KENTUCKY EMPLOYEES
HEALTH PLAN

COMMONWEALTH OF KENTUCKY

COMMONWEALTH MAXIMUM CHOICE
WITH HEALTH REIMBURSEMENT ACCOUNT (HRA)
SUMMARY PLAN DESCRIPTION

GROUP NUMBERS: P9882, P9884 AND Q0070

EFFECTIVE JANUARY 1, 2009
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PLAN DESCRIPTION INFORMATION

1. Proper Name of Plan: Kentucky Employees Health Plan
   Common Name of Plan: Commonwealth of Kentucky

2. Plan Sponsor and Employer: Commonwealth of Kentucky
   Personnel Cabinet, Department of Employee Insurance
   501 High Street
   Second Floor
   Frankfort, Kentucky 40601

3. Plan Administrator and Named Fiduciary:
   Commonwealth of Kentucky
   Personnel Cabinet, Department of Employee Insurance
   501 High Street
   Second Floor
   Frankfort, Kentucky 40601

4. Employer Identification Number: 61-0600439.

5. The Plan provides medical benefits for participating employees and their enrolled dependents.

6. Plan benefits described in this booklet are effective January 1, 2009.

7. The Plan year is January 1 through December 31 of each year.

8. Service of legal process may be served upon the Plan Administrator as shown above or the following agent for service of legal process:
   Commonwealth of Kentucky
   Personnel Cabinet, Office of Legal Services
   501 High Street
   Third Floor
   Frankfort, Kentucky 40601

9. The Plan Manager is responsible for performing certain delegated administrative duties, including the processing of claims. The Plan Manager and Claim Fiduciary is:
   Humana Insurance Company
   500 West Main Street
   Louisville, Kentucky 40202
   Telephone: 1-877-597-7474
Plan Description Information Continued

If you have any questions about the HRA, you should contact the Third Party Administrator or the Plan Administrator.

Plan Administrator: Commonwealth of Kentucky
Personnel Cabinet, Department of Employee Insurance
501 High Street
Second Floor
Frankfort, Kentucky 40601

Third Party Administrator/ Claim Administrator:

Humana
Attn: Humana Spending Account Administration Team
P.O. Box 14167
Lexington, Kentucky 40512-4167
Telephone: 800-604-6228
Fax: 800-905-1851

10. This is a self-insured health benefit plan. The cost of the Plan is paid with contributions shared by the employer and employee. Benefits under the Plan are provided from the general assets of the employer and are used to fund payment of covered claims under the Plan plus administrative expenses. Please see your employer for the method of calculating contributions and the funding mechanism used for the accumulation of assets through which benefits are provided under this Plan.

11. Each employee of the employer who participates in the Plan has access to a Summary Plan Description, which is this booklet. This booklet will be available through MyHumana.com or http://kehp.ky.gov. It contains information regarding eligibility requirements, termination provisions, a description of the benefits provided and other Plan information. Changes can occur to the Summary Plan Description throughout the year. Such changes will be posted to the KEHP web site listed above.

12. The Plan benefits and/or contributions may be modified or amended from time to time, or may be terminated at any time by the Plan Sponsor. Significant changes to the Plan, including termination, will be communicated to participants as required by applicable law.

13. Upon termination of the Plan, the rights of the participants to benefits are limited to claims incurred and payable by the Plan up to the date of termination. Plan assets, if any, will be allocated and disposed of for the exclusive benefit of the participating employees and their dependents covered by the Plan, except that any taxes and administration expenses may be made from the Plan assets.

14. The Plan does not constitute a contract between the employer and any covered person and will not be considered as an inducement or condition of the employment of any employee. Nothing in the Plan will give any employee the right to be retained in the service of the employer, or for the employer to discharge any employee at any time.
Plan Description Information Continued

15. This *Plan* is not in lieu of and does not affect any requirement for coverage by Workers' Compensation insurance.

16. This *Plan* is included in the Commonwealth of Kentucky Flexible Benefits Plan, a Cafeteria Plan created pursuant to the Internal Revenue Code Subsection 125.
## YOUR RIGHTS AND RESPONSIBILITIES

<table>
<thead>
<tr>
<th>As a Humana plan member, you have the right to:</th>
<th>You also have the responsibility to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Be provided with information about the Humana plan, its services and benefits, its providers, and your member rights and responsibilities.</td>
<td>• Give the Humana Plan and your health care provider complete and accurate information needed in order to care for you.</td>
</tr>
<tr>
<td>• Privacy and confidentiality regarding your medical care and records. Records pertaining to your health care will not be released without your or your authorized representative’s written permission, except as required by law.</td>
<td>• Read and be aware of all material distributed by the plan explaining policies and procedures regarding services and benefits.</td>
</tr>
<tr>
<td>• Discuss your medical record with your physician, and receive upon request a copy of that record.</td>
<td>• Obtain and carefully consider all information you may need or desire in order to give informed consent for a procedure or treatment.</td>
</tr>
<tr>
<td>• Be informed of your diagnosis, treatment choices, including non-treatment, and prognosis in terms you can reasonably expect to understand, and to participate in decision-making about your health care and treatment plan.</td>
<td>• Follow the treatment plan agreed on with your health care provider, and to weigh the potential consequences of any refusal to observe those instructions or recommendations.</td>
</tr>
<tr>
<td>• Have a candid discussion with your practitioner about appropriate or medically necessary treatment options for your conditions, regardless of cost or benefit coverage.</td>
<td>• Be considerate and cooperative in dealing with the plan providers and to respect the rights of fellow plan members.</td>
</tr>
<tr>
<td>• Expect reasonable access to medically necessary health care services regardless of race, national origin, religion, physical abilities, or source of payment.</td>
<td>• Schedule appointments, arrive on time for scheduled visits, and notify your health care provider if you must cancel or be late for a scheduled appointment.</td>
</tr>
<tr>
<td>• File a formal complaint, as outlined in the plan’s grievance procedure, and to expect a response to that complaint within a reasonable period of time.</td>
<td>• Express opinions, concerns, or complaints in a constructive manner.</td>
</tr>
<tr>
<td>• Be treated with courtesy and respect, with appreciation for your dignity and protection of your right to privacy.</td>
<td>• Notify the Plan Sponsor in writing if you move or change your address or phone number, even if these changes are only temporary.</td>
</tr>
<tr>
<td>• Make recommendations regarding the Plan’s “rights and responsibilities” policies.</td>
<td>• Pay all copayments, coinsurance and/or premiums by the date when they are due.</td>
</tr>
<tr>
<td>• Be honest and open with your physician and report unexpected changes in your condition in a timely fashion.</td>
<td>• Follow health care facility rules and regulations affecting patient care and conduct.</td>
</tr>
</tbody>
</table>
### As a Humana plan member, you have the right to:

- Receive Humana’s Notice of Privacy Practices.
- Expect your personal information to be kept secure and used appropriately for payment and health plan operations.
- Expect Humana to adhere to all privacy and confidentiality policies and procedures.
- Expect the following activities concerning your personal information:
  - Request an accounting of disclosures of personal health information disclosed for reasons outside of payment and health plan operations.
  - Receive an authorization form for any proposed use of your personal health information outside of routine payment and health plan operations.
  - Request an alternate form of communication of personal health information if the release of a portion or all of the information could endanger life or health.
  - Right to complain regarding an alleged breach of privacy.
  - Right to agree or object regarding Humana’s intent to release your personal information outside of payment or health plan operations.
  - Right to request an amendment or correction of your personal information to a designated record created by Humana.
  - Right to request access to inspect and copy information.

### You also have the responsibility to:

- Carry your Humana identification card with you at all times and use it while enrolled in the Humana Plan.
As a Humana plan member, you have the right to:

- Expect the following activities concerning your personal information continued:
  
  ➢ Right to request Humana to restrict the use and disclosure of your personal information and the right to terminate the restriction request.
SCHEDULE OF BENEFITS

AN IMPORTANT MESSAGE ABOUT YOUR PLAN

Services are subject to all provisions of the Plan, including the limitations and exclusions.

Italicized terms within the text are defined in the Definitions section of this booklet.

PRECERTIFICATION

Precertification will be performed by a Plan Manager. Refer to your ID card for the appropriate phone number for your provider to call for precertification. Certain services may still require precertification by your qualified practitioner. Check with your qualified practitioner or Humana before services are performed.

PREFERRED PROVIDER AND FACILITY PLAN OPTION

Agreements have been made with certain providers and facilities of health care called Preferred Providers (PAR providers) and Preferred Facilities (PAR facilities). You may select any provider to provide your medical care.

The Plan Administrator will automatically provide, without charge, information to you about how you can access a directory of PAR Providers, appropriate to your service area. The PAR provider directory will be available either in hard copy as a separate document, or in electronic format. Because health care providers enter and exit networks unpredictably, the Plan Manager can be contacted for network provider verification.

If you choose to receive your medical care from a Preferred Provider, services are payable as shown on the Schedule of Benefits. If you choose to receive your medical care from a Preferred Facility, covered expenses are payable as shown on the Schedule of Benefits.

Covered expenses are payable on a maximum allowable fee basis. Any applicable penalty does not apply to the deductible or out-of-pocket limits shown on the Schedule of Benefits.

Professional services rendered by a facility based Non-PAR Physician but performed at a PAR facility, are automatically paid at the PAR level of benefits.

This schedule provides a brief overview of Plan benefits and is not a complete description. Refer to the text for a detailed description of your Plan benefits.

MYHUMANA

MyHumana is a personal, password-protected home page that provides information and tools to help covered persons make informed decisions. Log in to MyHumana, at www.humana.com, anytime to find a participating provider, look up benefits or check the status of a claim. You can also find shop-and-compare tools to help you choose hospitals and doctors, a health encyclopedia, information on specific health conditions, financial tools to help with budgeting for health care and more.
HUMANA HEALTH ASSESSMENT

The Health Assessment is a confidential, online lifestyle questionnaire located at MyHumana (accessible at www.humana.com). Upon completion of the assessment, you will receive a customized health report that identifies health risks and provides steps you can take to gain more control of your health. Responses may also result in a referral to an Informed Care Management Program.

<table>
<thead>
<tr>
<th>MEDICAL DEDUCTIBLE AND COINSURANCE INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifetime Maximum</td>
</tr>
<tr>
<td>BENEFIT</td>
</tr>
<tr>
<td>Deductible:</td>
</tr>
<tr>
<td>Individual</td>
</tr>
<tr>
<td>Family</td>
</tr>
</tbody>
</table>

If you have more than one family member covered under your plan, one family member may satisfy the individual $2,000 deductible and the remaining $1,000 family deductible may be met by any combination of the remaining family member’s claims up to the $3,000 family deductible maximum. Here are the deductible rules:

- No single family member will pay more than $2,000 in deductible;
- No single family member can contribute more than $2,000 to the family deductible maximum; and,
- Of the $3,000 family maximum deductible, $2,000 can be met by a family member and the remaining $1,000 can be met by a combination of additional family members or,
- All family members’ services can be combined and applied to meet the family $3,000 deductible.

| Coinsurance | 90% (you pay 10%) | 60% (you pay 40%) |
| Out-of-pocket limit: | | |
| (Includes Deductible) | | |
| Individual | $3,000 | $4,000 |
| Family | $4,500 | $6,000 |

When the amount of combined covered expenses paid by you and/or all your covered dependents satisfy the out-of-pocket limits, including the deductible as shown on the Schedule of Benefits, the Plan will pay 100% of covered expenses for the remainder of the calendar year, unless specifically indicated, subject to any calendar year maximums of the Plan.

If you and your covered dependents use a combination of PAR and Non-PAR providers, the PAR and Non-PAR deductible amounts will reduce each other.

If you and your covered dependents use a combination of PAR and Non-PAR providers, the PAR and Non-PAR out-of-pocket amounts will reduce each other.

If you or your covered dependents use a Non-PAR provider, the Plan Manager’s reimbursement will be payable on a maximum allowable fee basis. Any amounts above the maximum allowable fee will be the member’s responsibility and will NOT apply to the out-of-pocket limit.
Schedule of Benefits Continued

Once you become a Participant in the Commonwealth Maximum Choice, the Employer establishes a Health Reimbursement Account for you. The Health Reimbursement Account is a notional bookkeeping account that keeps a record of HRA dollars allocated to your account and reimbursements made to you under this HRA. You have no property rights to the Health Reimbursement Account. Coverage under this HRA for an Eligible Employee and Eligible Dependent(s) begins on January 1, 2009. In no event will the coverage under this HRA begin before the effective date of this HRA.

HRA Dollars will be allocated to your Health Reimbursement Account in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Coverage tier</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$1,000</td>
</tr>
<tr>
<td>Employee + Spouse</td>
<td>$1,500</td>
</tr>
<tr>
<td>Employee + Child(ren)</td>
<td>$1,500</td>
</tr>
<tr>
<td>Family</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

The Commonwealth of Kentucky Health Reimbursement Account does not contain a Maximum Account Balance. HRA dollars remaining in the Health Reimbursement Account at the end of the Plan Year will roll over to the next Plan Year, if you re-enroll in the Commonwealth Maximum Choice.

If you change your level of coverage under the Commonwealth Maximum Choice during the Plan Year (e.g. single to family/family to single) and there is a different HRA Dollar allocation associated with the new level of coverage, your annual HRA Dollar allocation may be adjusted. All adjustments (if any) will be applied prospectively only.
<table>
<thead>
<tr>
<th><strong>BENEFIT</strong></th>
<th><strong>PAR PROVIDER (IN-NETWORK)</strong></th>
<th><em><em>NON-PAR PROVIDER</em> (OUT-OF-NETWORK)</em>*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient Hospital</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Outpatient Facility</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outpatient Hospital</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Outpatient Diagnostic X-ray and Lab</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Pre-admission Testing</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Emergency Room</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Emergency Room Physician</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td><em>True emergency care provided by a Non-PAR provider will be covered at the PAR provider level.</em></td>
<td></td>
</tr>
<tr>
<td><strong>Free Standing Surgical Facility</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Urgent Care Facility, Ancillary and Qualified Practitioner Services</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Qualified Practitioner (Office Visits)</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td><em>If an office examination is billed services will be payable the same as from an outpatient location, the an office examination at a clinic.</em></td>
<td></td>
</tr>
<tr>
<td><strong>Qualified Practitioner (Other than Office Visits)</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td><strong>Injection, other than routine</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to *balance billing*. 
<table>
<thead>
<tr>
<th>MEDICAL COVERED EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BENEFIT</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Diagnostic X-ray and Lab</strong></td>
</tr>
<tr>
<td>Office or Independent Lab setting</td>
</tr>
<tr>
<td><strong>Inpatient or Outpatient setting</strong></td>
</tr>
<tr>
<td><strong>Emergency Room setting</strong></td>
</tr>
<tr>
<td><strong>Advanced Imaging</strong></td>
</tr>
<tr>
<td>Office or <strong>Outpatient</strong> setting</td>
</tr>
<tr>
<td><strong>Anesthesia and Surgery Services</strong></td>
</tr>
<tr>
<td>Office or Clinic Setting</td>
</tr>
<tr>
<td><strong>Inpatient or Outpatient Setting</strong></td>
</tr>
<tr>
<td><strong>Second Surgical Opinion</strong></td>
</tr>
<tr>
<td><strong>Assisting the Surgeon</strong></td>
</tr>
<tr>
<td><strong>Physician Assistant</strong></td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to **balance billing.**
<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER* (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Routine Child Care</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Ages 0-18)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exam and Immunizations</td>
<td>Payable at 100%</td>
<td>Not covered.</td>
</tr>
<tr>
<td>Flu/Pneumonia, HPV and Meningitis Vaccines, Lab and X-ray</td>
<td>Payable at 100%</td>
<td>Not covered.</td>
</tr>
<tr>
<td><strong>Routine Adult Care</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Ages 18 and over)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exam, Prostate Antigen Testing, Routine Pap Smear, Immunizations, Routine Mammogram</td>
<td>Payable at 100%</td>
<td>Not covered.</td>
</tr>
<tr>
<td>Flu/Pneumonia, HPV, Shingles and Meningitis Vaccines, Lab and X-ray, Cardiovascular Screening, Blood Test, Colonoscopy, Proctosigmoidoscopy and Sigmoidoscopy Screening Test, Bone Mass Measurements and Glaucoma Screening</td>
<td>Payable at 100%</td>
<td>Not covered.</td>
</tr>
<tr>
<td>Sometimes during the course of a screening procedure (routine wellness or preventive care), abnormalities or problems may be identified that require immediate intervention or additional diagnosis. If this occurs, and your provider performs additional necessary procedures, the service will be considered diagnostic and/or surgical, rather than screening, depending on the claim for the services submitted by your provider. This may result in a possible difference in your copayment and/or coinsurance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ambulance Service</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to PAR deductible and PAR coinsurance per billed charges.</td>
</tr>
<tr>
<td><strong>Pregnancy Benefits</strong></td>
<td>Subject to deductible and coinsurance.</td>
<td>Payable the same as any other sickness.</td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to balance billing.
### MEDICAL COVERED EXPENSES

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER* (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient Newborn Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facility Services</td>
<td>Subject to coinsurance.</td>
<td>Subject to coinsurance.</td>
</tr>
<tr>
<td>Qualified Practitioner Services</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>The newborn deductible will be waived for facility services.</td>
<td></td>
</tr>
<tr>
<td>Skilled Nursing Facility</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 days per calendar year.</td>
<td></td>
</tr>
<tr>
<td>Home Health Care</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 60 visits per calendar year.</td>
<td></td>
</tr>
<tr>
<td>Hospice Care</td>
<td>Same as Medicare benefit.</td>
<td>Same as Medicare benefit.</td>
</tr>
<tr>
<td><strong>Chiropractic Care</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exam, Therapy, and Manipulations</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Lab and X-ray</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 26 visits per calendar year,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>with no more than 1 visit per day.</td>
<td></td>
</tr>
<tr>
<td>Physical Therapy</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 visits.</td>
<td></td>
</tr>
<tr>
<td>Occupational Therapy</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 visits.</td>
<td></td>
</tr>
<tr>
<td>Speech Therapy</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 visits.</td>
<td></td>
</tr>
<tr>
<td>Cognitive Therapy</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 visits.</td>
<td></td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to balance billing.
### MEDICAL COVERED EXPENSES

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER* (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiac Rehabilitation Therapy (Phase I and II)</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 30 visits.</td>
<td></td>
</tr>
<tr>
<td>Chemotherapy, Respiratory and Radiation Therapy</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Rehabilitation Centers</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Allergy Services</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Hearing Aids (Covered persons under 18 years of age)</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td></td>
<td>PAR and Non-PAR covered expenses aggregate to a maximum of 1 hearing aid per ear every 3 years, up to a maximum benefit of $1,400 per ear.</td>
<td></td>
</tr>
<tr>
<td>Temporomandibular Joint Disorder</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
<tr>
<td>Audiometric (in conjunction with a disease, sickness or injury)</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
<tr>
<td>Mental Disorder, Chemical Dependence and Alcoholism</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
<tr>
<td><strong>Family Planning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Birth Control Devices</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Contraceptive Injections</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Contraceptive Implant Systems</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Dental Injury</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
<tr>
<td>Other Covered Expenses</td>
<td>Subject to deductible and coinsurance.</td>
<td>Subject to deductible and coinsurance.</td>
</tr>
<tr>
<td>Sterilization</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to balance billing.
**MEDICAL COVERED EXPENSES**

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER* (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morbid Obesity Surgical</td>
<td>Payable the same as any other sickness, subject to certain guidelines and must receive prior approval.</td>
<td>Payable the same as any other sickness, subject to certain guidelines and must receive prior approval.</td>
</tr>
</tbody>
</table>

*Members utilizing Non-PAR Providers are subject to balance billing.

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**MEDICAL COVERED EXPENSES**

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>HUMANA NATIONAL TRANSPLANT NETWORK FACILITY (PAYABLE AT THE PAR BENEFIT LEVEL) (IN-NETWORK)</th>
<th>OTHER THAN A HUMANA NATIONAL TRANSPLANT NETWORK FACILITY (PAYABLE AT THE NON-PAR BENEFIT LEVEL)* (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organ Transplants</td>
<td>Payable the same as any other sickness.</td>
<td>Payable the same as any other sickness.</td>
</tr>
<tr>
<td>Lodging and Transportation Services</td>
<td>Subject to deductible and coinsurance. Limitations apply. See pages 36-39.</td>
<td>Subject to deductible and coinsurance. Limitations apply. See pages 36-39.</td>
</tr>
</tbody>
</table>

*Non-PAR Providers are subject to balance billing.

*Covered expenses for organ transplants aggregate toward the out-of-pocket limits described in the Schedule of Benefits.*
UTILIZATION/CASE MANAGEMENT

Utilization management and case management are designed to assist covered persons in making informed medical care decisions resulting in the delivery of appropriate levels of Plan benefits for each proposed course of treatment. These decisions are based on the medical information provided by the patient and the patient's physician. The patient and his or her physician determine the course of treatment. The assistance provided through these services does not constitute the practice of medicine. Payment of Plan benefits is not determined through these processes.

The Plan Manager does not reward doctors and other individuals for denying coverage or withholding services. Financial incentives are never offered. In fact, utilization management actually helps the Plan Manager make sure you get the preventive care and medically necessary services you need. You may request a review of the medical necessity and appropriateness of hospital resources and medical services given or proposed to be given to you for purposes of determining the availability of payment, referred to as a utilization review.

Additionally, you may request an internal appeal of the coverage decision within sixty (60) days of receiving notice of the decision if the decision involves a denial, reduction or termination of a benefit or the denial of payment for a service. Just call Customer Service at the number on your identification card to find out how.

Finally, you may also request an external review to be conducted by a certified independent review entity at the cost of the Plan if you have completed the internal appeal process and meet other conditions.

PRECERTIFICATION

Utilization review includes precertification and concurrent review.

This provision will not provide benefits to cover a confinement or service which is not medically necessary or otherwise would not be covered under the Plan. Precertification is not a guarantee of coverage.

If you or your covered dependent are to receive a service which requires precertification, your qualified practitioner must contact the Plan Manager by telephone or in writing.

After your qualified practitioner has provided the Plan Manager with your diagnosis and treatment plan, the Plan Manager will:

1. Advise you in writing if the proposed treatment plan is medically necessary;
2. Advise you in writing the number of days the confinement is initially precertified; and
3. Conduct concurrent review as necessary.

If your qualified practitioner extends your confinement beyond the number of days initially precertified, the extension must be precertified through concurrent review.

If it is determined at any time your proposed treatment plan, either partially or totally, is not a covered expense under the terms and provisions of the Plan, benefits for services may be reduced or services may not be covered.
Utilization/Case Management Continued

PENALTY FOR NOT OBTAINING PRECERTIFICATION

If your qualified practitioner does not obtain precertification for services being rendered, your benefits for hospital or qualified treatment facility may be reduced.

SECOND SURGICAL OPINION

When a covered person obtains a second opinion evaluation, such evaluation must be obtained within the procedures specified in the Plan delivery system rules described in the covered person’s certificate in order for coverage to apply.

INFORMED CARE MANAGEMENT

The Informed Care Management Program is a confidential service to assist you in managing your or your covered dependent’s health condition. The goal is to help you by having a Personal Nurse provide education and information to assist you in working with your practitioner. The nurse will work with you to identify warning signs and risks, as well as, work with you to establish health goals. You may be contacted by ActiveHealth Management to participate in this confidential program or you may call ActiveHealth to enroll at 877-597-7474.

- **Congestive Heart Failure**: This program combines intervention, monitoring and education, which will enable you to take a more active role in managing your health.
- **Coronary Artery Disease**: This program’s objective is to promote good health through education, counseling and support. This program offers educational materials on diet, medication management, exercise and, if appropriate, smoking cessation.
- **End Stage Renal Disease**: This program is designed to educate you and coordinate the multiple facets of your care.
- **Neonatal Intensive Care**: This program combines care coordination and parent education to help improve the patient’s outcome and reduce stress on the family.
- **Cancer**: This program provides education, support and assistance regarding diagnosis and treatment of the patient’s disease.
- **Chronic Kidney Disease**: This program combines care coordination and education as the patient is guided through a 5-step process during the course of their treatment.
- **Asthma**: This program was developed to provide education and environmental assessment of the patient’s disease. This program also provides collaboration with the patient’s physician to develop an appropriate treatment plan for controlling asthma.
- **Diabetes**: This program is designed to educate you and coordinate the multiple facets of your care.
- **Rare Diseases (Amyotrophic Lateral Sclerosis, or Lou Gehrig’s Disease; Chronic Inflammatory Demyelinating Disease (CIDP); Cystic Fibrosis; Dermatomyositis; Hemophilia; Multiple Sclerosis; Myasthenia Gravis; Parkinson’s Disease; Polymyositis; Rheumatoid Arthritis; Scleroderma; Sickle Cell Disease; and Systemic Lupus)**: You will be educated on the specifics of your disease, the possible complications and the treatment options available.
Utilization/Case Management Continued

- **Cerebrovascular/Stroke; Hypertension; Peripheral Artery Disease; Chronic Obstructive Pulmonary Disease (COPD); Osteoporosis Primary and Secondary; Gastroesophageal Reflux Disease (GERD); Peptic Ulcer Disease; Inflammatory Bowel Disease (IBD)/Crohn’s; Chronic Hepatitis; Geriatrics; Seizure Disorders; Migraine; Hypercoagulable State; Oncology; HIV Support; Low Back Pain:** These programs are designed to educate you and coordinate the multiple facets of your care.

- **Why Weight Kentucky:** This program is designed to assist you in achieving and maintaining a healthy weight. **Members** will be identified as potential candidates for the program through self-referral, Personal Health Analysis and claims data. In order to participate in this program you must have a BMI equal to or greater than 30.

**PREDETERMINATION OF MEDICAL BENEFITS**

*You or your qualified practitioner* may submit a written request for a *predetermination of benefits*. The written request should contain the treatment plan, specific diagnostic and procedure codes, as well as the expected charges. The *Plan Manager* will provide a written response advising if the *services* are a *covered* or non-covered expense under the *Plan*, what the applicable *Plan* benefits are and if the expected charges are within the *maximum allowable fee*. The *predetermination of benefits* is not a guarantee of benefits. *Services* will be subject to all terms and provisions of the *Plan* applicable at the time treatment is provided.

If treatment is to commence more than 90 days after the date treatment is authorized, the *Plan Manager* will require you to submit another treatment plan.
MEDICAL DEDUCTIBLE AND COINSURANCE INFORMATION

Covered expenses are payable, after satisfaction of the deductible, to a maximum allowable fee at the coinsurance percentages and up to the maximum benefits shown on the Schedule of Benefits.

DEDUCTIBLE

The deductible applies to each covered person each calendar year up to the family maximum. Only charges which qualify as a covered expense may be used to satisfy the deductible. The amount of the deductible is stated on the Schedule of Benefits.

If you and your covered dependents use a combination of PAR and Non-PAR providers, the PAR and Non-PAR deductible amounts will reduce each other.

MAXIMUM FAMILY DEDUCTIBLE

The total deductible applied to all covered persons in one family in a calendar year is subject to the maximum shown on the Schedule of Benefits. No one individual is required to meet the total family deductible.

If you have more than one family member covered under your plan, one family member may satisfy the individual $2,000 deductible and the remaining $1,000 family deductible may be met by any combination of the remaining family member’s claims up to the $3,000 family deductible maximum. Here are the deductible rules:

- No single family member will pay more than $2,000 in deductible;
- No single family member can contribute more than $2,000 to the family deductible maximum; and,
- Of the $3,000 family maximum deductible, $2,000 can be met by a family member and the remaining $1,000 can be met by a combination of additional family members or,
- All family members’ services can be combined and applied to meet the family $3,000 deductible.

COINSURANCE

The term coinsurance means the shared financial responsibility for covered expenses between the covered person and the self-insured plan.

Covered expenses are payable at the applicable percentage rate shown on the Schedule of Benefits after the deductible is satisfied each calendar year.

If you or your covered dependents use a Non-PAR provider, the Plan Manager’s reimbursement will be payable on a maximum allowable fee basis. Any amounts above the maximum allowable fee will be the member’s responsibility and will NOT apply to the out-of-pocket limit.

OUT-OF-POCKET LIMIT

When the amount of combined covered expenses paid by you and/or all your covered dependents satisfy the out-of-pocket limits, including the deductible as shown on the Schedule of Benefits, the Plan will pay 100% of covered expenses for the remainder of the calendar year, unless specifically indicated, subject to any calendar year maximums of the Plan.
Medical Deductible and Coinsurance Information Continued

If you and your covered dependents use a combination of PAR and Non-PAR providers, the combined out-of-pocket will not exceed the Non-PAR provider out-of-pocket limit. Charges above the allowable fee for Non-PAR providers are not applied to the out-of-pocket limit.

If you and your covered dependents use a combination of PAR and Non-PAR providers, the PAR and Non-PAR out-of-pocket amounts will reduce each other.

Covered expenses are subject to any calendar year maximums of the Plan.

LIFETIME MAXIMUM

This Plan does not include a lifetime maximum.
MEDICAL COVERED EXPENSES

INPATIENT HOSPITAL

Covered expenses are payable as shown on the Schedule of Benefits and include charges made by:

1. Benefits for room and board when the covered person occupies:
   a. A room with two (2) or more beds, known as a semi-private room or ward; or
   b. A private room. The private room allowances shall be limited to an amount equal to the hospital’s average semi-private rate. In cases of a facility which only has private rooms, then the average semi-private rate does not apply; or
   c. A private room for the distinct purpose of medical isolation. Coverage is limited to the period of time for which medical isolation is medically necessary. Such cases require specific pre-certification approval by the Plan; or
   d. A bed in a special care unit, including nursing services - a designated unit which is approved by the Plan and has concentrated facilities, equipment, and supportive services for the provision of an intensive level of care for critically ill patients.

2. Hospital Ancillary services and supplies including, but not restricted to:
   a. Use of operating, delivery, and treatment rooms and equipment;
   b. Prescription drugs administered to an inpatient;
   c. Administration of blood and blood processing, blood clotting elements, factors eight (8) and nine (9) for blood clotting enhancements in relation to hemophilia, and gamma globulin used in the treatment of hepatitis;
   d. Anesthesia, anesthesia supplies and services rendered by an employee of the hospital or through approved contractual arrangements;
   e. Medical and surgical dressings, supplies, casts, and splints;
   f. Diagnostic services;
   g. Therapy services; and
   h. Special care unit nursing services, other than the portion payable under (1)(d) above.

OUTPATIENT HOSPITAL

Outpatient hospital/ambulatory surgical center facility/other provider services

1. Surgery, which includes facility services and supplies, anesthesia, anesthesia supplies, and services rendered by an employee of the facility other than the surgeon or assistant surgeon.

2. Ancillary services listed below and furnished to an outpatient, if pre-authorized by Plan:
   a. Use of operating room and recovery rooms;
   b. Respiratory therapy e.g., oxygen;
   c. Administered drugs and medicine;
   d. Intravenous solutions;
   e. Dressings, including ordinary casts, splints, or trusses;
   f. Anesthetics and their administration;
   g. Transfusion supplies and equipment;
   h. Diagnostic services, including radiology, ultrasound, laboratory, pathology, and approved machine testing e.g., electrocardiogram (EKG);
   i. Chemotherapy treatment for proven malignant disease;
   j. Radiation therapy; treatment by x-ray, radium or radioactive isotopes; and
   k. Renal dialysis treatment for acute or chronic kidney ailment which may include the supportive use of an artificial kidney machine.
EMERGENCY CARE

Benefits are provided for treatment of emergency medical conditions and emergency screening and stabilization services without prior authorization for conditions that reasonably appear to a prudent lay person to constitute an emergency medical condition based upon the patient’s presenting symptoms and conditions. Benefits for emergency care include facility costs, physician services, supplies and prescriptions.

Care in hospital emergency rooms is subject to coinsurance as indicated on the Schedule of Benefits.

If a covered person is admitted to a hospital for emergency care outside the service area, the Plan, after consultation with the attending physician, may require that the covered person be transferred to a participating hospital as soon as medically feasible.

Benefits are not provided for the use of an emergency room except for treatment of emergency medical conditions, emergency screening and stabilization. All follow-up or continued care, services or prescriptions, must be authorized by the Plan, if such approval is required by your Plan.

FREE-STANDING SURGICAL FACILITY

Charges made by a free-standing surgical facility, for surgical procedures performed and for services rendered in the facility are payable as shown on the Schedule of Benefits.

URGENT CARE

Benefits are provided for urgent care at a freestanding or hospital-based urgent care facility when the covered person is outside the service area or when the primary care physician is unavailable and when care:

1. is required to prevent serious deterioration in the covered person's health;
2. could not have been foreseen prior to leaving the service area or during normal office hours;
3. is not an emergency medical condition, but requires prompt medical attention;
4. includes, but is not limited to, the treatment of significant injuries as a result of accidents, the relief or elimination of severe pain, or the moderation of an acute illness; and
5. is obtained in accordance with the benefit booklet plan delivery system rules.
MEDICAL CARE TO INPATIENTS

Benefits for medical care to *inpatients* are limited to:

1. Visits by the attending *physician*;
2. Intensive medical care (Medical care requiring a *physician's* constant attendance);
3. Concurrent medical care
   a. Medical care in addition to *surgery* during the same admission for unrelated medical conditions. This medical care is provided by a *physician* other than the operating surgeon.
   b. Medical care by two (2) or more *physicians* during the same admission for unrelated medical conditions. The medical care must require the skills of separate *physicians*; and
4. Consultations provided by a *physician* at the request of the attending *physician*. Consultations do not include staff consultations required by *hospital* rules and regulations.

QUALIFIED PRACTITIONER

*Covered expenses* are payable as shown on the Schedule of Benefits and include charges made by a *qualified practitioner* when incurred for:

1. Office, home, *emergency room physician* or *inpatient hospital* visits;
2. Diagnostic Testing which includes: laboratory tests, x-rays and other radiology or imaging *services*; and ultrasound and approved machine testing *services* performed for the purpose of diagnosing a *sickness* or injury.
3. Professional *services* of a radiologist or pathologist for diagnostic x-ray examination or laboratory tests, including x-ray, radon, radium and radioactive isotope therapy;
4. Other covered medical *services* received from or at the direction of a *qualified practitioner*;
5. Administration of anesthesia. Coverage is provided for the *services* of a *physician* or other professional *provider* (other than the surgeon or assistant surgeon) for administration of anesthesia, as ordered by the attending *physician*;
6. A surgical procedure, including pre-operative and post-operative care.

If multiple or bilateral surgical procedures are performed at one operative session, the amount payable for these procedures will be limited to the *maximum allowable fee* for the primary surgical procedure and;

a. 50% of the *maximum allowable fee* for the secondary procedure; and
b. 25% of the *maximum allowable fee* for the third and subsequent procedures.

No benefits will be payable for incidental procedures.

7. Assisting the surgeon, payable at 20% of the *maximum allowable fee* allowed for the primary surgeon;
Qualified Practitioner Continued

8. *Physician* assistant, payable at 20% of the maximum allowable fee allowed for the primary surgeon;

9. Charges made by a qualified practitioner for services in performing certain oral surgical operations due to bodily injury or sickness are covered as follows:
   a. Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of the mouth when such conditions require pathological examination;
   b. Surgical procedures required to correct *accidental injuries* of the jaws, cheeks, lips, tongue, roof and floor of the mouth;
   c. Reduction of fractures and dislocations of the jaw; and
   d. Incision of accessory sinuses, salivary glands or ducts.

ROUTINE CARE

The following expenses are payable for you or your covered dependent, up to the amount shown on the Schedule of Benefits, subject to all terms and provisions of the Plan, except the exclusion for services which are not medically necessary, if you are not confined in a hospital or qualified treatment facility and if such expenses are not incurred for diagnosis of a specific bodily injury or sickness.

Benefits include:

1. Routine Physical and Well Woman exams, one each per calendar year;
2. Immunizations, in accordance with recommendations of the Advisory Council on Immunization Practices of the Centers for Disease Control and Prevention and Therapeutic injections;
3. Pap smears;
4. Mammograms;
5. Routine x-ray and laboratory tests;
6. Prostate antigen testing;
7. Cardiovascular Screening Blood Test;
Routine Care Continued

8. Colonoscopy, Proctosigmoidoscopy and Sigmoidoscopy Screening Tests;
9. Bone Mass Measurements;
10. Glaucoma Screening.
11. Flu/Pneumonia Injections;
12. HPV Vaccine (i.e. Gardasil), covered females ages 9 through 26;
13. Meningitis Vaccine, covered persons through age 21;
14. Shingles Vaccine (i.e. Zostavax), covered persons age 60 and over.

No benefits are payable under this benefit for:

1. Any dental examinations;
2. Hearing examinations;
3. Medical examination for bodily injury or sickness;
4. Medical examination caused by or resulting from pregnancy.

AMBULANCE SERVICE

1. Ambulance service providing local transportation by means of a specially designed and equipped vehicle used only for transporting the sick and injured:
   a. from a covered person's home or scene of accident or medical emergency to the closest facility that can provide covered services appropriate to the covered person's condition. If there is no facility in the local area that can provide covered services appropriate to the covered person's condition, ambulance service means transportation to the closest facility outside the local area that can provide the necessary services;
   b. between hospitals; and
   c. between a hospital and nursing facility, with prior approval of the Plan.
2. When approved by the Plan, ambulance service providing local transportation by means of a specially designed vehicle used only for transporting the sick and injured:
   a. from a hospital to the covered person's home; or
   b. from a nursing facility to the covered person's home when the transportation to the facility would qualify as a covered service.

Air ambulance services are covered when medically necessary and the attending physician, or the Plan determines an air ambulance is the only medically appropriate means of transportation to the nearest appropriate facility.

Benefits are limited to services involving admissions for inpatients or treatment of an outpatient for emergency care.
PREGNANCY BENEFITS

Pregnancy is a covered expense for any covered person payable as shown on the Schedule of Benefits.

Complications of pregnancy are payable as any other covered sickness at the point the complication sets in for any covered person.

Pregnancy benefits are subject to all terms and provisions of the Plan, with the exception of the pre-existing condition limitation.

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

MATERNITY PROGRAM

As part of your health plan, you are invited to participate in ActiveHealth's Maternity Program-MaterniCheck.

The maternity program offers you:
- A Personalized Care plan
- A Nurse Care Manager to support and educate you during your pregnancy
- A Nurse Care Manager to help to prepare questions to discuss with your doctor

To join, call KYSPIRIT: 1-877-597-7474

NEWBORN BENEFITS

Benefits for newborns are subject to the Eligibility and Effective Date of Coverage section of this booklet, as well as all terms and provisions of the Plan, with the exception of the pre-existing condition limitation as defined within the Definitions section of this booklet.

WELL-NEWBORN

Covered expenses incurred during a well-newborn child's initial inpatient hospital confinement include hospital expenses for nursery room and board and miscellaneous services; qualified practitioner's expenses for circumcision; and qualified practitioner's expenses for routine examination before release from the hospital. The deductible is waived for the first 30 days of life, regardless of whether it is a facility or physician charge.

SICK-NEWBORN

Covered expenses for a sick-newborn are expenses incurred for the treatment of a bodily injury or sickness. The deductible is waived for the first 30 days of life, regardless of whether it is a facility or physician charge.
SKILLED NURSING FACILITY

Covered expenses for a skilled nursing facility confinement are payable when the confinement:

1. Begins while you or an eligible dependent are covered under this Plan;

2. Begins after discharge from a hospital confinement or a prior covered skilled nursing facility confinement;

3. Is necessary for care or treatment of the same bodily injury or sickness which caused the prior confinement; and

4. Occurs while you or an eligible dependent are under the regular care of the physician who precertified the required skilled nursing facility confinement.

Skilled nursing facility means only an institution licensed as a skilled nursing facility and lawfully operated in the jurisdiction where located. It must maintain and provide:

1. Permanent and full-time bed care facilities for resident patients;

2. A physician's services available at all times;

3. 24-hour-a-day skilled nursing services under the full-time supervision of a physician or registered nurse (R.N.);

4. A daily record for each patient;

5. Continuous skilled nursing care for sick or injured persons during their convalescence from sickness or bodily injury; and

6. A utilization review plan.

A skilled nursing facility is not except by incident, a rest home, a home for care of the aged, or engaged in the care and treatment of mental disorders, chemical dependence or alcoholism.

BENEFITS PAYABLE FOR SKILLED NURSING

Expense incurred for daily room and board and general nursing services for each day of confinement in a skilled nursing facility is payable as shown on the Schedule of Benefits. The daily rate will not exceed the maximum daily rate established for licensed skilled nursing care facilities by the Department of Health and Social Services.
HOME HEALTH CARE

Expense incurred for home health care as described below is payable as shown on the Schedule of Benefits.

Each visit by a home health care provider for evaluating the need for, developing a plan, or providing services under a home health care plan will be considered one home health care visit. Up to 4 consecutive hours of service in a 24-hour period is considered one home health care visit. A visit by a home health care provider of 4 hours or more is considered one visit for every 4 hours or part thereof.

Home health care provider means an agency licensed by the proper authority as a home health agency or Medicare approved as a home health agency.

Home health care will not be reimbursed unless the Plan determines:

1. Hospitalization or confinement in a skilled nursing facility would otherwise be required if home care were not provided;

2. Necessary care and treatment are not available from a family member or other persons residing with you; and

3. The home health care services will be provided or coordinated by a state-licensed or Medicare-certified home health agency or certified rehabilitation agency.

The home health care plan must be reviewed and approved by the qualified practitioner under whose care you are currently receiving treatment for the bodily injury or sickness which requires the home health care.

The home health care plan consists of:

1. Care by or under the supervision of a registered nurse (R.N.);

2. Physical, speech, occupational and respiratory therapy and home health aide services; and

3. Medical supplies and durable medical equipment, laboratory services and nutritional counseling, if such services and supplies would have been covered if you were hospital confined.

LIMITATIONS ON HOME HEALTH CARE BENEFITS

Home health care benefits do not include:

1. Charges for mileage or travel time to and from the covered person's home;

2. Wage or shift differentials for home health care providers; or

3. Charges for supervision of home health care providers.
HOSPICE CARE

_Hospice services_ must be furnished in a _hospice_ facility or in _your_ home. A _qualified practitioner_ must certify _you_ are terminally ill with a life expectancy of six months or less.

For _hospice services_ only, _your_ immediate family is considered to be _your_ parent, _spouse_, and _your_ children or step-children.

_Covered expenses_ are payable as shown on the Schedule of Benefits for the following _hospice services_:

1. Room and board and other _services_ and supplies;
2. Part-time nursing care by or supervised by a R.N. for up to 8 hours per day;
3. Counseling _services_ by a _qualified practitioner_ for the _hospice_ patient and the immediate family;
4. Medical social _services_ provided to _you_ or _your_ immediate family under the direction of a _qualified practitioner_, which include the following:
   a. Assessment of social, emotional and medical needs, and the home and family situation,
   b. Identification of the community resources available, and
   c. Assistance in obtaining those resources;
5. Nutritional counseling;
6. Physical or occupational therapy;
7. Part-time home health aide service for up to 8 hours in any one day;
8. Medical supplies, drugs and medicines prescribed by a _qualified practitioner_; and
9. Bereavement counseling _services_ by a _qualified practitioner_ for _your_ immediate family.

LIMITATIONS ON HOSPICE CARE BENEFITS

_Hospice_ care benefits do NOT include: (1) private duty nursing _services_ when confined in a _hospice_ facility; (2) a _confinement_ not required for pain control or other acute chronic symptom management; (3) funeral arrangements; (4) financial or legal counseling, including estate planning or drafting of a will; (5) homemaker or caretaker _services_, including a sitter or companion _services_; (6) housecleaning and household maintenance; (7) _services_ of a social worker other than a licensed clinical social worker; (8) _services_ by volunteers or persons who do not regularly charge for their _services_; or (9) _services_ by a licensed pastoral counselor to a _member_ of his or her congregation when _services_ are in the course of the duties to which he or she is called as a pastor or minister.
Hospice Care Continued

Hospice care program means a written plan of hospice care, established and reviewed by the qualified practitioner attending the patient and the hospice care agency, for providing palliative and supportive care to hospice patients. It offers supportive care to the families of hospice patients, an assessment of the hospice patient's medical and social needs, and a description of the care to meet those needs.

Hospice facility means a licensed facility or part of a facility which principally provides hospice care, keeps medical records of each patient, has an ongoing quality assurance program and has a physician on call at all times.

A hospice facility provides 24-hour-a-day nursing services under the direction of a R.N. and has a full-time administrator.

Hospice care agency means an agency which has the primary purpose of providing hospice services to hospice patients. It must be licensed and operated according to the laws of the state in which it is located and meets all of these requirements: (1) has obtained any required certificate of need; (2) provides 24-hours a day, 7 day-a-week service supervised by a qualified practitioner; (3) has a full-time coordinator; (4) keeps written records of services provided to each patient; (5) has a nurse coordinator who is a R.N., who has four years of full-time clinical experience, of which at least two involved caring for terminally ill patients; and, (6) has a licensed social service coordinator.

A hospice care agency will establish policies for the provision of hospice care, assess the patient's medical and social needs and develop a program to meet those needs. It will provide an ongoing quality assurance program, permit area medical personnel to use its services for their patients, and use volunteers trained in care of and services for non-medical needs.

CHIROPRACTIC CARE

Covered expenses for chiropractic care are payable as shown on the Schedule of Benefits.

HEARING AIDS AND RELATED SERVICES

Coverage shall be provided, subject to all applicable coinsurance, deductibles and out-of-pocket limits, for the full cost of one (1) hearing aid per hearing impaired ear up to $1,400 every 36 months for hearing aids for a covered person under 18 years of age and all related services which shall be prescribed by an audiologist and dispensed by an audiologist or hearing instrument specialist. The covered person may choose a higher priced hearing aid and may pay the difference in cost above the $1,400 limit as provided.

Coverage shall not be required for a hearing aid claim if any health benefit plan has paid a claim for a hearing aid within the 3 years prior to the date of the claim.
TEMPOROMANDIBULAR JOINT DISORDER

Covered services incurred for surgical treatment of temporomandibular joint (TMJ), craniomandibular joint (CMJ), or craniomandibular jaw (orthognathic) disorder (provided the charges are for services included in a treatment plan authorized under the plan prior to the surgery). TMJ or CMJ disorder is a jaw/joint disorder which may cause pain, swelling, clicking and difficulties in opening and closing the mouth and complications include arthritis, dislocation and bite problems of the jaw. Craniomandibular jaw (orthognathic) disorders involve documented skeletal disorders of the jaw. Procedures for the treatment of craniomandibular jaw maldevelopments that are not correctable with conventional orthodontic treatment yielding a stable and functional post-treatment occlusion without worsening the patient's esthetic condition shall be covered surgical procedures.

Covered services for non-surgical diagnosis and treatment of TMJ or CMJ dysfunction or disorder or craniomandibular jaw disorders are limited to:

1. diagnostic examination;
2. diagnostic x-rays;
3. injection of muscle relaxants;
4. therapeutic drug injections;
5. physical therapy;
6. diathermy therapy;
7. ultrasound therapy;
8. splint therapy; and
9. arthrocentesis and aspiration.

Benefits are not provided for anything not listed above, including but not limited to:

1. any appliance or the adjustment of any appliance involving orthodontics;
2. any electronic diagnostic modalities;
3. occlusal analysis; and
4. muscle testing.

MENTAL DISORDER, CHEMICAL DEPENDENCE OR ALCOHOLISM BENEFIT

Expense incurred by you during a plan of treatment for mental disorder, chemical dependence or alcoholism is payable for:

1. Charges made by a qualified practitioner;
2. Charges made by a hospital;
3. Charges made by a qualified treatment facility;
4. Charges for x-ray and laboratory expenses.
Mental Disorder, Chemical Dependence or Alcoholism Benefit Continued

INPATIENT BENEFITS

Covered expenses while confined as a registered bed patient in a hospital or qualified treatment facility are payable as shown below:

<table>
<thead>
<tr>
<th></th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER (OUT-OF-NETWORK)</th>
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</thead>
<tbody>
<tr>
<td>Subject to deductible and payable at 90%</td>
<td>Subject to deductible and payable at 60%</td>
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</tbody>
</table>

Covered expenses for inpatient treatment aggregate toward the coinsurance and out-of-pocket limits described on the Schedule of Benefits.

OUTPATIENT BENEFITS

Covered expenses for outpatient treatment received while not confined in a hospital or qualified treatment facility are payable as shown below:

<table>
<thead>
<tr>
<th></th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER (OUT-OF-NETWORK)</th>
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<tbody>
<tr>
<td>Subject to deductible and payable at 90%</td>
<td>Subject to deductible and payable at 60%</td>
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</table>

Covered expenses for outpatient treatment aggregate toward the coinsurance and out-of-pocket limits described on the Schedule of Benefits.

PARTIAL HOSPITALIZATION TREATMENT

Covered expenses received for partial hospitalization arrangements are payable as shown below:

<table>
<thead>
<tr>
<th></th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER (OUT-OF-NETWORK)</th>
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<tbody>
<tr>
<td>Subject to deductible and payable at 90%</td>
<td>Subject to deductible and payable at 60%</td>
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</table>

Covered expenses for partial hospitalization aggregate toward the coinsurance and out-of-pocket limits described on the Schedule of Benefits.

AUTISM BENEFITS

Covered expenses for autism benefits are payable as shown below, subject to the lifetime maximum of the Plan.

Covered expenses for autism benefits aggregate toward the out-of-pocket limits described on the Schedule of Benefits.
Mental Disorder, Chemical Dependence or Alcoholism Benefit Continued

Autism benefits are for rehabilitative, therapeutic and respite services. Rehabilitative and therapeutic services are subject to review for medical necessity up to the benefit limit. There is a $500 monthly respite benefit for children ages 2 through 21 years of age which will not be subject to review for medical necessity. This benefit shall not apply to other health or mental health conditions which are not related to the treatment of autism. Services are payable as though the services were provided for any other sickness.

<table>
<thead>
<tr>
<th>AUTISM BENEFIT</th>
<th>PAR PROVIDER (IN-NETWORK)</th>
<th>NON-PAR PROVIDER (OUT-OF-NETWORK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabilitative and Therapeutic Care Services</td>
<td>Subject to deductible and payable at 90%.</td>
<td>Subject to deductible and payable at 60%.</td>
</tr>
<tr>
<td>Respite Care</td>
<td>Subject to deductible and payable at 90%.</td>
<td>Subject to PAR deductible and payable at 90%.</td>
</tr>
</tbody>
</table>

LIMITATIONS ON MENTAL DISORDER, CHEMICAL DEPENDENCE OR ALCOHOLISM BENEFITS

No benefits are payable under this provision for marriage counseling, treatment of nicotine habit or addiction, or for treatment of being obese or overweight.

No benefits are payable under this provision for services performed at a Residential Treatment Facility or Half-way House.

Treatment must be provided for the cause for which benefits are payable under this provision of the Plan.

Medications or other prescription drugs used by an outpatient to maintain an addiction or dependency on drugs, alcohol, or chemicals. Services, supplies, or other care associated with the treatment of substance abuse whenever the covered person fails to comply with the plan of treatment (such as detoxification, rehabilitation or care as an outpatient) for which the services, supplies, or other care was rendered or a claim was submitted.

KENTUCKY EMPLOYEE ASSISTANCE PROGRAM (KEAP) FOR STATE AGENCIES

Your employer offers a voluntary Kentucky Employee Assistance Program (KEAP) for treatment of mental disorders, chemical dependence or alcoholism for you or your covered dependents. For more information, contact the Employee Assistance Program at:

Kentucky Employee Assistance Program
408 Wapping Street
Frankfort, Kentucky 40601
(502) 564-5788
(800) 445-5327
OTHER COVERED EXPENSES

The following are other covered expenses payable as shown on the Schedule of Benefits:

1. Blood and blood plasma are payable as long as it is NOT replaced by donation, and administration of blood and blood products including blood extracts or derivatives;

2. Oxygen and rental of equipment for its administration;

3. Initial prosthetic devices or supplies, including but not limited to, limbs and eyes, are covered. Coverage will be provided for covered prosthetic devices or supplies necessary to restore minimal basic function. Replacement for covered prosthetic devices or supplies are a covered expense if due to pathological changes. Covered expense includes repair of covered prosthetic device if the manufacturer does not cover the repair. Coverage for penile prosthetics/implants are excluded for coverage unless related to penile trauma or amputation, and unless related to reconstructive services related to penile trauma or amputation;

4. Casts, trusses, crutches, orthotics, splints and braces. Orthotics must be custom made or custom fitted, made of rigid or semi-rigid material. Fabric supports, replacement orthotics and braces, oral splints and appliances and dental splints and dental braces are not a covered expense;

5. Covered supplies, up to a 30-day supply, when prescribed by your attending physician;

6. Initial contact lenses or eyeglasses following cataract surgery;

7. The rental, up to but not to exceed the purchase price, of a wheelchair, hospital bed, ventilator, hospital type equipment or other durable medical equipment (DME). The Plan, at its option, may authorize the purchase of DME in lieu of its rental, if the rental price is projected to exceed the purchase price. Replacement for covered DME is a covered expense if due to pathological changes. Repair, maintenance or duplicate DME rental is not considered a covered expense;

8. Chiropractic care for treatment of a bodily injury or sickness, limitations apply, see Schedule of Benefits. Maintenance care is not covered;

9. Services for the treatment of a dental injury to a sound natural tooth, including but not limited to extraction and initial replacement. The dental injury shall be of sufficient significance that initial contact for evaluation shall occur within 72 hours of the accident. Services must begin within 90 days and be completed within 12 months after the date of the dental injury. Benefits will be paid only for expense incurred for the least expensive service that will, in the Plan Manager's opinion, produce a professionally adequate result;
Other Covered Expenses Continued

10. General anesthesia and hospitalization services to a covered person shall provide coverage for payment of anesthesia and hospital or facility charges for services performed in a hospital or ambulatory surgical facility in connection with dental procedures for children below the age of 9 years, persons with serious mental or physical conditions, and persons with significant behavioral problems, where the admitting physician or treating dentist certifies that, because of the patient's age, condition or problem, hospitalization or general anesthesia is required in order to safely and effectively perform the procedures. The same deductibles, coinsurance, network requirements, medical necessity provisions, and other limitations as apply to physical sickness benefits shall apply to coverage for anesthesia and hospital or facility charges covered in this section.

Coverage for routine dental care, including the diagnosis or treatment of disease or other dental conditions and procedures are not covered.

11. Installation and use of an insulin infusion pump, diabetic self-management education programs and other equipment in the treatment of diabetes;

12. Reconstructive surgery due to bodily injury, infection or other disease of the involved part or congenital disease or anomaly of a covered dependent child which resulted in a functional defect;

13. Reconstructive services following a covered mastectomy, including but not limited to:
   a. reconstruction of the breast on which the mastectomy was performed;
   b. reconstruction of the other breast to achieve symmetry;
   c. prosthesis; and
   d. treatment of physical complications of all stages of the mastectomy, including lymphedemas;

14. Speech, occupational, cognitive, and physical therapy, limitations apply, see Schedule of Benefits;

15. Chemotherapy, radiation and respiratory therapy, as medically necessary;

16. Cardiac rehabilitation, limited to phases I and II, limitations apply, see Schedule of Benefits;

17. Surgery for morbid obesity, when qualified as morbid obesity, medically necessary and the covered persons condition is of a life-threatening nature, limitations apply, including but not limited to:
   a. six month doctor supervised diet; and
   b. BMI of 40 or more;

18. Audiometric services covered only in conjunction with a disease, sickness or injury;

19. Cochlear Implants;
Other Covered Expenses Continued

20. *Telehealth Consultation services.* Covered services include a medical or health consultation for purposes of patient diagnosis or treatment that requires the use of advanced telecommunications technology, including, but not limited to: (a) compressed digital interactive video, audio, or data transmission; and (b) clinical data transmission via computer imaging for teleradiology or telepathology; and (c) other technology that facilitates access to other covered health care services or medical specialty expertise;

21. Bone Density Testing for women ages 35 and older;

22. Immunizations in accordance with recommendations of the Advisory Council on Immunization Practices of the Centers for Disease Control and Prevention and Therapeutic injections;

23. Therapy and testing for treatment of allergies, including but not limited to, skin titration (Rinkel Test), cytotoxicity testing (Bryan’s Test), urine auto injection, provocative and neutralization testing for allergies, or for an assessment of IgG antibodies in food allergies, services related to clinical ecology, environmental allergy and allergic immune system dysregulation and sublingual antigen(s), extracts, neutralization test and/or treatment UNLESS such therapy or testing is NOT approved by:

   a. The American Academy of Allergy and Immunology, or

   b. The Department of Health and Human Services or any of its offices or agencies.

The following services are considered other covered expenses and are payable as shown on the Schedule of Benefits, subject to all terms and provisions of the Plan, except the exclusion for services which are not medically necessary:

1. Elective sterilizations, regardless of medical necessity, coverage is provided for outpatient procedures performed for the sole purpose of voluntary sterilization. No coverage is provided for the reversal or any attempted reversal of a previously performed sterilization;

2. Birth control devices, injections, or implant systems.

ORGAN TRANSPLANT BENEFIT

Precertification is required. If precertification is not received, organ transplant services will not be covered.

The Plan will pay benefits for the expense of a transplant as defined below for a covered person when approved in advance by the Plan Manager, subject to those terms, conditions and limitations described below and contained in the Plan. Please contact the Plan Manager at our toll free number (866) 421-5663 when in need of these services.
Organ Transplant Benefit Continued

COVERED ORGAN TRANSPLANT

Only the services, care, and treatment received for or in connection with the pre-approved transplant of the organs identified hereafter, which are determined by the Plan Manager to be medically necessary services and which are not experimental, investigational or for research purposes. The transplant includes pre-transplant services, transplant inclusive of any chemotherapy and associated services, post-discharge services, and treatment of complications after transplantation of the following organs or procedures only:

1. Heart;
2. Lung(s);
3. Liver;
4. Kidney;
5. Bone Marrow*;
6. Intestine;
7. Pancreas;
8. Auto islet cell;
9. Multivisceral;
10. Any combination of the above listed organs;
11. Any organ not listed above required by state or federal law.

*The term bone marrow refers to the transplant of human blood precursor cells which are administered to a patient following high-dose, ablative or myelosuppressive chemotherapy. Such cells may be derived from bone marrow, circulating blood, or a combination of bone marrow and circulating blood obtained from the patient in an autologous transplant or from a matched related or unrelated donor or cord blood. If chemotherapy is an integral part of the treatment involving a transplant of bone marrow, the term bone marrow includes the harvesting, the transplantation and the chemotherapy components. Storage of cord blood and stem cells will not be covered unless as an integral part of a transplant of bone marrow approved by the Plan Manager.

Corneal transplants and porcine heart valve implants, which are tissues rather than organs, are considered part of regular plan benefits and are subject to other applicable provisions of the Plan.

For a transplant to be considered fully approved, prior written approval from the Plan Manager is required in advance of the transplant. You or your qualified practitioner must notify the Plan Manager in advance of your need for an initial evaluation for the transplant in order for the Plan Manager to determine if the transplant will be covered. For approval of the transplant itself, the Plan Manager must be given a reasonable opportunity to review the clinical results of the evaluation before rendering a determination.

Once the transplant is approved, the Plan Manager will advise the covered person’s qualified practitioner. Benefits are payable only if the pre-transplant services, the transplant and post-discharge services are approved by the Plan Manager.
Organ Transplant Benefit Continued

ORGAN TRANSPLANT EXCLUSIONS

No benefit is payable for or in connection with a transplant if:

1. It is experimental, investigational or for research purposes as defined in the Definitions section of this booklet.

2. The Plan Manager is not contacted for authorization prior to referral for evaluation of the transplant, unless such authorization is waived by the Plan Manager.

3. The Plan Manager does not approve coverage for the transplant, based on its established criteria.

4. Expenses are eligible to be paid under any private or public research fund, government program except Medicaid, or another funding program, whether or not such funding was applied for or received.

5. The expense relates to the transplantation of any non-human organ or tissue, unless otherwise stated in the Plan.

6. The expense relates to the donation or acquisition of an organ for a recipient who is not covered by the Plan.

7. A denied transplant is performed; this includes the pre-transplant evaluation, pre-transplant services, the transplant procedure, post-discharge services, immunosuppressive drugs, and complications of such transplant.

8. The covered person for whom a transplant is requested has not met pre-transplant criteria as established by the Plan Manager.

COVERED ORGAN TRANSPLANT SERVICES

For approved transplants, and all related complications, the Plan will cover only the following expenses:

1. Hospital and qualified practitioner benefits, payable as shown on the Schedule of Benefits. If services are rendered at a Humana National Transplant Network (NTN) facility, covered expenses are paid in accordance to the NTN contracted rates.

2. Organ acquisition and donor costs. Except for bone marrow transplants, donor costs are not payable under the Plan if they are payable in whole or in part by any other group plan, insurance company, organization or person other than the donor's family or estate. Coverage for bone marrow transplants procedures will include costs associated with the donor-patient to the same extent and limitations associated with the covered person, except the reasonable costs of searching for the donor may be limited to the immediate family members and the National Bone Marrow Donor Program.
Organ Transplant Benefit Continued

3. Direct, non-medical costs for the covered person receiving the transplant will be paid for: (a) transportation to and from the hospital where the transplant is performed; and (b) temporary lodging at a prearranged location when requested by the hospital and approved by the Plan Manager. Transportation costs for the covered person to and from the hospital where the transplant is performed will be payable as shown on the Schedule of Benefits. These direct, non-medical costs are only available if the covered person lives more than 100 miles from the transplant facility.*

4. Direct, non-medical costs for one member of the covered person's immediate family or a companion (two members if the patient is under age 18 years) will be paid for: (a) transportation to and from the approved facility where the transplant is performed; and, (b) temporary lodging at a prearranged location during the covered person's confinement in a hospital. Transportation costs for the covered person's immediate family member(s) or companion(s) to and from the hospital where the transplant is performed will be payable as shown on the Schedule of Benefits. These direct, non-medical costs are only available if the covered person's immediate family member(s) or companion(s) live more than 100 miles from the transplant facility.*

*All direct, non-medical expenses for the covered person receiving the transplant and his/her family member(s) are limited to a combined maximum benefit of $10,000 per transplant.
LIMITATIONS AND EXCLUSIONS

The Plan does not provide benefits for:

1. Services:
   a. Not furnished by a qualified practitioner or qualified treatment facility;
   b. Not authorized or prescribed by a qualified practitioner;
   c. Not covered by this Plan whether or not prescribed by a qualified practitioner;
   d. Which are not provided;
   e. For which no charge is made, or for which you would not be required to pay if you were not covered under this Plan unless charges are received from and reimbursable to the United States Government or any of its agencies as required by law; or
   f. Furnished by or payable under any plan or law through any government or any political subdivision (this does not include Medicare or Medicaid);
   g. Furnished for a military service connected sickness or bodily injury by or under an agreement with a department or agency of the United States Government, including the Department of Veterans Affairs;
   h. Performed in association with a service that is not covered under this Plan;
   i. Performed as a result of a complication arising from a service that is not covered under this Plan;

2. Routine eye exams, services to correct eye refractive disorders, eyeglass frames and lenses or contact lenses, the fitting or repair of eyeglass frames and lenses or contact lenses, unless specifically covered under this Plan;

3. Routine hearing exams, tests or screenings, other than the screening of a newborn in the hospital, hearing aids, the fitting or repair of hearing aids, unless specifically covered under this Plan. Audiograms and audiometric services, unless related to the diagnosis or management of a specific illness or traumatic injury, if otherwise covered.

4. Physical exams/immunizations except as otherwise provided, services, supplies, or other care for routine or periodic physical examinations, immunizations, or tests for screening purposes required by third parties, such as for employment, licensing, travel, school (except approved well visits), insurance, marriage, adoption, participation in athletics, or services conducted for medical research or examinations required by a court;

5. Elective abortions, unless the pregnancy is a life-threatening physical condition of the covered female person;
Limitations and Exclusions Continued

6. Services related to gender change;

7. Services for a reversal of sterilization;

8. Services, supplies, or other care for cosmetic surgery, and/or complications arising directly from the cosmetic services. Cosmetic services means services and surgical procedures performed to improve a covered person's appearance or to correct a deformity without restoring physical bodily function, unless medically necessary. The presence of a psychological condition does not make a cosmetic service medically necessary and will not entitle a covered person to coverage for cosmetic services. Examples of exclusions include, but are not limited to, removal of tattoos, scars, wrinkles or excess skin; plastic surgery; silicone injections or implants; electrolysis; wigs, including those used as cranial prosthesis; treatment of male pattern baldness; revision of previous elective procedures; keloids; pharmaceutical regimes; nutritional procedures or treatments; rhinoplasty; epikeratophakia surgery; skin abrasions which are performed as a treatment for acne; hair removal via laser therapy or any other method;

9. Dental services except as otherwise specifically provided, services, supplies, or other care for dental services and procedures involving tooth structures, extractions, gingival tissues, alveolar processes, dental x-rays (other than for an accidental injury), procedures of dental origin, odontogenic cysts/tumors, or any orthodontic, or periodontic treatment regardless of medical necessity, except that hospital services may be covered provided such services are pre-certified as medically necessary to safeguard the health of the covered person from the effects or side effects of a dental procedure due to a specific non-dental organic impairment. Services and supplies for maxillary and/or mandibular augmentation/implant procedures to facilitate the use of full or partial dental prosthesis, fixed or removable;

10. Any loss caused by or contributed to:
   a. War or any act of war, whether declared or not, or
   b. Any act of armed conflict, or any conflict involving armed forces of any authority;

11. Any drug, medicine or device which does not have the United States Food and Drug Administration formal market approval through a New Drug Application, Premarket Approval, 510K, or PLA;

12. Any service which is experimental, investigational or for research purposes;

13. Pre-existing conditions to the extent specified in the Definitions section;

14. Custodial care services, supplies, or other care rendered by or in: (a) rest homes; (b) health resorts; (c) homes for the aged; (d) places primarily for domiciliary or custodial care; and (e) self-help training or other forms of non-medical self-care;

15. Services provided by a person who ordinarily resides in your home or who is a family member;

16. Charges in excess of the maximum allowable fee for the service;
Limitations and Exclusions Continued

17. Any expense incurred prior to your effective date under the Plan or after the date your coverage under the Plan terminates, except as specifically described in this Plan;

18. Services, supplies, or other care provided in treatment of injuries sustained or illnesses resulting from participation in a riot or civil disturbance or while committing or attempting to commit an assault or felony. Services, supplies or other care required while incarcerated in a federal, state or local penal institution or required while in custody of federal, state or local law enforcement authorities, including work release programs;

19. Services not medically necessary for diagnosis and treatment of a bodily injury or sickness;

20. Private duty nursing;

21. Expenses incurred for which you are entitled to receive benefits under your previous dental or medical plan;

22. All fertility testing or services (other than diagnostic testing or services), including any artificial means to achieve pregnancy or ovulation, such as artificial insemination, in vitro fertilization, spermatogenesis, gamete intra fallopian transfer (GIFT), zygote intra fallopian transfer (ZIFT), tubal ovum transfer, embryo freezing or transfer and sperm banking;

23. Professional pathology or radiology charges, including but not limited to, blood counts, multi-channel testing, and other clinical chemistry tests, when:
   a. The services do not require a professional interpretation, or
   b. The qualified practitioner did not provide a specific professional interpretation of the test results of the covered person;

24. Prescription drugs, except as provided through the Pharmacy Benefit Manager’s Summary Plan Description;

25. Penile implants and prosthetics, or any other services for the diagnosis or treatment of sexual dysfunction/impotence are not covered unless related to penile trauma or amputation, or unless related to reconstructive services related to penile trauma or amputation;

26. Services for the treatment of obesity, unless specifically indicated in Other Covered Expenses section. Any surgery for the removal of excess fat or skin following weight loss due to obesity, surgery, or pregnancy or services at a health spa or similar facility. Services, supplies, or other care for gastric bubble/gastric balloon procedures, stomach stapling, wiring of the jaw, liposuction and jejunal bypasses. Dietary supplements, diet pills and appetite suppressants;

27. No benefits are payable under this provision for residential treatment services or any services performed at a Residential Treatment Facility;
**Limitations and Exclusions Continued**

28. Vision therapy;

29. Smoking cessation products, except as covered and provided through the Pharmacy Benefit Manager;

30. Birth control pills, except as covered and provided through the Pharmacy Benefit Manager’s Summary Plan Description;

31. Removal of the implants and implant systems, except when *medically necessary*;

32. *Services*, supplies and other care for acupuncture, anesthesia by hypnosis, or anesthesia charges for *services* not covered by this plan;

33. *Services*, supplies, or other care provided for conditions related to conduct disorders (except attention deficit disorders), pervasive developmental disorders (except *autism*), behavioral disorders, learning disabilities and disorders, or mental retardation. *Services*, supplies or other care for non-chemical addictions such as gambling, sexual, spending, shopping and working addictions, codependency, or caffeine addition. Milieu therapy, marriage counseling, *inpatient* admissions for environmental change, biofeedback, neuromuscular re-education, hypnotherapy, sleep therapy, vocational rehabilitation, sensory integration, educational therapy and recreational therapy, except for such adjunct *services* as part of the *inpatient* stay and required by the Joint Commission on Accreditation of Healthcare Organizations or the Commission of Accreditation of Rehabilitative Facilities;

34. Disposable supplies, normally purchased in an over the counter setting, to an *outpatient* facility including, but not limited to, ace bandages, support hosiery, pressure garments, elastic stockings, and band-aids;

35. Modifications to your home or place of business, such as ramps, air conditioners, seat lift chairs or supplies or attachments for any of these items; professional medical equipment such as blood pressure kits; purchase or rental of escalators or elevators; spas, saunas or swimming pools. Any *durable medical equipment*, prosthesis, or orthotic device having convenience or luxury features which are not *medically necessary*, except that benefits for the cost of standard equipment or device used in the treatment of disease, Illness, or injury will be provided toward the cost of any deluxe equipment, prosthetic or device selected. Benefits are excluded for the repair, maintenance and/or replacement of *durable medical equipment*, except as otherwise provided. Vehicle adjustments, air purifiers, free-standing humidifiers, dehumidifiers, stair-gliders, *Emergency* Alert equipment, handrails, heat appliances, waterbeds, whirlpool baths, exercise and massage equipment;

36. *Services* or supplies for routine foot care or other care used in treatment of superficial lesions of the feet such as corns, hyperkeratosis, bunions, tarsalgia, metatarsalgia (except capsular or bone *surgery*), callouses, nails of the feet (except mycotic infections or *surgery* for ingrown nails), flat feet, fallen arches, weak feet, or similar conditions, unless *medically necessary* for complications of diabetes;
Limitations and Exclusions Continued

37. Services, supplies or other care for personal hygiene, environmental control, convenience items (including, but not limited to, air conditioners, humidifiers, or physical fitness equipment), or personal comfort and convenience items (such as daily television rental, telephone services, cots or visitors’ meals). Charges for:
   a. Telephone consultations;
   b. Failure to keep a scheduled visit;
   c. Completion of a claim form; or
   d. Providing requested information to the Plan.

38. Services or supplies provided for self-help training or other form of non-medical self-care. Purchase or rental of supplies of common household use such as exercise cycles, air purifiers, central or unit air conditioners, water purifiers, allergenic pillows or mattresses or waterbeds, treadmill or special exercise testing or equipment solely to evaluate exercise competency or assist in an exercise program. Services or supplies at a health spa or similar Facility;

39. Food, food supplements (except special formulas medically necessary for the treatment of certain inborn errors of metabolism including PKU), minerals, vitamins, or drugs which could be purchased without a written prescription, or are not FDA approved for treatment of a specified category of medical conditions, or are not medically necessary, or are considered to be experimental or investigational, except as provided through the Pharmacy Benefit Manager’s Summary Plan Description;

40. Services, supplies, or other care to the extent that benefits or reimbursement are available from or provided by any other group coverage, except that the Plan will coordinate the payment of benefits under this plan with such other coverage, as permitted by Kentucky Law;

41. Chelation therapy except in the treatment of lead or other heavy metal poisoning;

42. Services, supplies, or other care for educational or training procedures used in connection with speech except as otherwise defined in the Covered Services Section (Therapy Services), hearing, or vision services;

43. Services, supplies, or other care provided to an inpatient solely for cardiac rehabilitation. Services, supplies, or other care provided for non-human, artificial, or mechanical hearts or ventricular and/or atrial assist devices used as a heart replacement (when not otherwise provided in conjunction with a human organ transplant) and supportive services or devices in connection with such care. This exclusion includes services for implantation, removal, and complications;

44. Food, housing, home delivered meals, and homemaker services (such as housekeeping, laundry, shopping and errands). Teaching household routine to members of the covered person’s family; supervision of a covered person’s children; and other similar functions. Benefits are not provided for home health care education beyond the normal and customary period for learning. Supportive environmental materials, including hand rails, ramps, telephones, air conditioners and similar items. Services or supplies provided by the family of the covered person or volunteer ambulance associations. Visiting teachers, friendly visitors, vocational guidance, and other counselors. Services related to diversional and social activities. Services for which there is no cost to the covered person;
Limitations and Exclusions Continued

45. *Hospice services*, supplies, or other care except as covered by *Medicare's hospice* benefit;

46. Inpatient Diagnostic/Therapy – Non-emergency diagnostic admissions for inpatients or admissions primarily for therapy *services*, unless pre-authorized by the *Plan*;

47. *Services*, supplies, and other care related to suction-assisted lipectomy or diastasis recti repair, including instances when diastasis recti is associated with an umbilical or ventral hernia;

48. *Services*, supplies, or other care to the extent that Medicare is the primary payer. The Plan will coordinate the payment of benefits under this *plan* with Medicare, as permitted by Kentucky and Federal law;

49. *Services* or supplies for *mental health conditions* unless performed by a *physician* or other *provider* who is licensed or certified by the Commonwealth of Kentucky (or a corresponding licensing or certifying authority when the service is provided outside of the Commonwealth). *Services* for *mental health conditions* when provided for purposes of medical, educational, or occupational training. Psychological testing beyond that necessary to establish a diagnosis or beyond that approved by the subcontractor;

50. *Services*, supplies, or other care not meeting a *Plan’s plan delivery system rules*;

51. Drugs that can be purchased without a written prescription. Amino acid modified preparations and low-protein modified food products for the treatment of lactose intolerance, protein intolerance, food allergy, food insensitivity, except as provided through the Pharmacy Benefit Manager’s Summary Plan Description;

52. Travel or transportation expenses (except *ambulance*), even though prescribed by a physician. Air ambulance is excluded, unless emergency medical *services*, the attending physician, or the Plan determines an air *ambulance* is the only medically appropriate means of transportation to the nearest appropriate facility;

53. Work-related health conditions if the *covered person* is eligible for workers’ compensation insurance and the condition is determined to be work-related and benefits are payable under workers’ compensation insurance.
ELIGIBILITY AND EFFECTIVE DATE OF COVERAGE

OPEN ENROLLMENT

Once annually you will have a choice of enrolling yourself and your eligible dependents in this Plan. You will be notified in advance when the open enrollment period is to begin and how long it will last. If you initially declined coverage for yourself or your dependents at the time you were initially eligible for coverage, you will be able to enroll yourself and/or your eligible dependents during the open enrollment period. Your coverage may be subject to the pre-existing condition limitation.

EMPLOYEE ELIGIBILITY

You are eligible for coverage if the following conditions are met:

1. You are an employee or retiree who meets the eligibility requirements of the employer; and
2. You participate in a state-sponsored retirement system; or
3. You are a School Board Member as defined in KRS 18A.225.

Your eligibility date is as determined by the Plan Sponsor.

EMPLOYEE EFFECTIVE DATE OF COVERAGE

You must enroll on forms acceptable to the Plan Sponsor.

1. If your completed enrollment forms are signed by you within 30 days after your hire date, your coverage is effective on the 1st day of the 2nd month following the month of hire. Your coverage may be effective at a later date as determined by the Plan Sponsor.
2. If your completed enrollment forms are signed by you more than 30 days after your hire date, you are a late applicant and you will not be eligible for coverage under this Plan until the next annual open enrollment period or until you experience a permitted qualifying event. Your coverage is effective as determined by the Plan Sponsor.
Eligibility and Effective Date of Coverage Continued

DEPENDENT ELIGIBILITY

Dependent eligibility requirements are outlined in the Definitions section of this document.

Adding a dependent to the Plan who does not meet the KEHP eligibility rules may be considered insurance fraud.

A dependent will be effective as outlined in the Dependent Effective Date of Coverage section.

Each dependent is eligible for coverage on:

1. The date the employee is eligible for coverage, if he or she has dependents who may be covered on that date; or

2. The date of birth of the employee's natural-born child; or

3. The date a child is placed for adoption under the employee's legal guardianship, or the date which the employee incurs a legal obligation for total or partial support in anticipation of adoption; or

4. The date a covered employee's child is determined to be eligible as an alternate recipient under the terms of a medical child support order.

The covered employee may cover dependents only if the employee is also covered. Check with your employer immediately on how to enroll for dependent coverage. Late enrollment will result in denial of dependent coverage until the next annual open enrollment period.

In any event, no person may be simultaneously covered as both an employee and a dependent. If both parents are eligible for coverage, the dependent may only enroll under one Plan.

The Department of Employee Insurance reserves the right to request supporting documentation to verify the eligibility of any dependent enrolled or requesting to be enrolled in the Plan.

DEPENDENT EFFECTIVE DATE OF COVERAGE

If the employee wishes to add to the Plan a newborn dependent, a newly adopted dependent, or a newly placed for adoption dependent, an enrollment form must be completed and submitted to the Plan Sponsor.

The newborn dependent's, the newly adopted dependent's, or the newly placed for adoption dependent's effective date of coverage is determined as follows:

1. If the completed enrollment forms are signed by you within 60 days after the newborn dependent's, the newly adopted dependent's, or the newly placed for adoption dependent's eligibility date, that newborn dependent, the newly adopted dependent, or the newly placed for adoption dependent is covered on the date he or she is eligible.
Eligibility and Effective Date of Coverage Continued

2. If the completed enrollment forms are signed by you more than 60 days after the newborn dependent’s, the newly adopted dependent’s, or the newly placed for adoption dependent’s eligibility date, the newborn dependent, the newly adopted dependent, or the newly placed for adoption dependent is a late applicant. The newborn dependent, the newly adopted dependent, or the newly placed for adoption dependent will not be eligible for coverage under this Plan until the next annual open enrollment period.

Newborn dependents will be covered for an initial period of 31 days from the date of birth. Coverage for newborns will continue beyond 31 days only if the employee completes and submits a signed enrollment form within the timeframe outlined above.

If the employee wishes to add to the Plan other dependent(s), in addition to the newborn, the newly adopted dependent, or the newly placed for adoption dependent, an enrollment form must be completed and submitted to the Plan Sponsor.

The dependent’s effective date of coverage is determined as follows:

1. If the completed enrollment forms are signed by you within 35 days after the newborn dependent’s, the newly adopted dependent’s, or the newly placed for adoption dependent’s eligibility date, that newborn dependent and other dependents are covered on the date he or she is eligible.

2. If the completed enrollment forms are signed by you more than 35 days after the newborn dependent’s eligibility date, the newborn dependent and other dependents are a late applicant. The newborn dependent and the dependent (other than a newborn) will not be eligible for coverage under this Plan until the next annual open enrollment period.

If the employee wishes to add other dependent(s) to the Plan, due to experiencing a qualifying event (other than birth, adoption, or placement for adoption), the dependent’s effective date of coverage is determined as follows:

1. If the completed enrollment forms are signed by you within 35 days after the qualifying event that dependent is covered on the coverage effective date as set forth in the qualifying events in Exhibit A at the end of this document.

2. If the completed enrollment forms are signed by you more than 35 days after the dependent’s eligibility date, the dependent is a late applicant. The dependent will not be eligible for coverage under this Plan until the next annual open enrollment period. The dependent is covered as determined by the employer.

No dependent's effective date will be prior to the covered employee's effective date of coverage. If your dependent child becomes an eligible employee of the employer or becomes an employee of another employer, he or she may no longer be eligible as your dependent under this Plan. Please refer to the Definitions section for dependent requirements.
Eligibility and Effective Date of Coverage Continued

FAMILY CROSS-REFERENCE PAYMENT OPTION

To be eligible to elect the cross-reference payment option, each of the following requirements must be met:

- You must cover at least one dependent;
- The members must be legally married (husband and wife);
- The members must be eligible employees or retirees* of a group participating in the Kentucky Employees Health Plan;
- The members must elect the same coverage; and
- Both members must sign the appropriate documentation during the enrollment process and file with their agency’s Insurance Coordinators. If during open enrollment you enroll online, you will be required to enter both members’ login credentials (user ID or personal ID number) via the web.

Failure to meet any one of the above requirements means that you are not eligible for the cross-reference payment option.

* Members of the Judicial and Legislators Retirement Plans are not eligible to elect the cross-reference payment option.

TERMINATING THE FAMILY CROSS-REFERENCE PAYMENT OPTION

Employees will not be eligible to continue the cross-reference payment option if one spouse loses eligibility (i.e. terminates employment, becomes part-time, or goes on leave without pay).

1. A Family Cross-Reference payment option is a legislatively mandated payment option for two (2) eligible employees or retirees. Thus, the Family Cross-Reference payment option has two (2) planholders.

If either planholder loses employment for any reason (voluntary or involuntary), the Family Cross-Reference payment option terminates as eligibility to participate in the Family Cross-Reference payment option has ceased. Only eligible employees may be planholders under the KEHP. Additionally, upon loss of employment that former planholder has lost planholder eligibility status and can only be covered as a dependent on that existing plan. As a result, the remaining planholder will be changed to parent-plus coverage (from Family Cross-Referencing) reflecting the loss of planholder status of the former planholder. Should the remaining planholder wish to elect dependent coverage for that former planholder, he or she may make that election for dependent coverage within 35 days of the date of loss of coverage of the former planholder.

The remaining planholder will NOT be responsible for the full regular family contribution unless that former planholder is added back to the plan as a dependent, which creates a traditional family plan.
Eligibility and Effective Date of Coverage Continued

2. A Family Cross-Reference payment option requires that the two (2) eligible employees be legally married to participate and receive the financial benefit. A divorce automatically terminates eligibility to participate in the Family Cross-Reference payment option. Each planholder has an affirmative obligation to notify the Department of Employee Insurance that eligibility to participate has ceased. A failure to notify the Department of Employee Insurance will result in penalties ranging from responsibility for premium arrearages to charges of insurance fraud.

MEDICAL CHILD SUPPORT ORDERS

An individual who is a child of a covered employee may be enrolled for coverage under the Plan in accordance with the direction of a Qualified Medical Child Support Order (QMCSO) or a National Medical Support Notice (NMSN).

A QMCSO is a state court order or judgment, including approval of a settlement agreement that: (a) provides for support of a covered employee’s child; (b) provides for health care coverage for that child; (c) is made under state domestic relations law (including a community property law); (d) relates to benefits under the Plan; and (e) is “qualified” in that it meets the technical requirements of applicable state law. QMCSO also means a state court order or judgment that enforces a state Medicaid law regarding medical child support required by Social Security Act §1908 (as added by Omnibus Budget Reconciliation Act of 1993).

An NMSN is a notice issued by an appropriate agency of a state or local government that is similar to a QMCSO that requires coverage under the Plan for the dependent child of a non-custodial parent who is (or will become) a covered person by a domestic relations order that provides for health care coverage.

Procedures for determining the qualified status of medical child support orders are available at no cost upon request from the Plan Administrator.

PRE-EXISTING CONDITION LIMITATION

Benefits for pre-existing conditions are limited under the Plan. Pre-existing condition is defined in the Definitions section of this booklet.

Once you or your dependents obtain health plan coverage, you are entitled to use evidence of that coverage to reduce or eliminate any pre-existing condition limitation period that might otherwise be imposed when you become covered under a subsequent health plan. Evidence may include a certificate of prior creditable coverage. The length of any pre-existing condition limitation period under the subsequent health plan must be reduced by the number of days of creditable coverage.

Prior to imposing a pre-existing condition limitation, the Plan Manager will:

1. Notify you in writing of the existence and terms of any pre-existing condition limitation;

2. Notify you of your right to request a certificate of creditable coverage from any applicable prior plans;

3. Notify you of your right to submit evidence of creditable coverage to the Plan Manager to reduce the length of any pre-existing condition limitation; and
Eligibility and Effective Date of Coverage Continued

4. Offer to request a certificate of prior creditable coverage on your behalf.

If, after receiving evidence of creditable coverage, the Plan Manager determines the creditable coverage is not sufficient to completely offset the Plan's pre-existing condition limitation period, the Plan Manager will:

1. Notify you in writing of its determination;
2. Notify you of the source and substance of any information on which it relied; and
3. Provide an explanation of appeal procedures and allow a reasonable opportunity to submit additional evidence of creditable coverage.

The Plan Manager may modify an initial determination of creditable coverage if it determines the individual did not have the claimed creditable coverage, provided the Plan Manager:

1. Notifies you of such reconsideration in writing disclosing its determination;
2. Notifies you with the source and substance of any information on which it relied; and
3. Provides an explanation of appeal procedures and allows a reasonable opportunity to submit additional evidence of creditable coverage.

Alternate means of providing evidence of creditable coverage may include an explanation of benefits, correspondence from a plan, pay stubs showing a payroll deduction of premium for health plan coverage, third party statements verifying period(s) of coverage, information obtained by telephone, and any other relevant document providing evidence of period(s) of health coverage.

The pre-existing condition limitation does not apply to:

1. pregnancy;
2. genetic information in the absence of diagnosis;
3. domestic violence; or
4. newborn children, or children adopted before the age of 18, if they are enrolled under the Plan within 60 days of the date of birth, the date the child is legally adopted, or the date the child is legally placed for adoption (or 35 days, if other dependents are also being enrolled).

SPECIAL PROVISIONS FOR NOT BEING IN ACTIVE STATUS

If your employer continues to pay required contributions and does not terminate the Plan, your coverage will remain in force for:

1. No longer than the end of the pay period in which a covered person is activated during an approved military leave of absence; or
Eligibility and Effective Date of Coverage Continued

2. No longer than the end of the pay period following the approved leave of absence begin date; or
3. No longer than the end of the pay period following the approved medical leave of absence (other than FMLA) begin date; or
4. No longer than the end of the pay period following the layoff begin date; or
5. No longer than the end of the pay period following the period of total disability begin date; or
6. No longer than the end of the next pay period following the part-time status begin date.

REINSTATEMENT OF COVERAGE FOLLOWING INACTIVE STATUS

If your coverage under the Plan was terminated after a period of layoff, total disability, or during part-time status, and you are now returning to work, your coverage is effective the first or the 16th of the month depending on your return to work. Both the eligibility period requirement and the pre-existing condition limitation will be waived with respect to the reinstatement of your coverage. If there is a 63-day lapse in coverage, pre-existing condition limitation will be applied.

If your coverage under the Plan was terminated after a period of an approved leave of absence without pay, and you are now returning to work, your coverage is effective the first or the 16th of the month depending on your return to work. The eligibility period requirement will be waived and the pre-existing condition limitation will be applied with respect to the reinstatement of your coverage.

If your coverage under the Plan was terminated after a period of an approved military leave of absence (other than USERRA), and you are now returning to work, your coverage is effective immediately on the day you return to work, unless you wait until Tricare terminates. If you choose to wait until Tricare terminates you must sign and date an enrollment application within 35 days of the loss of Tricare. The eligibility Period requirement will be waived and the pre-existing condition limitation will be applied with respect to the reinstatement of your coverage.

If your coverage under the Plan was terminated due to a period of service in the uniformed services covered under the Uniformed Services Employment and Reemployment Rights Act of 1994, your coverage is effective immediately on the day you return to work. Eligibility waiting periods and pre-existing condition limitations will be imposed only to the extent they were applicable prior to the period of service in the uniformed services.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

If you are granted a leave of absence (Leave) by the employer as required by the Federal Family and Medical Leave Act, you may continue to be covered under the Plan for the duration of the Leave under the same conditions as other employees who are in active status and covered by the Plan. If you choose to terminate coverage during the Leave, or if coverage terminates as a result of nonpayment of any required contribution, coverage may be reinstated on the date you return to active status following the end of the Leave. Charges incurred after the date of reinstatement will be paid as if you had been continuously covered.
Eligibility and Effective Date of Coverage Continued

EXTENDED BENEFITS

If, on the date your coverage terminates under the Plan, you or your covered dependents are totally disabled as a result of a covered bodily injury or sickness, the Plan will continue to provide medical benefits until the earliest of the following:

1. Until coverage for the total disability has been obtained under another group policy; or
2. The date your physician certifies you are no longer totally disabled; or
3. The date you receive benefits equal to any maximum benefit shown on the Schedule of Benefits; or
4. The end of twelve consecutive months immediately following the date of your termination of coverage. This period of time is measured from the date your coverage is terminated under the Plan, to the same calendar day of the next succeeding months.

The Extended Benefits provision applies only to covered expenses for the disabling condition which existed on the date your coverage terminated. The Plan must remain in effect.

RETIREE COVERAGE

If you are a retiree who is under age 65 or is age 65 or older and non-Medicare eligible, you may enroll or continue coverage under the Plan for you and any of your eligible dependents. Please see your retirement system for more details.

SURVIVORSHIP COVERAGE

If the employee dies while dependent coverage is in force, the surviving dependent spouse and dependent children may continue to be covered through the COBRA provision. Coverage may continue as long as the premium is paid, until the earliest of the following:

1. for the surviving dependent spouse, attaining age 65 and Medicare eligible;
2. for a dependent child, the date a limiting age is attained;
3. for any dependent, the date eligible for other group insurance;
4. the date this policy terminates or the date the employer terminates participation under this Plan.
Eligibility and Effective Date of Coverage Continued

SPECIAL ENROLLMENT

If you previously declined coverage under this Plan for yourself or any eligible dependents, due to the existence of other health coverage (including COBRA), and that coverage is now lost or exhausted, this Plan permits you, your dependent spouse, and any eligible dependents to be enrolled for medical benefits under this Plan due to any of the following qualifying events:

1. Loss of coverage due to any of the following:
   a. Legal separation or annulment;
   b. Divorce;
   c. Cessation of dependent status (such as attaining the limiting age);
   d. Death;
   e. Termination of employment;
   f. Reduction in the number of hours of employment;
   g. Any loss of coverage after a period that is measured by reference to any of the foregoing.
   h. Meeting or exceeding a lifetime limit on all benefits;
   i. Plan no longer offering benefits to a class of similarly situated individuals, which includes the employee.

However, loss of coverage does not include a loss due to failure of the individual or the participant to pay premiums on a timely basis or termination of coverage for cause (such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan).

2. Employer contributions towards the other coverage have been terminated. Employer contributions include contributions by any current or former employer (of the individual or another person) that was contributing to coverage for the individual.

3. COBRA coverage under the other plan has since been exhausted.

If you are a covered employee or an otherwise eligible employee, who either did not enroll or did not enroll dependents when eligible, you now have the opportunity to enroll yourself and/or any previously eligible dependents or any newly acquired dependents when due to any of the following family status changes:

1. Marriage;
2. Birth; or
3. Adoption or placement for adoption.

You may elect coverage under this Plan provided enrollment is within 35 days from the qualifying event or as listed in the Dependent Effective Date of Coverage section. You may be required to provide proof that the qualifying event has occurred due to one of the reasons listed before coverage under this Plan will be effective. Coverage under this Plan will be effective the 1st day of the month following the signature date of the enrollment form, but not before the event occurs, unless otherwise specified in this section.
Eligibility and Effective Date of Coverage Continued

In the case of a dependent's birth, enrollment is effective on the date of such birth provided the appropriate paperwork is received.

In the case of a dependent's adoption or placement for adoption, enrollment is effective on the date of such adoption or placement for adoption, provided the appropriate paperwork is received.

If you become eligible for coverage under this Plan through the special enrollment provision, benefits under the Plan will be subject to the pre-existing condition limitation as defined within the Definitions section of this booklet.

If you apply more than 35 days after a qualifying event or as listed in the Dependent Effective Date of Coverage section, you are considered a late applicant and will not be eligible for coverage under this Plan until the next annual open enrollment period.

Please refer to Exhibit A at the end of this document or see your employer for a complete list of permitted family status changes (also referred to as Qualifying Events).

COVERAGE TERMINATION DUE TO PLAN CHANGE

If an employee or dependent changes Insurance Carriers during open enrollment, the existing coverage with the prior Insurance Carrier will terminate on December 31, except for the following:

1. If a covered member is hospitalized when coverage would normally terminate, the prior Insurance Carrier that covered the member’s hospitalization during the previous plan year would continue coverage until the member is released from the hospital or transferred to another facility. At the time the member is released from the hospital or transferred to a new facility, the succeeding Insurance Carrier will assume responsibility for that member. It is the member’s responsibility to ensure that a transfer or re-hospitalization is to a participating facility in compliance with all Plan delivery rules.

2. If a member has family coverage and a covered dependent is hospitalized when coverage would normally terminate due to a change in Insurance Carriers, the hospitalized family member would continue his/her prior coverage until discharge from the hospital or transfer to another facility. All other covered dependents not hospitalized at the date the new coverage begins would be transferred to the new Plan on the date the new coverage starts (not on the date the hospitalized dependent is released or transferred).

3. If a covered member is not at work and/or is on unofficial leave without pay or otherwise continuing to pay for his/her own health insurance premiums on the group coverage, that participant will begin coverage with his/her succeeding Insurance Carrier on January 1, even though he/she is not at work.

These provisions take precedence over all Extension of Benefits clauses and Actively at Work clauses contained in any of the Insurance Carrier’s standard commercial contracts in compliance with KRS 304.18-126 and KRS 304.18-127.
Eligibility and Effective Date of Coverage Continued

Entitlement to Medicare: if an employee, spouse, or dependent who is enrolled in the Plan becomes entitled to coverage (i.e., becomes enrolled) under Part A or Part B of Medicare, other than coverage consisting solely of benefits under section 1928 of Social Security Act, the employee may make a prospective election change to cancel coverage of that employee, spouse, or dependent, under the Plan. In addition, if an employee, spouse or dependent who has been entitled to coverage under Medicare loses eligibility for such coverage, the employee may make a prospective election to commence coverage of that employee, spouse, or dependent under the Plan.

Coverage may be elected under this Plan provided enrollment is within 35 days from the entitlement of Medicare.
TERMINATION OF COVERAGE

Coverage terminates:

1. The date the Plan terminates;

2. The end of the period for which any required contribution was due and not paid;

3. The end of the semi-monthly billing period* you enter full-time military service, except coverage may continue during an approved military leave of absence as indicated in the Special Provisions For Not Being in Active Status provision;

4. The end of the semi-monthly billing period in which you fail to be in an eligible class of persons according to the eligibility requirements of the employer;

5. For all employees at the end of the semi-monthly billing period in which your employment terminates;

6. For any benefit, the date the benefit is removed from the Plan;

7. For your dependents, the date your coverage terminates;

8. For a dependent, at the end of the semi-monthly billing period the dependent enters full-time military service;

9. For a dependent, at the end of the semi-monthly billing period such covered person no longer meets the definition of dependent; or

10. The end of the semi-monthly billing period you request termination of coverage to be effective for yourself and/or your dependents based on valid qualifying event guidelines.

IF YOU OR ANY OF YOUR COVERED DEPENDENTS NO LONGER MEET THE ELIGIBILITY REQUIREMENTS, YOU AND YOUR EMPLOYER ARE RESPONSIBLE FOR NOTIFYING THE PLAN MANAGER OF THE CHANGE IN STATUS. COVERAGE WILL NOT CONTINUE BEYOND THE END OF THE MONTH IN WHICH ELIGIBILITY ENDS EVEN IF NOTICE HAS NOT BEEN GIVEN TO THE PLAN MANAGER, EMPLOYER OR PLAN SPONSOR.

*Semi-monthly billing periods are 1) 1st – 15th and 2) 16th – 31st.

TERMINATION OF HRA

Coverage for a Participant and/or Eligible Dependent ends on the same date that coverage under the Commonwealth Maximum Choice ends. However, you, your covered spouse, and/or your covered child(ren) may be eligible to continue coverage under this HRA in accordance with federal law beyond the date that coverage would otherwise end if coverage is lost for certain reasons. Your continuation of coverage rights and responsibilities are described in the below Continuation of Coverage section. All HRA dollars that are not applied towards Eligible Medical Expenses incurred before your termination date of this SPD are forfeited.
IMPORTANT NOTICE FOR EMPLOYEES AND SPOUSES AGE 65 AND OVER

Federal law may affect your coverage under this Plan. The Medicare as Secondary Payer rules were enacted by an amendment to the Social Security Act. Also, additional rules which specifically affect how a large group health plan provides coverage to employees (or their spouses) over age 65 were added to the Social Security Act and to the Internal Revenue Code.

Generally, the health care plan of an employer that has at least 20 employees must operate in compliance with these rules in providing plan coverage to plan participants who have "current employment status" and are Medicare beneficiaries, age 65 and over.

Persons who have "current employment status" with an employer are generally employees who are actively working and also persons who are NOT actively working as follows:

- Individuals receiving disability benefits from an employer for up to 6 months, or
- Individuals who retain employment rights and have not been terminated by the employer and for whom the employer continues to provide coverage under this Plan. (For example, employees who are on an approved leave of absence.)

If you are a person having "current employment status" who is age 65 and over (or the dependent spouse age 65 and over of an employee of any age), your coverage under this Plan will be provided on the same terms and conditions as are applicable to employees (or dependent spouses) who are under the age of 65. Your rights under this Plan do not change because you (or your dependent spouse) are eligible for Medicare coverage on the basis of age, as long as you have "current employment status" with your employer.

You have the option to reject plan coverage offered by your employer, as does any eligible employee. If you reject coverage under your employer's Plan, coverage is terminated and your employer is not permitted to offer you coverage that supplements Medicare covered services.

If you (or your dependent spouse) obtain Medicare coverage on the basis of age, and not due to disability or end-stage renal disease, this Plan will consider its coverage to be primary to Medicare when you have elected coverage under this Plan and have "current employment status".

If you have any questions about how coverage under this Plan relates to Medicare coverage, please contact your Medicare office.
CONTINUATION OF MEDICAL BENEFITS

THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1986 (COBRA)

CONTINUATION OF BENEFITS

On April 7, 1986, the Consolidated Omnibus Budget Reconciliation Act (COBRA) was signed into law. This federal law applies to employers with 20 or more employees. The law requires that employers offer employees and/or their dependents continuation of medical coverage at group rates in certain instances where there is a loss of group insurance coverage.

ELIGIBILITY

A qualified beneficiary under COBRA law means an employee, employee's spouse or dependent child covered by the Plan on the day before a qualifying event. A qualified beneficiary under COBRA law also includes a child born to the employee during the coverage period or a child placed for adoption with the employee during the coverage period.

EMPLOYEE: An employee covered by the employer's Plan has the right to elect continuation coverage if coverage is lost due to one of the following qualifying events:

- Termination (for reasons other than gross misconduct) of the employee's employment or reduction in the hours of employee's employment; or
- Termination of retiree coverage when the former employer discontinues retiree coverage within one year before or one year after filing for Chapter 11 bankruptcy.

SPOUSE: A spouse covered by the employer's Plan has the right to elect continuation coverage if the group coverage is lost due to one of the following qualifying events:

- The death of the employee;
- Termination of the employee's employment (for reasons other than gross misconduct) or reduction of the employee's hours of employment with the employer;
- Divorce or legal separation from the employee;
- The employee becomes entitled to Medicare benefits; or
- Termination of a retiree spouse's coverage when the former employer discontinues retiree coverage within one year before or one year after filing for Chapter 11 bankruptcy.

DEPENDENT CHILD: A dependent child covered by the employer's Plan has the right to continuation coverage if group coverage is lost due to one of the following qualifying events:

- The death of the employee-parent;
- The termination of the employee-parent's employment (for reasons other than gross misconduct) or reduction in the employee-parent's hours of employment with the employer;
- The employee-parent's divorce or legal separation;
- Ceasing to be a "dependent child" under the Plan;
- The employee-parent becomes entitled to Medicare benefits; or
- Termination of the retiree-parent's coverage when the former employer discontinues retiree coverage within one year before or one year after filing for Chapter 11 bankruptcy.
COBRA Continued

LOSS OF COVERAGE

Coverage is lost in connection with the foregoing qualified events, when a covered employee, spouse or dependent child ceases to be covered under the same Plan terms and conditions as in effect immediately before the qualifying event (such as an increase in the premium or contribution that must be paid for employee, spouse or dependent child coverage).

If coverage is reduced or eliminated in anticipation of an event (for example, an employer eliminating an employee's coverage in anticipation of the termination of the employee's employment, or an employee eliminating the coverage of the employee's spouse in anticipation of a divorce or legal separation), the reduction or elimination is disregarded in determining whether the event causes a loss of coverage.

A loss of coverage need not occur immediately after the event, so long as it occurs before the end of the Maximum Coverage Period.

NOTICES AND ELECTION

The Plan provides that coverage terminates, for a spouse due to legal separation or divorce or for a child when that child loses dependent status. Under the law, the employee or qualified beneficiary has the responsibility to inform the Plan Administrator (see Plan Description Information) if one of the above events has occurred. The qualified beneficiary must give this notice within 60 days after the event occurs. (For example, an ex-spouse should make sure that the Plan Administrator is notified of his or her divorce, whether or not his or her coverage was reduced or eliminated in anticipation of the event). When the Plan Administrator is notified that one of these events has happened, it is the Plan Administrator's responsibility to notify the Plan Manager who has contracted with a COBRA Service Provider who will in turn notify the qualified beneficiary of the right to elect continuation coverage.

For a qualified beneficiary who is determined under the Social Security Act to be disabled at any time during the first 60 days of COBRA coverage, the continuation coverage period may be extended 11 additional months. The disability that extends the 18-month coverage period must be determined under Title II (Old Age, Survivors, and Disability Insurance) or Title XVI (Supplemental Security Income) of the Social Security Act. To be entitled to the extended coverage period, the disabled qualified beneficiary must provide notice to the COBRA Service Provider within the initial 18 month coverage period and within 60 days after the date of the determination of disability under the Social Security Act. Failure to provide this notice will result in the loss of the right to extend the COBRA continuation period.

For termination of employment, reduction in work hours, the death of the employee, the employee becoming covered by Medicare or loss of retiree benefits due to bankruptcy, it is the Plan Administrator's responsibility to notify the Plan Manager who has contracted with a COBRA Service Provider who will in turn notify the qualified beneficiary of the right to elect continuation coverage.

Under the law, continuation coverage must be elected within 60 days after Plan coverage ends, or if later, 60 days after the date of the notice of the right to elect continuation coverage. If continuation coverage is not elected within the 60 day period, the right to elect coverage under the Plan will end.

A covered employee or the spouse of the covered employee may elect continuation coverage for all covered dependents, even if the covered employee or spouse of the covered employee or all covered dependents are covered under another group health plan (as an employee or otherwise) prior to the election. The covered employee, his or her spouse and dependent child, however, each have an independent right to elect continuation coverage. Thus a spouse or dependent child may elect continuation coverage even if the covered employee does not elect it.
COBRA Continued

Coverage will not be provided during the election period. However, if the individual makes a timely election, coverage will be provided from the date that coverage would otherwise have been lost. If coverage is waived before the end of the 60 day election period and the waiver revoked before the end of the 60 day election period, coverage will be effective on the date the election of coverage is sent to the COBRA Service Provider.

On August 6, 2002, The Trade Act of 2002 (TAA) was signed into law. Workers whose employment is adversely affected by international trade (increased import or shift in production to another country) may become eligible to receive TAA. TAA provides a second 60-day COBRA election period for those who become eligible for assistance under TAA. Pursuant to the Trade Act of 1974, an individual who is either an eligible TAA recipient or an eligible alternative TAA recipient and who did not elect continuation coverage during the 60-day COBRA election period that was a direct consequence of the TAA-related loss of coverage, may elect continuation coverage during a 60-day period that begins on the first day of the month in which he or she is determined to be TAA-eligible individual, provided such election is made not later than 6 months after the date of the TAA-related loss of coverage. Any continuation coverage elected during the second election period will begin with the first day of the second election period and not on the date on which coverage originally lapsed.

TAA created a new tax credit for certain individuals who became eligible for trade adjustment assistance (eligible individuals). Under the new tax provisions, eligible individuals can either take a tax credit or get advance payment of 65% of premiums paid for qualified health insurance, including continuation coverage. If you have questions about these new tax provisions, you may call the Health Care Tax Credit Customer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282.

The Plan Administrator shall require documentation evidencing eligibility of TAA benefits. The Plan need not require every available document to establish evidence of TAA. The burden for evidencing TAA eligibility is that of the individual applying for coverage under the Plan.

MAXIMUM COVERAGE PERIOD

Coverage may continue up to:

- 18 months for an employee and/or dependent whose group coverage ended due to termination of the employee's employment or reduction in hours of employment;
- 36 months for a spouse whose coverage ended due to the death of the employee or retiree, divorce, or the employee becoming entitled to Medicare at the time of the initial qualifying event;
- 36 months for a dependent child whose coverage ended due to the divorce of the employee parent, the employee becoming entitled to Medicare at the time of the initial qualifying event, the death of the employee, or the child ceasing to be a dependent under the Plan;
- For the retiree, until the date of death of the retiree who is on continuation due to loss of coverage within one year before or one year after the employer filed Chapter 11 bankruptcy.
COBRA Continued

DISABILITY

An 11-month extension of coverage may be available if any of the qualified beneficiaries are determined by the Social Security Administration (SSA) to be disabled. The disability has to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. The qualified beneficiary must provide notice of such determination prior to the end of the initial 18-month continuation period to be entitled to the additional 11 months of coverage. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11-month disability extension if one of them qualifies. If a qualified beneficiary is determined by SSA to no longer be disabled, you must notify the Plan of that fact within 30 days after SSA’s determination.

SECOND QUALIFYING EVENT

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying event may include the death of a covered employee, divorce or separation from the covered employee, the covered employee’s becoming entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child’s ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after the second qualifying event occurs if you want to extend your continuation coverage.

TERMINATION BEFORE THE END OF MAXIMUM COVERAGE PERIOD

Continuation coverage will terminate before the end of the maximum coverage period for any of the following reasons:

- The employer no longer provides group health coverage to any of its employees;
- The premium for continuation is not paid timely;
- The individual on continuation becomes covered under another group health plan (as an employee or otherwise); however, if the new plan coverage contains any exclusion or limitation with respect to any pre-existing condition, then continuation coverage will end for this reason only after the exclusion or limitation no longer applies or prior creditable coverage satisfies the exclusion or limitation;

NOTE: the federal Health Insurance Portability and Accountability Act of 1996 requires portability of health care coverage effective for plan years beginning after June 30, 1997, an exclusion or limitation under the other group health plan may not apply at all to the qualified beneficiary, depending on the length of his or her prior creditable coverage. Portability means once you obtain health insurance, you will be able to use evidence of that insurance to reduce or eliminate any pre-existing medical condition limitation period (under certain circumstances) when you move from one health plan to another.
COBRA Continued

• The individual on continuation becomes entitled to Medicare benefits;

• If there is a final determination under Title II or XVI of the Social Security Act that an individual is no longer disabled; however, continuation coverage will not end until the month that begins more than 30 days after the determination;

• The occurrence of any event (e.g. submission of a fraudulent claim) permitting termination of coverage for cause under the Plan.

TYPE OF COVERAGE; PREMIUM PAYMENT

If continuation coverage is elected, the coverage must be identical to the coverage provided under the employer's Plan to similarly situated non-COBRA beneficiaries. This means that if the coverage for similarly situated non-COBRA beneficiaries is modified, coverage for the individual on continuation will be modified.

The initial premium payment for continuation coverage is due by the 45th day after coverage is elected. The initial premium includes charges back to the date the continuation coverage began. All other premiums are due on the first of the month for which the premium is paid, subject to a 31 day grace period. The COBRA Service Provider must provide the individual with a quote of the total monthly premium.

Premium for continuation coverage may be increased, however, the premium may not be increased more than once in any determination period. The determination period is a 12 month period which is established by the Plan.

The monthly premium payment to the Plan for continuing coverage must be submitted directly to the COBRA Service Provider. This monthly premium may include the employee's share and any portion previously paid by the employer. The monthly premium must be a reasonable estimate of the cost of providing coverage under the Plan for similarly situated non-COBRA beneficiaries. The premium for COBRA continuation coverage may include a 2% administration charge. However, for qualified beneficiaries who are receiving up to 11 months additional coverage (beyond the first 18 months) due to disability extension (and not a second qualifying event), the premium for COBRA continuation coverage may be up to 150% of the applicable premium for the additional months. Qualified beneficiaries who do not take the additional 11 months of special coverage will pay up to 102% of the premium cost.

OTHER INFORMATION

Additional information regarding rights and obligations under the Plan and under federal law may be obtained by contacting the COBRA Service Provider or the Plan Manager.

It is important for the covered person or qualified beneficiary to keep the Plan Administrator, COBRA Service Provider and Plan Manger informed of any changes in marital status, or a change of address.
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<tr>
<th>Ceridian COBRA Continuation Services</th>
<th>Humana Insurance Company</th>
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<tbody>
<tr>
<td>3201 34&lt;sup&gt;th&lt;/sup&gt; Street South</td>
<td>Billing/Enrollment Department</td>
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<tr>
<td>St. Petersburg, FL  33711-3828</td>
<td>101 E. Main Street</td>
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<td>1-800-488-8757</td>
<td>Louisville, KY  40201</td>
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<td>Toll Free:  1-877-597-7474</td>
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THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT OF 1994 (USERRA)

CONTINUATION OF BENEFITS

Effective October 13, 1994 federal law requires that health plans must offer to continue coverage for employees who are absent due to service in the uniformed services and/or their dependents. Coverage may continue for up to 18 or 24 months after the date the employee is first absent due to uniformed service.

ELIGIBILITY

An employee is eligible for continuation under USERRA if absent from employment because of voluntary or involuntary performance of duty in the Armed Forces, Army National Guard, Air National Guard, or the commissioned corps of the Public Health Service, or any other category of persons designated by the President of the United States of America in a time of war or national emergency. Duty includes absence for active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and for the purpose of an examination to determine fitness for duty.

PREMIUM PAYMENT

If continuation of Plan coverage is elected under USERRA, the employee or dependent is responsible for payment of the applicable cost of coverage. If the employee is absent for less than 31 days, the cost will be the amount the employee would otherwise pay for coverage. For absences longer than 30 days, the cost may be up to 102% of the cost of coverage under the Plan. This includes the employee's share and any portion previously paid by the employer.

DURATION OF COVERAGE

Elected continuation coverage under USERRA will continue until the earlier of:

- 18 months beginning the first day of absence from employment due to service in the uniformed services for elections made prior to 12/10/04; or
- 24 months beginning the first day of absence from employment due to service in the uniformed services for elections beginning on or after 12/10/04; or
- The day after the employee fails to apply for or return to employment as required by USERRA, after completion of a period of service.

Under federal law, the period of coverage available under USERRA shall run concurrently with the COBRA period available to an employee and/or eligible dependents.

OTHER INFORMATION

Employees should contact their employer with any questions regarding coverage normally available during a military leave of absence or continuation coverage and notify the employer of any changes in marital status, or a change of address.
MEDICAL CONVERSION PRIVILEGE

If your medical coverage under the Plan terminates, medical conversion coverage is available without medical examination. The medical conversion coverage will provide lesser benefits than this Plan.

You are eligible to apply for medical conversion if you were covered under the Plan for at least 90 days and:

1. Your coverage ends because your employment terminated;

2. You are the covered dependent former spouse or a covered dependent child of an employee whose marriage ended due to legal annulment, dissolution or divorce;

3. You are the surviving dependent spouse or child, in the event of the employee's death, or at the end of any survivorship continuation provided in the Plan; or

4. You have been a covered dependent child but no longer meet the definition of dependent under the Plan.

You have 31 days after the date your coverage terminates to make conversion application to the Plan Manager, and pay the required premium for your individual or family coverage. The premium must be paid monthly, in advance. You may obtain application forms from the Plan Manager. The conversion coverage will be effective on the day after your group medical coverage ends, provided you enroll and pay the first premium within 31 days after the date your coverage terminates.

LIMITATIONS

This privilege does not apply when your group medical coverage terminates under the Plan and is replaced with other group medical coverage within 31 days of the termination of your coverage under the Plan.

If you had any pre-existing condition which could have been excluded under the Plan, it will be excluded under the medical conversion coverage. The medical benefits under the conversion coverage in the first year will not exceed the benefit limits which would have been paid under the Plan. The benefits may be reduced by the amount of benefits paid under the Plan after your coverage ended.

DUPLICATION OF COVERAGE

Humana Insurance Company (HIC) will not issue individual medical conversion to you if HIC determines that you have other coverage that would result in overinsurance or duplication of benefits with the medical conversion plan. HIC determines overinsurance according to its standards. Individual medical conversion may not be offered to you if you are eligible for Medicare. Please contact your employer or HIC for additional information.
COORDINATION OF BENEFITS

BENEFITS SUBJECT TO THIS PROVISION

Benefits described in this Plan are coordinated with benefits provided by other plans under which you are also covered. This is to prevent duplication of coverage and a resulting increase in the cost of medical coverage.

For this purpose, a plan is one which covers medical or dental expenses and provides benefits or services by group, franchise or blanket insurance coverage. This includes group-type contracts not available to the general public, obtained and maintained only because of the covered person's membership in or connection with a particular organization or group, whether or not designated as franchise, blanket, or in some other fashion. Plan also includes any coverage provided through the following:

1. Employer, trustee, union, employee benefit, or other association; or
2. Governmental programs, programs mandated by state statute, or sponsored or provided by an educational institution.

This Coordination of Benefits provision does not apply to any individual policies or Blanket Student Accident Insurance provided by or through an educational institution. Allowable expense means any eligible expense, a portion of which is covered under one of the plans covering the person for whom claim is made. Each plan will determine what is an allowable expense according to the provisions of the respective plan. When a plan provides benefits in the form of services rather than cash payments, the reasonable cash value of each service rendered will be deemed to be both an allowable expense and a benefit paid.

EFFECT ON BENEFITS

One of the plans involved will pay benefits first. This is called the primary plan. All other plans are called secondary plans.

When this Plan is the secondary plan, the sum of the benefit payable will not exceed 100% of the allowable expenses incurred under the Plan and any other plans included under this provision.

ORDER OF BENEFIT DETERMINATION

In order to pay claims, it must be determined which plan is primary and which plan(s) are secondary. A plan will pay benefits first if it meets one of the following conditions:

1. The plan has no coordination of benefits provision;
2. The plan covers the person as an employee;
3. For a child who is covered under both parents' plans, the plan covering the parent whose birthday (month and day) occurs first in the calendar year pays before the plan covering the other parent. If the birthdates of both parents are the same, the Plan which has covered the person for the longer period of time will be determined the primary plan;

If a plan other than this Plan does not include provision 3, then the birthday rule will be followed to determine which plan is primary.
Coordination of Benefits Continued

4. In the case of dependent children covered under the plans of divorced or separated parents, the following rules apply:
   a. The plan of a parent who has custody will pay the benefits first;
   b. The plan of a step-parent who has custody will pay benefits next;
   c. The plan of a parent who does not have custody will pay benefits next;
   d. The plan of a step-parent who does not have custody will pay benefits next.

There may be a court decree which gives one parent financial responsibility for the medical or dental expenses of the dependent children. If there is a court decree, the rules stated above will not apply if they conflict with the court decree. Instead, the plan of the parent with financial responsibility will pay benefits first.

5. If a person is laid off or is retired or is a dependent of such person, that plan covers after the plan covering such person as an active employee or dependent of such employee. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule will be ignored.

If the above rules do not apply or cannot be determined, then the plan that covered the person for the longest period of time will pay first.

COORDINATION OF BENEFITS WITH MEDICARE

In all cases, Coordination of Benefits with Medicare will conform to Federal Statutes and Regulations. In the case of Medicare each individual who is eligible for Medicare will be assumed to have full Medicare coverage (i.e. Part A hospital insurance and Part B voluntary medical insurance) whether or not the individual has enrolled for full coverage. Your benefits under the Plan will be coordinated to the extent benefits would otherwise have been paid under Medicare as allowed by Federal Statutes and Regulations.

RIGHT OF RECOVERY

The Plan reserves the right to recover benefit payments made for an allowable expense under the Plan in the amount which exceeds the maximum amount the Plan is required to pay under these provisions. This right of recovery applies to the Plan against:

1. Any person(s) to, for or with respect to whom, such payments were made; or
2. Any other insurance companies, or organizations which according to these provisions, owe benefits due for the same allowable expense under any other plan.

The Plan alone will determine against whom this right of recovery will be exercised.
REIMBURSEMENT/SUBROGATION

RIGHT OF RECOVERY

These provisions apply when Plan benefits are paid as a result of injuries or illnesses you sustained and you have a right to a recovery or received a recovery.

SUBROGATION

This Plan reserves all rights of subrogation. This means that the Plan has the right to recover its previously paid benefit payments from any award, settlement, or damages that you or your dependent may receive or to which you may become entitled. It also means that the Plan has the right to take action on your behalf to obtain an award, settlement, or damages. The Plan shall have the first lien upon all awards, settlements, or damages subject to its subrogation or reimbursement rights listed below. This lien shall be in the amount of benefits provided or the amount of benefits that will be provided under the Plan, plus the reasonable expenses, including attorneys’ fees, to enforce the Plan’s rights.

The beneficiary agrees that by accepting and in return for the payment of covered expenses by the Plan in accordance with the terms of this Plan:

1. The Plan has the right to recover payments for benefits paid for by the Plan.

2. The Plan has the right to recover payment for benefits paid by the Plan to or on behalf of you or your dependent from any award, settlement, or damages that you or your dependent may become entitled to or receive as a result of an accident, a person’s fault or negligence, or any other circumstance under which you or your dependent has the right to recover from any other party.

3. The Plan may recover its benefit payments for any type of benefit which may be paid by the Plan, such as medical, dental, vision, mental, disability, supplemental accident, or accidental death or dismemberment benefits.

4. An “award, settlement, or damages” includes any award, settlement, damages (whether equitable, legal, compensatory, etc.), compensation, benefits, or any other payment of any kind. The amount may be paid by formal court award, informal compromise, redemption agreement, application for benefits, or otherwise. The amount also may be paid in a lump sum, installment, or annuity payments (such as income replacement). The Plan has the right to recover from all of these amounts.

5. An “award, settlement, or damages” includes amounts of any type, kind, nature, or character, regardless of whether the amount identifies or covers the Plan's benefit payments, otherwise relates to medical benefits, or is specifically limited to certain kinds of damages or payments. In addition, attorneys’ fees or any other costs associated with the amount will not reduce the amount of the Plan's reimbursement. This Plan has the first priority to recover from your award, settlement, or damages. The Plan's first priority lien also will apply regardless of whether you or your dependent is or was made whole from the award, settlement, or damages, whether before or after the Plan's subrogation recovery. This Plan precludes the operation of the “make-whole” and “common fund” doctrines.
Reimbursement/Subrogation Continued

6. Your “right to recover” from any other party means that you or your dependent has the right to recover damages or expenses from another party, such as an individual, partnership, corporation, government, or other entity, as well as against that party’s respective insurance carriers or governmental fund, for causing an injury or illness to you or your dependent or otherwise with respect to any injury or illness incurred by you or your covered dependent. This right to recover from any other party also includes your own insurance carrier, such as your automobile insurance, automobile no-fault coverage, homeowners, personal accident, general liability, or life insurance carrier. It also includes a second medical insurance or other non-insured medical or other coverage. It also includes uninsured and underinsured motorist coverage or programs. The Plan has the right to recover from any of these parties, or any other parties, in connection with your illness or injury. In the event you or your dependent is entitled to or receives an award, settlement, or damages from any party (which includes the other party’s or your own insurance carrier or coverage), the Plan has the first lien upon the award, settlement, or damages and must be reimbursed for its benefit payments made to you or your dependent, or on your behalf. The Plan's first lien supersedes any right that the Plan participant may have to be “made whole.” In other words, the Plan is entitled to the right of first reimbursement out of any award, settlement, or damages the Plan participant procures or may be entitled to procure regardless of whether the Plan participant has received compensation for any of his or her damages or expenses, including any of his or her attorneys’ fees or costs. Additionally, the Plan's right of first reimbursement will not be “set-off” or reduced for any reason, including attorneys’ fees, costs, comparative negligence, limits of collectibility or responsibility, or otherwise. As a condition to receiving benefits under the Plan, the Plan participant agrees that acceptance of benefits is constructive notice of this provision. Reimbursement to the Plan must be made immediately upon entitlement or receipt of any award, settlement, or damages. The Plan will charge interest at a reasonable rate for any delay in reimbursement.

PLAN’S RIGHT TO ASSERT CLAIMS ON YOUR BEHALF

The Plan has the right, if it so chooses, to assert rights on your behalf to obtain an award, settlement, or damages. Specifically, through subrogation, the Plan is entitled to all claims, demands, actions, and rights of recovery which you or your dependent may have against or from any party to the extent of the Plan's benefit payments. In addition, this Plan is entitled to attorneys’ fees incurred in asserting rights on your behalf. The Plan does not require you or your dependent to pursue a claim against another party. However, as stated above, the Plan reserves the right to directly pursue recovery against another party on your behalf, should you or your dependent elect not to pursue an award, settlement, or damages against or from a party.

MISCELLANEOUS SUBROGATION

You, your dependent, your attorneys, or anyone acting on your behalf legally cannot do anything to prejudice the rights of the Plan in the exercise of its subrogation rights to recover from, or assert your rights to obtain, an award, settlement, or damages. The Plan’s subrogation rights also extend to the guardian or estate of you and your dependent. The Plan’s subrogation provisions will apply without limitation by the Plan’s Coordination of Benefits provisions, unless the Coordination of Benefits provisions would result in a greater recovery for the Plan.
Reimbursement/Subrogation Continued

DUTY TO COOPERATE

As a condition to participating in the Plan and receiving benefits under the Plan, you and your dependent agree to be bound by all of the Plan’s provisions, including, but not limited to, the Plan’s subrogation provisions. The Plan will make benefit payments on a claim on the condition that you or your dependent, upon entitlement or receipt of any award, settlement, or damages, will fully reimburse the Plan for the Plan's benefit payments and for expenses (including attorneys’ fees and costs of suit, regardless of an action’s outcome) incurred by the Plan in collecting this amount. As a precondition to receiving benefits under the Plan, you and your dependent must enter into agreement with the Plan to reimburse the Plan for its benefit payments from any award, settlement, or damages pursuant to the Plan's subrogation provisions. In this agreement, you also must agree to assign direct payment to the Plan from any award, settlement, or damages to the extent of the Plan's benefit payments. You and your dependent also otherwise must sign and deliver any and all instruments, papers, and reimbursement agreements required by the Plan necessary for the Plan's reimbursement right. You and your dependent also are required to do whatever is requested or necessary in order to fully execute and to fully protect all the Plan's rights and to do nothing that would interfere with or diminish those rights. Further, you and your dependent must notify the Plan in writing of any proposed settlement and obtain the Plan's written consent before signing any release or agreeing to any settlement. In any event, the Plan's benefit payments for any current or historical claims under the Plan on your behalf will be deemed to be the equivalent of you or your covered dependent entering into an agreement to reimburse the Plan and otherwise signing and delivering any instruments and papers as required by the Plan. In the event that you or your dependent fails to enter into the foregoing agreement, or to otherwise comply with such requests, the Plan is entitled to withhold or deny benefits otherwise due under the Plan until you do so.

RETENTION OF AN ATTORNEY

If you or your attorney receives any recovery (whether by award, settlement, damages, compromise, or otherwise), you have an absolute obligation to immediately tender the recovery to the Plan under the terms of this provision. If you or your attorney does not immediately tender the recovery to the Plan, you will be deemed to hold the recovery in constructive trust for the Plan, because you or your attorney is not the rightful owner of the recovery and should not be in possession of the recovery until the Plan has been fully reimbursed.

PARTICIPANT’S NONCOMPLIANCE

If you or your dependent do not comply with the provisions of this section, the Plan Administrator shall have the authority, at its sole discretion, to deny payment of any claims for benefits by you and to deny or reduce future benefits payable (including payment of future benefits for other injuries or illnesses) under the Plan by the amount due as reimbursement to the Plan. The Plan Administrator may also, at its sole discretion, deny or reduce future benefits (including future benefits for other injuries or illnesses) under any other group benefits plan maintained by the Plan Sponsor. The reductions will equal the amount of the required reimbursement. If the Plan must bring an action against you to enforce this provision, then you agree to pay the Plan's attorneys’ fees and costs, regardless of the action’s outcome.
Reimbursement/Subrogation Continued

RIGHT TO COLLECT NEEDED INFORMATION

You must cooperate with the Plan Manager and when asked, assist the Plan Manager by:

- Authorizing the release of medical information including the names of all providers from whom you received medical attention;
- Obtaining medical information and/or records from any provider as requested by the Plan Manager;
- Providing information regarding the circumstances of your sickness or bodily injury;
- Providing information about other insurance coverage and benefits, including information related to any bodily injury or sickness for which another party may be liable to pay compensation or benefits; and
- Providing information the Plan Manager requests to administer the Plan.

Failure to provide the necessary information will result in denial of any pending or subsequent claims, pertaining to a bodily injury or sickness for which the information is sought, until the necessary information is satisfactorily provided.

REIMBURSEMENT/SUBROGATION EXCLUSIONS

1.  Sickness or bodily injury for which medical payments/personal injury protection (PIP) coverage exists under any automobile, homeowner, marine, aviation, premise, or any other similar coverage, whether such coverage is in effect on a primary, secondary, or excess basis. This exclusion applies up to the available limit under the other coverage regardless of whether a claim is filed with the medical payments/PIP carrier. Whether medical payment or expense coverage is payable under another coverage is to be determined as if the coverages under this Plan did not exist;

2.  Any covered expenses to the extent of any amount received from others for the bodily injuries or losses which necessitate such benefits. "Amounts received from others" specifically includes, without limitation, liability insurance, worker's compensation, uninsured motorists, underinsured motorists, "no-fault" and automobile med-pay payments;
GENERAL PROVISIONS

The following provisions are to protect your legal rights and the legal rights of the Plan.

CONTESTABILITY

The Plan has the right to contest the validity of your coverage under the Plan at any time.

RIGHT TO REQUEST OVERPAYMENTS

The Plan reserves the right to recover any payments made by the Plan that were:

1. Made in error; or
2. Made to you or any party on your behalf where the Plan determines the payment to you or any party is greater than the amount payable under this Plan.

The Plan has the right to recover against you if the Plan has paid you or any other party on your behalf.

TIME LIMIT ON CERTAIN DEFENSES

A claim will not be reduced or denied after two years from the effective date of the benefit because a disease or physical condition not excluded and causing the loss existed before the benefit effective date.

WORKERS' COMPENSATION NOT AFFECTED

The Plan is not issued in lieu of, nor does it affect any requirement for coverage by any Workers' Compensation or Occupational Disease Act or Law.

WORKERS' COMPENSATION

If benefits are paid by the Plan and the Plan determines you received Workers' Compensation for the same incident, the Plan has the right to recover as described under the Reimbursement/Subrogation provision. The Plan will exercise its right to recover against you even though:

1. The Workers' Compensation benefits are in dispute or are made by means of settlement or compromise;
2. No final determination is made that bodily injury or sickness was sustained in the course of or resulted from your employment;
3. The amount of Workers' Compensation due to medical or health care is not agreed upon or defined by you or the Workers' Compensation carrier;
4. The medical or health care benefits are specifically excluded from the Workers' Compensation settlement or compromise.

You hereby agree that, in consideration for the coverage provided by the Plan, you will notify the Plan Manager of any Workers' Compensation claim you make, and that you agree to reimburse the Plan as described above.
General Provisions Continued

MEDICAID

This Plan will not take into account the fact that an employee or dependent is eligible for medical assistance or Medicaid under state law with respect to enrollment, determining eligibility for benefits, or paying claims.

If payment for Medicaid benefits has been made under a state Medicaid plan for which payment would otherwise be due under this Plan, payment of benefits under this Plan will be made in accordance with a state law which provides that the state has acquired the rights with respect to a covered employee to the benefits payment.

CONSTRUCTION OF PLAN TERMS

The Plan Manager has the sole right to construe and prescribe the meaning, scope and application of each and all of the terms of the Plan, including, without limitation, the benefits provided thereunder, the obligations of the beneficiary and the recovery rights of the Plan; such construction and prescription by the Plan Manager shall be final and uncontestable.

PRIVACY OF PROTECTED HEALTH INFORMATION

The Plan is required by law to maintain the privacy of your protected health information in all forms including written, oral and electronically maintained, stored and transmitted information and to provide individuals with notice of the Plan’s legal duties and privacy practices with respect to protected health information.

The Plan has policies and procedures specifically designed to protect your health information when it is in electronic format. This includes administrative, physical and technical safeguards to ensure that your health information cannot be inappropriately accessed while it is stored and transmitted to the Plan Manager and others that support the Plan.

In order for the Plan to operate, it may be necessary from time to time for health care professionals, the Plan Administrator, individuals who perform Plan-related functions under the auspices of the Plan Administrator, the Plan Manager and other service providers that have been engaged to assist the Plan in discharging its obligations with respect to delivery of benefits, to have access to what is referred to as protected health information.

A covered person will be deemed to have consented to use of protected health information about him or her by virtue of enrollment in the Plan. Any individual who may not have intended to provide this consent and who does not so consent must contact the Plan Administrator prior to filing any claim for Plan benefits, as coverage under the Plan is contingent upon consent.

Individually identifiable health information will only be used or disclosed for purposes of Plan operation or benefits delivery. In that regard, only the minimum necessary disclosure will be allowed. The Plan Administrator, Plan Manager, and other entities given access to protected health information, as permitted by applicable law, will safeguard protected health information to ensure that the information is not improperly disclosed.
General Provisions Continued

Disclosure of protected health information is improper if it is not allowed by law or if it is made for any purpose other than Plan operation or benefits delivery. Disclosure for Plan purposes to persons authorized to receive protected health information may be proper, so long as the disclosure is allowed by law and appropriate under the circumstances. Improper disclosure includes disclosure to the employer for employment purposes, employee representatives, consultants, attorneys, relatives, etc. who have not executed appropriate agreements effective to authorize such disclosure.

The Plan Manager will afford access to protected health information in its possession only as necessary to discharge its obligations as a service provider, within the restrictions noted above. However, Plan records that include protected health information are the property of the Plan. Information received by the Plan Manager is information received on behalf of the Plan.

The Plan Manager will afford access to protected health information as reasonably directed in writing by the Plan Administrator, which shall only be made with due regard for confidentiality. In that regard, the Plan Manager has been directed that disclosure of protected health information to be made to the person(s) identified by the Plan Administrator.

Individuals who have access to protected health information in connection with their performance of Plan-related functions under the auspices of the Plan Administrator will be trained in these privacy policies and relevant procedures prior to being granted any access to protected health information. The Plan Manager and other Plan service providers will be required to safeguard protected health information against improper disclosure through contractual arrangements.

In addition, you should know that the employer / Plan Sponsor may legally have access, on an as-needed basis, to limited health information for the purpose of determining Plan costs, contributions, Plan design, and whether Plan modifications are warranted. In addition, federal regulators such as the Department of Health and Human Services and the Department of Labor may legally require access to protected health information to police federal legal requirements about privacy.

Covered persons may have access to protected health information about them that is in the possession of the Plan, and they may make changes to correct errors. Covered persons are also entitled to an accounting of all disclosures that may be made by any person who acquires access to protected health information concerning them and uses it other than for Plan operation or benefits delivery. In this regard, please contact the Plan Administrator.

Covered persons are urged to contact the originating health care professional with respect to medical information that may have been acquired from them, as those items of information are relevant to medical care and treatment. And finally, covered persons may consent to disclosure of protected health information, as they please.
HEALTH CARE CLAIMS PROCEDURES

SUBMITTING A CLAIM

This section describes what a covered person (or his or her authorized representative) must do to file a claim for Plan benefits.

- A claim must be filed with the Plan Manager in writing and delivered to the Plan Manager, by mail, postage prepaid.

- Claims must be submitted to the Plan Manager at the address indicated in the documents describing the Plan or claimant’s identification card. Claims will not be deemed submitted for purposes of these procedures unless and until received at the correct address.

- Also, claims submissions must be in a format acceptable to the Plan Manager and compliant with any applicable legal requirements. Claims that are not submitted in accordance with the requirements of applicable federal law respecting privacy of protected health information and/or electronic claims standards will not be accepted by the Plan.

- Claims submissions must be timely. Claims must be filed as soon as reasonably possible after they are incurred, and in no event later than 15 months after the date of loss, except if you were legally incapacitated. Plan benefits are only available for claims that are incurred by a covered person during the period that he or she is covered under the Plan.

- Claims submissions must be complete. They must contain, at a minimum:
  a. The name of the covered person who incurred the covered expense;
  b. The name and address of the health care provider;
  c. The diagnosis of the condition;
  d. The procedure or nature of the treatment;
  e. The date of and place where the procedure or treatment has been or will be provided;
  f. The amount billed and the amount of the covered expense not paid through coverage other than Plan coverage, as appropriate;
  g. Evidence that substantiates the nature, amount, and timeliness of each covered expense in a format that is acceptable according to industry standards and in compliance with applicable law.

A general request for an interpretation of Plan provisions will not be considered to be a claim. Requests of this type, such as a request for an interpretation of the eligibility provisions of the Plan, should be directed to the Plan Administrator.

Medical claims, medical correspondence should be mailed to:

Humana Claims Office
P.O. Box 14601
Lexington, Kentucky 40512-4601
Claims Procedures Continued

MISCELLANEOUS MEDICAL CHARGES

If you accumulate bills for medical items you purchase or rent yourself, send them to the Plan Manager at least once every three months during the year (quarterly). The receipts must include the patient name, name of item, date item purchased or rented and name of the provider of service.

PROCEDURAL DEFECTS

If a pre-service claim submission is not made in accordance with the Plan’s procedural requirements, the Plan Manager will notify the claimant of the procedural deficiency and how it may be cured no later than within five (5) days (or within 24 hours, in the case of an urgent care claim) following the failure. A post-service claim that is not submitted in accordance with these claims procedures will be returned to the submitter.

ASSIGNMENTS AND REPRESENTATIVES

A covered person may assign his or her right to receive Plan benefits to a health care provider only with the consent of the Plan Manager, in its sole discretion, except as may be required by applicable law. Assignments must be in writing. If a document is not sufficient to constitute an assignment, as determined by the Plan Manager, then the Plan will not consider an assignment to have been made. An assignment is not binding on the Plan until the Plan Manager receives and acknowledges in writing the original or copy of the assignment before payment of the benefit.

If benefits are assigned in accordance with the foregoing paragraph and a health care provider submits claims on behalf of a covered person, benefits will be paid to that health care provider.

In addition, a covered person may designate an authorized representative to act on his or her behalf in pursuing a benefit claim or appeal. The designation must be explicitly stated in writing and it must authorize disclosure of Protected Health Information with respect to the claim by the Plan, the Plan Manager and the authorized representative to one another. If a document is not sufficient to constitute a designation of an authorized representative, as determined by the Plan Manager, then the Plan will not consider a designation to have been made. An assignment of benefits does not constitute designation of an authorized representative.

- Any document designating an authorized representative must be submitted to the Plan Manager in advance, or at the time an authorized representative commences a course of action on behalf of a claimant. At the same time, the authorized representative should also provide notice of commencement of the action on behalf of the claimant to the claimant, which the Plan Manager may verify with the claimant prior to recognizing the authorized representative status.

- In any event, a health care provider with knowledge of a claimant’s medical condition acting in connection with an urgent care claim will be recognized by the Plan as the claimant’s authorized representative.

Covered persons should carefully consider whether to designate an authorized representative. An authorized representative may make decisions independent of the covered person, such as whether and how to appeal a claim denial.
Clams Procedures Continued

CLAIMS DECISIONS

After submission of a claim by a claimant, the Plan Manager will notify the claimant within a reasonable time, as follows:

PRE-SERVICE CLAIMS

The Plan Manager will notify the claimant of a favorable or adverse determination within a reasonable time appropriate to the medical circumstances, but no later than 15 days after receipt of the claim by the Plan.

However, this period may be extended by an additional 15 days, if the Plan Manager determines that the extension is necessary due to matters beyond the control of the Plan. The Plan Manager will notify the affected claimant of the extension before the end of the initial 15-day period, the circumstances requiring the extension, and the date by which the Plan expects to make a decision.

If the reason for the extension is because of the claimant's failure to submit information necessary to decide the claim, the notice of extension will describe the required information. The claimant will have at least 45 days from the date the notice is received to provide the specified information.

URGENT CARE CLAIMS

The Plan Manager will determine whether a claim is an urgent care claim. This determination will be made on the basis of information furnished by or on behalf of a claimant. In making this determination, the Plan Manager will exercise its judgment, with deference to the judgment of a physician with knowledge of the claimant’s condition. Accordingly, the Plan Manager may require a claimant to clarify the medical urgency and circumstances that support the urgent care claim for expedited decision-making.

The Plan Manager will notify the claimant of a favorable or adverse determination as soon as possible, taking into account the medical exigencies particular to the claimant’s situation, but not later than 72 hours after receipt of the urgent care claim by the Plan.

However, if a claim is submitted that does not provide sufficient information to determine whether, or to what extent, expenses are covered or payable under the Plan, notice will be provided by the Plan Manager as soon as possible, but not more than 24 hours after receipt of the urgent care claim by the Plan. The notice will describe the specific information necessary to complete the claim.

- The claimant will have a reasonable amount of time, taking into account his or her circumstances, to provide the necessary information but not less than 48 hours.
- The Plan Manager will notify the claimant of the Plan’s urgent care claim determination as soon as possible, but in no event more than 48 hours after the earlier of:
  a. The Plan's receipt of the specified information; or
  b. The end of the period afforded the claimant to provide the specified additional information.
Claims Procedures Continued

CONCURRENT CARE DECISIONS

The Plan Manager will notify a claimant of a concurrent care decision that involves a reduction in or termination of benefits that have been pre-authorized. The Plan Manager will provide the notice sufficiently in advance of the reduction or termination to allow the claimant to appeal and obtain a determination on review of the adverse determination before the benefit is reduced or terminated.

A request by a claimant to extend a course of treatment beyond the period of time or number of treatments that is a claim involving urgent care will be decided by the Plan Manager as soon as possible, taking into account the medical exigencies. The Plan Manager will notify a claimant of the benefit determination, whether adverse or not within 24 hours after receipt of the claim by the Plan, provided that the claim is submitted to the Plan at least 24 hours prior to the expiration of the prescribed period of time or number of treatments.

POST-SERVICE CLAIMS

The Plan Manager will notify the claimant of a favorable or adverse determination within a reasonable time, but not later than 30 days after receipt of the claim by the Plan.

However, this period may be extended by an additional 15 days, if the Plan Manager determines that the extension is necessary due to matters beyond the control of the Plan. The Plan Manager will notify the affected claimant of the extension before the end of the initial 30-day period, the circumstances requiring the extension, and the date by which the Plan expects to make a decision.

If the reason for the extension is because of the claimant’s failure to submit information necessary to decide the claim, the notice of extension will describe the required information. The claimant will have at least 45 days from the date the notice is received to provide the specified information. The Plan Manager will make a decision no later than 15 days after the earlier of the date on which the information provided by the claimant is received by the Plan or the expiration of the time allowed for submission of the additional information.

TIMES FOR DECISIONS

The periods of time for claims decisions presented above begin when a claim is received by the Plan, in accordance with these claims procedures.

PAYMENT OF CLAIMS

Many health care providers will request an assignment of benefits as a matter of convenience to both provider and patient. Also as a matter of convenience, the Plan Manager will, in its sole discretion, assume that an assignment of benefits has been made to certain Network Providers. In those instances, the Plan Manager will make direct payment to the hospital, clinic, or physician's office, unless the Plan Manager is advised in writing that you have already paid the bill. If you have paid the bill, please indicate on the original statement, "paid by employee," and send it directly to the Plan Manager. You will receive a written explanation of the benefit determination. The Plan Manager reserves the right to request any information required to determine benefits or process a claim. You or the provider of services will be contacted if additional information is needed to process your claim.
Claims Procedures Continued

When an employee’s child is subject to a medical child support order, the Plan Manager will make reimbursement of eligible expenses paid by you, the child, the child's non-employee custodial parent, or legal guardian, to that child or the child's custodial parent, or legal guardian, or as provided in the medical child support order.

Payment of benefits under this Plan will be made in accordance with an assignment of rights for you and your dependents as required under state Medicaid law.

Benefits payable on behalf of you or your covered dependent after death will be paid, at the Plan's option, to any family member(s) or your estate. The Plan Manager will rely upon an affidavit to determine benefit payment, unless it receives written notice of valid claim before payment is made. The affidavit will release the Plan from further liability.

Any payment made by the Plan Manager in good faith will fully discharge it to the extent of such payment.

Payments due under the Plan will be paid upon receipt of written proof of loss.

INITIAL DENIAL NOTICES

Notice of a claim denial (including a partial denial) will be provided to claimants by mail, postage prepaid, by FAX, or by e-mail, as appropriate, within the time frames noted above.

However, notices of adverse decisions involving urgent care claims may be provided to a claimant orally within the time frames noted above for expedited urgent care claim decisions. If oral notice is given, written notification will be provided to the claimant no later than 3 days after the oral notification.

A claims denial notice will state the specific reason or reasons for the adverse determination, the specific Plan provisions on which the determination is based, and a description of the Plan’s review procedures and associated timeline. The notice will also include a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary.

The notice will describe the Plan’s review procedures and the time limits applicable to such procedures.

The notice will also disclose any internal Plan rule, protocol or similar criterion that was relied on to deny the claim. A copy of the rule, protocol or similar criterion relied upon will be provided to a claimant free of charge upon request.

If the adverse determination is based on medical necessity, experimental, investigational or for research purposes, or similar exclusion or limit, the notice will provide either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

In the case of an adverse decision of an urgent care claim, the notice will provide a description of the Plan’s expedited review procedures applicable to such claims.
Claims Procedures Continued

APPEALS / GRIEVANCES

If your medical claims have been denied, you have the right to file an appeal or grievance to Humana. The following section outlines your rights to file an appeal.

1. **Adverse Determination** – procedures performed or proposed to a covered person are not deemed medically necessary, by the insurer, or are experimental or investigational services and would result in coverage being denied, reduced or terminated. An adverse determination does not mean a determination that the health care services are limited or excluded by the plan, unless medical necessity is a result of the limitations or exclusions.

2. **Coverage Denial** – services, treatments, or devices that are specifically limited or excluded under the covered person’s plan.

**Who Should Perform the Appeal?**

**Adverse Determination** – The Plan Manager will handle the Internal Appeal Process for Adverse Determinations in accordance with KRS 304.17A-600 through 633.

**Coverage Denial** – The Plan Manager will handle the Internal Appeal Process for Coverage Denials in accordance with KRS 304.17A-600 through 633.

**How to File an Internal Appeal – Adverse Determination or Coverage Denial**

To appeal a denial of a hospital, physician or other provider’s services, the member, authorized person or provider should file an appeal to:

Humana Grievance and Appeals  
P.O. Box 14546  
Lexington, Kentucky 40512-4546

**Initial Complaint** – a member should always contact the Plan Manager’s Customer Service Department first (the number is located on the back of the ID card). Many problems can be resolved the same day. If not, the member services representative will investigate and contact the member with their findings and any action taken to resolve the complaint. If a member’s complaint is related to a denial of coverage or other decision by the Plan Manager, the member may file an appeal.
Claims Procedures Continued

Internal Appeal

If the complaint is not resolved to the satisfaction of the member, on the initial complaint to the Plan Manager’s Customer Service Department, the employee may request an internal appeal. A request for an internal appeal must be submitted in writing within one hundred eighty (180) days of receipt of a denial letter. The letter should be sent to the address listed above and should include at a minimum the following information:

- Member’s name and patient’s name.
- The member’s Kentucky Employees Health Plan Identification Number (found on the member’s health insurance card).
- The member’s address and daytime phone number.
- The initial denial letter.
- The service being denied. Include all facts and issues related to the denial, including the names of providers involved and medical records.

Note: A physician who did not participate in the initial review and denial will review the internal appeal. If the Denial is for an Adverse Determination and the service requires a medical or surgical specialty, you may request a review by a board eligible or certified physician from the appropriate specialty.

The Plan Manager will notify the member of the internal appeal decision within thirty (30) calendar days of receipt of the internal appeal request.

Expedited Appeal

An expedited appeal is deemed necessary when a covered person is hospitalized or, in the opinion of the treating provider, review under the normal timeframe could, in the absence of immediate treatment result in any of the following:

- Placing the health of the covered person or, with respect to a pregnant woman, the health of the covered person or the unborn child in serious jeopardy;
- Serious impairment of bodily functions; or
- Serious dysfunction of a bodily organ or part.

The Plan Manager shall render a decision within three (3) business days of receipt of the request for an expedited appeal. The expedited appeal may be requested orally with a follow-up letter.

At anytime during the internal appeal, additional pertinent information may be submitted for consideration.

How to file an External Appeal—Adverse Determination

Before a member can request an external appeal, they must exhaust their rights to an internal appeal. The internal appeals process can be waived if both the member and the Plan Manager agree.
Claims Procedures Continued

Adverse Determinations

If the *member* is not satisfied with the decision of the internal appeal regarding an adverse determination, the *member* may request an external appeal. The external appeal will be handled by an independent review entity (IRE) that is certified by the Kentucky Department of Insurance.

The external appeal must be requested by the *member*, authorized person or *provider* acting on behalf of and with the consent of the *member* within sixty (60) days after receipt of the internal appeal decision letter. The *member* must have completed the internal appeal process, or the *Plan Manager* must have failed to make a timely determination or notification. In addition, the *member* must have been eligible on the date of service, or enrolled and eligible to receive covered benefits under the health benefit plan on the date the service was requested and the treatment or *service* must cost the member at least $100 if the *member* did not have insurance.

The *member* will be billed by the IRE for a $25 filing fee. The fee will be refunded if the IRE finds in favor of the *member*. The fee can be waived if the IRE determines that it would create a financial hardship.

The request for an external review must be submitted to the address as listed on page 82. The request must include consent for the *Plan Manager* to release all necessary medical records to the IRE. The IRE must render a decision within twenty-one (21) calendar days of receipt of the information required from the *Plan Manager*. An extension is available to the IRE if both the *member* and the *Plan Manager* agree in advance.

Expedited External Appeal

An expedited external appeal is deemed necessary when a *covered person* is hospitalized or, in the opinion of the treating *provider*, review under the normal timeframe could, in the absence of immediate treatment may result in any of the following:

- Placing the health of the *covered person* or, with respect to a pregnant woman, the health of the *covered person* or the unborn child in serious jeopardy;
- Serious impairment of bodily functions; or
- Serious dysfunction of a bodily organ or part.

An expedited external appeal may be requested orally with a follow-up letter.

The IRE shall render a decision within twenty-four hours from receipt of all information required from the *Plan Manager*. An extension of 24 hours is available to the IRE if both the *member* and the *Plan Manager* agree.
Claims Procedures Continued

Coverage Denials

If the member is not satisfied with the decision of the internal appeal of a coverage denial, the member may request a review by the Kentucky Department of Insurance, Division of Health Insurance Policy and Managed Care, Attn: Coverage Denial Coordinator, P. O. Box 517, Frankfort, KY 40602. The request must be in writing, and should include copies of both the initial denial letter and the internal appeal decision letter.

The Kentucky Department of Insurance may either overturn or uphold the decision of the internal appeal or they may allow an external review by an independent review entity (IRE) if a medical issue requires resolution.

RIGHT TO REQUIRE MEDICAL EXAMS
(Appplies only to medical Plans)

The Plan has the right to require that a medical exam be performed on any claimant for whom a claim is pending as often as may be reasonably required. If the Plan requires a medical exam, it will be performed at the Plan’s expense. The Plan also has a right to request an autopsy in the case of death, if state law so allow.

EXHAUSTION

Upon completion of the appeals process under this section, a claimant will have exhausted his or her administrative remedies under the Plan. If the Plan Manager fails to complete a claim determination or appeal within the time limits set forth above, the claimant may treat the claim or appeal as having been denied, and the claimant may proceed to the next level in the review process. After exhaustion, a claimant may pursue any other legal remedies available to him or her. Additional information may be available from a local U.S. Department of Labor Office.

LEGAL ACTIONS AND LIMITATIONS

No action at law or in equity may be brought with respect to Plan benefits until all remedies under the Plan have been exhausted and then prior to the expiration of the applicable limitations period under applicable law.

QUALITY IMPROVEMENT

The Plan Manager has a Quality Improvement program that reviews complaints and grievances concerning provider services and administration. This program identifies standards, reviews services to see that those standards are met, and recommends steps for improvement. If you have questions about the Humana Quality Improvement program, don't hesitate to contact us. You can request a program summary of Humana's progress toward meeting quality goals by calling customer service at 1-877-KYSPIRIT (1-877-597-7474).
Claims Procedures Continued

REIMBURSEMENT OF HRA FUNDS

Only medical care expenses that have not been or will not be reimbursed by any other source may be Eligible Medical Expenses (to the extent all other conditions for Eligible Medical Expenses have been satisfied). As such, this HRA does not coordinate benefits with any other group or individual health coverage except as provided herein.

“HRA Eligible Medical Expenses” are medical care expenses incurred by you or your eligible Dependents that satisfy all of the conditions described below. All expenses that are not within the scope of “HRA Eligible Medical Expenses” described below are excluded. Eligible Medical Expenses covered under this HRA Plan must also be covered under the Commonwealth Maximum Choice. The following expenses are eligible for reimbursement under this HRA Plan (provided all other terms and conditions of the HRA have been satisfied):

- Medical
- Preventive Health Care
- Prescriptions
- Over the Counter Medications
- Vision
- Dental
- Durable Medical Equipment

“Incurred” means the date the service or treatment is provided; not when the expense arising from the service or treatment is paid. Thus, an expense that has been paid but not incurred (e.g. pre-payment to a physician) will not be reimbursed until the services or treatment giving rise to the expense has been provided. In no event will the following expenses be eligible for reimbursement:

- Any expense that is not a Code Section 213(d) expense
- Any expenses incurred for qualified long term care services
- Expenses incurred prior to the date that coverage under this HRA becomes effective
- Expenses incurred after the date that coverage under this HRA ends
- Expenses that have been reimbursed by another plan or for which plan to seek reimbursement under another health plan.

To the extent that Eligible Medical Expenses are covered both by this HRA and by an Employer sponsored FSA in which the employee participates, Eligible Medical Expenses are first reimbursed from the FSA and then the HRA.

CLAIM REIMBURSEMENT

Under this HRA, you have two reimbursement options. You can complete and submit a written claim for reimbursement (see “Traditional Paper Claims” below for more information). Alternatively, you can use an electronic payment card (see “Electronic Payment Card” below for more information) to pay the expense. In order to be eligible for the Electronic Payment Card, you must agree to abide by the terms and conditions of the Electronic Payment Card Program (the “Program”) as set forth herein and in the Electronic Payment Cardholder Agreement (the “Cardholder Agreement”) including limitations as to card usage, the Plan’s right to withhold and offset for ineligible claims, etc. The following is a summary of how both options work.
Claims Procedures Continued

HRA claim is deemed filed when it is received by the Third Party Administrator. If your claim for reimbursement is approved, you will be provided reimbursement as soon as reasonably possible following the determination.

In some instances, your insurer (if Humana) may submit the EOB on your behalf. In that situation, you certify when you incur the expense that the expense has not been reimbursed by any other source and that you will not seek reimbursement from any other source. You may submit requests for reimbursement of Eligible Medical Expenses at any time prior to the end of the HRA Run Out Period. The HRA Run Out Period for active employees is 90 days after the end of the plan year.

If it is later determined that you and/or your eligible Dependent(s) received an overpayment or a payment was made in error (e.g., you were reimbursed for an expense under the HRA that is later paid for by the Commonwealth Maximum Choice or some other medical plan), you will be required to refund the overpayment or erroneous reimbursement to the HRA.

If you do not refund the overpayment or erroneous payment, the Plan reserves the right to offset future reimbursement equal to the overpayment or erroneous payment or, if that is not feasible, to withhold such funds from your pay. If all other attempts to recoup the overpayment/erroneous payment are unsuccessful, the Plan Administrator may treat the overpayment as a bad debt, which may have income tax implications for you. In addition, if the Plan Administrator determines that you have submitted a fraudulent claim, the Plan Administrator may terminate your coverage under this HRA (and to the extent permissible, under the Commonwealth Maximum Choice).

Traditional Paper Claims

When you incur an Eligible Medical Expense, you file a claim with the Plan's Third Party Administrator by completing and mailing or faxing a Request for Reimbursement Form. Forms can be mailed to PO Box 14167, Lexington, KY 40512-4167 or faxed to 1-800-905-1851. You may obtain a Request for Reimbursement Form from the Third Party Administrator or print a copy from the KEHP website at http://kehp.ky.gov. You must include with your Request for Reimbursement Form a written statement from an independent third party (e.g., a receipt, EOB, etc.) associated with each expense that indicates the following:

(i) The nature of the expense (e.g. what type of service or treatment was provided).

(ii) The date the expense was incurred; and

(iii) The amount of the expense.

The Third Party Administrator will process the claim once it receives the Request for Reimbursement Form from you. Reimbursement for expenses that are determined to be Eligible Medical Expenses will be made as soon as possible after receiving the claim and processing it. If the expense is determined to not be an Eligible Medical Expense, you will receive notification of this determination. You must submit all claims for reimbursement for Eligible Medical Expenses during the Plan Year in which they were incurred or during the Run Out Period.
Claims Procedures Continued

Electronic Payment Card

The Electronic Payment Card allows you to pay for Eligible Medical Expenses at the time that you incur the expense.

1. In order to be eligible for the Electronic Payment Card, you must agree to abide by the terms and conditions of the Program as set forth herein and in the Electronic Payment Cardholder Agreement (the “Cardholder Agreement”) including limitations as to card usage, the Plan’s right to withhold and offset for ineligible claims, etc.

   You must agree to abide by the terms of the Program both during the Initial Election Period and during each Annual Election Period. A Cardholder Agreement will be provided to you. The Cardholder Agreement is part of the terms and conditions of your Plan and this SPD.

2. The card will be turned off when employment or coverage terminates. The card will be turned off if you fail to provide the correct documentation to Humana, when necessary to substantiate claims. If Humana does not receive substantiation (verification) from you within thirty (30) days after you swipe the Humana Access Card, then Humana will request this substantiation from you. If substantiation is not received within thirty (30) more days (for a total of sixty (60) days from the initial Humana Access Card swipe), then claims processing will be suspended. This suspension of claims will include the use of the Humana Access Card as well as reimbursements for traditional paper claims.

   The card will be turned off when you terminate employment or when coverage under the Plan ends. Contact your Third Party Administrator for reactivation of the electronic payment card if you elect COBRA, and after submission of your initial COBRA premium payment.

3. You must certify proper use of the card. As specified in the Cardholder Agreement, you certify during the applicable Election Period that the amounts in your HRA will only be used for Eligible Medical Expenses (i.e. medical care expenses incurred by you, your spouse, and your tax dependents) and that you have not been reimbursed for the expense and that you will not seek reimbursement for the expense from any other source. Failure to abide by this certification will result in termination of card use privileges.

4. HRA reimbursement under the card is limited to certain providers. Use of the card for HRA expenses is limited to merchants who are providers such as doctors and pharmacies.

5. You swipe the card at the health care provider like you do any other credit card. When you incur an Eligible Medical Expense at a doctor’s office or pharmacy, such as a co-payment or prescription drug expense, you swipe the card at the provider’s office much like you would a typical credit card. The provider is paid for the expense up to the maximum reimbursement amount available under the HRA (or as otherwise limited by the Program) at the time that you swipe the card. Every time you swipe the card, you certify to the Plan that the expense for which payment under the HRA is being made is an Eligible Medical Expense and that you have not been reimbursed from any other source nor will you seek reimbursement from another source.
Claims Procedures Continued

6. You must obtain and retain a receipt/third party statement each time you swipe the card. You must obtain a third party statement from the health care provider (e.g., receipt, invoice, etc.) that includes the following information each time you swipe the card:

- The nature of the expense (e.g., what type of service or treatment was provided).
- If the expense is for an over the counter drug, the written statement must indicate the name of the drug.
- The date the expense was incurred.
- The amount of the expense.

You must retain this receipt for one year following the close of the Plan year in which the expense is incurred. Even though payment is made under the card arrangement, you may be required to submit a written third party statement (except as otherwise provided in the Cardholder Agreement). You will receive a letter from the Claims Administrator that a third party statement is needed. You must provide the third party statement to the Claims Administrator within 45 days (or such longer period provided in the letter from the Claims Administrator) of the request.

7. There may be situations in which you will not be required to provide the written statement to the claims administrator. More detail as to which situations apply under your Plan is specified in the Cardholder Agreement.

- **Co-Pay Match:** As specified in the Cardholder Agreement, no written statement is necessary if the Electronic Payment Card payment matches a specific co-payment you have under the Commonwealth Maximum Choice for the particular service that was provided. For example, if you have a $10 co-pay for physician office visits, and the payment was made to a physician office in the amount of $10, you will not be required to provide the third party statement to the Claims Administrator.

- **Previously Approved Claim Match:** As specified in the Cardholder Agreement, no written statement is required if the expense is the same as the amount, duration and provider as a previously approved expense. For example, the claims administrator approves a thirty (30) count prescription with 3 refills that was purchased at ABC Pharmacy. Each time the card is swiped for subsequent refills at ABC Pharmacy the receipt need not be provided to the Claims Administrator if the expense incurred is the same amount.

- **Provider Match Program:** As specified in the Cardholder Agreement, no third party statement is required to be submitted to the Claims Administrator if the electronic claim file is accompanied by an electronic or written confirmation from the health care provider (e.g., your prescription benefits manager) that identifies the nature of your expense and verifies the amount.

Note: You should still obtain the third party receipt when you incur an expense and swipe the card, even if you think it will not be needed, in the event the receipt is requested by the Claims Administrator.
Claims Procedures Continued

8. Pay at the pharmacy with your Visa Humana Access Card.

Here are the steps to take when paying at the pharmacy:

- When you pick up your prescription, present your primary insurance card so your pharmacist can identify your copayment amount and bill your insurer.
- Ask your pharmacist to follow the instructions on the Humana Access card to submit a second claim to Humana, which takes only a few minutes.
- Then swipe your Humana Access card through the credit card machine, to make the payment.
- Select “credit” – not “debit” – for your transaction.
- Sign and save the receipt.

To find a complete list of participating pharmacies, please visit kyhealthplan.com.

9. You must pay back any improperly paid claims. If you are unable to provide adequate or timely substantiation as requested by the Claims Administrator, you must repay the Plan for the unsubstantiated expense. The deadline for repaying the Plan is set forth in the Cardholder Agreement. If you do not repay the Plan within the applicable time period, the card will be turned off and an amount equal to the unsubstantiated expense may be offset against future eligible claims under the HRA. The Plan further reserves the right to withhold the amount of any unsubstantiated expenses from your paycheck and to take any additional steps deemed necessary to properly account for any unsubstantiated expenses.

10. You can use either the payment card or the traditional paper claims approach. You have the choice as to how to submit your eligible claims. If you elect not to use the electronic payment card, you may also submit claims under the Traditional Paper Claims approach discussed above. Claims for which the Electronic Payment Card has been used cannot be submitted as Traditional Paper Claims.

11. This plan reserves the right to initiate the following correction procedures to recoup money from participants for claims that are improperly paid from the health HRA (i.e., a claim that qualifies for after-the-fact-substantiation for which proper substantiation is not subsequently provided).

- Deny Access to the Card. To ensure that no further violations occur, the card must be deactivated until the amount of the improper payment is recovered. In the meantime, the participant must request reimbursements through other methods (e.g., by submitting traditional paper claims).
- Require Repayment. The employer may “demand” that the participant repay the improper payment. A letter to the participant will be sent identifying the amount, the reasons for requiring repayment, and the timeframe in which the repayment must be made.
- Withhold From Pay. If the demand for repayment is unsuccessful, then an amount equal to the improper payment must be withheld from the participant’s pay or other compensation, to the full extent permitted under applicable law.
Claims Procedures Continued

- **Offset.** If the improper payment is still outstanding and amounts are not available to be withheld, then the employer is to apply a substitution or offset approach against subsequent valid claims, up to the amount of the improper payment.

- **Treat Payment as Other Business Indebtedness.** If the above correction efforts prove unsuccessful, then the employee remains indebted to the employer for the amount of the improper payment. In that event, and consistent with its business practices, the employer may treat the payment as it would treat any other business indebtedness.

MAXIMUM AMOUNT OF REIMBURSEMENT

The maximum reimbursement amount that you can receive is equal to your Health Reimbursement Account balance at the time the request for reimbursement is processed. Any portion of a claim for reimbursement that exceeds the maximum reimbursement amount will be suspended and processed when the Reimbursement Account becomes sufficient. Pended claims will be processed and, if appropriate, paid before any new claims are processed and paid.

DENIED CLAIMS

If your claim for benefits is denied, you will have the right to a full and fair review process.

CLAIMS REVIEW PROCEDURE CHART

The Plan has established the following claims review procedure in the event you are denied a benefit under this Plan.

**Step 1:** Notice is received from Third Party Administrator. If your claim is denied, you will receive written notice from the Third Party Administrator that your claim is denied as soon as reasonably possible, but no later than 30 days after receipt of the claim. For reasons beyond the control of the Third Party Administrator, the Third Party Administrator may take up to an additional 15 days to review your claim. You will be provided written notice of the need for additional time prior to the end of the 30-day period. If the reason for the additional time is that you need to provide additional information, you will have 45 days from the notice of the extension to obtain that information. The time period during which the Third Party Administrator must make a decision will be suspended until the earlier of the date that you provide the information or the end of the 45-day period.

**Step 2:** Review your notice carefully. Once you have received your notice from the Third Party Administrator, review it carefully. The notice will contain:
Claims Procedures Continued

- The reason(s) for the denial and the Plan provisions on which the denial is based;
- A description of any additional information necessary for you to perfect your claim, why the information is necessary, and your time limit for submitting the information;
- A description of the Plan’s appeal procedures and the time limits applicable to such procedures; and
- A right to request all documentation relevant to your claim.

Step 3: If you disagree with the decision, file an Appeal. If you do not agree with the decision of the Third Party Administrator and you wish to appeal, you must file your appeal no later than 180 days after receipt of the notice described in Step 1. You should submit all information identified in the notice of denial as necessary to perfect your claim and any additional information that you believe would support your claim.

Step 4: Notice of Denial is received from Third Party Administrator. If the claim is again denied, you will be notified in writing as soon as possible but no later than 30 days after receipt of the appeal by the Third Party Administrator.

Step 5: Review your notice carefully. You should take the same action that you took in Step 2 described above. The notice will contain the same type of information that is provided in the first notice of denial provided by the Third Party Administrator.

Step 6: If you still disagree with the Third Party Administrator’s decision, file a 2nd Level Appeal with the Plan Administrator. If you still do not agree with the Third Party Administrator’s decision and you wish to appeal, you must file a written appeal with the Plan Administrator within the time period set forth in the first level appeal denial notice from the Third Party Administrator. You should gather any additional information that is identified in the notice as necessary to perfect your claim and any other information that you believe would support your claim.

If the Plan Administrator denies your 2nd Level Appeal, you will receive notice within 30 days after the Plan Administrator receives your claim. The notice will contain the same type of information that was referenced in Step 1 above.

Other important information regarding your appeals

- Each level of appeal will be independent from the previous level (i.e., the same person(s) or subordinates of the same person(s) involved in a prior level of appeal will not be involved in the appeal);
- On each level of appeal, the claims reviewer will review relevant information that you submit even if it is new information; and
- You cannot file suit in federal court until you have exhausted these appeals procedures.
Claims Procedures Continued

MISCELLANEOUS RIGHTS UNDER THE HRA

Continue Group Health Plan Coverage

You may continue health care coverage for yourself, Spouse or Dependent children if there is a loss of coverage under the Plan as a result of a qualifying event. You or your eligible Dependents will have to pay for such coverage. You should review the relevant sections of the HRA Summary for more information concerning your COBRA continuation coverage rights.

You may be eligible for a reduction or elimination of exclusionary periods of coverage for preexisting condition under your group health plan, if you move to another plan and you have creditable coverage from this Plan. If you are eligible for this reduction or elimination, you will be provided a certificate of creditable coverage, free of charge, from the Plan when you lose coverage under the Plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage in another plan.

UNCLAIMED HEALTH CARE REIMBURSEMENTS

Any funds that you are not entitled to carry over will be forfeited and returned to the employer. The Carry Over amount will be allocated to your Reimbursement Account by Humana after the HRA Run Out Period. Please view the Reimbursement section of this Summary Plan Description to determine the Reimbursement Account limits for your Health Reimbursement Account.
DEFINITIONS

Accidental Injury (or Accidentally injured) means a sudden or unforeseen result of an external agent or trauma, independent of illness, which causes injury, including complications arising from that injury, to the body, and which is definite as to time and place.

Active status means performing on a regular, full-time basis all customary occupational duties, as determined by the employer, at the employer's business locations or when required to travel for the employer's business purposes. Each day of a regular paid vacation and any regular non-working holiday will be deemed active status if you were in an active status on your last regular working day prior to the vacation or holiday.

Advanced imaging, for the purpose of this definition, means Magnetic Resonance Imaging (MRI), Magnetic Resonance Angiography (MRA), Positron Emission Tomography (PET), Single Photon Emission Computed Tomography (SPECT) and Computed Tomography (CT) imaging.

Adverse determination means a determination by the Plan Manager that the health care services furnished or proposed to be furnished to you are not medically necessary or are experimental or investigational; therefore, benefit coverage is denied, reduced or terminated.

Ambulance means a certified vehicle for transporting ill or accidentally injured people that contains all life saving equipment and staff as required by state and local laws.

Ambulatory surgical center means a provider with an organized staff of physicians which:
1. Has permanent facilities and equipment for the primary purpose of performing surgical and/or medical procedures to an outpatient;
2. Provides treatment by or under the supervision of physicians and nursing services whenever the patient is in the facility; and
3. Does not provide accommodations to inpatients.

Autism means a condition affecting a covered person ages two (2) through twenty-one (21) years of age, which includes:

(A) A total of six (6) or more items from subparagraphs 1, 2, and 3 of this paragraph, with at least two (2) from subparagraph 1 and one (1) each from subparagraphs 2 and 3:
1. Qualitative impairment in social interaction, as manifested by at least two (2) of the following:
   a. Marked impairment in the use of multiple nonverbal behavior such as eye-to-eye gaze, facial express, body postures, and gestures to regulate social interaction;
   b. Failure to develop peer relationships appropriate to developmental level;
   c. A lack of spontaneous seeking to share enjoyment, interests or achievement with other people; or
   d. Lack of social or emotional reciprocity.
2. Qualitative impairments in communications as manifested by at least one (1) of the following:
   a. Delay in, or total lack of, the development of spoken language;
   b. In individuals with adequate speech, marked impairment in the ability to imitate or sustain a conversation with others;
   c. Stereotyped and repetitive use of language or idiosyncratic language; or
   d. Lack of varied, spontaneous make-believe play or social imitative play appropriate to developmental levels.
Definition Continued

3. Restricted repetitive and stereotyped patterns of behavior, interests, and activities, as manifested by at least one (1) of the following:
   a. Encompassing preoccupation with one (1) or more stereotyped and restricted patterns of interest that is abnormal either in intensity or focus;
   b. Apparently inflexible adherence to specific, nonfunctional routines or rituals;
   c. Stereotyped and repetitive motor mannerisms; or
   d. Persistent preoccupation with parts or objects.

(B) Delays or abnormal functioning in at least one (1) of the following areas, with onset prior to age three (3) years;
   1. Social interaction;
   2. Language as used in social communication; or
   3. Symbolic or imaginative play; and

(C) The disturbance is not better accounted for by Rett’s Disorder or Childhood Disintegrative Disorder.

Balance billing means when you or your covered dependents use a Non-PAR provider, the Plan Manager’s reimbursement will be payable on a maximum allowable fee basis. Any amounts above the maximum allowable fee will be the members responsibility and will NOT apply to the out-of-pocket limit.

Beneficiary means you and your covered dependent(s), or legal representative of either, and anyone to whom the rights of you or your covered dependent(s) may pass.

Benefit reductions means the amount by which payment for covered services will be reduced if the covered person fails to comply with the plan delivery system rules.

Bodily injury means injury due directly to an accident and independent of all other causes.

Calendar year means a period of time beginning on January 1 and ending on December 31.

Capitation fee means the fixed monthly fee paid to designated providers for specified covered services. This fee is included in the monthly premium rates.

Case management means the process of assessing whether an alternative plan of care would more effectively provide medically necessary health care services in an appropriate setting.

Certified surgical assistant means a certified surgical assistant or certified first assistant who is certified by the National Surgical Assistant Association on the Certification of Surgical Assistants, the Liaison Council on Certification of Surgical Technologists, or the American Board of Surgical Assistants. The certified surgical assistant is an unlicensed health care provider who is directly accountable to a physician licensed pursuant to the provisions of KRS 311 or, in the absence of a physician, to a registered nurse licensed pursuant to the provisions of KRS Chapter 314.

Claim means a request by a covered person for payment of a benefit under the plan, including hospital, medical/surgical, and mental health/substance abuse services, prescription drugs, and other services and supplies.
Definition Continued

**Claimant** means a *covered person* (or authorized representative) who files a *claim*.

**COBRA** means the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended, including parallel provisions as outlined in Title XXII of the Public Health Service Act.

**COBRA Service Provider** means a *provider* of COBRA administrative services retained by the *Plan Manager* to provide specific COBRA administrative services.

**Coinsurance** means the percentage of an *eligible expense* that must be paid by the *covered person*. *Coinsurance* does not include *deductibles*, or non-**covered expenses** incurred during the *plan year*.

**Complications of pregnancy** means:

1. Conditions whose diagnoses are distinct from pregnancy but adversely affected by pregnancy or caused by pregnancy. Such conditions include: acute nephritis, nephrosis, cardiac decompensation, hyperemesis gravidarum, puerperal infection, toxemia, eclampsia and missed abortion;

2. A nonelective cesarean section surgical procedure;

3. Terminated ectopic pregnancy; or

4. Spontaneous termination of pregnancy which occurs during a period of gestation in which a viable birth is not possible.

**Complications of pregnancy** does not mean:

1. False labor;

2. Occasional spotting;

3. Prescribed rest during the period of pregnancy;

4. Conditions associated with the management of a difficult pregnancy but which do not constitute distinct *complications of pregnancy*; or

5. An elective cesarean section.

**Concurrent care decision** means a decision by the Plan to reduce or terminate benefits otherwise payable for a course of treatment that has been approved by the Plan (other than by Plan amendment or termination) or a decision with respect to a request by a *claimant* to extend a course of treatment beyond the period of time or number of treatments that has been approved by the Plan.

**Concurrent review** means the process of assessing the continuing *medical necessity*, appropriateness, or utility of additional days of *hospital confinement*, *outpatient* care, and other health care *services*.
Definition Continued

**Confinement** means being a resident patient in a hospital or a qualified treatment facility for at least 15 consecutive hours per day. Successive confinements are considered one confinement if:

1. Due to the same bodily injury or sickness; and
2. Separated by fewer than 30 consecutive days when you are not confined.

**Contract** means the agreement between the Commonwealth and the carrier consisting of the RFP and any addenda, the carrier's proposal and any addenda acceptable to the Commonwealth, any written questions and answers drafted to clarify the proposal, any written master policy between the parties, including the Summary Plan Description, and the Division of Purchases MARS document.

**Contract year** means the year commencing on January 1 and ending on December 31 of each year. For the purposes of this RFP, the terms “contract year” and “plan year” are interchangeable.

**Copayment** means a specified amount the covered person must pay at the time services are rendered for certain covered services, which may not be used as part of the deductible.

**Cosmetic surgery** means surgery performed to reshape structures of the body in order to change your appearance or improve self-esteem.

**Couple coverage** means coverage for the member and his/her eligible covered spouse.

**Coverage denial** means the Plan Manager determined that a service, treatment, drug, or device is specifically limited or excluded under your Plan.

**Coverage level** means coverage for the member and his/her eligible covered spouse.

**Covered expense (or Covered services)** means services incurred by you or your covered dependents due to bodily injury or sickness for which benefits may be available under the Plan. Covered expenses are subject to all provisions of the Plan, including the limitations and exclusions. A charge for a covered expense shall be considered to have been incurred on the date the service or supply was provided.

**Covered person** means the member (employee, retiree, COBRA participant) and his/her covered dependents.

**Creditable coverage** means the total time of prior continuous health plan coverage periods used to reduce the length of any pre-existing condition limitation period applicable to you or your dependents under this Plan where these prior continuous health coverage(s) existed with no more than a 63-consecutive day lapse in coverage.

Prior coverage by a covered person under any of the following:

1. a group health plan, including church and governmental plans;
2. health insurance coverage;
3. Part A or Part B of Title XVIII of the Social Security Act (Medicare);
4. Medicaid, other than coverage consisting solely of benefits under section 1928 of the Social Security Act;
5. the health plan for active and certain former military personnel, including TRICARE;
Definition Continued

6. the Indian Health Service or other tribal organization program;
7. a state health benefits risk pool;
8. the Federal Employees Health Benefits Program;
9. a public health plan as defined in federal regulations;
10. a health benefit plan under Section 5(e) of the Peace Corps Act;
11. any other plan which provides comprehensive hospital, medical, and surgical services and meets federal requirements; and
12. State Children Health Insurance Program (SCHIP).

Creditable coverage does not include any of the following:

1. accident-only coverage, disability income insurance, or any combination thereof;
2. supplemental coverage to liability insurance;
3. liability insurance, including general liability insurance and automobile liability insurance;
4. workers’ compensation or similar insurance;
5. automobile medical payment insurance;
6. credit-only insurance;
7. coverage for on-site medical clinics;
8. benefits if offered separately:
   a. limited scope dental and vision;
   b. long-term care, nursing home care, home health care, community based care, or any combination thereof; and
   c. other similar, limited benefits.
9. benefits if offered as independent, non-coordinated benefits:
   a. specified disease or illness coverage; and
   b. hospital indemnity or other fixed indemnity insurance.
10. benefits if offered as a separate policy:
    a. Medicare Supplement insurance;
    b. supplemental coverage to the health plan for active and certain former military personnel, including TRICARE; and
    c. similar supplemental coverage provided to group health plan coverage.

Custodial care means services provided to assist in the activities of daily living which are not likely to improve your condition. Examples include, but are not limited to, assistance with dressing, bathing, toileting, transferring, eating, walking and taking medication. These services are considered custodial care regardless if a qualified practitioner or provider has prescribed, recommended or performed the services.

Dental injury is an injury caused by a sudden, violent, and external force that could not be predicted in advance and could not be avoided. Dental injury does not include chewing injuries.

Deductible means a specified dollar amount of covered services that must be incurred by the covered person before the plan shall provide benefits for all or part of the remaining covered services during the plan year.
Definition Continued

Dependent

The following dependents are eligible for participation under the Kentucky Employees Health Plan (KEHP):

1. An employee’s spouse under an existing legal marriage;
2. A member’s unmarried dependent child.

Dependent child eligibility

Pursuant to KRS 304-17A.256, KEHP rules for Unmarried Dependent Children. (For purposes of Health Plan eligibility):

1. Unmarried;
2. Has a specific, family-type relationship to the planholder (a child of the planholder or a descendant of such child; or a brother, sister, stepbrother, or stepsister of the planholder);
3. Planholder is primarily responsible for dependents maintenance and support; and
4. Is under age 25.

NOTE: A dependent must meet KEHP’s eligibility rules before an employee/planholder may add the dependent to the Plan. Upon reaching age 25, the dependent child will become ineligible and be terminated as a dependent at the end of the month in which the birthday occurs.

NOTE: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime. This includes adding a dependent to the Plan who does not meet the KEHP eligibility rules.

Section 125 Cafeteria Plan and Working Families Tax Relief Act (WFTRA) of 2004

In the Working Families Tax Relief Act (WFTRA) of 2004 (I.R.C. § 152), Congress changed the way the Internal Revenue Service treats children under the tax code. This change may affect planholders if they pay their health insurance premiums pre-tax through the KEHP’s Section 125 cafeteria plan. The WFTRA of 2004 developed a new definition for “qualified child” and “qualified relative.” An employee will NOT be able to pay dependent premiums on a pre-tax basis if the employee’s/planholder’s dependent(s) CANNOT MEET ONE of these definitions (qualifying child or qualifying relative).
Definition Continued

Pursuant to I.R.C. § 152, the definitions are as follows:

1. A “qualifying child” (QC) of an employee under Code § 152, there are four tests—the relationship, residency, age, and limited self-support tests.

   A “qualifying child” (QC) is a child who unmarried and:
   
   • Has a specific, family-type relationship to the member taxpayer (a child of the employee or a descendant of such child; or a brother, sister, stepbrother, or stepsister of the employee or a descendant of any such relative). (The relationship test);
   
   • Resides with the member in his/her household for more than half of the tax year (with certain exceptions such as “temporary absences” if a full-time student). (The residency test);
   
   • Is under age 19 and not a full-time student (or under age 24 if a full-time student) as of the end of the calendar year in which the member’s taxable year begins. A “student” means an individual who, during each of five calendar months during the calendar year in which the employee’s taxable year begins, is a full-time student at an educational organization (The age test);
   
   • There is no age requirement if a child is permanently and totally disabled;
   
   • Individual must not provide more than half of his or her own support for the calendar year in which the taxable year of the employee begins (The limited self-support test).

2. In order to be a “qualifying relative” (QR) of an employee under Code § 152(d), there are three tests—the relationship, support, and not anyone’s qualifying child tests.

   A “qualifying relative” (QR) is a child or other individual who:
   
   • Has a specific, family-type relationship to the member taxpayer (a child of the employee, a brother, sister, stepbrother, or stepsister of the employee, the father or mother of the employee, etc.) and is someone who resides with the employee in his/her household for the member’s taxable year. (The relationship test);
   
   • A person cannot be a “qualifying relative” of the member if at any time during the taxable year the relationship between the member and the person violates federal, state, or local law; (The relationship test);
   
   • Receives over half of his/her own support from the member-taxpayer. Support includes food, shelter, clothing, medical and dental care, education, and the like.) (The support test);
   
   • Is not anyone’s (including the member’s) “qualifying child.” (See definition above) (The not anyone’s qualifying child test).

NOTE: An individual generally will not be a dependent under Code § 152 if he or she is a dependent of a Code § 152 dependent, a married dependent filing a joint tax return, or a citizen or national of a country other than the United States.
Definition Continued

Tax Consequences

Paying dependent premiums on a pre-tax basis for an individual who does not meet the definition of “qualifying child” or “qualifying relative” may be in violation of federal tax law. However, if a dependent child fails to meet the requirements of a I.R.C. § 152 qualifying child or qualifying relative he or she may be eligible to be covered as a dependent on a post-tax basis pursuant to KEHP plan eligibility defined by KRS 304-17A.256.

Diagnostic Admission means an admission of an inpatient that does not require the constant availability of medical supervision or skilled nursing care to monitor a condition. The primary purpose of such admission is to arrive at a diagnosis through the use of x-ray and laboratory tests, consultations, and evaluation, as documented by the hospital’s medical records, these diagnostic services could be provided on an outpatient basis to determine the need for treatment.

Diagnostic Service means a test or procedure rendered because of specific symptoms and which is directed toward the determination of a definite condition or disease. A diagnostic service must be ordered by a physician or other professional provider.

Durable medical equipment (DME) means equipment that is medically necessary and able to withstand repeated use. It must also be primarily and customarily used to serve a medical purpose and not be generally useful to a person except for the treatment of a bodily injury or sickness.

Effective date means the date on which coverage for a covered person begins.

Eligible person means a person who meets the eligibility requirements of the Kentucky Employees Health Plan.

Eligible Expense means a provider’s fee which:
1. is the provider’s usual charge for a given service under the covered person’s plan;
2. is within the range of fees charged by providers of similar training and experience for the same or similar service or supply within the same or similar limited geographic area; and
3. does not exceed the fee schedule developed by the carrier for a network provider.
The terms “eligible expense” and “reasonable and customary charge” are interchangeable.

Emergency means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain that a prudent lay person would reasonably have cause to believe constitutes a condition that the absence of immediate medical attention could reasonably be expected to result in: (a) placing the health or the individual or with respect to a pregnant woman, the health of the woman or her unborn child in serious jeopardy; (b) serious impairment to bodily functions; or (c) serious dysfunction of any bodily organ or part.

With respect to a pregnant woman who is having contractions: (a) a situation in which there is inadequate time to effect a safe transfer to another hospital before delivery; or (b) a situation in which transfer may pose a threat to the health or safety of the woman or the unborn child.

Employee means a person who is employed by agencies participating in the Kentucky Employees Health Plan and eligible to apply for coverage under a Kentucky Employees Health Plan or who is a retiree of a state sponsored Retirement System Health Plan. Refer to KRS 18A.225 and KRS 18A.227.
Definition Continued

**Employer** means the sponsor of the Group Plan or any subsidiary(s).

**Enrollment date** means the first (1st) day of coverage of a member and his/her eligible dependents under the certificate, or, if there is a waiting period, the first day of the waiting period (typically the date employment begins).

**Expense incurred** means the fee charged for services provided to you. The date a service is provided is the expense incurred date.

**Experimental, investigational or for research purposes:**

Services, supplies, or other care, including treatments, procedures, hospitalizations, drugs, biological products or medical devices, which a Peer Review Panel determines are:
1. not of proven benefit for the particular diagnosis or treatment of the covered person's particular condition;
2. not generally recognized by the medical community as effective or appropriate for the particular diagnosis or treatment of the covered person's particular condition; or
3. provided or performed in special settings for research purposes or under a controlled environment or clinical protocol.

Unless otherwise required by law with respect to drugs which have been prescribed for the treatment of a type of cancer for which the drug has not been approved by the United States Food and Drug Administration (FDA), the plan shall not cover any services or supplies, including treatment, procedures, drugs, biological products or medical devices or any hospitalization in connection with experimental or investigational services or supplies. The plan shall not cover any technology or any hospitalization in connection with such technology if such technology is obsolete or ineffective and is not used generally by the medical community for the particular diagnosis or treatment of the covered person's particular condition. Governmental approval of a technology is not necessarily sufficient to render it of proven benefit or appropriate or effective for a particular diagnosis or treatment of the particular condition as explained below.

The **carrier** shall apply the following five (5) criteria in determining whether services or supplies are experimental or investigational:

1. Any medical device, drug, or biological product must have received final approval to market by the FDA for the particular diagnosis or condition. Any other approval granted as an interim step in the FDA regulatory process, e.g., an Investigational Device Exemption or an Investigational New Drug Exemption, is not sufficient. Once FDA approval has been granted for a particular diagnosis or condition, use of the medical device, drug, or biological product for another diagnosis or condition shall require that one or more of the following established reference compendia: (1) the American Medical Association Drug Evaluations; (2) the American Hospital Formulary Service Drug Information; or (3) the United States Pharmacopoeia Drug Information, recognize the usage as appropriate medical treatment. As an alternative to such recognition in one (1) or more of the compendia, the usage of the drug shall be recognized as appropriate if it is recommended by a clinical study and recommended by a review article in a major peer-reviewed professional journal. A medical device, drug, or biological product that meets the above tests shall not be considered experimental or investigational. In any event, any drug which the FDA has determined to be contraindicated for the specific treatment for which the drug has been prescribed shall be considered experimental or investigational.
Definition Continued

2. Conclusive evidence from the published peer-review medical literature must exist that the technology has a definite positive effect on health outcomes; such evidence must include well-designed investigations that have been reproduced by nonaffiliated authoritative sources, with measurable results, backed up by the positive endorsements of national medical bodies or panels regarding scientific efficacy and rationale;

3. Demonstrated evidence as reflected in the published peer-review medical literature must exist that over time the technology leads to improvement in health outcomes, i.e., the beneficial effects outweigh any harmful effects;

4. Proof as reflected in the published peer-reviewed medical literature must exist that the technology is at least as effective in improving health outcomes as established technology, or is usable in appropriate clinical contexts in which established technology is not employable; and

5. Proof as reflected in the published peer-reviewed medical literature must exist that improvements in health outcomes, as defined in paragraph C, are possible in standard conditions of medical practice, outside clinical investigatory settings.

Family coverage means coverage for the member, the member’s spouse under an existing legal marriage, and one (1) or more dependent children.

Family maximum deductible means the total sum of eligible expenses applied toward the deductible for persons covered under a member’s plan.

Family member means you or your spouse, or you or your spouse's child, brother, sister, parent, grandchild or grandparent.

Free-standing Renal Dialysis Facility means a provider other than a hospital which is primarily engaged in providing renal dialysis treatment, maintenance or training to outpatients.

Free-standing surgical facility means a public or private establishment licensed to perform surgery and which has permanent facilities that are equipped and operated primarily for the purpose of performing surgery. It does not provide services or accommodations for patients to stay overnight.

Hazardous duty retiree means a retiree in (a) any position whose principal duties involve active law enforcement, including the positions of probation and parole officer and Commonwealth detective, active fire suppression or prevention, or other positions, including, but not limited to, pilots of the Transportation Cabinet and paramedics and Emergency Medical Technicians, with duties that require frequent exposure to a high degree of danger or peril and also require a high degree of physical conditioning, and (b) positions in the Department of Corrections in state correctional institutions and the Kentucky Correctional Psychiatric Center with duties that regularly and routinely require face-to-face contact with inmates.

Hearing aids means any wearable, non-disposable instrument or device designed to aid or compensate for impaired human hearing and any parts, attachments, or accessories, including ear molds, excluding batteries and cords. In addition, services necessary to assess, select, and appropriately adjust or fit the hearing aid to ensure optimal performance.
Definition Continued

**Home Health Agency** means an agency that provides intermittent skilled nursing and health related services to patients in their homes under a treatment plan prescribed by a physician. The agency must be licensed as a Home Health Agency by the state in which it operates or be certified to participate in Medicare as a Home Health Agency.

**Hospice** means a provider, other than a facility that treats inpatients, which is primarily engaged in providing pain relief, symptom management, and supportive services to terminally ill persons and their families. The facility must be operated in accordance with the laws of the jurisdiction in which it is located.

**Hospital** means an institution which:

1. Maintains permanent full-time facilities for bed care of resident patients;
2. Has a physician and surgeon in regular attendance;
3. Provides continuous 24 hour a day nursing services by, or under the supervision of, registered nurses;
4. Is primarily engaged in providing diagnostic and therapeutic facilities for medical or surgical care of sick or injured persons under the supervision of a staff of fully licensed physicians. No claim for payment of treatment, care, or services shall be denied because a hospital lacks major surgical facilities and is primarily of a rehabilitative nature, if such rehabilitation is specifically for treatment of physical disability;
5. Is legally operated in the jurisdiction where located; and
6. Has surgical facilities on its premises or has a contractual agreement for surgical services with an institution having a valid license to provide such surgical services; or
7. It is a hospital accredited by the Joint Commission on the Accreditation of Healthcare Organizations, the American Osteopathic Association, or the Commission on the Accreditation of Rehabilitative Facilities, or certified by the Kentucky Division of Licensure and Regulation.

**Hospital** does not include an institution which is principally a rest home, skilled nursing facility, convalescent home or home for the aged. **Hospital** does not include a place principally for the treatment of alcoholism, chemical dependence or mental disorders.

**Independent panel** means a separate review agency responsible for Utilization/Case Management determination.

**Informed Care Management Program** means a coordinated system of preventive, diagnostic, and therapeutic measures intended to provide cost-effective, quality healthcare for a patient population who have or are at risk for a specific chronic illness or medical condition.

**Inpatient** means a covered person who is treated as a registered bed patient in a hospital or other institutional provider and for whom a room and board charge is made.
**Definition Continued**

**Kentucky Employees Health Plan** means the group which is composed of eligible *employees* of state agencies, boards of education, local health departments, quasi agencies, the Kentucky Community and Technical College System, *retiree* (as defined in this Section) of the Kentucky Retirement Systems, Kentucky Teachers’ Retirement System, the Legislators Retirement Plan, and the Judicial Retirement Plan, and their eligible *dependents*. This Plan may also be referred to as the Public Employee Health Insurance Program.

**Late applicant** means an *employee* and/or an employee's eligible *dependent* who applies for medical coverage more than 30 days after the eligibility date. An individual shall not be considered a late enrollee if: (a) the person enrolls during his/her initial enrollment period; (b) the person enrolls during any annual open enrollment period; or (c) the person enrolls during a *Special Enrollment period*.

**Maintenance care** means any *service* or activity which seeks to prevent *bodily injury* or *sickness*, prolong life, promote health or prevent deterioration of a *covered person* who has reached the maximum level of improvement or whose condition is resolved or stable.

**Maximum allowable fee** for a *service* means the lesser of:

1. The fee most often charged in the geographical area where the *service* was performed;
2. The fee most often charged by the *provider*;
3. The fee which is recognized as reasonable by a prudent person;
4. The fee determined by comparing charges for similar *services* to a national data base adjusted to the geographical area where the *services* or procedures were performed; or
5. The fee determined by using a national relative value scale. Relative value scale means a methodology that values medical procedures and *services* relative to each other that includes, but is not limited to, a scale in terms of difficulty, work, risk, as well as the material and outside costs of providing the *service*, as adjusted to the geographic area where the *services* or procedures were performed.

**Maximum benefit** means the maximum amount that may be payable for each *covered person*, for *expense incurred*. The applicable *maximum benefit* is shown on the Schedule of Benefits. No further benefits are payable once the *maximum benefit* is reached.

**Medically necessary or medical necessity** means the extent of *services* required to diagnose or treat a *bodily injury* or *sickness* which is known to be safe and effective by the majority of *qualified practitioners* who are licensed to diagnose or treat that *bodily injury* or *sickness*. Such *services* must be:

1. Performed in the least costly setting required by *your* condition;
2. Not provided primarily for the convenience of the patient or the *qualified practitioner*;
3. Appropriate for and consistent with *your* symptoms or diagnosis of the *sickness* or *bodily injury* under treatment;
4. Furnished for an appropriate duration and frequency in accordance with accepted medical practices, and which are appropriate for *your* symptoms, diagnosis, *sickness* or *bodily injury*; and
5. Substantiated by the records and documentation maintained by the provider of service.

**Medicare** means Title XVIII, Parts A and B of the Social Security Act, as enacted or amended.

**Member** means an employee, Retiree, or COBRA participant who is covered by one (1) of the health plans offered by the Kentucky Employees Health Plan.

**Mental disorder** means a mental, nervous, or emotional disease or disorder of any type as classified in the Diagnostic and Statistical Manual of Mental Disorders, regardless of the cause or causes of the disease or disorder.

**Mental health condition** means a condition that manifests symptoms, which are primarily mental or nervous, regardless of any underlying physical cause. A mental health condition includes, but is not limited to, psychoses, neurotic and anxiety disorders, schizophrenic disorders, affective disorders e.g., attention deficit disorder, personality disorders, and psychological or behavioral abnormalities associated with transient or permanent dysfunction of the brain or related neurohormonal systems.

In determining whether or not a particular condition is a mental health condition, the carrier may refer to the current edition of the Diagnostic and Statistical Manual of Mental Conditions (DSM) of the American Psychiatric Association, or the International Classification of Diseases (ICD) manual.

**Morbid obesity** means morbid or clinically severe obesity correlated with a Body Mass Index (BMI) of 40 kg/m2 or with being 100 pounds over ideal body weight.

**Non-PAR provider** means any provider other than a PAR provider.

**Nursing Facility** means a provider, which is primarily engaged in providing skilled, nursing care and related services to an inpatient requiring convalescent and rehabilitative care. Such care must be rendered by or under the supervision of a physician and eligibility for payment is based on care rendered in compliance with Medicare-established guidelines. The facility must be operated in accordance with the laws of the jurisdiction in which it is located. A nursing facility is not, other than incidentally, a place that provides: (a) minimal care, custodial care, ambulatory care, or part-time care services; and (b) Care or treatment of mental health conditions, alcoholism, drug abuse, or pulmonary tuberculosis.

**Out-of-Pocket Limit** means a specified amount of expense incurred by a covered person for covered services in a plan year that exceeds the maximum amount of out-of-pocket expenditures as specified on the schedule of benefits. Any deductible amount, where applicable, will be included in the out-of-pocket maximum. When the out-of-pocket limit is reached, coinsurance ceases for those covered services specified in the schedule of benefits. It does not include any amounts not paid because a maximum benefit limit has been reached, co-payments, or any amount above an eligible expense.

**Outpatient** means a covered person who receives services or supplies while not an inpatient.

**Parent Plus Coverage** means coverage for the member and eligible dependents except the spouse.

**PAR provider** means any provider who has an agreement with the carrier or the carrier’s associated medical groups to provide covered expenses.
Definition Continued

Partial hospitalization means services provided by a hospital or qualified treatment facility in which patients do not reside for a full 24-hour period:

1. For a comprehensive and intensive interdisciplinary psychiatric treatment for minimum of 5 hours a day, 5 days per week;

2. That provides for social, psychological and rehabilitative training programs with a focus on reintegration back into the community and admits children and adolescents who must have a treatment program designed to meet the special needs of that age range; and

3. That has physicians and appropriately licensed mental health and substance abuse practitioners readily available for the emergent and urgent care needs of the patients.

The partial hospitalization program must be accredited by the Joint Commission of the Accreditation of Hospitals or in compliance with an equivalent standard.

Licensed drug abuse rehabilitation programs and alcohol rehabilitation programs accredited by the Joint Commission on the Accreditation of Health Care Organizations or approved by the appropriate state agency are also considered to be partial hospitalization services.

Partial hospitalization does not include services that are for custodial care or day care.

Pay period means the 15th of the month or the last day of the month. This term may also be called semi-monthly billing cycle.

Physician means any Doctor of Medicine or Doctor of Osteopathy who is licensed and legally entitled to practice medicine, perform surgery, and dispense drugs.

Physician assistant means a person who has graduated from a physician assistant or surgeon assistant program accredited by the American Medical Association’s Committee on Allied Health Education and Accreditation or the Commission on Accreditation of Allied Health Education Programs and who has passed the certifying examination administered by the National Commission on Certification of Physician Assistants or who possesses a current physician assistant certificate issued by the board prior to July 15, 1998.

Plan means the health care plan or plans sponsored and maintained by the Kentucky Employees Health Plan with respect to which benefits are provided to covered persons under this certificate.

Plan Delivery System Rules means the specific procedures and/or terminology established by a carrier that must be followed to obtain maximum benefits for covered services under the plan.

Plan Manager means Humana Insurance Company (HIC). The Plan Manager provides services to the Plan Administrator, as defined under the Plan Manager Agreement. The Plan Manager is not the Plan Administrator or the Plan Sponsor.

Plan year means a period of time beginning on the Plan anniversary date of any year and ending on the day before the same date of the succeeding year.

Post-service claim means any claim for a benefit under a group health plan that is not a pre-service claim.
Definition Continued

**Preadmission testing** means only those *outpatient* x-ray and laboratory tests made within seven days before admission as a registered bed patient in a *hospital*. The tests must be for the same *bodily injury* or *sickness* causing the patient to be *hospital* confined. The tests must be accepted by the *hospital* in lieu of like tests made during confinement. *Preadmission testing* does not mean tests for a routine physical check-up.

**Precertification** means the process of assessing the *medical necessity*, appropriateness, or utility of proposed non-emergency *hospital* admissions, surgical procedures, *outpatient* care, and other health care services.

**Predetermination of benefits** means a review by the *Plan Manager* of a qualified practitioner's treatment plan, specific diagnostic and procedure codes and expected charges prior to the rendering of *services*.

**Pre-existing condition** means a physical or mental condition for which *you* have received medical attention (medical attention includes, but is not limited to: *services* or care) during the six month period immediately prior to the *enrollment date* of *your* medical coverage under the Plan. *Pre-existing conditions* are covered after the end of a period of twelve months after the *enrollment date* (first day of coverage or, if there is a *waiting period*, the first day of the *waiting period*).

*Pre-existing condition* limitations will be waived or reduced for *pre-existing conditions* that were satisfied under previous *creditable coverage*.

**Premium** means the periodic charges due which the *member*, or the *member’s* group, must pay to maintain coverage.

**Premium Due Date** means the date on which a *premium* is due to maintain coverage under this *certificate*.

**Pre-service claim** means a *claim* with respect to which the terms of the Plan condition receipt of a Plan benefit, in whole or in part, on approval of the benefit by the *Plan Manager* in advance of obtaining medical care.

**Primary Care Physician** means a network *provider* who is a practitioner specializing in family practice, general practice, internal medicine, or pediatrics who supervises, coordinates and provides initial care and basic medical *services* to a *covered person*, initiates the *covered person's* referral for specialist *services*, and is responsible for maintaining continuity of patient care.

**Protected health information** means individually identifiable health information about a *covered person*, including: (a) patient records, which includes but is not limited to all health records, *physician* and *provider* notes and bills and *claims* with respect to a *covered person*; (b) patient information, which includes patient records and all written and oral information received about a *covered person*; and (c) any other individually identifiable health information about *covered persons*. 
Definition Continued

Provider means a facility or person, including a hospital or physician, which is licensed, where required, to render covered expenses. Providers other than a hospital or physician, including a Doctor of Osteopathy, include, but not limited to:

- Ambulatory Care Facility
- Birthing Center
- Certified Surgical Assistant
- Freestanding Renal Dialysis Facility
- Home Health Agency
- Hospice
- Psychiatric Facility
- Nursing Facility
- Substance Abuse Treatment Facility
- Advanced Registered Nurse Practitioner
- Doctor of Chiropractic
- Doctor of Dental Medicine
- Doctor of Dental Surgery
- Doctor of Optometry
- Doctor of Podiatry
- Doctor of Surgical Chiropody
- Licensed Psychologist
- Licensed Psychological Associate
- Licensed Psychological Practitioner
- Licensed Clinical Social Worker
- Licensed Physical Therapist
- Licensed Practical Nurse
- Licensed Speech Pathologist
- Licensed Speech Therapist
- Licensed Occupational Therapist
- Licensed Pharmacist
- Midwife
- Registered Nurse
- Registered Nurse First Assistant
- Physician Assistant
- Respiratory Therapist
- Certified Psychologist
- Certified Psychological Associate
- Ophthalmic Dispenser

Psychiatric Facility means a provider primarily engaged in providing diagnostic and therapeutic services for the treatment of mental health conditions. The facility must be operated in accordance with the laws of the jurisdiction in which it is located and provide treatment by or under the care of physicians and nursing services whenever the patient is in the facility.

Qualified beneficiary means any individual who, on the day before a COBRA qualifying event, is covered under the plan by virtue of being on that day a covered person, or any child who is born or placed for adoption with a member during a period of COBRA continuation coverage.

Qualified practitioner means a practitioner, professionally licensed by the appropriate state agency to diagnose or treat a bodily injury or sickness, and who provides services within the scope of that license.

Qualified treatment facility means only a facility, institution or clinic duly licensed by the appropriate state agency, and is primarily established and operating within the scope of its license.

Qualifying event means a specific situation or occurrence that enables an eligible person to enroll or disenroll outside the designated enrollment period as a result of that person becoming eligible for or losing eligibility for coverage under this group plan or another group plan. Qualifying events are governed by 26 C.F.R. § 1.125-4 and Prop.Treas. Reg 1.125-2(a). All applications for qualifying events must be signed within 35 days of the qualifying event date.
Definition Continued

**Registered Nurse First Assistant** means a nurse who:
1. Holds a current active registered nurse licensure;
2. Is certified in perioperative nursing; and
3. Has successfully completed and holds a degree or certificate from a recognized program, which shall consist of: (a) the Association of Operating Room Nurses, Inc., Core Curriculum for the registered nurse first assistant; and (b) one (1) year of post basic nursing study, which shall include at least forty-five (45) hours of didactic instruction and 140 hours of clinical internship or its equivalent of two (2) college semesters.

A registered nurse who was certified prior to 1995 by the Certification Board of Perioperative Nursing shall not be required to fulfill the requirements of paragraph (3) of this subsection.

**Rehabilitation Center** means a facility which provides services of non-acute rehabilitation. All services are provided under the direction of a psychiatrist, a medical doctor with a specialty in rehabilitation and physical medicine. The facility is staffed around the clock by registered nurses and it does not provide services of a custodial nature. The facility must be Medicare certified licensed by the State Department of Health as a “special hospital” and accredited by the Joint Commission on Accreditation of Healthcare Organizations. It is also accredited by the Commission on Accreditation of Rehabilitation Facilities.

**Respite Care** means care that is necessary to provide temporary relief from caregiving responsibilities, to support caregivers who are actively involved in providing the care required by a covered person, and whose continuing support is necessary to maintain the individual at home.

**Retiree** means a covered person of a retirement plan administered by the Kentucky Retirement Systems, Kentucky Teachers’ Retirement System, Kentucky Legislators’ Retirement Plan, Kentucky Judicial Retirement Plan or any other state sponsored retirement system, who is under age sixty-five (65) or is age 65 or older and is non Medicare eligible.

**Services** mean procedures, surgeries, exams, consultations, advice, diagnosis, referrals, treatment, tests, supplies, drugs, devices or technologies.

**Sickness** means a disturbance in function or structure of your body which causes physical signs or symptoms and which, if left untreated, will result in a deterioration of the health state of the structure or system(s) of your body. The term also includes: (a) pregnancy; (b) any medical complications or pregnancy; and (c) a covered newborns congenital defects, metabolic diseases or birth abnormalities, including premature birth for which more than routine nursery care is required.

**Single coverage** means coverage for the member only.

**Skilled Nursing Care** means services, supplies, or other care needed for medical conditions that require treatment by skilled medical personnel such as registered nurses or professional therapists. Care must be available twenty-four (24) hours per day, be ordered by a physician, and usually involves a treatment plan designed specifically for each patient.
Definition Continued

*Sound natural tooth* means a tooth that:

1. Is organic and formed by the natural development of the body (not manufactured);
2. Has not been extensively restored;
3. Has not become extensively decayed or involved in periodontal disease; and
4. Is not more susceptible to injury than a whole natural tooth.

*Special enrollment period* means a period of time during which an *eligible person* or *dependent* who loses other health insurance coverage or incurs a change in status may enroll in the plan without being considered a *late enrollee*.

*Spouse* means a person married to the *member* under an existing legal marriage.

*Substance abuse* means an illness resulting from alcoholism or the dependence, addiction or abuse of alcohol, chemicals, or drugs.

*Substance Abuse Treatment Facility* means a *provider* that is primarily engaged in providing detoxification and rehabilitation treatment for *substance abuse*. The facility must be operated and licensed in accordance with the laws of the jurisdiction in which it is located and provide treatment by or under the care of *physicians* and nursing *services* whenever the patient is in the facility.

*Summary Plan Description (SPD)* means the document which lists definitions, benefits, exclusions, and other provisions of coverage under the *Plan*.

*Surgery* means excision or incision of the skin or mucosal tissues, or insertion for exploratory purposes into a natural body opening. This includes insertion of instruments into any body opening, natural or otherwise, done for diagnostic or other therapeutic purposes.

*Telehealth services* means the use of interactive audio, video, or other electronic media to deliver health care. It includes the use of electronic media for diagnosis, consultation, treatment, transfer of medical data, and medical education. A telehealth consultation shall not be reimbursable if it is provided through the use of an audio-only telephone, facsimile machine, or electronic mail.

*Therapy Service* means *services*, supplies, or other care used for the treatment of a *sickness* or *bodily injury* to promote the recovery of the patient. *Therapy services* include, but are not limited to:

1. Physical Therapy – The treatment by physical means, hydrotherapy, heat, or similar modalities, physical agents, biomechanical and neurophysiological principles and devices to relieve pain, restore maximum function, and prevent disability following disease, *bodily injury* or loss of a body part.
2. Respiratory Therapy – Introduction of dry or moist gases into the lungs for treatment purposes.
3. Speech Therapy – The treatment rendered to restore speech loss due to *sickness* or *bodily injury*. 
Definition Continued

4. Cardiac Rehabilitation – Treatment provided to individuals who have suffered a heart attack, have had heart surgery, or have other cardiac problems.

5. Occupational Therapy – The treatment program of prescribed activities coordination and mastery, designed to assist a person to regain independence, particularly in the normal activities of daily living.

Timely applicant means an employee and/or an employee's eligible dependent who applies for medical coverage within 30 days of the eligibility date.

Total disability or totally disabled means:

1. During the first twelve months of disability you or your employed covered spouse are at all times prevented by bodily injury or sickness from performing each and every material duty of your respective job or occupation;

2. After the first twelve months, total disability or totally disabled means that you or your employed covered spouse are at all times prevented by bodily injury or sickness from engaging in any job or occupation for wage or profit for which you or your employed covered spouse are reasonably qualified by education, training or experience;

3. For a non-employed spouse or a child, total disability or totally disabled means the inability to perform the normal activities of a person of similar age and gender.

A totally disabled person also may not engage in any job or occupation for wage or profit.

Urgent care means services, supplies or other care that is appropriate to the treatment of a sickness or injury that is not a life-threatening emergency, but requires prompt medical attention. Urgent care includes the treatment of minor injuries as a result of accidents, the relief or elimination of severe pain, or the moderation of an acute illness.

Urgent care claim means a claim for medical care or treatment with respect to which the application of the time periods for making non-urgent care determinations:

- Could seriously jeopardize the life or health of the claimant or the ability of the claimant to regain maximum function; or

- In the opinion of a physician with knowledge of the claimant’s medical condition, would subject the claimant to severe pain that cannot be adequately managed without the care or treatment that is the subject of the claim.

- Generally, whether a claim is a claim involving urgent care will be determined by the Plan Manager. However, any claim that a physician with knowledge of a claimant's medical condition determines is a “claim involving urgent care” will be treated as a “claim involving urgent care.”

Utilization review means the process of assessing the medical necessity, appropriateness, or utility of hospital admissions, surgical procedures, outpatient care, and other health care services. Utilization review includes precertification and concurrent review.
Definition Continued

*Waiting Period* means the period of time before an individual becomes eligible for coverage under the plan.

*Wellness Program* means educational and clinical services designed to improve a member’s health by promoting healthy behaviors, such as eating well, exercising, and assistance in altering unhealthy behaviors.

*You and your* means you as the employee and any of your covered dependents, unless otherwise indicated.
NOTICE TO ENROLLEES CONCERNING TOBACCO

Under a Federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must generally comply with certain requirements. However, the law also permits state and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is “self-funded” by the employer, rather than provided through a health insurance policy. A group health plan may not discriminate in enrollment rules or in the amount of premiums or contributions it requires an individual to pay based on certain health status-related factors: health status, medical condition (physical and mental illnesses), claims experience, receipt of health care, medical history, genetic information, evidence of insurability, and disability. The sole differentiation among enrollees in the Commonwealth’s Plan relates to the incentive, through a greater employer contribution, offered to enrollees that refrain from the use of tobacco products. No other health-related factors are used to distinguish enrollees.
NOTICE OF PRIVACY PRACTICES (SUMMARY)

THIS NOTICE DESCRIBES HOW YOUR PROTECTED HEALTH INFORMATION MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE READ IT CAREFULLY.

This Notice describes the obligations of the Department of Employee Insurance (DEI) and your legal rights regarding your Protected Health Information (PHI) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Among other things, this Notice describes how your PHI may be used or disclosed to carry out treatment, payment, or health care operations, or for any other purposes that are permitted or required by law. This is a summary of DEI’s Notice of Privacy Practices. For a complete Notice, please go to our web site at www.kehp.ky.gov or call our Member Services Branch at 888-581-8834.

The Kentucky Employees Health Plan (KEHP) is a self-funded governmental plan and, therefore, we are required to provide this Notice of Privacy Practice to you pursuant to HIPAA. DEI is the plan sponsor.

The HIPAA Privacy Rule protects only PHI. Generally, PHI is individually identifiable health information, including demographics information, collected from you or created or received by a health care provider, health care clearing house, or your employer on behalf of a group health plan that relates to: 1) your past, present, or future physical or mental health or condition; 2) the provisions or health care to you; or 3) past, present, or future payment for provisions of health care to you. DEI does not maintain information regarding your specific medical condition but does maintain PHI related to demographic information and other information that is necessary for determining eligibility and enrollment in the KEHP. If you have any questions about this Notice or about our Privacy Practices, please visit http://personnel.ky.gov/benefits/dei/hipaa.htm or contact Department of Employee Insurance, Attn: HIPAA Privacy Officer, 501 High Street, 2nd Floor, Frankfort, Kentucky 40601. The effective date of this Notice is January 1, 2008.

DEI Responsibilities

We are required by law to: 1) maintain the privacy of your PHI; 2) provide you with certain rights with respect to your PHI; 3) provide you with a copy of this Notice of our legal duties and privacy practices with respect to your PHI; and 4) follow the terms of the Notice that is currently in effect. We reserve the right to change the terms of Notice and to make new provisions regarding your PHI that we maintain, or as required by law.

How DEI May Use and Disclose Your Protected Health Information

Under the law, we may use or disclose your PHI under certain circumstance without your permission. The following categories represent the different ways that we may use or disclose your protected health information: 1) For Treatment; 2) For Payment; 3) For Health Care Operations; 4) To Business Associates; 5) As Required by Law; 6) To Avert a Serious Threat to Health or Safety; 7) To Plan Sponsors.
**Special Situations**

In addition to the above, the following categories represent other possible ways we may use and disclose your PHI. 1) organ tissue donation, 2) military and veterans; 3) workers’ compensation; 4) public health risk; 5) health oversight activities; 6) lawsuits and disputes; 7) law enforcement; 8) coroners, medical examiners and intelligence activities; 9) inmates; and 10) research.

**Required Disclosures**

DEI is required to disclose your PHI to you (as a participant) and for Government audits.

**Other Disclosures**

Other disclosures may be made to your personal representatives, spouses and other family members and with written authorization.

**Participant Rights**

A participant has the following rights with respect to their PHI: 1) right to inspect and copy; 2) right to amend; 3) right to an accounting of disclosures; 4) right to request restrictions; 5) right to request confidential communications; and 6) right to a paper copy of this Notice.

**Complaints**

If you believe that your privacy rights have been violated, you may file a complaint with DEI or with the Office of Civil Rights of the United States Department of Health and Human Services. To file a complaint with DEI please visit [http://personnel.ky.gov/benefits/dei/hipaa.htm](http://personnel.ky.gov/benefits/dei/hipaa.htm). All complaints must be in writing. You will not be penalized, or in any other way retaliated against, for filing a complaint with the Office of Civil Right or with DEI.
EXHIBIT A
QUALIFYING EVENTS

This Plan has adopted the following qualifying events (i.e. election changes) as permitted by 26 C.F.R § 1-125-4 and Prop. Treas. Reg. § 1.125-2(a)(1). Please contact your employer or insurance coordinator for additional information concerning this Plan’s qualifying events.

1. **Change in Status**
   Six categories of Change in Status events include:
   • change in employee’s legal marital status;
   • change in number of dependents;
   • change in employment status;
   • dependent satisfies (or ceases to satisfy) dependent eligibility requirements;
   • change in residence; and
   • commencement or termination of adoption proceedings

2. **Cost Changes, With Automatic Increases/Decreases in Elective Contributions**;

3. **Significant Cost Changes**;

4. **Significant Coverage Curtailment**;

5. **Addition or Significant Improvement of Benefit Package Option**;

6. **Change in Coverage Under Other Employer Plan**;

7. **Loss of Group Health Coverage Sponsored by Governmental or Educational Institution**;

8. **HIPAA Special Enrollments**;

9. **COBRA Qualifying Events**;

10. **Judgments, Decrees, or Orders**;

11. **Medicare or Medicaid Entitlement**; and

12. **MLA Leaves of Absence**.

Please note that this Plan also allows for election changes related to USERRA and an employee’s absence for military service.
HEALTH REIMBURSEMENT ACCOUNT (HRA)

GENERAL INFORMATION ABOUT THE PLAN

Commonwealth of Kentucky (the "Employer") has established the Commonwealth of Kentucky Health Reimbursement Account (the “HRA”). The purpose of this HRA is to reimburse Participants for certain unreimbursed medical expenses (“HRA Eligible Medical Expenses”) incurred by the Participant and their Covered Dependents. This HRA is intended to qualify as a self-insured medical reimbursement plan for purposes of Section 105 and 106 of the Internal Revenue Code (“Code”).

ELIGIBLE CLAIMS EXPENSES

Note: This is only a list of examples. The IRS could allow or disallow items depending on facts or circumstances. For a complete listing on non-reimbursed qualified expenses, refer to Internal Revenue Service (IRS) Publication 502. This publication is available at your public library or from the IRS.

Assistance for the Handicapped:

**Allowable Expenses**
- Cost of guide for a blind person
- Cost of note-taker for a deaf child in school
- Cost of Braille books and magazines in excess of cost of regular editions
- Seeing eye dog (cost of buying, training, and maintaining)
- Hearing-trained cat or other animal to assist deaf person (cost of buying, training, and maintaining)
- Household visual alert system for deaf person
- Excess cost of specifically equipping automobile for handicapped person over the cost of ordinary automobile; device for lifting handicapped person into automobile
- Special devices, such as tape recorder and typewriter, for a blind person

Dental and Orthodontic Care:

**Allowable Expenses**
- Dental care
- Artificial teeth/Dentures
- Cost of fluoridation of home water supply advised by dentist
- Braces, orthodontic services

**Specifically Disallowed**
- Teeth bleaching
- Tooth bonding that is not medically necessary

Fees/Services:

**Allowable Expenses**
- Physician’s fees
- Obstetrical expenses
- Hospital services
- Nursing services for care of a specific medical ailment
HRA Continued

- Cost of a nurse’s room and board when nurse’s services qualify
- The Social Security tax paid with respect to wages of a nurse when nurse’s services qualify
- Surgical or diagnostic services
- Legal sterilization
- Cosmetic surgery or procedures that treat a deformity caused by an accident or trauma, disease or an abnormality at birth
- Services of chiropractors and osteopaths
- Anesthesiologist’s fees
- Dermatologist’s fees
- Gynecologist’s fees

Specifically Disallowed

- Cosmetic surgery or procedures that improve the patient’s appearance but do not meaningfully promote the proper function of the body or prevent or treat an illness or a disease
- Payments to domestic help, companion, baby-sitter, chauffeur, etc., who primarily renders services of a non-medical nature
- Nursemaid or practical nurses who render general care for healthy infants
- Fees for exercise, athletic, or health club membership, when there is no specific health reason for membership
- Payments for child care
- Marriage counseling provided by a member of the clergy

Hearing Care:

Allowable Expenses

- Hearing aids
- Batteries for operation of hearing aids

Medical Equipment:

Allowable Expenses

- Wheelchair or automate (cost of operating/maintaining)
- Crutches (purchased or rented)
- Special mattress and plywood boards prescribed to alleviate arthritis
- Oxygen equipment and oxygen used to relieve breathing problems that result from a medical condition
- Artificial limbs
- Support hose (if medically necessary)
- Wigs (where necessary for mental health or individual who loses hair because of disease)
- Excess cost of orthopedic shoes over the cost of ordinary shoes

Specifically Disallowed

- Wigs, when not medically necessary for mental health
- Vacuum cleaner purchased by an individual with dust allergy
HRA Continued

Miscellaneous Charges:

Allowable Expenses

- X-rays
- Expenses of services connected with donating an organ
- Cost of computer storage of medical records
- Cost of special diet, but only if it is medically necessary and only to the extent that costs exceed that of a normal diet
- Transportation expenses primarily for, and essential to, medical care including bus, taxi, train, plane fares, ambulance services, parking fees, and tolls
- Lodging expenses (not provided in a hospital or similar institution) while away from home if all of the following requirements are met:
  - Lodging is primarily for and essential to medical care.
  - Medical care is provided by a doctor in a licensed hospital or in a medical care facility related to, or the equivalent of, a licensed hospital.
  - Lodging is not lavish or extravagant under the circumstances.
  - There is no significant element of personal pleasure, recreation, or vacation in the travel away from home. The amount included in medical expenses cannot exceed $50 for each night for each person. Lodging is included for a person for whom transportation expenses are a medical expense because that person is traveling with the person receiving medical care. For example, if a parent is traveling with a sick child, up to $100 per night is included as a medical expense for lodging (meals are not deductible).
- Amounts paid for meals during inpatient care at hospital or similar institution, if the main reason for being there is to receive medical care

Specifically Disallowed

- Expenses of divorce when doctor or psychiatrist recommends divorce
- Cost of toiletries, cosmetics, and sundry items (e.g., soap, toothbrushes)
- Cost of special foods taken as a substitute for regular diet, when the special diet is not medically necessary or cost is not in excess of a normal diet
- Maternity clothes
- Diaper service
- Distilled water purchased to avoid drinking fluoridated city water supply
- Installation of power steering in an automobile
- Pajamas purchased to wear in hospital
- Mobile telephone used for personal phone calls as well as calls to a physician
- Insurance against loss of income, loss of life, limb or sight
- Union dues for sick benefits for members
- Contributions to state disability funds
- Premiums for insurance coverage including long-term care
- Capital expenditures (i.e. construction costs, elevators, swimming pool, or hot tub)
HRA Continued

Over the Counter (OTC) Medications:

**Allowable Expenses**

**Antiseptics**
- Antiseptic wash or ointment for cuts of scrapes
- Benzocaine swabs
- Boric acid powder
- First aid wipes
- Hydrogen peroxide
- Iodine tincture
- Rubbing alcohol
- Sublimed sulfur powder

**Asthma Medications**
- Bronchodilator / Expectorant tablets
- Bronchial asthma inhalers

**Cold, Flu, and Allergy Medications**
- Allergy medications
- Cold relief syrup
- Cold relief tablets
- Cough Drops
- Cough syrup
- Flu relief tablets or liquid
- Medicated chest rub
- Nasal decongestant inhaler
- Nasal decongestant spray or drops
- Nasal strips to improve congestion
- Saline nose drops
- Sinus and allergy homeopathic nasal spray
- Sinus medications
- Vapor patch cough suppressant

**Diabetes**
- Diabetic lancets
- Diabetic supplies
- Diabetic test strips
- Glucose meter

**Ear / Eye Care**
- Ear water-drying aid
- Ear wax removal drops
- Eye drops
- Homeopathic earache tablets
- Contact lens solutions
- Reading glasses
HRA Continued

Health Aids
- Adhesive or elastic bandages
- Antifungal treatments
- Condoms
- Denture adhesives
- Diuretics and water pills
- Feminine antifungal treatments
- Hemorrhoid relief
- Incontinence supplies
- Lice control
- Medicated bandages
- Motion sickness tablets
- Respiratory stimulant ammonia
- Sleeping aids

Pain Relief
- Arthritis pain reliever
- Cold sore remedy
- Itch relief
- Orajel ®
- Pain relievers, aspirin and non-aspirin
- Throat pain medications

Personal Test Kits
- Blood pressure meter
- Cholesterol tests
- Colorectal cancer screening tests
- Home drug tests
- Ovulation indicators
- Pregnancy tests
- Thermometers

Skin Care
- Acne medications
- Anti-itch lotion
- Bunion and blister treatments
- Cold sore and fever blister medications
- Corn and callus removal medications
- Diaper rash ointment
- Eczema cream
- Medicated bath products
- Wart removal medications
HRA Continued

Stomach Care
- Acid reducers
- Antacid gum
- Antacid liquid
- Antacid tablets
- Anti-diarrhea medications
- Gas prevention food enzyme dietary supplement
- Gas relief drops for infants and children
- Ipecac syrup
- Laxatives
- Pinworm treatment
- Prilosec®
- Upset stomach medications

Specifically Disallowed
- Aromatherapy
- Baby bottles and cups
- Baby oil
- Baby wipes
- Breast enhancement system
- Cosmetics
- Dental floss
- Deodorants
- Facial care
- Feminine care
- Fragrances
- Hair regrowth
- Low carbohydrate foods
- Low calorie foods
- Petroleum jelly
- Shampoo and conditioner
- Skin care products not previously mentioned
- Spa salts
- Tooth brushes

Physicals:

Allowable Expenses
- Routine and preventive physicals
- School and work physicals
HRA Continued

Prescription Drugs:

Allowable Expenses
- Prescription drugs or insulin
- Birth control drugs (prescribed)

Specifically Disallowed
- Vitamins or experimental drugs

Psychiatric Care:

Allowable Expenses
- Services of psychotherapists, psychiatrists, and psychologists
- Psychiatric therapy for sexual problems
- Legal fees directly related to commitment of a mentally ill person

Specifically Disallowed
- Psychoanalysis undertaken to satisfy curriculum requirements of a student

Treatments and Therapies:

Allowable Expenses
- X-ray treatments
- Treatment for alcoholism or drug dependency
- Acupuncture to treat a medical condition
- Vaccinations
- Physical therapy (as a medical treatment)
- Speech therapy
- Smoking cessation programs

Specifically Disallowed
- Physical treatments unrelated to specific health problem (e.g., massage for general well-being)
- Any illegal treatment

Vision Care:

Allowable Expenses
- Optometrist’s or ophthalmologist’s fees
- Eyeglasses
- Contact lenses and cleaning solutions
- LASIK and other surgical procedures

Specifically Disallowed
- Lens replacement insurance
HRA Continued

Dual Use – requires letter from your doctor:

Allowable Expenses

- Foot spa
- Gloves and masks
- Herbs
- Leg or arm braces
- Massagers
- Minerals
- Special supplements
- Special teeth cleaning system
- Sun tanning products
- Vitamins
- Weight loss maintenance programs