pharmacist to create an alternate strength or dosage form tailored to the specialized medical needs of an individual patient when an FDA-approved drug is unavailable or a licensed health care provider decides that an FDA-approved drug is not appropriate for a patient's medical needs.

Creditable Coverage. Any of the following categories of coverage:

- Group health plan (including government and church plans).
- Health insurance coverage (including group, individual, and short-term limited duration coverage).
- Medicare (Part A or B of Title XVIII of the Social Security Act).
- Medicaid (Title XIX of the Social Security Act).
- Medical care for members and certain former members of the uniformed services, and for their dependents (Chapter 55 of Title 10, United States Code).
- A medical care program of the Indian Health Service or of a tribal organization.
- A state health benefits risk pool.
- Federal Employee Health Benefit Plan (a health plan offered under Chapter 89 of Title 5, United States Code).
- A State Children's Health Insurance Program (S-CHIP).
- A public health plan as defined in federal regulations (including health coverage provided under a plan established or maintained by a foreign country or political subdivision).
- A health benefits plan under Section 5(e) of the Peace Corps Act.
- An organized delivery system licensed by the director of public health.

Domestic Partner. An unmarried person who has signed an affidavit of domestic partnership with the plan member.

Extended Home Skilled Nursing. Treatment provided in the home by a registered (R.N.) or licensed practical nurse (L.P.N.) who is associated with an agency accredited by the Joint Commission for Accreditation of Health Care Organizations (JCAHO) or a Medicare-certified agency that is ordered by a physician and consists of four or more hours per day of continuous nursing care that requires the technical proficiency and knowledge of an R.N. or L.P.N.

Group. Those plan members who share a common relationship, such as employment or membership.

Group Sponsor. The entity that sponsors this group health plan.

Illness or Injury. Any bodily disorder, bodily injury, disease, or mental health condition, including pregnancy and complications of pregnancy.

Inpatient. Services received, or a person receiving services, while admitted to a health care facility for at least an overnight stay.

Maintenance. An industry-wide classification for prescription drug treatments to control specific, ongoing health conditions.

Medical Appliance. A device or mechanism designed to support or restrain part of the body (such as a splint, bandage or brace); to measure functioning or physical condition of the body (such as glucometers or devices to measure blood pressure); or to administer drugs (such as syringes).

Medically Urgent Situation. A situation where a longer, non-urgent response time to a pre-service notification could seriously jeopardize the life or health of the benefits plan member seeking services or, in the opinion of a physician with knowledge of the member's medical condition, would subject the member to severe pain that cannot be managed without the services in question.

Medicare. The federal government health insurance program established under Title XVIII of the Social Security Act for people age 65 and older and for individuals of any age entitled to monthly disability benefits under Social Security or the Railroad Retirement Program. It is also for those with chronic renal disease who require hemodialysis or kidney transplant.

Member. A person covered under this group health plan.

Nonparticipating Pharmacy. A pharmacy that does not participate with the network used by your prescription drug benefits.

Out-of-Network Provider. A facility or practitioner that does not participate with either the Wellmark Health Plan Network or a Blue Cross or Blue Shield Plan in any other state. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers.

Outpatient. Services received, or a person receiving services, in the outpatient department of a hospital, an ambulatory surgery center, or the home.

Participating Pharmacy. A pharmacy that participates with the network used by your prescription drug benefits. Pharmacies that do not contract with our pharmacy benefits manager are considered Out-of-Network Providers.

Participating Providers. These providers participate with a Blue Cross and/or Blue Shield Plan in another state or service area but not with the Wellmark Health Plan Network.

Plan Member. The person who signed for this group health plan.

Plan Year. A date used for purposes of determining compliance with federal legislation.

Services or Supplies. Any services, supplies, treatments, devices, or drugs, as applicable in the context of this benefit booklet, that may be used to diagnose or treat a medical condition.

Specialty Drugs. Drugs that are typically used for treating or managing chronic illnesses. These drugs are subject to restricted distribution by the U.S. Food and Drug Administration or require special handling, provider coordination, or patient education that may not be provided by a retail pharmacy. Some specialty drugs may be taken orally, but others may require administration by injection, infusion, or inhalation.

Spouse. A man or woman lawfully married to a covered member.

Urgent Care Centers provide medical care without an appointment during all hours of operation to walk-in patients of all ages who are ill or injured and require immediate care but may not require the services of a hospital emergency room.

We, Our, Us. Wellmark Health Plan of Iowa, Inc.

Wellmark Health Plan Network Provider. A facility or practitioner that participates with Wellmark Health Plan of Iowa, Inc.

X-ray and Lab Services. Tests, screenings, imagings, and evaluation procedures identified in the American Medical Association's Current Procedural Terminology (CPT) manual, Standard Edition, under *Radiology Guidelines* and *Pathology and Laboratory Guidelines*.

You, Your. The plan member and family members eligible for coverage under this group health plan.

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  - Qualified sign language interpreters
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- Free language services to people whose primary language is not English, such as:
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Complaint forms are available at http://www.hhs.gov/ocr/office/file/index.html.

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M-2318376 09/16 A

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

JESSE VROEGH, Plaintiff, vs. IOWA DEPARTMENT OF CORRECTIONS, WELLMARK, INC. d/b/a WELLMARK BLUE CROSS AND BLUE SHIELD OF IOWA, and PATTI WACHTENDORF Individually and in her Official Capacities, Defendants.	File No. LACL138797 TRANSCRIPT OF PROCEEDINGS--STATE DEFENDANTS' MOTION TO DISMISS and PLAINTIFF'S MOTION TO AMEND October 12, 2017

The above-entitled matter came on for a motion hearing before the Honorable Lawrence P. McLellan, Judge of the Fifth Judicial District of Iowa, commencing at 1:34 p.m. on the 12th day of October, 2017, at the Polk County Courthouse, 500 Mulberry Street, Room 302, Des Moines, Iowa.

A P P E A R A N C E S

For the Plaintiff: RITA BETTIS
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Julie A. Moon, CSR, RPR
Official Court Reporter
Polk County Courthouse
515-286-3653

EXHIBIT D

P R O C E E D I N G S

(The proceedings commenced at 1:34 p.m. on the 12th day of October, 2017, with the Court and counsel present.)

THE COURT: Let the record reflect that we are here in the matter of Vroegh versus Iowa Department of Corrections, Case No. LACL138797. I think I have two motions this afternoon; a motion to dismiss filed by the defendant -- by the Iowa Department of Corrections, and then a motion to amend filed by the plaintiff.

Is that correct, Mr. Hill?

MR. HILL: Yes, Your Honor.

THE COURT: Ms. Bettis?

MS. BETTIS: Yes, Your Honor.

THE COURT: Okay. Why don't we take the easy one first, the motion to amend. I know the State has filed an objection or a resistance. And as I understand it, their objection or resistance is, in the amended petition, the plaintiff is seeking to now specifically request punitive damages. And that's a portion of your argument on the motion to dismiss; right?

MR. HILL: Correct.

THE COURT: And so I'm assuming, if I were to grant the motion, you're simply going to ask that I

apply your motion to dismiss to the amended petition, which are, I believe it's Counts III and IV; correct?

MR. HILL: Correct.

THE COURT: And is that your understanding?

MS. BETTIS: I would agree, Your Honor.

THE COURT: Okay. That removes your objection then; correct?

MR. HILL: Right. We're not objecting to the amendment. We're objecting to whether or not the amendment states a claim.

THE COURT: Okay. Well, I'll go ahead, then, and I'll grant the motion to amend, but I will consider the amended portion when I'm looking at and considering the State's motion to dismiss. Okay.

So go ahead, Mr. Hill, then.

MR. HILL: Okay. Good afternoon. I'm here today representing the Iowa Department of Corrections, the Iowa Department of Human Services, and also Patti Wachtendorf. Patti Wachtendorf is the former warden at the Iowa Correctional Institution for Women.

There is another party who is not part of this motion and that's the Wellmark, Wellmark Blue Cross and Blue Shield; but this motion only pertains to what I call the State defendants, Department of Administrative Services, Corrections, and Patti Wachtendorf.

There are basically five claims in this case; however, claim No. 1 or issue No. 1 involves a claim of discrimination based upon use of facilities based upon gender identity based upon chapter Iowa Code 216. That Count I is not an issue in today's hearing. And so that claim will eventually go forward depending upon what the ruling is in today's court hearing.

As well as Count V. Count V only involves Wellmark and alleged discrimination in the provision and administration of benefits. That claim is not at issue in today's hearing.

Basically what we're here for is claims Count Nos. II, III, and IV. And Count Nos. III and IV are somewhat very identical arguments, but Count No. II is somewhat distinct, and I wanted to start with Count No. II.

Count No. II is a claim against both the Iowa Department of Corrections and the Iowa Department of Administrative Services based upon discrimination based upon the benefit -- on the administration of benefits on sex and gender grounds, basically a Chapter 216 claim.

The State defendants in this case assert that claims with regards to insurance and insurance

coverage are part of a collective bargaining agreement between the State of Iowa and the bargaining unit. And in this case the Iowa Department of Administrative Services doesn't control benefits; they're merely subject to the collective bargaining process.

Now, there's no question in this case that Mr. Vroegh was a party of the collective bargaining group, would have been represented at the bargaining group, in that insurance is a mandatory subject of collective bargaining itself.

And the defendants in their brief cited a particular PERB case where it indicates in the statutory language as well to establish that insurance is a mandatory subject of collective bargaining. And the question at issue is whether or not the coverage of the benefits sought by the plaintiff were a part of those -- are a part of that particular coverage.

The State defendants assert that the exclusive rights to benefits is contained in that collective bargaining agreement in the insurance agreement in that there's nothing beyond the scope of that particular contract.

Now, understandably, the plaintiff would like to have certain services included and asserts that they're mandatory. However, what's important to note is

there's no claim in this case that the State of Iowa when negotiating the collective bargaining agreement between itself and the union somehow refused to address this concern or otherwise engaged in unfair negotiation by not somehow including certain -- the benefits that Mr. Vroegh has requested.

Rather it's simply a matter of Chapter 20, the contractual language between the parties and the certain things that Mr. Vroegh wants are not part of that agreement. And it's simply an argument as to what coverage or noncoverage is based upon the agreement between the parties.

So the State asserts that the claim against the Department of Administrative Services as somewhat the alleged negotiating agent or the agent to provide the contractual services must be dismissed, as well as the claim against the Department of Corrections as somewhat the employing agency in administering the benefits. Neither can be a party.

And it's basically a Chapter 20 claim that doesn't -- that fails to state a claim. Basically, the union negotiated what it thought was the best deal based upon the health benefits out there, and the services that Mr. Vroegh desires or wanted is simply not part of that contract. And so it's simply basically a matter of

contractual dispute in what's in that contract.

So the State would assert that that particular claim fails to state a claim, and that would be Count No. II.

As to Count Nos. III and IV, they're the claims based upon the violation of the Iowa Constitution based upon sex discrimination or based upon the transgender status; and those claims are against all three state defendants.

The position of the State in this case is that the resolution is controlled by the Iowa Supreme Court decision in *Godfrey*. That is, in *Godfrey* the Court recognized that you can't have a tort claim under the Iowa Constitution when the legislature has not provided an adequate remedy.

However, the Supreme Court when analyzing the facts of what is a very similar claim -- and I'm referring to the opinion of -- because there are many opinions in the *Godfrey* case and there are splits -- Chief Judge Justice Cady indicated and held in his opinion, concurring and dissenting, that the Iowa Civil Rights Act provided an adequate remedy for the claims against the State for discrimination on the basis of sexual orientation.

Now, the claims of sex and gender

discrimination are the exact same ones that were raised in the civil rights complaint.

And so, basically, the argument of the State is that the Iowa Civil Rights Act acts as the sole remedy for the plaintiff and they are not allowed to proceed with an additional claim against the State of Iowa for a constitutional violation.

I think the Court called the Iowa Civil Rights -- the remedies provided in the Iowa Civil Rights Act as robust and serve as an adequate deterrent to any unconstitutional conduct. And the claims in -- available under Chapter 216 include damages and attorneys' fees and act as a sufficient deterrent to prevent a party from discriminating against one of their employees.

Now, the opinion of Justice Cady was in agreement with the decisions of Justices Mansfield, Waterman, and Zager, who made up what we would call the majority on the issue of the application of *Godfrey*.

Now, I understand that *Godfrey* is a bit difficult to parse out and to split the various opinions, but one of, we believe, the majority positions is that in claims of discrimination, the Iowa Civil Rights Act is the exclusive remedy.

Now, the upshot of that would be that there

should be no claim for a constitutional violation as alleged in this particular case.

Now, likewise, the amendment that was granted by the Court involves an additional claim of the punitive damages. And the Court in *Godfrey* recognized and, once again, relied upon the language from Chief Justice Cady, indicated that when there is -- the claim is for monetary damages and does not involve the infringement of physical security, privacy, or bodily integrity, the right to participate in government -- the Civil Rights Act is the exclusive remedy. And while there is no right to punitive damages under the Civil Rights Act, it provides full compensation in attorney fees for the parties.

So the argument of the State is that *Godfrey* controls both whether or not there is a remedy and if there is such a remedy, in that the availability of punitive damages does not somehow take this claim outside the realm of what otherwise should be solely a Chapter 216 claim.

So, in summary, the position of the State is that Count II should be dismissed because it's solely a Chapter 20 dispute, a contractual dispute based upon the collective bargaining agreement; and Counts III and IV can be dismissed based upon the application of the

Godfrey decision. So that's the position of the State with regards to the petition as it currently stands.

THE COURT: Thank you, Mr. Hill.

Ms. Bettis?

MS. BETTIS: Thank you, Your Honor.

I would begin by reiterating the principle that the Iowa Supreme Court frequently elucidates, that motions to dismiss and grantings of motions to dismiss are both disfavored; and the State in order to succeed on its motions to dismiss these claims would have to show that there's no possibility of recovery under the facts that we've alleged.

And they can't do that on either of the two categories of arguments as they pertain to the three claims; and those are, first, this Chapter 20 argument, and, second, the availability of constitutional remedies when the Iowa Civil Rights Act claims are also presented in the same case.

So I'll take those in turn. The State's argument that because health insurance coverage is provided to public employees and that because that was the subject of collective bargaining that somehow it therefore cannot be the subject of a Civil Rights Act claim is belied by Iowa precedent as well as additional persuasive federal precedent looking at Title VII

Civil Rights Act claims, all of which support the principle that the State cannot use collective bargaining as a shield for its discriminatory practices.

So I'll talk about the Iowa precedent. I'll talk a little bit about the persuasive federal authority, and then just to underscore that long-standing principles of contract law going back through the common law both preceding the State of Iowa and Iowa common law support the proposition and principle that illegal provisions of a contract are unenforceable, and unconstitutional provisions of contracts are unenforceable and that that is contained in case law interpreting Chapter 20 itself. So I'll go through those as briefly as I can.

So the important Iowa precedent to look at is the 1991 Iowa Supreme Court case *Polk County Secondary Roads vs. Iowa Civil Rights Commission*.

And in that case an employee challenged a provision of the employment agreement that resulted from a collective bargaining process whereby if an employee had made a claim to the Civil Rights Commission, he or she was then foreclosed from being able to take advantage of the arbitration privileges for public employees. And he challenged that as a violation of the antiretaliation provisions of the Civil Rights Act.

And the Iowa Civil Rights Commission held that that in fact was a violation and it was inconsistent and, therefore, that that provision of the employment agreement which resulted from the collective bargaining process was unenforceable.

That went up to the Iowa Supreme Court which affirmed and held, quote, In a collective bargaining -- The provisions in a collective bargaining agreement do not override statutory civil rights provisions.

And it reasoned that Chapter 40 collective bargaining contracts can't bargain away employees' rights under the Iowa Civil Rights Act or the Iowa Constitution.

The same is true in Vroegh's case here. His right to be free from discrimination on the basis of his sex and his gender identity under both the Civil Rights Act and the Iowa Constitution simply cannot be bargained away.

Taking a look now at the persuasive federal authority, first, just noting that it's not controlling but that Iowa courts look to Title VII in interpreting the Iowa Civil Rights Act because of the closeness of those two civil rights acts and the reliance by the Iowa legislature on the Federal Civil Rights Act in drafting the Civil Rights Act.

One good example that we included in our briefing is the *Schiffman* case. So it's analogous to our case. In *Schiffman* an employer provided employees with a disability insurance policy that did not cover maternity benefits that were required to be included under the Pregnancy Discrimination Act.

And the United States Supreme Court held that the policy was a per se violation of Title VII because it drew unlawful distinctions based on pregnancy. And it specifically rejected the employer's argument that it was shielded from responsibility because the employees in that case had voted to accept the discriminatory policy.

And the language -- The pertinent language from that decision is, Employers are not shielded from liability under Title VII if discrimination results from a collective bargaining agreement.

And, then, just turning to contract law of principles, we cited --

THE COURT: Before you go there, I just have a question. I'm assuming in the *Polk County Secondary Roads* case that there was some provision in the collective bargaining agreement that indicated that if you file a civil rights claim, you cannot use the arbitration provision. So there was a specific -- There

was some specific language in the contract that said that; correct?

MS. BETTIS: Correct.

THE COURT: I'm assuming -- And my next question is, on *Schiffman* did that contract that they negotiated with the insurance company, did the collective bargaining agreement specifically provide that it would not cover maternity benefits, or was that a decision that later was reached because somebody applied for maternity benefits and the company denied it based upon its interpretation of the contract language? And I mean policy language.

MS. BETTIS: That's a good question, Your Honor. My understanding is that the -- in my remembering of that case, my understanding is that the employees had voted to accept the specific discriminatory policy vis-a-vis these maternity benefits and that that is -- I think I see where you're going with the question which is, did the collective bargaining agreement in this case specifically say transgender people are unable to access the specific insurance coverage benefits --

THE COURT: Exactly where I'm going.

MS. BETTIS: And I don't -- So we don't have the collective bargaining agreement. What we know is

that the insurance policy itself is facially discriminatory in that manner. And so to the extent that it was authorized -- I mean, this is what I would say:

To the extent that it was authorized by the collective bargaining agreement expressly, then that collective bargaining agreement does not shield the State from its liability as an employer or the State in its capacity vis-a-vis the constitutional rights of our client.

And if it was not expressly covered, then the argument is irrelevant because it wasn't actually the subject of collective bargaining.

THE COURT: When you say it's facially unconstitutional, does the insurance -- the health policy, does it specifically state, We will not cover surgery -- the surgery that we're talking about here?

Or is it a situation where Mr. Vroegh made application for coverage and then the company looked at it and came -- and by "company" I mean Wellmark -- looked at it and said, I'm sorry, but because of this language in the policy, that particular type of medical procedure is not covered under the policy?

MS. BETTIS: It's the former and not the latter, because by definition only transgender Iowans

will have gender dysphoria, which is the specific type of medical need that was excluded from coverage by the insurance policy that governed our client during his employment.

THE COURT: So the policy specifically stated that it would not cover transgender --

MS. BETTIS: Treatment for gender dysphoria and --

THE COURT: Okay. So there's specific language in the insurance policy?

MS. BETTIS: Yes, Your Honor.

THE COURT: Okay. I suppose at this juncture we don't know if the State and/or the union members who approved the collective bargaining agreement had a copy of that policy at the time this was presented to them.

MS. BETTIS: We don't know that. It's too early in the proceedings to say that. That's not in evidence at all. But what I would say is that either they didn't have that knowledge and then their argument doesn't pertain, or they did have the knowledge and their argument fails because to the degree that the agreement reached violated the Civil Rights Act or the Iowa Constitution, it's unenforceable anyway.

THE COURT: Thank you.

MS. BETTIS: And if I could just talk, I'll address the point made by counsel regarding the PERB case, and I'll do that just with quick reference to these principles of contract law going back to and preceding the early days of the Iowa 1857 Constitution.

Looking at the *Reynolds v. Nichols* case from 1861, the Supreme Court laid out the principle that an agreement that is contrary to the provisions of any statute or intends to be repugnant to general common law policy is void.

And then fast-forward to lots of cases today, but specifically in the context of a public contract, the Iowa Supreme Court case *Miller v. Marshall County* from 2012 deals with a public lease agreement that the county had entered and failed to go through various statutory prerequisites that it needed to do before it could enter into that agreement.

And the Supreme Court found that the agreement was as a whole void because of the illegal purpose. Notably -- I think this is important to this case -- it is not the case that when a single provision of a contract is void because it's inconsistent with a statute or constitution that the contract as a whole is unenforceable. That is not the case. That only occurs when the purpose of the contract as a whole was illegal.

In this case that's clearly not the case. The collective bargaining agreement dealt with a wide number of subjects, and the discriminatory provision that is inconsistent with law and constitution that we're challenging in this case was really incidental to the purpose of the collective bargaining agreement.

And that point is made, that distinction, both in the *Miller v. Marshall County* case, and then also another case which is the *Polk County Secondary Roads v. Iowa Civil Rights Commission*.

There the Supreme Court when upholding the Civil Rights Commission's determination that that choice of remedies, arbitration provision was unenforceable, initially the Commission had sought to just rewrite the language to make it consistent with the Civil Rights Act, and the Court said you can't do that but this provision is unenforceable. So that distinction was made.

And then specifically to that PERB case, so the case that I think we're both referring to -- and counsel can correct me if there's a different case that he was thinking of. It's *Waterloo Police Protective Association vs. PERB*, 497 N.W.2d 833, Iowa 1993 --

THE REPORTER: I'm sorry. Could you slow down, please?

MS. BETTIS: Yes. I apologize.

It's the *Waterloo Police Protective Association vs. Public Employment Relations Board*, 497 N.W.2d 833. And the pin cite for the quote I'm about to give the Court is 835. And that's a 1993 Iowa Supreme Court decision.

And it actually takes into account this provision of contract law that things that are inconsistent with law cannot be a valid subject of collective bargaining specifically.

There the Court found, quote, Even if the subject matter of the disputed item is fairly included within one of the mandatory bargaining topics listed in Section 20.9 -- as insurance is, which we don't contest -- the Court must also, quote, consider whether bargaining as to that matter would be contrary to any statute or other legal prohibition.

So there simply is no authority to support the provision -- the proposition that public employees and the State may enter into an agreement which waives either the constitutional rights or the civil rights of an employee.

And I can move on now to the arguments that pertain to *Godfrey* and the punitive damages piece if Your Honor doesn't have any questions about that first

argument.

THE COURT: No. Please, go ahead.

MS. BETTIS: So, likewise, we disagree with the State as to their reading of the *Godfrey* case. We would agree that it's a complicated decision, that there are multiple opinions and that you have to read the case very closely to understand on which pieces there is a majority decision and on which pieces there are merely indications of where the Court might be going in the future.

So I will do my best to parse that out as we read the decision and as it pertains to this case.

THE COURT: Off the record.

(An off-the-record discussion was held.)

MS. BETTIS: So *Godfrey* does not preclude our client's constitutional claims because this case is distinguishable from the case in *Godfrey*.

Godfrey in finding that the equal protection provisions of the Iowa Constitution are self-executing -- that's the holding, that's the holding -- and, therefore, provide a cause of action similar to *Bivens* under federal case law.

It doesn't stand for the proposition that traditional equitable remedies under the Iowa Constitution are suddenly unavailable.

So by recognizing that monetary damages for violations of State constitutional rights are available, it doesn't hold that those traditional equitable forms of relief are unavailable for all cases. It applies a test which looks at the adequacy of the statutory remedies in the specific case before it on a factual case-by-case basis to determine if the constitutional remedies and claims should be reached. And I'll go through that one piece at a time.

So the first piece. *Godfrey* stands for the proposition that monetary damages for a state constitutional due process or equal protection violation may be preempted by the Iowa Civil Rights Act on a case-by-case basis.

So in *Godfrey* four justices held that *Bivens*-style tort claims for monetary damages, not equitable damages are available under the Iowa Constitution. No one contested that equitable damages had long been recognized by the Court.

In fact, even the Mansfield dissent states we have crafted remedies such as the exclusionary rule and declaratory and injunctive relief implementing the basic directive of Article XII, Section 1 that unconstitutional acts are void.

So these traditional equitable forms of

relief including declaratory and injunctive relief are still available and didn't go away as a result of *Godfrey*.

Even when the Iowa Civil Rights Act or other statutes give some relief, sometimes these equitable forms of relief or punitive damages may be necessary to adequately redress the harms that resulted from violations of constitutional rights.

And the Appel lead plurality summarizes the holding of the case thusly. He writes, A majority concludes that the remedy provided by Chapter 216 is adequate under the facts and circumstances of this case.

And in moving forward to the Cady concurrence, Chief Justice Cady writes, I find that the Iowa Civil Rights Act provides that the remedy here at least with respect to Christopher J. Godfrey's claim against the State for discrimination on the basis of sexual orientation is adequate.

So it's not enough for the State to merely assert that some remedies exist under the Iowa Civil Rights Act. The State would instead have to show at this early stage that there is no possibility of recovery for those constitutional rights that wouldn't be met by the Iowa Civil Rights Act. And it's simply too early in the case as a general matter to make that

assertion.

But we do already know from the facts asserted that there are harms in this case which are distinguishable from greater than *Godfrey* for which punitive damages are warranted.

And it's important to point out that four justices, both the Appel lead concurrence and the Cady concurrence, recognize the potential applicability of punitive damages for violations of State constitutional rights on a case-by-case basis.

What they didn't do, because they didn't find that punitive damages pertained in that case, was to establish the test for when punitive damages are appropriate.

So what we've done in our brief and what I'll walk Your Honor through today are the available standards that we have from existing Iowa case law in the context of Chapter 668, which is a tort statute that allows for punitive damages in those types of cases, as well as persuasive federal case law dealing with civil rights claims in that context.

So the seminal case from federal 1983 cases and *Bivens* cases where punitive damages are available is *Smith v. Wade*, which is a United States Supreme Court case from 1983. And the Court upheld the jury's award

of punitive damages because the plaintiff had established an evil motive, intentional wrongdoing, reckless and callous indifference or disregard for the plaintiff's constitutional rights.

And then looking at the Iowa standard, we cited in our briefing a case *Holt v. Quality Egg* from the Northern District of Iowa in 2011, and that's Judge Bennett, who discusses the standard for 668A as intentionally done -- punitive damages being warranted -- when the act is willful and wanton disregard for the rights of others, meaning that the defendant has intentionally done an act of unreasonable character, usually accompanied by a conscious indifference to the consequences.

So we see the same pieces of the test in both contexts. I think it is reasonable to think that those are the necessary prerequisites for punitive damages in this type of claim.

I would identify those elements as some sort of intentional act done knowingly or recklessly with the rights -- with regard to the constitutional rights in this case of the injured party and done with a callousness, with a disregard for those rights. And we believe that the ingredients to meet those elements are all here in this case, unfortunately.

So, obviously, we are very early in this case and we will have discovery, we'll have further developments, but we believe that we already can show the basis for a punitive damages case, and that basis will be built upon as we move through discovery.

And that's because the State had knowledge both from materials and guidance that was provided by the State itself as well as from interpretations of analogous federal nondiscrimination provisions of the Affordable Care Act that the specific ways that it was discriminating against our client were unlawful vis-a-vis use of the restroom facilities, locker room facilities, and in the provision of insurance benefits.

So the Iowa Civil Rights Commission published and made available when the Civil Rights Act was amended around that time in 2007 to include sexual orientation and gender identity. It put out guidance for employers. And we cite this in our resistance brief. The title of the brochure is "Sexual Orientation and Gender Identity Employment" brochure.

And it specifically makes clear, quote, The new Iowa law -- this is referring to the Civil Rights Act -- does require that employers permit employees to access those restrooms in accordance with their gender identity.

The same brochure makes clear that State employers and all employers must provide benefits to their employees, quote, without regard to their sexual orientation or gender identity. Benefits include such things as insurance policies.

Likewise the State had every reason to believe that a ban on transition-related healthcare to treat gender dysphoria constituted gender identity and sex discrimination based on rules that were developed by the Office of Civil Rights and the U.S. Department of Health and Human Services.

And those were referenced and the State's awareness of those rules were referenced in some of the materials that we cited to in our resistance which were provided by, I believe, Wellmark to the Civil Rights Commission in its investigation of these claims before it found a likelihood of probable cause determination in this case.

The State's callous indifference to Mr. Vroegh's constitutional rights was further demonstrated because when he sought to remedy his disparate treatment, even after he had requested to use the bathrooms that aligned with his gender identity and informed his employer of his gender identity and his transition, the State intentionally and callously acted

to deny him use of those facilities, continued to misgender him and deprive him of medically-necessary benefits, the harm for which of being deprived can include suicidality, self-harm, attempted self-castration, by simply telling our client that transgender issues were, quote, too controversial.

So, in summary, the State cannot prove that there is no scenario under which Mr. Vroegh in this case could recover punitive damages just because the Supreme Court held that *Godfrey* in his case couldn't show that he was entitled to punitive damages, and his claim for them should not be dismissed.

Another important point to make about the *Godfrey* case, and Justice Mansfield points this out in his dissent: *Godfrey* conceded that the Civil Rights remedies without punitive damages would be sufficient in the record on that case. We make no such concession here.

Thank you, Your Honor.

THE COURT: Let me ask: Has the plaintiff requested some type of equitable relief under Counts III and IV?

MS. BETTIS: We have. We've requested injunctive relief, and we've requested declaratory relief. So both a declaration by this Court that the

policy and practice of depriving transgender employees of their use of bathroom and locker room facilities or segregating them from other employees on the basis of their gender identity is a violation of constitutional rights.

And injunctive relief -- The same for the insurance policy, requiring that medically-necessary care be treated the same regardless of gender identity. And -- I think that answers your question, Your Honor.

THE COURT: Yes. Thank you.

Any response, Mr. Hill?

MR. HILL: Yes, Your Honor.

With regard to claims III and IV -- I'll call them the *Godfrey* claims -- we think *Godfrey* said it well enough. We can't repeat what was said. And the Court will have to examine the rulings with respect to the Iowa Civil Rights component in the punitive damages. But the State asserts that that's the end and the beginning; that that says it all.

With regards to what I call the Chapter 20 claim, I can't tell if the allegation is that the treatment for -- or the health services for which Mr. Vroegh wanted were not included or specifically included {*sic*}.

In either sense, if they were not included,

if the union, the bargaining unit decided not to bargain for it, what they're basically asking the Court to do is to immerse itself in the collective bargaining unit and say that the bargaining unit didn't do a good enough job and should have pursued these benefits. And to what end?

I mean, I think that puts the parties out of whack in any collective bargaining agreement or contractual relationship if that was their sole purpose. As well as, I don't think if there was something that says, No, the State of Iowa is going to exclude gender treatments or health services treatment, I think that is something the union would have pursued saying, Hey, this is unlawful, this is discriminatory, this is unfair negotiation practice. I think we would have heard that argument by now.

I think basically what the allegations are is there is a collective bargaining agreement. For whatever reason it didn't address or address widely enough the healthcare issues that Mr. Vroegh wanted; but in the end we have to look at what the agreement was, and the agreement was that these type of services weren't mentioned, weren't included, or weren't paid for. And the fact that they weren't doesn't provide a cause of action to usurp the contract itself.

So we assert that under Chapter 20 they don't have a claim. So with respect to Counts III, IV, and V, we assert that they -- or II, III, and IV that they should be dismissed.

MS. BETTIS: Your Honor, may I respond?

THE COURT: Sure.

MS. BETTIS: So I've heard a lot of, We don't know, and, We're unsure, and, It could be this, and, It could be that. I think that's part of the point of why motions to dismiss are not frequently granted and the parties are given the opportunity to do discovery.

But I can make very clear for my opposing counsel and for the Court what our claim is vis-a-vis the insurance right now and that is that the insurance policy itself specifically covers medically-necessary surgery but creates an exception for medically-necessary surgery to treat gender dysphoria.

That basically discriminates against transgender people, and that insurance policy provision is therefore void and unenforceable; and we're asking this Court to declare as much, which is certainly not an extraordinary remedy, and to enjoin future administration according to that unenforceable, illegal, and unconstitutional provision.

THE COURT: Okay. I'll give you one last

shot since it's your motion if you have anything further.

MR. HILL: Well, I would say, where was the union in challenging the collective bargaining unit in part of the negotiations saying, Hey, you're asking us to agree to something that's unconstitutional? Where was the union and the bargaining unit in that dispute? They weren't.

THE COURT: I suppose, though, their argument would be, if the union was asleep, that still doesn't make it constitutional, I suspect.

MR. HILL: Yeah, but that also doesn't give the right to the Court to intervene.

MS. BETTIS: Well, that last part -- if I may -- is not true. This Court has clear authority under both the Iowa Constitution and the Civil Rights Act to protect the civil rights and the constitutional rights of our client.

THE COURT: Okay. Thank you. I will dive into *Godfrey*. I may never emerge from it. But I'll get you a ruling as soon as I can.

(Proceedings concluded at 2:17 p.m., on the 12th day of October, 2017.)

CERTIFICATE OF REPORTER

I, Julie A. Moon, Certified Shorthand Reporter and Official Court Reporter for the Fifth Judicial District of Iowa, do hereby certify that I was present during the foregoing proceedings and took down in shorthand the testimony and other proceedings held, that said shorthand notes were transcribed by me by way of computer-aided transcription, and that the foregoing pages of transcript contain a true, complete, and correct transcript of said shorthand notes so taken.

DATED this 19th day of October, 2017.

/s/ Julie A. Moon
Julie A. Moon
Certified Shorthand Reporter

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