

Benefit Booklet

For

BLUE MEDICARE SUPPLEMENTSM
PLAN G

Benefit Booklet



An Independent Licensee of the Blue Cross and Blue Shield Association

BMS G, 2/22

97010/99002

READ YOUR CERTIFICATE CAREFULLY

This benefit booklet and your application for coverage are the entire legal contract between you and Blue Cross and Blue Shield of North Carolina (“*Blue Cross NC*”).

Notice: Right To Return Certificate Within 30 Days: (New Applicants Only) If for any reason you are not satisfied with this *certificate*, you may return it to *Blue Cross NC* within 30 days of the date you received it, and the fees you have paid on this *certificate* will be promptly refunded.

Notice to Buyer: This *certificate* may not cover all of your medical expenses.

Caution: *Certificate* benefits are limited to those approved by *Medicare* for payment, unless otherwise noted.

Pre-Existing Conditions Limitations: There is a six-month waiting period for pre-existing conditions. The waiting period will be reduced by the amount of time you have spent under other health insurance coverage so long as the coverage terminated no more than 63 days prior to the date that the application is received.

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WELCOME TO YOUR MEDICARE SUPPLEMENT PLAN

Welcome to Blue Cross and Blue Shield of North Carolina's Medicare Supplement plan!

How To Use Your Blue Medicare Supplement Benefit Booklet

This benefit booklet provides important information on benefits and the procedures necessary to receive them. Please read it carefully.

If you are trying to determine whether coverage will be provided for a specific service, you may want to review all of the following:

- “Summary of Benefits” to get an overview of your specific benefits.
- “Covered Services” to get more detailed information on what is covered, limited, and excluded from coverage.
- “What Is Not Covered?” to see general exclusions from coverage.

As you read through this benefit booklet, keep in mind that any word you see in **italics (*italics*)** is a **defined term** and will appear in “Definitions” at the end of this benefit booklet. When you see the terms “we” and “us,” they refer to *Blue Cross NC*.

If you still have questions, you can call *Blue Cross NC* Customer Service at the number given in “Whom Do I Call?” and get further information.

WHOM DO I CALL?

Blue Cross NC Website

To get general benefit information, change your address, request new *identification cards* and more, we invite you to visit our website:

www.bluecrossnc.com/medicare-members

Blue Cross NC Customer Service

For questions relating to your benefits, claim inquiries, claim form requests, new *identification card* requests, or to voice a complaint:

Blue Cross NC Customer Service (hours of operation: 8am-6pm EST)

.....1-800-672-6584 (toll free)

.....711 (TTY)

SUMMARY OF BENEFITS

The following is a summary of your Medicare Supplement benefits. A more complete description of your benefits is found in “Covered Services.” General exclusions may also apply—please see “What Is Not Covered?”

Covered Services	Benefits
Basic Benefits	
<u>Inpatient Hospital Services</u>	
Inpatient Hospital Days 61-90	<i>Medicare eligible expenses (Part A) up to the coinsurance amount.</i>
Inpatient Hospital Care 60 Lifetime Reserve Days	<i>Medicare eligible expenses (Part A) up to the coinsurance amount.</i>
Additional 365 Inpatient Hospital Days per Lifetime	<i>Medicare eligible expenses (Part A). These 365 days are available only after all Medicare hospital inpatient benefits, including the Medicare lifetime reserve days, have been used.</i>
<u>Other Services</u>	
Blood	Covered for the first 3 pints.
Medicare Part B Coinsurance	Generally 20% of <i>Medicare eligible expenses</i> , after the <i>Medicare Part B Deductible</i> is met.
Hospice Care	100% of your <i>Medicare coinsurance</i> or <i>copayment</i> amount.

Covered Services	Benefits
Additional Benefits	
<i>Medicare Part A Deductible</i>	Covered.
<i>Skilled Nursing Facility Care for days 21-100</i>	Covered up to the <i>Medicare</i> Part A <i>coinsurance</i> amount.
<i>Medicare Part B Excess Charges</i>	100% of the difference between the charge billed by the <i>doctor</i> and the <i>Medicare-approved amount</i> .
<i>Emergency Care in a Foreign Country</i>	80% covered, after meeting the \$250 <i>deductible</i> specific to this benefit. Limited to \$50,000 per lifetime.

HOW YOUR MEDICARE SUPPLEMENT PLAN WORKS

Your Medicare Supplement plan works in conjunction with *Medicare* to provide covered services. Your Medicare Supplement plan can help pay for costs that Medicare does not cover, including some copayments, *coinsurance*, and *deductibles*. Your Medicare Supplement plan may offer coverage for services that *Medicare* does not cover. *Medicare* will pay its share of *Medicare-approved amounts* for covered health care costs; your Medicare Supplement policy will then pay its portion.

Services Received in North Carolina

When you receive covered services, *hospitals* and *doctors* will complete a *Medicare* claim form for you. You should always show your Blue Cross and Blue Shield of North Carolina *identification card* and ask that the claim filed with *Medicare* reflect your coverage with us so that *Medicare* will forward the claim to *Blue Cross NC* following its payment. Under this method, payment may be sent to you or sent directly to the *provider* by both *Medicare* and *Blue Cross NC*. If payment is sent to you, you must pay the *provider* of medical services.

Should *Medicare* not forward the claim to *Blue Cross NC* for *doctors'* services following its payment, a Claim Form should be submitted accompanied by a copy of *Medicare's* Explanation of Benefits (EOB). A Claim Form may be requested by calling *Blue Cross NC* Customer Service. If *Medicare's* EOB is not received with the Claim Form, *Blue Cross NC* will deny the services and request this information from you.

Services Received Outside Of North Carolina

Blue Cross NC has a variety of relationships with other Blue Cross and/or Blue Shield licensees, generally referred to as “Inter-Plan Arrangements”. As a member of *Blue Cross NC*, you have access to *providers* outside the state of North Carolina.

Your *id card* tells *providers* that you are a member of *Blue Cross NC*. While *Blue Cross NC* maintains its contractual obligation to provide benefits to members for covered services, the Blue Cross and/or Blue Shield licensee in the service area where you receive services (“Host Blue”) is responsible for contracting with and generally handling all interactions with its participating *providers*.

When you obtain health care services outside the area in which the *Blue Cross NC* network operates, the claim for these services will be processed first through *Medicare*, and then through the BlueCard Program, which is a part of Inter-Plan Arrangements.

Under Medicare Supplemental plans, when you receive services from any *provider* that accepts *Medicare* assignment, the amount you pay for covered services that are otherwise covered by *Medicare* will be calculated based on the *Medicare-approved amount*. If the *provider* does not accept *Medicare* assignment, you may be liable for the difference between the amount that the *provider* bills and the *Medicare* limiting charge, which may include any payment *Blue Cross NC* would make for the covered services specified in your health benefit plan.

If you have additional benefits for healthcare services that *Medicare* would not otherwise cover, and you receive these services from a participating *provider*, the amount you pay toward such covered services, such as *deductibles*, copayments or *coinsurance*, is usually based on the lesser of:

- The billed charges for your covered services, or
- The negotiated price that the Host Blue passes on to us.

This “negotiated price” can be:

- A simple discount that reflects the actual price paid by the Host Blue to your *provider*
- An estimated price that factors in special arrangements with your *provider* or with a group of *providers* that may include types of settlements, incentive payment, and/or other credits or charges
- An average price, based on a discount that reflects the expected average savings for similar types of health care *providers* after taking into account the same types of special arrangements as with an estimated price.

The estimated or average price may be adjusted in the future to correct for over- or underestimation of past prices. However, such adjustments will not affect the price that *Blue Cross NC* uses for your claim because they will not be applied retroactively to claims already paid.

Laws in a small number of states may require the Host Blue to add a surcharge to your calculation. Should any state enact a law that mandates other liability calculation methods, including a surcharge, we would then calculate your required payment for services based upon the method required by that state’s law.

If you have additional benefits for healthcare services that *Medicare* would not otherwise cover, and you receive these services from a non-participating *provider* outside the state of North Carolina, the amount you pay will generally be based on either the Host Blue’s non-participating *provider* local payment or the pricing arrangements required by applicable state law. However, in certain situations, *Blue Cross NC* may use other payment bases, such as billed charges, to determine the amount *Blue Cross NC* will pay for covered services from a non-participating *provider*. In any of these situations, you may be liable for the difference between the non-participating *provider*’s billed amount and any payment *Blue Cross NC* would make for the covered services.

Claims for Medicare Eligible Expenses

Providers of *Medicare eligible expenses* should submit claims to the *Medicare* Part A Intermediary, which is responsible for processing *hospital* claims, or the Part B Carrier, which is responsible for processing medical claims. After *Medicare* has processed your claim, *Blue Cross NC* will be notified by *Medicare* and then *Blue Cross NC* will process your claim. You will receive an Explanation of Benefits (EOB) to notify you that your claim has been processed by *Blue Cross NC*.

How to Submit Claims

All claims that you send to *Blue Cross NC* should be on the appropriate Claim Form. Claim forms may be requested from *Blue Cross NC* Customer Service. See “Whom Do I Call?” *Blue Cross NC* should receive this notice of claim within 90 days after the service was provided or within 90 days of the date on the *Medicare* Explanation of Benefits (EOB).

Where to Send Claims

Please remember to check your claim form for completeness and accuracy; then mail the claim form with all itemized bills and statements to:

Blue Cross NC
Post Office Box 35
Durham, North Carolina 27702

Processing Your Claim

In order to process your claim, *Blue Cross NC* may need information from the *provider* of the service or other entity responsible for payment. You are responsible for furnishing this information, which is usually provided by the *doctor, hospital, other provider*, or entity, to *Blue Cross NC* at no cost. When you accept this *certificate*, you agree that the *doctor, hospital, other provider*, or entity may release any necessary information to *Blue Cross NC*. *Blue Cross NC* will not be liable for communication regarding your medical information.

Right to Appeal

If *Blue Cross NC* denies your claim, or if you have not heard anything after you provide proof of claim, you can appeal within 60 days after the date the claim was filed. See “Whom Do I Call?”

COVERED SERVICES

Basic Benefits

Inpatient *Hospital* Services

If you are admitted to a *Medicare*-participating *hospital* after the effective date of this *certificate*, your *certificate* will pay the following:

- Part A *Medicare-Eligible Expenses* up to the *Medicare* Part A *coinsurance* amount for Inpatient *Hospital* Days 61-90.
- Part A *Medicare-Eligible Expenses* up to the *Medicare* Part A *coinsurance* amount when you use your 60 *lifetime reserve days*.
- 100% of Part A *Medicare-Eligible Expenses* for an additional 365 inpatient *hospital* days per lifetime. These 365 days are available only after all *Medicare hospital* inpatient benefits, including the *Medicare lifetime reserve days*, have been used.

For purposes of this benefit, when your *Medicare* Part A *hospital* benefits are exhausted, *Blue Cross NC* stands in the place of *Medicare* and will pay whatever amount *Medicare* would have paid for up to an additional 365 days as provided in the policy's Basic Benefits.

Blood

Your *certificate* pays for the first three pints of blood per calendar year.

Medicare Part B *Coinsurance*

Your *certificate* will pay generally 20% of Part B *Medicare-Eligible Expenses* after the *Medicare* Part B *deductible* is met.

Please note that *Medicare* charge limitations do not apply to some supplies and durable medical equipment. Therefore, durable medical equipment suppliers who do not accept assignment from *Medicare* can bill you, and you may be responsible for, the entire difference between the *Medicare-approved amount* and the actual cost of the item.

Hospice Care

Your *certificate* provides benefits for hospice services when you meet *Medicare* requirements for hospice care.

Your Additional Benefits

Medicare Part A *Deductible*

If you are admitted to a *hospital*, your *certificate* will pay the *Medicare* Part A *deductible*.

Skilled Nursing Facility Care

If you are admitted to a *skilled nursing facility*, your *certificate* will pay charges up to the daily *Medicare* Part A *coinsurance* amount for the 21st through 100th day of *skilled nursing facility* care in a *Medicare* benefit period.

A *skilled nursing facility* is a facility that provides skilled nursing care that is approved for payment by *Medicare*. All services must be covered by *Medicare* and the *skilled nursing facility* must participate in the *Medicare* program. There are no benefits after 100 days.

Medicare Part B Excess Charges

Your *certificate* will pay 100% of the *Medicare* Part B Excess Charges. *Blue Cross NC* pays the difference between the charge billed by the *doctor* and the *Medicare-approved amount*. The total *Medicare* and *Blue Cross NC* payment will not exceed any charge limitation established by *Medicare* or state law.

Emergency Care In A Foreign Country

When you are traveling outside the United States, your *certificate* pays for *Medicare-eligible expenses* for *medically necessary* emergency *hospital, doctor,* and medical care that would have been covered by *Medicare* if the services had been provided in the United States. Your care must have begun during the first 60 consecutive days of your trip. Benefits for emergency medical care are payable only to you in United States currency in an amount based on the bank transfer exchange rate in effect on the day claim payment is processed by *Blue Cross NC*. See “Summary of Benefits” for limitations that may apply.

Members can get help locating *providers* and obtain information regarding submitting a claim for out-of-country emergency services by calling 1-800-810-Blue or by calling collect at 1-804-673-1177.

Annual Notification of Mastectomy/Reconstructive Surgery Information:

As required by the Women's Health and Cancer Rights Act of 1998, your health insurance policy provides benefits for mastectomy-related services, including all stages of reconstruction and surgery to achieve symmetry between the breasts, prosthesis and complications resulting from a mastectomy, including lymphedemas. This coverage is subject to the same *deductibles, copayments, coinsurance* or limitations as applied to other medical and surgical benefits provided under your policy. If you have questions, please check your benefit booklet or call our Customer Service Department for more information.

WHAT IS NOT COVERED?

Except as otherwise stated in this *certificate*, your coverage does not provide benefits for services, supplies, drugs, or charges that are:

- Incurred prior to the effective date of coverage, including any expenses when a *subscriber* is an inpatient on the effective date of coverage
- For treatment of a *pre-existing condition* before a required waiting period ends
- Payable under *Medicare*
- Not *Medicare-eligible expenses* under the *Medicare* program, unless otherwise noted
- Not reasonable and necessary for diagnosing or treating an illness or injury or for restoring a bodily function
- For which a *subscriber* would have no legal obligation to pay in the absence of this or any similar coverage
- Paid for directly or indirectly by a governmental entity
- Not provided within the United States, unless this *certificate* includes the *medically necessary emergency care* in a foreign country benefit
- Required as a result of war or an act of war
- Personal comfort items
- For eyeglasses and eye examinations for the purposes of prescribing or fitting or changing eyeglasses
- For hearing aids and examinations
- For care, treatment, filling, removal, or replacement of teeth or structures supporting the teeth
- Paid under the North Carolina Workers' Compensation Act, only to the extent such services or supplies are the liability of the employee, employer or workers' compensation insurance carrier according to a final adjudication under the North Carolina Workers' Compensation Act or an Order of the North Carolina Industrial Commission approving a settlement agreement under the North Carolina Workers' Compensation Act
- Paid under an employer group health plan that is required by federal law to pay benefits primary to those of *Medicare*
- For the treatment of flat foot, subluxations of the foot, routine foot care or orthopedic shoes and other supportive devices for the feet
- For custodial care, unless this *certificate* includes the at-home recovery benefit
- For cosmetic surgery except as may be required for the prompt repair of an accidental injury or to improve the functioning of a malformed body member
- Rendered by immediate relatives of the *subscriber* or members of his or her household
- Appetite suppressants or prescription drugs for the purpose of reducing or controlling weight and/or treatment of obesity

WHEN COVERAGE BEGINS AND ENDS

When Coverage Begins

This *certificate* shall take effect at 12:01 a.m. on the effective date assigned by *Blue Cross NC*. Your effective date appears on your copy of the application for Medicare Supplement coverage.

Making Changes to your Coverage

You can make changes to your plan between May 1st and May 31st for a June 1 effective date, or between October 15th and December 31st for a January 1 effective date, without completing health questions. Changes are administered separately for members who initially enrolled in a Blue Medicare Supplement plan prior to June 1, 2019, and for members who initially enrolled after June 1, 2019. If you wish to enroll into the Blue Medicare Supplement plans that are available as of June 1, 2019 or later, you must complete a separate application and answer health questions. If you decide to change plans outside of these dates, you should keep your existing plan active until you have received approval for your new plan.

Pre-Existing Condition Limitations

Pre-existing conditions are conditions for which medical advice was given or treatment was recommended by or received from a *doctor* within six months before the effective date of coverage. There are no benefits for *pre-existing conditions* until coverage has been continuously in effect for six months.

Continuous coverage, whether it is *Blue Cross NC* coverage or other coverage under another Medicare Supplement *certificate*, will count as credit toward the *pre-existing condition* waiting period if the coverage is held up to the time this *certificate* is effective.

When Pre-Existing Condition Waiting Periods Don't Apply

If you were covered under *creditable coverage* within 63 days of the date this coverage began, and you satisfied the *pre-existing condition* waiting period, the six-month waiting period for *pre-existing conditions* under this program does not apply to you. *Creditable coverage* can be group health insurance, self-funded plans, individual health insurance, public health plan, Children's Health Insurance Program (CHIP), *Medicare*, Medicaid, and any other coverage defined as *creditable coverage* under state or federal law. If you met part of the *pre-existing condition* waiting period on prior *creditable coverage*, credit for that portion will be applied to this plan's waiting period for *pre-existing conditions*.

In addition, if you purchased your Medicare Supplement Plan under *Guaranteed Issue Rights* then the *pre-existing condition* waiting period will not apply. See "Definitions".

Premium Payments and Grace Period

Your premiums are due on or before your premium due date. However, your health benefit plan allows a 31-day grace period for payment of premiums prior to automatic termination. During this grace period the policy will remain in force. If *Blue Cross NC* receives your premiums past the premium due date, *Blue Cross NC* may charge a late fee for any late payment of premiums. In addition, *Blue Cross NC* may charge you a returned payment fee to cover the added administrative cost of processing multiple payments if your bank does not honor your check or other form of payment. You will be notified if you incur any of these fees.

Please note that the plan you have selected is attained-age rated. This means that your premiums will increase as you age.

Reinstatement

You must respond to any late notice within the time specified by the notice.

If premium payments are not made within the time allowed, and your health benefit plan is terminated, you must submit a written request for reinstatement within 30 days of your termination date. Along with your written request, you must also include the current premium owed, the next month's premium amount, and any administrative fees to *Blue Cross NC* Customer Service in order to be considered for reinstatement.

Please submit your request to:

Blue Cross NC

Attn: Reinstatements

PO Box 17509

Winston-Salem, NC 27116

Blue Cross NC will notify you of the status of your reinstatement. *Blue Cross NC* may or may not agree to reinstate your coverage. In the event that reinstatement is not approved, you may choose to reapply for health insurance coverage by filling out the proper application.

Medicaid Entitlement

If you become entitled to Medicaid benefits, you may suspend your Medicare Supplement *certificate* benefits and premiums for up to 24 months. You must notify *Blue Cross NC* within 90 days of the date of your Medicaid entitlement. Your Medicare Supplement *certificate* will be reinstated as of the date your Medicaid entitlement ends if you notify *Blue Cross NC* within 90 days of such date.

If Medicare Coverage Stops

If you cease to be insured under either Part A or Part B of *Medicare*, *Blue Cross NC* will pay benefits as if you remained insured under both Part A and Part B of *Medicare*, and *Medicare* paid normal benefits.

When Coverage Ends

This *certificate* is guaranteed renewable and cannot be cancelled or non-renewed solely because of your health status. It may only be cancelled because of your failure to pay premiums or due to misstatement and/or omissions of information on your application.

In the Event of Death

If you die, your coverage will automatically end.

Benefits After Your Coverage Stops

If you are totally disabled due to a sickness or injury on the date your *certificate* terminates, benefits will continue. Benefits will be paid only for that sickness or injury. Benefits will continue while you remain continuously disabled and will be paid as if your coverage had not stopped. Benefits will only be paid up to the end of the *benefit period*, not to exceed 12 months or payment of maximum benefits. Totally disabled means that you are confined under a *doctor's* orders in an institution or at *home* for medical care or treatment.

ADDITIONAL TERMS OF YOUR COVERAGE

Terms of Your Coverage

Your signature on the application for coverage indicates your understanding and agreement that:

- Your Medicare Supplement *certificate* is a contract between you and *Blue Cross NC* only. *Blue Cross NC* is an independent corporation. It operates under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans. The Blue Cross and Blue Shield Association permits *Blue Cross NC* to use the Blue Cross and Blue Shield service marks in the State of North Carolina. But *Blue Cross NC* is not a contracting agent of the Blue Cross and Blue Shield Association.
- You have not entered into your Medicare Supplement *certificate* based on representations by anyone except *Blue Cross NC*.
- No person, entity, or organization other than *Blue Cross NC* will be responsible or liable for *Blue Cross NC's* obligations to you under your Medicare Supplement *certificate*.

These provisions do not create any duties on the part of *Blue Cross NC* beyond those created under the terms of your Medicare Supplement *certificate*. If premiums are paid by an employer or other agency to *Blue Cross NC*, the employer or other agency is your agent and not the agent of *Blue Cross NC*. *Blue Cross NC* provides the benefits described in this *certificate* only for the *subscriber*. These benefits and the right to receive payment for services rendered cannot be transferred or assigned to another person. Payment for services may be made to the *hospital*, *doctor*, or *other provider* which supplied the services. However, *Blue Cross NC* may pay you directly. *Blue Cross NC* may contract with other entities to administer covered services.

An oral explanation of benefits by a *Blue Cross NC* employee is not legally binding.

Blue Cross NC does not supply you with a *hospital* or *doctor*. You must comply with the rules of any *provider* of care. In addition, *Blue Cross NC* is not responsible for any injuries or damage you may suffer related to care provided by any *hospital*, *doctor*, or other person.

Your *certificate* benefits will change automatically in response to any changes in the amount of any *Medicare deductible* or *coinsurance* to the extent specifically listed as a benefit in this *certificate*. Your premiums may be adjusted as a result of such changes.

Blue Cross NC may increase your premiums not more than once every 12 months; or, at such time as premiums are increased for all policyholders of this *certificate* but not more than once in a twelve-month period.

Blue Cross NC Modifications

No one may waive or change the coverage other than an officer authorized by the Board of Trustees. However, if any provision of this health benefit plan is in conflict with federal statutes or the statutes of North Carolina, it should be considered to be automatically amended to conform to the minimum requirements of such statutes.

Notice Of Claim

Blue Cross NC will not be liable for payment of benefits unless proper notice is furnished to *Blue Cross NC* that *covered services* have been provided to a *subscriber*. If the *subscriber* files the claim, written notice must be given to *Blue Cross NC* within 90 days after the service was provided or within 90 days of the receipt of the *Medicare* Explanation of Benefits, except in the

absence of legal capacity of the *subscriber*. The notice must be on an approved claim form and include the data necessary for *Blue Cross NC* to determine benefits.

Limitation Of Actions

No legal action may be taken to recover benefits for 60 days after the Notice of Claim has been given as specified above. No legal action may be taken later than three years after the date the Notice of Claim is required to be provided.

Current Address

Notices will be mailed to the address on file with *Blue Cross NC*. Please make sure that *Blue Cross NC* has your current address.

Multiple Coverage

You do not need more than one Medicare Supplement plan with *Blue Cross NC*. In cases of multiple coverage with *Blue Cross NC*, *Blue Cross NC* has the right to cancel one of the *certificates* and all premiums for the excess insurance shall be returned.

Transfer of Coverage

If you transfer from one Medicare Supplement *certificate* coverage to another with *Blue Cross NC*, no benefits will be paid under your new *certificate* for any hospitalization that began prior to the effective date of your new coverage with *Blue Cross NC*.

North Carolina Contract

This *certificate* is issued and delivered in North Carolina as a North Carolina contract and shall be construed in accordance with the laws of the state of North Carolina.

Contract Term

This contract is effective for a period of one year and is guaranteed renewable subject to the "When Coverage Ends" section of this *certificate*.

Entire Contract

This *certificate*, as amended, together with your *identification card* and the application, is your entire contract.

Blue Cross NC's Disclosure of Protected Health Information (PHI)

At *Blue Cross NC*, we take your privacy seriously. We handle all PHI as required by state and federal laws and regulations and accreditation standards. We have developed a privacy notice that explains our procedures. To obtain a copy of the privacy notice, contact *Blue Cross NC* Customer Service at the number given in "Whom Do I Call?" or visit our website at www.bluecrossnc.com/medicare-members.

Time Limit on Certain Defenses

Your *certificate* was issued based on the information entered in your application, a copy of which is attached to the *certificate*. If, to the best of your knowledge and belief, there is any misstatement in your application or if any information concerning your medical history has been omitted, you should advise *Blue Cross NC* immediately regarding the incorrect or omitted information; otherwise, your *certificate* may not be a valid contract. In the first two years of coverage, if there are misstatements on your application, your policy may be voided and any premiums paid will be returned; however, *Blue Cross NC* may deduct the amount for any claims paid.

SPECIAL PROGRAMS

Programs Outside Of Your Regular Benefits

Blue Cross NC may add programs that are outside your regular benefits. These programs may be changed from time to time. Following are examples of programs that may be included outside your regular benefits:

- Wellness programs , including discounts on goods and services from other companies including certain types of *providers*
- Discounts or other savings on retail goods and services
- Quarterly, semi-annual, and/or annual drawings for gifts, which may include club memberships and trips to special events, based on submitting activity diaries
- The Silver&Fit® Exercise and Healthy Aging Program: This fitness program gives you access to a low-cost membership at a fitness facility or exercise center near you. If the gym is not for you, you can enroll in their *Home Fitness Program* and work out in the comfort of your own *home*. Program participation requires a minimal annual fee which must be made prior to joining a facility, or prior to converting an existing membership in a Silver&Fit participating facility to the program. More information can be obtained about Silver&Fit by calling 1-877-764-2746 (TTY: 711) Monday through Friday 8 a.m. to 9 p.m. EST or you can log into BlueConnect, our member portal, at www.bluecrossnc.com/medicare-members. The Silver&Fit program is a value-added service that is provided by American Specialty Health Fitness, Inc. (ASH Fitness), a subsidiary of American Specialty Health Incorporated (ASH) to members of *Blue Cross NC*'s Blue Medicare Supplement plans. The program is not part of a member's policy or benefits, and may be changed or discontinued at any time. Additional fees may apply and results are not guaranteed. You should consult with your doctor before taking part in a fitness program. All programs and services are not available in all areas. Silver&Fit and the Silver&Fit logo are trademarks of ASH and are used with permission herein. Not connected with or endorsed by the U.S. government or the federal *Medicare* program.
- The Blue365® program provided exclusive member discounts on a variety of products and services for a healthy and active lifestyle, at no additional cost. The program offers savings on gym memberships, activity trackers, hearing aids, laser eye surgery, vision services, medical bracelets, healthy eating and more. For more information visit www.blue365deals.com or call 1-855-511-BLUE(2583).
- TruHearing® Program: The hearing discount program includes discounts on a routine hearing exam and up to two Advanced or Premium hearing aids per year. More information can be obtained about your TruHearing discounts by calling 1-844-862-4411 (TTY: 711) Monday through Friday 8 a.m. to 8 p.m. EST or you can log into BlueConnect, our member portal, at www.bluecrossnc.com/medicare-members. The TruHearing discount program is a value-added service that is provided by TruHearing, Inc. to members of Blue Cross NC's Blue Medicare Supplement plans. The program is not part of a member's policy or benefits and may be changed or discontinued at any time. Additional fees may apply, and results are not guaranteed. It is not connected with or endorsed by the U.S. government or the federal Medicare program.

Blue Cross NC may not provide these discounts on goods and services directly, but instead arranges these for your convenience. These discounts and retail benefits are outside your health plan benefits. *Blue Cross NC* is not liable for problems resulting from the goods and services it does not provide directly, such as goods and services not being provided or being provided negligently. The gifts are also outside your health plan benefits. *Blue Cross NC* is not liable for third party *providers'* negligent provision of the gifts. *Blue Cross NC* may stop or change these programs at any time.

DEFINITIONS

BENEFIT PERIOD - A *Medicare Part A benefit period* starts when you enter a *hospital*. When you have been out of a *hospital* or *skilled nursing facility* for 60 days in a row (including the day of discharge), the *benefit period* ends. A new *benefit period* starts the next time you are admitted to a *hospital*.

A *Medicare Part B benefit period* starts on January 1 and ends December 31 of each year. However, your first *benefit period* starts on your effective date of coverage, and ends December 31 of the same year.

BLUE CROSS NC - Blue Cross and Blue Shield of North Carolina (*Blue Cross NC*).

CERTIFICATE - The *certificate* is the basic agreement between you and *Blue Cross NC*. The *certificate* includes this agreement and any amendments thereto, your *identification card*, and your enrollment application.

COINSURANCE - *Coinsurance* is the sharing of charges for the eligible medical services or supplies that you use as determined by *Medicare* or *Blue Cross NC* as stated herein.

CREDITABLE COVERAGE - Accepted health insurance coverage carried prior to *Blue Cross NC* coverage can be group health insurance, self funded plans, individual health insurance, public health plan, Children's Health Insurance Program (CHIP), *Medicare*, Medicaid, and any other coverage defined as *creditable coverage* under state or federal law. *Creditable coverage* does not include coverage consisting solely of excepted benefits.

DEDUCTIBLE - The *deductible* is a specified amount of eligible expenses that you must incur before *Medicare* or *Blue Cross NC* will assume any liability for all or part of the remaining eligible expenses. The *Medicare Part A deductible* is applied on a *benefit period* basis whereas the *Part B deductible* must be met on a calendar year basis.

DOCTOR - The title *doctor* includes any of the following *doctors* licensed to practice in the state where treatment is given for which *Medicare* benefits are payable:

- *Doctor* of Medicine
- *Doctor* of Osteopathy - licensed to practice medicine or surgery by the board of medical examiners in the state of practice
- *Doctor* of Podiatry or Surgical Chiropody
- *Doctor* of Chiropractic
- *Doctor* of Dentistry
- *Doctor* of Optometry

EMERGENCY CARE - *Emergency care* is items and services furnished or required to screen for or to treat an emergency medical condition until the condition is stabilized, including pre-*hospital* care and ancillary services routinely available in the emergency department.

GUARANTEED ISSUE RIGHTS - Rights you have in certain situations when insurance companies are required by law to sell or offer you a Medicare Supplement policy. In these situations, an insurance company can't deny you insurance coverage or place conditions on a policy, must cover you for all *pre-existing conditions*, and can't charge you more for a policy because of past or present health problems.

HOME - *Home* is defined as your place of residence, provided that such place would qualify as a residence for *home care services* covered by *Medicare*. A *hospital* or *skilled nursing facility* will not be considered as a "*home*" as defined in this benefit.

HOME HEALTH/HOME CARE AGENCY - A nonhospital facility which is primarily engaged in providing *home health care services*, and which:

- Provides skilled nursing and other services on a visiting basis in the *subscriber's home*,
- Is responsible for supervising the delivery of such services under a plan prescribed by a *doctor*,
- Is accredited and licensed or certified in the state where located,
- Is certified for participation in the Medicare program, and
- Is acceptable to *Blue Cross NC*.

HOSPITAL - The term *hospital* refers to an institution that provides care for which *Medicare* pays *hospital* benefits.

IDENTIFICATION CARD (ID CARD) - An *identification card* is a card issued to our members upon enrollment which provides member identification numbers and key phone numbers and addresses.

LIFETIME RESERVE DAYS - *Lifetime reserve days* are available to you when you have been in the *hospital* 90 days in a single *benefit period*. There are 60 *Medicare* lifetime reserve days.

MEDICALLY NECESSARY (OR MEDICAL NECESSITY) - Those covered services or supplies that are:

- Provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease; and not for experimental, investigational, or cosmetic purposes, except as specifically covered by your health benefit plan,
- Necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms,
- Within generally accepted standards of medical care in the community, and
- Not solely for the convenience of the insured, the insured's family, or the *provider*.

For *medically necessary* services, *Blue Cross NC* may compare the cost-effectiveness of alternative services, settings or supplies when determining which of the services or supplies will be covered and in what setting *medically necessary* services are eligible for coverage.

MEDICARE - *Medicare* is the "Health Insurance For the Aged Act," Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

MEDICARE-APPROVED AMOUNT - *Medicare-approved amount*, also referred to as *Medicare-approved charge*, is the amount *Medicare* recognizes as reasonable for the service or supply.

MEDICARE ELIGIBLE EXPENSES - *Medicare eligible expenses* are expenses of the kinds covered by *Medicare*, to the extent recognized as reasonable and *medically necessary* by *Medicare*.

MENTAL HEALTH SERVICES - Services usually given outside a *hospital* (like in a clinic, or *doctor's* or therapist's office), and those that are given in a hospital's outpatient department.

OTHER PROVIDER - An institution or entity other than a *doctor* or *hospital*, which is accredited and licensed or certified in the state where located to provide covered services and which is acceptable to *Blue Cross NC*. All services performed must be within the scope of license or certification to be eligible for reimbursement.

PRE-EXISTING CONDITION - A *pre-existing condition* is a condition for which medical advice was given or treatment was recommended by or received from a *doctor* within six months before the effective date of coverage.

PROVIDER - A *provider* is a licensed *doctor*, *hospital*, *skilled nursing facility*, or *other provider* authorized by the *Medicare* program to provide services or supplies.

SKILLED NURSING FACILITY - A *skilled nursing facility* is a facility that provides skilled nursing care that is approved for payment by *Medicare*.

SUBSCRIBER - A *subscriber* is the person eligible to receive benefits under this program. A *subscriber* must be enrolled according to the records of *Blue Cross NC*.