The *signs* of a healthier Vermont

Disclosures

Use the Outline of Coverage inside to compare benefits and costs among Plans.

This Outline shows benefits and costs of Plans sold for effective dates on or after January 1, 2012. Plans sold for effective dates prior to January 1, 2012 have different benefits and premiums. Plans E, H, I and J are no longer available for sale.

Subscription Rate Information

Blue Cross and Blue Shield of Vermont can only raise your premium if we raise the premium for all policies like yours in this State.

Read Your Certificate Very Carefully

This is only an Outline describing your Certificate's most important features. The Certificate that you will receive after you enroll is your contract. You must read the Certificate itself to understand all of the rights and duties of both you and your health plan.

Right to Return Policy

If you find that you are not satisfied with your Plan, you may return it to us. If you send the policy back to us within 30 days after you receive it, we will treat the contract as if it had never been issued and return all of your payments.

Policy Replacement

If you are replacing another health insurance Plan, do **not** cancel it until you have actually received your new policy and are sure you want to keep it.

Notice

- This Plan may not fully cover all of your medical costs.
- This Outline of Coverage does not give all the details of Medicare coverage. Contact your local Social Security Office or consult the government publication *Medicare and You* for more details.

Complete Answers are Very Important

Review the application carefully before you sign it. Be certain that all information has been properly recorded.

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

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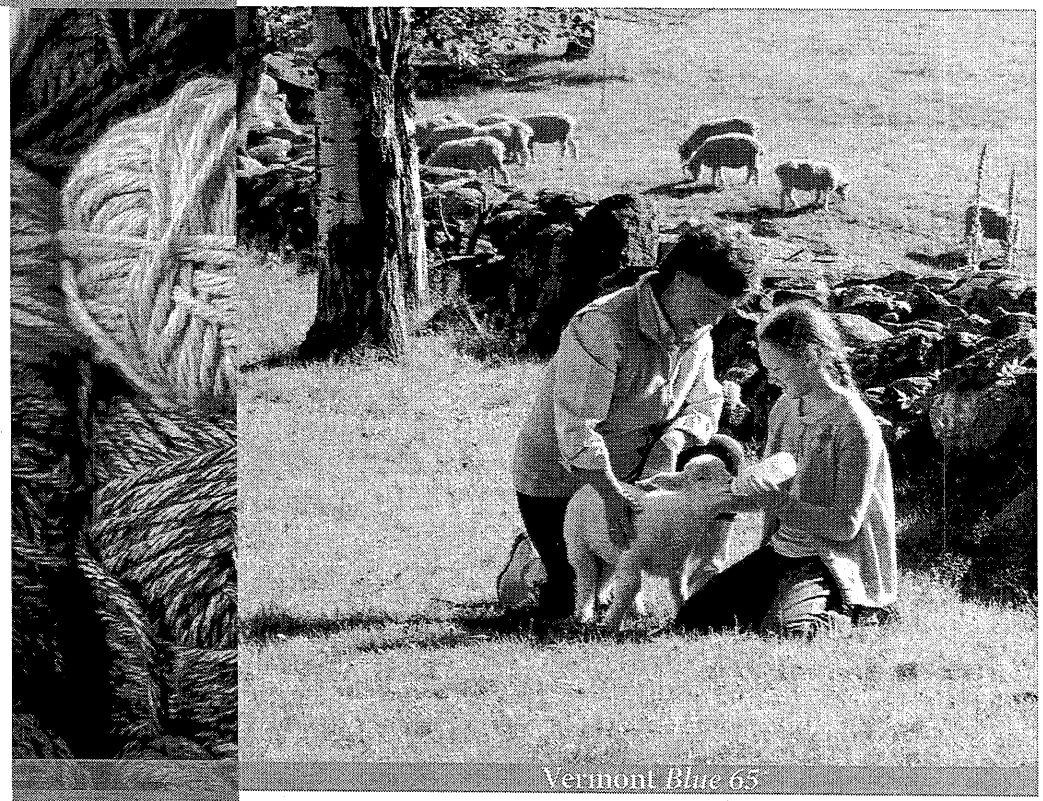

www.bcbsvt.com

Coverage for Vermonters with Medicare

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

The *signs* of a healthier Vermont

Vermont Blue 65℠ Offers Vermonters...

- Attractive rates
- Discounts on health, travel and other supplies
- Special invitations to fun-filled activities and events throughout the state
- Coverage accepted throughout the U.S. and, with some plans, during foreign travel
- Personal attention from our Vermont-based sales and customer service staff
- The peace of mind that comes with membership in Blue Cross and Blue Shield, the most trusted name in health coverage

Three Easy Steps to Quality Health Care After Retirement and Beyond

The following equation shows how Medicare supplemental coverage will work for you:

❶ WHAT IS MEDICARE?

Medicare is a federal health insurance program for U.S. citizens and lawfully admitted aliens who have lived in the United States for at least five years. It covers:

- People age 65 and older
- People younger than age 65 with certain disabilities
- People of all ages with end-stage renal disease or permanent kidney failures

If neither you nor your spouse have paid Medicare taxes for at least 10 years, you will need to pay a monthly premium.

If you are eligible for Part A hospital insurance, either for free or by paying for it, you can also enroll in Medicare medical insurance (Part B) by applying for it through Social Security and paying a monthly premium.

Medicare Has Three Parts

Part A—Hospital Insurance helps you pay for your inpatient care in hospitals. For example, Part A will help cover the cost of a shared hospital room, meals and nursing. Some plans also assist with costs associated with nursing facility care if you meet certain requirements.

Part B—Medical Insurance helps you pay for services that are considered important for the diagnosis or treatment of a medical condition. These include:

- Doctor visits
- Procedures that don't require an overnight hospital stay
- Some preventive care services, such as flu shots

Part D—Prescription Drug Coverage helps you pay for commonly used brand name and generic drugs. It typically doesn't cover over-the-counter medications. Medicare Part D plans are run by private companies approved by Medicare. You must enroll in Medicare Part D through a private carrier and pay a monthly premium. Costs depend on the way you receive the benefit and may include an annual deductible and co-insurance or copayments. You will pay this in addition to your Part B premium.

Example: Vermont Blue 65 Plan C

Medicare (Part B) pays for medical services

SERVICES	MEDICARE PAYS (PER CALENDAR YEAR)	PLAN PAYS (PER CALENDAR YEAR)	YOU PAY (PER CALENDAR YEAR)
MEDICAL EXPENSES In or out of the hospital and outpatient hospital treatment, such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment			
First $140 of Medicare approved amounts	$0	$140 (Part B deductible)	$0
Remainder of Medicare approved amounts	Generally 80%	Generally 20%	$0
Part B excess charges (above Medicare approved amounts)	$0	$0	All costs
BLOOD			
First 3 pints	$0	All costs	$0
Next $140 of Medicare approved amounts	$0	$140 (Part B deductible)	$0
Remainder of Medicare approved amounts	80%	20%	$0
CLINICAL LABORATORY SERVICES			
Blood tests for diagnostic services	100%	$0	$0

Medicare Parts A & B

HOME HEALTH CARE Medicare approved services			
Medically necessary skilled care services and medical supplies	100%	$0	$0
Durable medical equipment First $140 of Medicare approved amounts	$0	$140 (Part B deductible)	$0
Remainder of Medicare approved amounts	80%	20%	$0

Other Benefits—Not Covered by Medicare

FOREIGN TRAVEL (Not Covered By Medicare) Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First $250 each calendar year	$0	$0	$250
Remainder of charges	$0	80% to a lifetime maximum benefit of $50,000	20% and amounts over the $50,000 lifetime maximum

** A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

*** Notice: When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges, and the amount Medicare would have paid.

We Offer Vermont Blue 65 Plans A and C

Example: Vermont Blue 65 Plan C* $199.52 per month

Medicare (Part A) pays for hospital services

SERVICES	MEDICARE PAYS (PER BENEFIT PERIOD)	PLAN PAYS (PER BENEFIT PERIOD)	YOU PAY (PER BENEFIT PERIOD)
HOSPITALIZATION ***** Semi-private room and board, general nursing and miscellaneous services and supplies			
– First 60 days	All but $1,156	$1,156 (Part A deductible)	$0
– 61st thru 90th day	All but $289 a day	$289 a day	$0
– 91st day and after, while using 60 lifetime days	All but $578 a day	$578 a day	$0
– Beyond the additional 365 days	$0	100% of Medicare eligible expenses	$0
SKILLED NURSING FACILITY CARE ** You must meet Medicare's requirements, including having been in a hospital for at least three days and entered a Medicare-approved facility within 30 days after leaving the hospital			
– First 20 days	All approved amounts	$0	$0
– 21st thru 100th day	All but $144.50 a day	Up to $144.50 a day	$0
– 101st day and after	$0	$0	All costs
BLOOD			
First three pints	$0	All costs	$0
Additional amounts	100%	$0	$0
HOSPICE CARE			
You must meet Medicare's requirements, including a doctor's certification of terminal illness	All but very limited co-payment/ coinsurance for outpatient drugs and inpatient respite care	Medicare co-payment/coinsurance	$0

* ***Vermont Blue 65 Plan A: Save Money by Selecting The Benefits Important to You***

Plan C shown above has the richest benefits. You can save money by selecting Plan A, but Plan A ($141.75 per month) does not cover Medicare deductibles, foreign travel or skilled nursing facility care. The money you save monthly may be required later through cost sharing. Consider both your health needs and your cash flow when making your decision.

What is the Cost?

For most individuals, Medicare Part A (hospital insurance) is free. Part B (medical insurance), which you may decline, requires a monthly premium of $99.90. *(2012)*

How Do You Enroll?

For Medicare Parts A and B, call Social Security toll-free at (800) 772-1213 (TTY: (800) 325-0778). You can also set up an appointment at your local Social Security office. You'll need to provide proof of age, such as a birth certificate.

❷ SUPPLEMENTAL POLICIES

The next important component of the equation is a Medicare supplemental policy.

A Medicare supplemental policy is health coverage offered by private companies to fill the gaps in Medicare coverage.

A Medicare supplemental policy provides assistance with costs not paid by Medicare, like coinsurance, co-payments and deductibles. You pay a monthly premium to the private company in addition to your Part B premium, which is usually deducted from your Social Security payment.

Medicare supplemental policies differ based on their coverage.

Vermont Blue 65 is our Medicare supplemental plan which can help you with a worry-free retirement. Please turn the page to look at a chart of the supplemental plans we offer and what's covered in those plans. Call (800) 625-6406, (802) 371-3299 or visit our website at **www.bcbsvt.com**.

❸ PART D DRUG COVERAGE

The final component of the equation is Part D drug coverage. Part D drug coverage is Medicare's prescription drug program and is offered through private companies.

Medicare prescription drug coverage (Part D) is available to everyone with Medicare Part A and/ or Part B. Part D adds drug coverage to original Medicare. It helps to lower prescription drug costs and protect you from higher costs in the future. It covers both brand-name and prescription drugs at participating pharmacies in your area. You should consider joining a plan unless you will already have drug coverage that is at least as good as Medicare Part D prescription drug coverage.

Most people pay a monthly premium for this coverage. To get Medicare drug coverage, you must join a Medicare drug plan. Plans vary in cost and drugs covered. To compare plans go to **www.medicare.gov**.

It is important to investigate your options now. If you wait, you may have to pay more for your coverage later. Blue Cross and Blue Shield of Vermont, in a joint venture with several other New England Blue plans, partners with the federal government to offer Medicare prescription drug coverage, called Blue Medicare RX℠. See our separate brochure, *Blue Medicare RX*, for more information on our product, or visit our website. Our plans are ValuePlus at $55.50 and Premier at $106.60 per month.

Outline of Coverage

All Standard Medicare Supplemental Products

This chart shows the benefits included in each of the standard Medicare supplement plans.
Plans E, H, I and J are no longer available for sale. Every company must make Plan A available.
Some plans may not be available in Vermont. Blue Cross and Blue Shield of Vermont offers Plans A and C.

Monthly Costs	$141.75		$199.52							
A	B	C	D	F	F*	G	K	L	M	N
Basic Benefits, including 100% Part A Coinsurance Part B Coinsurance	Basic Benefits, including 100% Part A Coinsurance Part B Coinsurance	Basic Benefits, including 100% Part A Coinsurance Part B Coinsurance	Basic Benefits, including 100% Part A Coinsurance Part B Coinsurance	Basic Benefits, including 100% Part B Coinsurance Part A Coinsurance		Basic Benefits, including 100% Part A Coinsurance Part B Coinsurance	Hospital and preventive care paid at 100%; other basic benefits paid at 50%	Hospital and preventive care paid at 100%; other basic benefits paid at 75%	Basic benefits, including 100% Part A Coinsurance Part B Coinsurance	$20 co-payment for office visits, $50 co-payment for ER; other basic benefits, including 100% Part A Coinsurance Part B Coinsurance
		Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance		Skilled Nursing Facility Coinsurance	50% Skilled Nursing Facility Coinsurance	75% Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible		Part A Deductible	50% Part A Deductible	75% Part A Deductible	50% Part A Deductible	Part A Deductible
		Part B Deductible		Part B Deductible						
				Part B Excess (100%)		Part B Excess (100%)				
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency		Foreign Travel Emergency			Foreign Travel Emergency	Foreign Travel Emergency
* Plan F also has an option called a High-deductible Plan F. This high-deductible plan pays the same benefits as Plan F after one has paid a calendar year $2,000 deductible. Benefits from High deductible Plan F will not begin until out-of-pocket expenses exceed $2,000. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.							Out-of-pocket limit $4,620; paid at 100% after limit reached	Out-of-pocket limit $2,310; paid at 100% after limit reached		

Basic Benefits

- Hospitalization—Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.
- Medical Expenses—Part B coinsurance (generally 20 percent of Medicare-approved expenses) or co-payments for hospital outpatient services. Plans K, L, M and N require members to pay a portion of Part B coinsurance or co-payments.
- Blood—First three pints of blood each year.
- Hospice—Part A coinsurance.

If you are eligible for Medicare because of a disability, you may only enroll in Vermont Blue 65 during the six-months following the date you become eligible for Medicare. Your coverage takes effect on the first day of the month after we receive your application.

You may not cover dependents under your Vermont Blue 65 supplemental plan. If you convert to Vermont Blue 65 coverage from two-person or family coverage with Blue Cross and Blue Shield of Vermont, you need to maintain separate coverage for your dependents. Please call (800) 625-6406 for more information. If you or your spouse are still employed, you may be eligible for group coverage. Contact your group benefits manager about your options.

Please note that to be eligible for Vermont Blue 65, you must be enrolled under both Parts A and B of Medicare.

Vision Examination Rider

Your Certificate of Coverage *is amended as described in this document. This Rider becomes a part of your Contract and is subject to all its provisions. Please refer to all sections of your Contract, including your* **Outline of Coverage**, *for guidelines on coverage, including out-of-pocket expenses.*

I. Covered Services

We cover one comprehensive vision examination each calendar year. This exam assesses your visual functions to:

- determine if you have any visual problems and/or abnormalities; and
- prescribe any necessary corrective eyewear.

We do not cover the evaluation and fitting of contact lenses or additional supplemental tests as part of this examination.

II. General Provisions

Your vision benefits are administered by Vision Service Plan (VSP). To receive the best benefits for vision care, you must obtain services through a VSP Network Provider. For a list of providers, visit www.vsp.com or call VSP at (800) 877-7195.

We have a different Allowed Price for Out-of-Network Providers than we have for Network Providers. If you decide not to see a VSP Network Provider, you may pay a larger share of the cost. You must pay for your services at the time of your appointment. Follow the instructions below to be reimbursed for out-of-network services.

III. Claim Filing

Your Network Provider will file your claim on your behalf. We will reimburse your Provider directly.

When you use an Out-of-Network Provider, you must pay for your services up front. We reimburse you only up to our Allowed Price for covered services. To receive reimbursement when you visit a non-VSP Provider, sign on to www.vsp.com, select the "Out-of-Network Reimbursement Form" and follow the instructions. Or, you may send an itemized receipt listing the services received along with the patient's name and covered subscriber's name and I.D. number to VSP. Out-of-Network claims must be submitted to VSP within six months of service. Send the original claims reimbursement request and receipts to VSP, P.O. Box 997105, Sacramento, CA 95899-7105.

IV. Exclusions

We do not cover services or supplies for:

- orthoptics, vision training or plano (nonprescription) lenses;
- vision materials (lenses, frames, etc.); and
- any eye examination or corrective eyewear required by an employer as a condition of employment.

Also refer to General Exclusions in your Certificate.

Don C. George
President

BlueCross BlueShield of Vermont

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