

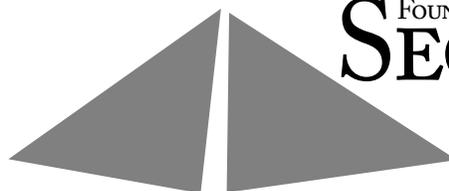


LIMITED BENEFIT HEALTH INDEMNITY INSURANCE PLAN

AFFORDABLE HEALTH CARE COVERAGE THAT MAKES SENSE

CITY OF PLANO

2009 ENROLLMENT GUIDE



FOUNDATION ONE  
SECURITY<sup>SM</sup>



# ELIGIBILITY

## DO I QUALIFY FOR INSURANCE?

All active employees working at least 18 hours per week are eligible to enroll after satisfying the employer-determined waiting period. You may also enroll your eligible dependents.

These include:

- A married spouse.
- Any unmarried natural, adopted or stepchildren up to age 25.
- Any other unmarried child under age 25 for whom you are legally required to provide medical support.
- An unmarried grandchild, under age 25, if such grandchild can be claimed by you as a dependent for federal income tax purposes at the time of enrollment.

A husband and wife working for the same company may be covered only once by enrolling for coverage individually. If there are dependent children, either spouse, but not both, may elect dependent coverage.

**Please note that this coverage may not be appropriate for anyone eligible for Medicaid.**

**Notice of HIPAA Special Enrollment Rights:** If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must request enrollment within 31 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption.

To request special enrollment or obtain more information, contact the person at your company in charge of employee insurance benefits.

**Notice of Availability of HIPAA Privacy Practices:** As required by the HIPAA Privacy Rule of 2003, insurance companies are required to provide plan participants a notice of privacy practices. If you are currently insured under an American Fidelity policy, a copy of this notice was included in your certificate of insurance booklet. However, you may request an additional copy of American Fidelity's privacy practices for any reason, at any time, and without charge. To receive a copy:

- (1) Visit our web site. Go to <http://www.afadvantage.com/legal/hipaa-practices.pdf>.
- (2) Call Web-TPA, toll-free, at 800-953-1942.
- (3) Write to Web-TPA at P.O. Box 99906, Grapevine, TX 76099-9706.

**Notice of Required Benefits:** Your group health plan, as required by the Women's Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses (if covered by the plan), and complications resulting from a mastectomy (including lymph edema). For more information, contact the administrator named on your ID card.

# COVERAGE BEGINS AND ENDS

## WHEN DOES MY INSURANCE START?

Your coverage will take effect on the first of the month following approval of your application and receipt of your first premium, if you are on Active Service. Coverage is not effective on the date of your enrollment and will not become effective if the enrollment process is not complete.

The effective date of coverage for your dependent(s) will be the same as yours, unless dependent coverage is added at a later time. (Refer to Certificate of Insurance booklet for details.) If a dependent is Totally Disabled (confined as a bed patient in a hospital) on the date coverage is to take effect, coverage for such dependent will be delayed until the first of the month following the date such dependent is no longer Totally Disabled.

“Active Service” means that you are doing in the usual manner all of the regular duties of your employment on a scheduled work day, and these duties are being done at one of the places of business where you normally do such duties, or at some location to which your employment sends you.

You will be deemed to be on Active Service on a day which is a scheduled paid vacation day or one during which you are not scheduled to work, only if you would be able to perform in the usual manner all of the regular duties of your employment if it were a scheduled work day and you were actively at work on the last preceding regular work day.



## WHEN DOES MY INSURANCE END?

For you, coverage will end when you no longer qualify as an eligible insured, when your premium payments are discontinued, or when the group plan ends, whichever comes first. Coverage on a dependent ends on the earlier of the date that they no longer meet the definition of a dependent, the date that dependent coverage is terminated, or the date that your coverage terminates.

# PLAN DETAILS

WHAT DISCOUNTS/OPTIONS DOES MY PLAN INCLUDE?

## EYEMED VISION CARE®\*

Network providers offer discounts up to 40% on a wide variety of vision services and products. The network



includes thousands of participating optometrists, ophthalmologists and opticians in private practice, as well as leading retail stores, including LensCrafters® and Pearle Vision®. There are no limits on the number of times you and your family may use the benefits during the year.

## CALLMD™\*

CallMD™ provides enrolled persons access to a nationwide network of medical doctors available for non-emergency medical telephone consultation, and if appropriate, for the prescription of non-narcotic medicines. Each employee (or family) will receive four free consultations (there will be a \$35.00 charge for each consultation thereafter). This can help save you the time and expense of routine doctor's office visits.



## THE KARIS GROUP PATIENT ADVOCACY PROGRAM\*

This service links enrolled employees with negotiating professionals who can help resolve large out-of-pocket medical bills by providing mediation between the patient and provider. The negotiator pursues reasonable options to help resolve outstanding bills by settlement, payment plan, or financial assistance qualification.



## LIFEGUARD SUPPORT™\*

Employees and their immediate families receive free, unlimited 24-hour telephone counseling services. Masters-level counselors are available seven days a week to help with a multitude of issues, including depression, stress, and abuse, in strict confidence. Referrals to local licensed counselors included.



*\* Discount benefits and discounts on professional services are not part of the fully-insured health indemnity benefits provided by American Fidelity Assurance Company, and American Fidelity does not contract for these services. Discounts on professional services are not available where prohibited by law.*



# HEALTH COVERAGE HIGHLIGHTS

## WHAT ARE MY BENEFITS FOR HEALTH CARE COVERAGE?

The following chart illustrates the benefit amounts for health care services (per covered individual) received by you or your covered dependents.

Please note that only those benefits outlined below are covered under this limited benefit plan and that this is not a comprehensive major medical plan.

Limited Benefit Health Indemnity Insurance Underwritten by American Fidelity Assurance Company

SERVICE	
	OUTPATIENT PHYSICIAN OFFICE VISIT BENEFIT
	OUTPATIENT DIAGNOSTIC X-RAY AND LABORATORY BENEFIT
	EMERGENCY ROOM VISIT
	OUTPATIENT PRESCRIPTION DRUG BENEFIT <i>Retail 30-day prescription &amp; Mail order maintenance drug discount benefit</i> Network discounts, available through CVS/Caremark, are not part of the insured benefit.
	SUPPLEMENTAL ACCIDENT BENEFIT For the necessary care and treatment received within 90 days of an accidental injury.
	DAILY IN-HOSPITAL* INDEMNITY BENEFIT Hospital discharge is a break in confinement. <i>Treatment is limited to 10 days per calendar year for mental illness, functional nervous disorders, regardless of cause, alcohol abuse, and/or drug use (unless drugs were taken on the advice of a physician and taken as prescribed). Benefit may be subject to change as required by state law.</i>
	SURGICAL INDEMNITY BENEFIT (Inpatient and Outpatient)
	ANESTHESIA INDEMNITY BENEFIT (Inpatient and Outpatient) Benefit payable only if surgery is covered.

\* The term "Hospital" shall not include any institution used as a place for rehabilitation, rest, the aged, education or training of convalescent patients.

## PLAN PAYS

Up to \$50 per visit, up to 5 visits per calendar year

Up to \$100 per day, up to 3 testing days per calendar year

Covered charges for physician services or diagnostic services received in an emergency room will be paid under the Outpatient Physician Office Visit Benefit and/or the Outpatient Diagnostic X-Ray and Laboratory Benefit, subject to the number of allowed visits or testing days per calendar year

Up to \$20 per prescription, up to 10 prescriptions per calendar year.

100%, up to \$1,000 per Covered Accident

\$500 per day, up to 30 days per confinement

Benefit varies and is stated in the Policy Surgical Schedule.

Examples: *Hiatus Herniotomy: \$1,800*

*Appendectomy: \$960*

*Simple Fracture/Lower Jaw: \$480*

20% of the Surgical Indemnity Benefit amount

ing. Nor shall it include a nursing or convalescent home or an extended care facility for the care

# COVERAGE OPTIONS

CAN I ADD DENTAL INSURANCE TO MY PLAN?

## OPTIONAL DENTAL INSURANCE

BY AMERICAN FIDELITY ASSURANCE COMPANY

Regular dental care may be as important to you as health care. You and your dependents will be eligible to enroll in this quality dental insurance plan. Employee participation in the Health Indemnity plan is required.

The dental plan covers preventative care such as check-ups, x-rays, fluoride treatment and cleanings. Basic care includes fillings, extractions, oral surgery and repairs. Orthodontia is not covered. Major restorative care, such as crown, bridge and denture work are covered after 12 consecutive months on the dental plan.

CALENDAR YEAR DEDUCTIBLE PER PERSON	\$25
PREVENTATIVE / DIAGNOSTIC SERVICES	80%*
BASIC SERVICES	80%*
MAJOR RESTORATIVE SERVICES	50%*
CALENDAR YEAR MAXIMUM PER PERSON	\$500

\* Based on usual and customary charges.



# QUESTIONS AND ANSWERS

## HELPFUL ANSWERS TO YOUR QUESTIONS

### **Am I Guaranteed Coverage In The Plan?**

Yes. You and your eligible dependents are automatically accepted for all Foundation One Security<sup>SM</sup> plans.

### **Can I Sign Up For Coverage At Any Time?**

No. If you do not enroll during your eligibility period, you will be unable to enroll until your employer's next annual benefit enrollment period. You may add dependent coverage when you enroll, during an annual enrollment period, or within 31 days of a family status change.

### **Can I Cancel Coverage At Any Time?**

You can drop coverage at any time, unless deductions are being made through a Cafeteria Plan. The timing of the change must comply with Section 125 guidelines. If you cancel coverage, you will be unable to re-enroll in Foundation One Security<sup>SM</sup> for 24 months following the cancellation date.

### **Can I Go To Any Doctor Or Hospital?**

Yes. There is no restriction of doctors or hospitals under the health indemnity plan.

### **How Do I Get Reimbursed When I Go To A Medical Provider?**

If your provider accepts assignment of benefits, the provider will file a claim for their services and will be paid an amount equal to the benefits included in your plan and as shown in the Schedule of Benefits. If the provider's charge exceeds the plan benefit, the provider will bill you directly for the balance after the plan benefits have been applied to their fee charge. If your provider does not accept assignment of benefits, you will be responsible for paying your health costs at the time of service and for filing a claim under the plan. Since there is no deductible, you receive your benefit right away.

### **What Happens After I Enroll?**

A few weeks after you enroll in the plan, you will receive a personal I.D. card and a certificate of insurance booklet for the insurance benefits.

### **Can I Go To Any Pharmacy?**

Yes; however, the best value will come from the plan benefit being applied against the negotiated-network discounted price at participating pharmacies in the CVS/Caremark nationwide network. There are over 55,000 participating pharmacies across the country.

### **How Does The Prescription Drug Benefit Work?**

The program provides benefits for brand name and generic prescription drugs.

Simply present the health/prescription ID card to a participating pharmacy. The negotiated network discount is first applied towards the cost of the prescription. Then the plan benefit is applied toward the balance. If the plan benefit is less than the cost of the prescription, you must pay the difference. If the plan benefit is more than the network discount price, you will pay nothing. The whole process of applying plan benefits against network discounted prices is automatic at each Network Pharmacy. It's simple, and there are no claim forms to file.

If you choose to go to a pharmacy that is not in the CVS/Caremark network, you must pay for the prescription and file a claim with our third-party administrator.

### **How Do I Enroll For Coverage?**

You may enroll for your benefits when you first become eligible or during one of your employer's annual open enrollment periods. Enrolling for your benefits is as easy as 1, 2, 3.

1. Read through the enrollment material.
2. Complete and sign the enrollment form.
3. Return the completed form to your employer.

# EXCLUSIONS AND LIMITATIONS

*With respect to all of the insured health indemnity and dental insurance benefits provided under this plan, no benefits will be payable as the result of:*

1. Suicide or any attempt thereat, while sane or insane;
2. Any intentionally self-inflicted injury or Sickness;
3. Rest care or rehabilitative care and treatment;
4. Cosmetic surgery or care, or treatment solely for cosmetic purposes, or complications therefrom. This exclusion does not apply to: (a) cosmetic surgery resulting from an accident, if initial treatment of the Covered Person is begun within 12 months of the date of the accident; (b) reconstruction incidental to or following surgery resulting from a covered Accident or Sickness; (c) correction of a congenital defect that results in a functional defect of a covered Dependent child; or (d) with respect to a medically necessary mastectomy: (1) all stages of reconstruction of the breast on which the mastectomy has been performed; (2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and (3) treatment of physical complications for all stages of the mastectomy, including lymphedema;
5. Immunization shots and routine examinations such as: health exams, periodic check-ups, pre-marital exams, and routine physicals;
6. Routine newborn care, including routine nursery charges;
7. Voluntary abortion, except with respect to the insured or covered spouse: (a) where such person's life would be endangered if the fetus were carried to term; or (b) where medical complications have arisen from an abortion;
8. Pregnancy of a dependent child;
9. The treatment of: (a) mental illness; (b) functional or organic nervous disorder, regardless of cause; (c) alcohol abuse; or (d) drug use, unless such drugs were taken on the advice of a physician and taken as prescribed, for more than 10 days in any calendar year, with respect to payment of the Daily In-Hospital Indemnity Benefit;
10. Participation in a riot, civil commotion, civil disobedience, or unlawful assembly. This does not include a loss which occurs while acting in a lawful manner within the scope of authority;
11. Committing, attempting to commit, or taking part in a felony or assault, or engaging in an illegal occupation;
12. Participation in a contest of speed in power driven vehicles, parachuting, parasailing, bungee jumping or hang gliding;
13. Air travel, except: (a) as a fare-paying passenger on a commercial airline on a regularly scheduled route; or (b) as a passenger for transportation only and not as a pilot or crew member;
14. Any Accident occurring while the covered person is intoxicated (where the blood alcohol content meets the legal presumption of intoxication under the law of the state where the accident took place);
15. Sex changes;
16. Experimental treatments or surgery;
17. The reversal of tubal ligation and vasectomies;
18. Artificial insemination, in vitro fertilization and test tube fertilization, including any related testing, medications or physician's services;
19. Treatment of exogenous obesity or weight control;
20. An act of war, whether declared or undeclared, or while performing police duty as a member of any military or naval organization. This exclusion includes Accident sustained or Sickness contracted while in the service of any military, naval or air force of any country engaged in war or an act of war. The Company will refund the pro-rata unearned premium for any such period the covered person is not covered;
21. Accident or sickness arising out of and in the course of any occupation for compensation, wage or profit; or expenses which are payable under Occupational Disease Law or similar law, whether or not application for such benefits has been made; or
22. Air or ground ambulance service.

*In addition to the Exclusions and Limitations outlined above, the following are not covered under the Outpatient Physician Office Visit Benefit and the Outpatient Diagnostic X-Ray and Laboratory Benefit:*

1. Visits made, examinations given, or x-rays or laboratory tests performed as an in-patient while Confined to a Hospital;
2. Routine eye examinations or fitting of glasses;
3. Fitting of hearing aids;
4. Dental examinations or dental care other than expenses resulting from accidental injury; and
5. Benefits which are provided under any other part of this Plan.

# EXCLUSIONS AND LIMITATIONS

*In addition to the Exclusions and Limitations outlined above, the following are not covered under the Outpatient Prescription Drug Benefit:*

1. Drugs and medicines which may be lawfully obtained without a Physician's prescription, except insulin and the formulas necessary for the treatment of phenylketonuria or other heritable diseases;
2. Therapeutic devices or appliances. This includes hypodermic needles, syringes, support garments and other non-medical items;
3. Drugs labeled "Caution – limited by Federal Law to investigational use" or experimental drugs;
4. Drugs, medicines or insulin, in whole or in part, used by or administered to a covered person while confined in a Hospital, rest home, sanatorium, extended care facility, convalescent hospital, nursing home or similar institution;
5. Immunization agents, biological sera, blood or blood plasma; or
6. Contraceptive materials, devices or medications (except oral contraceptives) or infertility medication.

*In addition to the Exclusions and Limitations outlined above, the following expenses are not covered under the Dental Care Benefit:*

1. Class B Expenses, until the covered person has been continuously insured under this dental plan (or the dental plan this plan replaced) for 12 consecutive months;
2. Treatment started before coverage began;
3. Charges for initial installation of dentures or bridgework to replace teeth extracted prior to when coverage began;
4. Replacement of existing dentures or bridgework less than five years old or for replacement because of loss or theft;
5. Charges for orthodontics;
6. Charges for services with respect to congenital malformations (other than for a newborn child of the Insured);
7. Charges for dental care which are covered under any other part of this plan;
8. Charges by anyone other than a Dentist, except for charges for dental prophylaxis performed by a Dental Hygienist, under the supervision and direction of a Dentist;
9. Charges for more than one fluoride treatment, one dental prophylaxis or one bite wing x-ray in a six-month period;
10. Charges for more than one complete mouth x-ray in a two-year period; and
11. Charges which the covered person is not legally required to pay or for charges which would not have been made if no coverage had existed.



Health Indemnity and Dental Insurance Benefits Fully Insured by:



Oklahoma City, Oklahoma

Health Indemnity and Dental Insurance Benefits Administered by:



Grapevine, Texas

NOTE TO EMPLOYER: This brochure is customized for City of Plano's 2009 plan year. Please do not use this brochure for any other plan year. Updated brochures may be obtained by contacting your broker or Foundation One Insurance Services, Ltd.

*This brochure highlights the important features of the proposed group insurance plan. It does not include every benefit, limitation, adjustment, or exclusion provision of the actual contract. The Master Group Policy determines the complete terms of group insurance coverage with regards to dental and health benefits only.*