



HSA-qualified High-deductible Health Plans

A new way to manage your health care costs

Anthem Blue Cross and Blue Shield brings you



Anthem Blue Cross and Blue Shield is pleased to offer a new series of high-deductible health plans that meet federal guidelines for health savings accounts.

Forging a New Path for Managing Health Care Costs

Recently approved by the U.S. Congress, a health savings account (HSA) is the newest way to help you manage health care costs and save for future qualified medical expenses. It's a tax-exempt savings account that's coupled with an economical HSA-qualified high-deductible health plan (HDHP). It's similar to an individual retirement account (IRA), except that the money in an HSA is used to pay for qualified medical expenses.

Here's how it works:

- You enroll in an HSA-qualified high-deductible health plan.
- You establish an interest-bearing health savings account.
- You and other individuals may make tax-advantaged contributions, up to certain limits, to your HSA.
- Use the HSA to pay for qualified medical expenses for you, your spouse and qualified tax dependents.
- Any unused money carries over to the following year.
- You own the HSA. It continues to grow on a tax-deferred basis.

Guiding You to Savings

With an HSA-qualified HDHP, you gain more control of health care costs. You choose the deductible level for the plan that's right for you. The money you save on premiums by choosing a plan with a higher deductible, which is the amount you pay before your insurance begins, can help you fund your HSA.

Encouraging You to Spend Wisely

The HSA is a new alternative for managing your health care costs that helps you save money to pay for future qualified medical expenses. Contributions, withdrawals to pay for qualified medical expenses and interest earned on contributions can all be tax-free up to the amounts set by federal law. The account is permanent—all money and interest earned belong to you—and you may use your HSA to pay for qualified medical expenses now and after retirement.

Helping You with Support Tools and Resources

While an HSA encourages your involvement in health care spending, you won't be on your own. Anthem's HSA custodian will provide support tools and resources to help you manage your health savings account. And, Anthem offers dedicated customer support and services designed to help you get the most from your HDHP benefits.

HSA Features

- The HSA was created by Title XII of the Medicare Prescription Drug Improvement and Modernization Act of 2003.
- If you are under 65 years of age, you are eligible to contribute to an HSA if you are covered by a qualifying HDHP, not entitled to Medicare, not eligible to be claimed as a dependent on someone else's tax return and do not have other health insurance (except coverage such as dental, vision and disability). If you're over age 65 and not eligible for Medicare, or not enrolled in Medicare Part A or Part B, you're still eligible to establish or contribute to an HSA.
- The law mandates that HSA-qualified HDHP deductibles be at least \$1,000 for individuals and at least \$2,000 for families.*
- Annual contributions may be made up to 100 percent of the HSA-qualified HDHP deductible, limited to \$2,600 for single policies and \$5,150 for family policies.*

HSA-qualified Health Plans for Individuals

- The account can build up over a period of years to help offset future qualified medical expenses.
- You own the HSA.
- Distributions from the HSA for qualified medical expenses are tax-free. All other distributions may be subject to ordinary income tax and a 10 percent penalty.
- Unused funds carry over year to year, similar to an IRA.

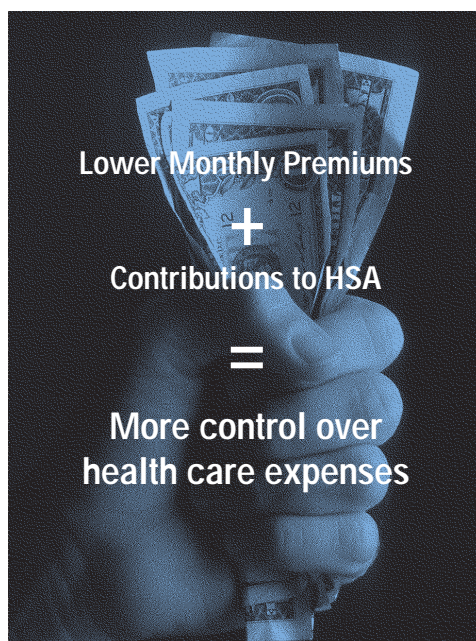
** Based on the 2004 index. Federally mandated minimum/maximum deductibles and contributions are subject to change annually.*

Aligning with Industry Leaders

Anthem Blue Cross and Blue Shield has aligned with JPMorgan Chase Bank to supply health savings accounts for our members. As one of the largest financial institutions in the world, Chase has the capacity to provide all the necessary financial services for HSAs. Chase also offers a Visa® debit card for easy access to the funds in your HSA.

Anthem Blue Cross and Blue Shield is one of the nation's leading health care benefits companies, serving more than 12.6 million members in nine states. You can count on us to provide reliable, affordable solutions such as our HSA-qualified high-deductible health plans.

You'll receive details about setting up an HSA with Chase upon approval of your enrollment in an Anthem HDHP. Or, for more information call Chase toll free at 800-778-0898.



HSA-qualified High-deductible Health Plans

High-deductible health plans are designed to accompany the newest health care innovation—a health savings account. By pairing one of Anthem Blue Cross and Blue Shield's HSA-qualified HDHPs with an HSA, you'll pay lower premiums and have an account designed to help you pay for qualified medical expenses.

Anthem's HSA-qualified plans allow you to select from a variety of deductible and coinsurance options—giving you the flexibility to choose a plan that meets your individual or family health care coverage needs. It's a combination designed to help protect you and your family against catastrophic health care expenses.

Plans to meet your needs—that's just what you'd expect from the company that has provided quality health care benefits for more than 60 years.

HDHP Features

- There are no copayments at the time you receive care.
- Except for certain state-mandated preventive care benefits, you must meet the deductible before you begin receiving coverage.
- Once the deductible is met, benefits are based on coinsurance. Your plan will pay between 80 percent and 100 percent for in-network covered services, depending on the plan you choose.
- Based on your plan design, prescription drug coverage may or may not be included. Some Anthem plans feature an insured drug benefit, while others offer an optional discount drug card.
- Once the out-of-pocket maximum is met, Anthem pays 100 percent for in-network covered services under all HDHPs.

With our HDHPs, please keep in mind that until your deductible is met, your out-of-pocket costs may be higher than with your current health plan. However, your monthly premiums will likely be lower than with plans that feature copayments and lower deductibles. When you pair an Anthem HSA-qualified HDHP with an HSA, you can gain financial security to help manage your health care expenses more affordably over time.

Network Advantages

By selecting Anthem to provide your HDHP, you're choosing a leader in the health care benefits industry. You'll have access to one of the largest networks in Colorado—with nearly 8,500 health care providers and over 60 hospitals throughout the state. You also won't need to submit claim forms when you use network doctors and hospitals, which means less paperwork for you.

Working with in-network providers can offer you:

- Potential cost savings as a result of negotiated rates with Anthem.
- Effective health care coordination.
- Less paperwork hassle.

Our HDHPs also provide out-of-network benefits, allowing you to make your own decisions about your doctor, your care and your costs—when and where you need treatment. However, please keep in mind that your out-of-pocket costs will be lower when you obtain care from in-network providers.

For an up-to-date listing of providers and hospitals in our network, go to **anthem.com** and click on the “Find the Doctor” link.

Anthem Healthy SolutionsSM

No matter which HDHP you choose, you gain access to Anthem Healthy Solutions—innovative programs and services to help you get the most from your health care benefits. The bottom line: With Anthem Healthy Solutions, we strive to improve your health.

Anthem Healthy Solutions includes features designed to keep you informed so you can make smarter health care decisions. This program guides you when you need extra support, targets potentially high-risk medical situations to help you avert future health problems and offers added support when you need it.

- **Anthem.com.** You may take advantage of our many online capabilities, such as:
 - **MyAnthemTM.** This secure online portal allows you to view benefit information, check claims status, order a replacement health plan ID card and more.
 - **SpecialOffers@Anthem.** This discount program offers savings of up to 50 percent on many health-related products and services, such as weight-loss programs, eye-glasses and hearing aids.
 - **MyHealth@Anthem[®].** This complete online resource offers information to help you make better and smarter health care choices.
 - **The Health Care AdvisorTM.** This hospital comparison tool helps you find easy-to-understand information about a health condition or recommended procedure, as well as learn how hospitals in your area measure up in experience and results of care.
- **Disease and care management programs.** For our members who develop serious conditions, such as asthma, congestive heart failure,

coronary artery disease and diabetes, we offer special programs to help them manage their health effectively and get the most from their health care benefits.

Coverage While Traveling

With our HSA-qualified HDHPs, you have access to more than 600,000 providers and 5,900 hospitals nationwide and around the world through our BlueCard[®] program. Your health care benefits travel with you, allowing you to obtain care when and where you need it.

- When you need care while away from home, call 800-810-BLUE toll free to find a BlueCard participating provider.
- Call your physician for advice about appropriate urgent care treatment.
- For emergency care, immediately call 911 or go to the nearest health care facility.
- Contact your physician within 48 hours after receiving services or as soon as reasonably possible so your doctor can coordinate follow-up care.

***For more information,
please contact your broker,
or call Anthem Blue Cross
and Blue Shield's
Individual Sales Department
at 303-831-2290
or 800-873-2261.
For customer service,
call 720-330-6103
or 866-595-9648.***

Choosing the Best Plan for You

Annual Deductible <small>Amount that must be met before coverage begins</small>		Coinsurance <small>Amount plan pays after deductible is met</small>	Annual Out-of-pocket Maximum		Prescription Benefit
Self-only	Family	In-network/ Out-of-network	Self-only	Family	Copayments <small>(generic/brand formulary/brand non-formulary)</small>
\$1,250	\$2,500	100%/80%	\$1,250	\$2,500	\$15/40/60
\$2,000	\$4,000	100%/80%	\$2,000	\$4,000	\$15/40/60
\$2,500	\$5,000	100%/80%	\$2,500	\$5,000	\$15/40/60
\$3,000	\$6,000	100%/80%	\$3,000	\$6,000	\$15/40/60
\$1,250	\$2,500	80%/60%	\$3,250	\$6,500	\$15/40/60
\$2,000	\$4,000	80%/60%	\$4,000	\$8,000	\$15/40/60
\$2,500	\$5,000	80%/60%	\$5,000	\$10,000	\$15/40/60
\$3,000	\$6,000	80%/60%	\$5,000	\$10,000	\$15/40/60
\$4,000	\$8,000	100%/80%	\$4,000	\$8,000	Drug discount card only
\$5,000	\$10,000	100%/80%	\$5,000	\$10,000	Drug discount card only

Apply Today

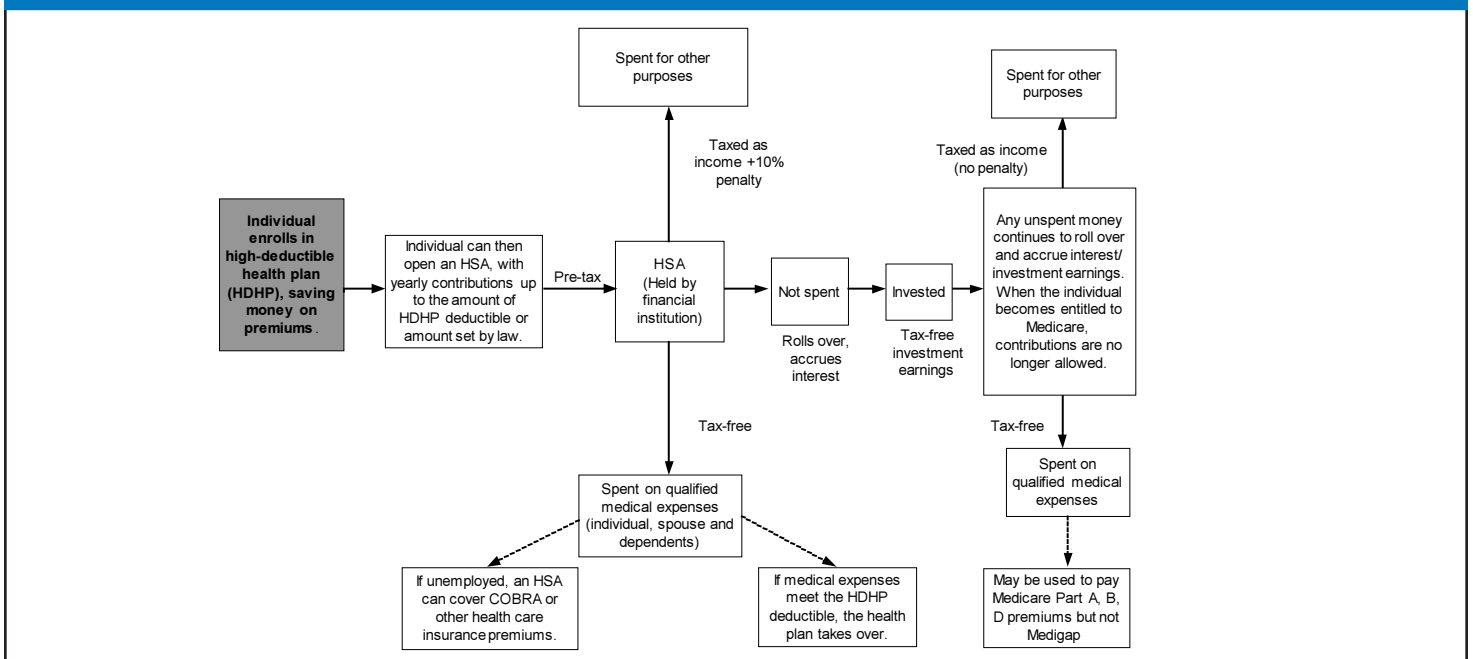
If you're eligible and looking for a flexible plan backed by the strength and security of one of the nation's most-experienced health care benefits companies, an HSA-qualified high-deductible health plan from Anthem Blue Cross and Blue Shield may be the choice for you. To help ensure maximum cost savings, please consider pairing your HDHP with a health savings account.

Applying is easy.

- Complete the health plan application.
- Indicate the plan desired.
- Answer all medical questions and provide details, including your physician's name and phone number.
- Sign and date the application where necessary.
- Mail the application and the first month's premium to your broker or Anthem sales representative.

Upon approval, Anthem will send your health plan ID card and certificate to you, along with information about establishing your health savings account.

How an HSA Works



Important Information About Your Plan

Rate determination

- Rates are based on age, gender, benefit plan, family size and tobacco use.
- When a member reaches an age that requires a rate change to a new age band category, the adjustment will be made the month following the member's birthday.
- The rates for HSA-qualified Health Plans for Individuals are subject to change with 30-day advance written notice.

Guaranteed renewability of all individual health policies

Anthem Blue Cross and Blue Shield will not cancel or refuse to renew any individual policy, except under the following conditions:

- Nonpayment of the required premium
- Fraud or intentional misrepresentation of material fact on the part of the individual
- The commissioner finds that the continuation of the coverage would not be in the best interest of the policyholders, the plan is obsolete, or would impair Anthem's ability to meet its contractual obligations
- Anthem elects to discontinue offering and non-renew all of its individual plans delivered or issued for delivery in Colorado

Limitations and exclusions

To keep HSA-qualified Health Plans affordable, the health plan does not cover some services. The plan includes some limitations and exclusions to protect against duplicate or unnecessary services that could unfairly offset the cost of health care coverage.

Please note the following examples of some of the plan's limitations and exclusions (list not intended to be all inclusive):

- Cosmetic surgery, unless it is required to correct a congenital anomaly, is related to reconstruction of the breast(s) following mastectomy, or is reconstructive surgery resulting from an accidental injury that occurred after the effective date of coverage
- Pregnancy expenses, unless they result from complications of pregnancy
- Blood transfusions (the first three pints of blood per hospital admission are the member's responsibility)

- Benefits provided under any local, state or federal laws, including workers' compensation and Medicare
- Services by a family member
- Dental and orthodontic services
- Hearing aids and ear examinations
- Complications from non-covered services
- Private duty nursing
- Alcohol and substance abuse care
- Coverage for injections, except insulin and syringes used for administration of insulin.
- When an application for an HSA-qualified Health Plan is approved, Anthem will not pay expenses for services related to a pre-existing condition for up to 12 consecutive months after the original membership effective date. See the application for a full explanation.
- Based on medical screening, some conditions may be excluded from coverage for the lifetime of the policy under a rider to the certificate.
- Expenses for artificial conception, biofeedback, convalescent or custodial care, sex change operations, temporomandibular joint therapy, and other specific procedures listed in the certificate.
- Subrogation (third party liability): Except for automobile accidents, benefits will not be provided for any condition or injury resulting from a wrongful act or omission of another party for which that party is or may be legally responsible.
- Pre-certification is required for many procedures, including covered cosmetic surgery, surgery for obesity, inpatient hospice care and organ transplants.

Medical emergency

"Medical emergency" means the sudden and, at the time, unexpected onset of a health condition that requires immediate medical attention, where failure to provide medical attention would result in serious impairment to bodily functions or serious dysfunction of a bodily organ or part, or would place the person's health in serious jeopardy. The plan covers emergency services necessary to screen and stabilize a member without pre-certification if a prudent lay person, having average knowledge of health services and

medicine and acting reasonably, would have believed that an emergency medical condition or life- or limb-threatening emergency existed.

Medically necessary

Claims for services that are not medically necessary may be denied either before or after payment of such services. Benefits are payable only for medically necessary covered services and supplies that are:

- Appropriate and necessary for the symptoms, diagnosis or treatment of the medical condition.
- Provided for the diagnosis or direct care and treatment of the medical condition.
- Within standards of good medical practice in the organized medical community.
- Not primarily for the convenience of the member, the member's physician or another provider.
- The most appropriate supply or level of service that can safely be provided. For hospital stays, this means acute care as an inpatient is necessary due to the kind of services received or the severity of the condition, and that safe and adequate care cannot be received as an outpatient or in a less acute setting.

Network access plan

Anthem Blue Cross and Blue Shield strives to provide an extensive provider network that adequately addresses members' health care needs. The network access plan describes Anthem Blue Cross and Blue Shield's provider network standards for network adequacy in service, access and availability, as an assessment procedures for determining if the network continues to meet member needs. The network access plan is available on request for in-person review at 700 Broadway, Individual Sales Department, Denver, Colorado.

Colorado Health Plan Description Form

Colorado law requires carriers to make available a Colorado Health Plan Description Form, which is intended to facilitate comparison of health plans. The form must be provided automatically within three (3) business days to a potential policyholder who has expressed interest in a particular plan. The carrier also must provide the form, upon oral or written request, within three (3) business days, to any person who is interested in coverage under or who is covered by a health benefit plan of the carrier.

Please refer to the Health Plan Description Form or certificate for complete details on plan limitations and exclusions. If there is a conflict between the limitations and exclusions listed in this brochure and the Health Plan Description Form or certificate, the Health Plan Description Form or certificate will prevail.