

BLUE CROSS AND BLUE SHIELD OF TEXAS, INC.*
(herein called "We, Us, Our")

SelecTEMPSM
COMPREHENSIVE MAJOR MEDICAL COVERAGE

REQUIRED OUTLINE OF COVERAGE

I. Read Your Contract Carefully. This Outline of Coverage provides a very brief description of some of the important features of your Contract. This is not the insurance Contract and only the actual Contract provisions will control. The Contract itself sets forth, in detail, the rights and obligations of both you, your Physician or Professional Other Provider and BCBSTX. It is, therefore, important that you **READ YOUR CONTRACT CAREFULLY!**

II. This coverage is designed to provide you with coverage for major hospital, medical, and surgical expenses that you incur for necessary treatment and service rendered as the result of a covered injury or sickness.

Coverage is provided for the benefits outlined in Paragraph III. The benefits described in Paragraph III may be limited by Paragraph IV.

III. Benefits

A. Benefit Period

The Benefit Period begins on the Effective Date of your coverage under this Contract and ends on the expiration date. The length of your SelecTEMP Contract is _____ months.

B. Effective Date

Coverage under this Contract shall begin at 12:01 a.m. on the later of:

1. A future requested Effective Date; or
2. The day after the postmark day affixed by the U.S. Post Office.

If the envelope containing the application is not postmarked by the U. S. Post Office or the postmark is not legible, the Effective Date will be the later of (a) the requested Effective Date, or (b) the date We receive the application.

Coverage will end on the same day of the month as the Effective Date. For example, if you choose a three-month coverage period and you request an effective date of September 5th, the Contract will expire at 11:59 p.m. on December 4th. Note: If coverage begins on the 31st day of the month, it will end on the last day of any shorter month, if applicable. (e.g. January 31st to April 30th).

C. Deductible

The Deductible amount is \$_____ per Participant. The Deductible is subtracted once during the Benefit Period from your total Eligible Expenses.

D. **Precertification**

Precertification is required for all inpatient Hospital Admissions, Extended Care Expense and Home Infusion Therapy. You, your Physician or Professional Other Provider or a family member should call the toll-free telephone number listed on the back of your identification card.

Failure to precertify will result in a \$250 penalty for Hospital Admissions.

E. **Eligible Expense**

After your Deductible is met, your coverage pays 80% of the Allowable Amount for the following Eligible Expenses, subject to other provisions of the Contract. The other 20% of these Eligible Expenses becomes "Coinsurance Amounts" and must be paid by you.

1. Inpatient Hospital Expense

- a. For a precertified Hospital Admission, room and board charges. If you stay in a private room, only the Hospital's average semi-private room rate will be considered for benefits.
- b. Intensive care and coronary care units.
- c. All other usual Hospital services.

2. Medical-Surgical Expense:

- Services of Physicians or Professional Other Providers.
- Physical Medicine Services (therapies) up to a maximum benefit of \$250 per Participant during the Benefit Period.
- Diagnostic x-ray, laboratory procedures and radiation therapy.
- Prescription drugs and medicines (not used in a Hospital), up to a maximum benefit of \$500 for each Participant each Benefit Period.
- Dietary formulas necessary for the treatment of phenylketonuria (PKU) or other heritable diseases.
- Rental of durable medical equipment required for therapeutic use (does not include such items as air conditioners, air purifiers, humidifiers, physical fitness equipment, and whirlpool bath equipment).
- Professional local ground ambulance service or air ambulance service up to a maximum benefit amount of \$500 per Participant during the Benefit Period.
- Anesthetics and administration when performed by someone other than the operating Physician or Professional Other Provider.
- Oxygen and its administration, provided the oxygen is used.
- Blood, including cost of blood, blood plasma and blood plasma expanders, which is not replaced by or for the Participant.
- Prosthetic Appliances required for the alleviation or correction of conditions arising out of Accidental Injury occurring or sickness beginning after the Participant's Effective Date of coverage. This does not include replacements of such devices other than those required by growth to maturity of the Participant.

- Orthopedic braces and crutches.
 - Home Infusion Therapy.
 - Diabetic Equipment and Supplies.
 - Services or supplies received during an outpatient visit to a Hospital.
3. Childhood immunizations are available for Dependent children through 7 years of age at 100% of the Allowable Amount. The Deductible and Coinsurance Amount will not apply.

F. Coinsurance Amounts

When a Participant's "Coinsurance Amounts" for a Benefit Period total \$5,000, the benefit percentage changes to 100% for the remainder of the Benefit Period.

G. Maximum Benefits

The contract maximum of a Participant's benefits is \$1,000,000.

IV. Limitations and Exclusions

The benefits of the Plan are not available for:

- Services or supplies not Medically Necessary for the treatment of a sickness, injury, condition, disease, or bodily malfunction; any Experimental/Investigational services and supplies.
- Any charges more than the Allowable Amount as determined by Us.
- Any services or supplies provided in connection with an occupational sickness or an injury.
- Any services or supplies covered in whole or in part by any laws of the United States, a foreign country, state or political subdivision.
- Charges for services and supplies provided which require Our approval when approval is not given.
- Services or supplies for which you are not required to make payment or for which you are not legally required to pay in the absence of this or any similar coverage, (except treatment of mental illness or mental retardation by a tax supported institution).
- Any services or supplies provided by a person who is related to you by blood or marriage.
- Treatment of injury or sickness as a result of war, any act of war, or while on active or reserve military duty.
- Any charges as a result of suicide or attempted suicide.
- Charges resulting from failure to keep a scheduled visit with a physician or professional other provider, for completion of any insurance forms, or for acquisition of medical records.
- Room and board charges during a Hospital Admission for diagnostic or evaluation procedures unless the tests could not have been done on an outpatient basis.
- Services or supplies provided during a Hospital Admission or an admission in a Facility Other Provider beginning before the patient's effective date; or services or supplies provided after the termination of the Participant's coverage.

- Any services or supplies furnished by a Noncontracting Facility (except that in accident cases, the immediate, initial treatment necessary to stabilize the Participant furnished by any Hospital, including a governmental facility, shall be subject to benefits as provided in the Contract.
- Any services or supplies furnished by a Contracting Facility for which such facility has not been specifically approved to furnish under a written contract or agreement with Us.
- Dietary and nutritional services, except a nutritional assessment program provided in and by a Hospital and approved in advance by Us.
- Custodial Care.
- Routine physical examinations (including a routine Pap smear), diagnostic screening, or immunizations, except mammography screening, childhood immunizations, and certain tests for the detection of prostate cancer as provided in the Contract.
- Services or supplies (except for Medically Necessary diagnostic and/or surgical procedures) for treatment of the jaw bone joints, muscles, or their related structures with appliances or splints, physical therapy, or alteration to eliminate pain or dysfunction.
- Services or supplies provided to correct congenital developmental, or acquired deformities of the jaw bone after a Participant's 19th birthday.
- Any items of *Medical-Surgical Expense* incurred for dental care and treatments, dental surgery, or dental appliances, except as provided in the Contract.
- Cosmetic, reconstructive or plastic surgery unless caused by injury or reconstructive surgery following cancer surgery, or breast reconstruction following mastectomy.
- Eyeglasses, contact lenses, hearing aids, or examinations for the prescription of them; or examinations for detecting visual sharpness or level of hearing, refractive surgery.
- Chemical Dependency.
- Any services or supplies provided for mental or nervous disorders except for Organic Brain Disease as defined in the Contract.
- Medical Social Services; any outpatient family counseling and/or therapy, bereavement counseling, vocational counseling, or Marriage and Family Therapy and/or counseling.
- Treatment of adolescent behavior disorders, including conduct disorders and oppositional disorders.
- Occupational therapy services that do not consist of traditional physical therapy modalities and are not parts of a physical rehabilitation program.
- Travel, whether recommended by a Physician or Professional Other Provider, except ambulance services as provided in the Contract.
- Treatment of obesity or weight, including surgical procedures, even if other health conditions that might be helped by a reduction of obesity or weight.
- Any services or supplies for inpatient allergy testing, or any testing or treatment for environmental sensitivity or clinical ecology, or any treatment not recognized as safe and effective.
- Any services or supplies provided in conjunction with chelation therapy, except treatment of acute metal poisoning.

- Any services or supplies provided for sterilization reversal (male or female), transsexual surgery, sexual dysfunction, in vitro fertilization services, and artificial insemination.
- Routine foot care.
- Any prescription antiseptic or fluoride mouthwashes, mouth rinses, or topical oral solutions or preparation; or any Retin-A or pharmacologically similar topical drugs for Participants age 25 and older.
- Any smoking cessation prescription drug products, including but not limited to, nicotine gum or nicotine patches.
- Any Speech and Hearing Services except for *Extended Care Expense* as provided in the Contract.
- Any service or supply for a Preexisting Condition.
- Any services or supplies for reduction mammoplasty.
- Any services or supplies provided to any Participant for Maternity Care except for Complications of Pregnancy.
- Any services or supplies provided for organ or tissue transplants.
- Services or supplies for acupuncture, videofluoroscopy, intersegmental traction, surface EMGs, manipulation under anesthesia, and muscle testing through computerized kinesiology machines such as Isostation, Digital Myograph and Dynatron.
- Orthodontic or other dental appliances; splints or bandages provided by a Physician in a non-hospital setting or purchased “over-the-counter” for support of strains and sprains; orthopedic shoes that are a separable part of a covered brace, specially ordered, custom-made or built-up shoes, cast shoes, shoe inserts designed to support the arch or effect changes in the foot or foot alignment, arch supports, elastic stockings and garter belts.
- Any services or supplies not specifically defined as an Eligible Expense herein.

PREEXISTING CONDITION EXCLUSION — The benefits of the Plan are not available for any services or supplies for a Preexisting Condition.

V. Renewability

- A. The coverage of any Participant under the Contract will end on the earliest of the following dates:
- The last day of the period for which premiums have been paid;
 - The death of a Participant;
 - On the Contract Date for fraudulent or intentional misrepresentation of a material fact; or
 - The date in which a Participant no longer resides, lives, or works, in an area for which We are authorized to do business, but only if coverage is terminated uniformly without regard to any health-status related factor of the Participant.
 - The date the Benefit Period ends;
 - The date maximum contract benefits are paid;
 - The date your covered dependent children marry or reach age 23 or your disabled covered dependent children are no longer disabled or dependent on you for more than one-half of their support.

- B. If you are Totally Disabled on the expiration date of this Contract coverage for any continuous illness or injury that began while the Contract is in force shall continue until the earliest of (1) the date the Participant is no longer Totally Disabled, (2) payment of maximum Contract benefits; or (3) the end of 90 days.
- C. The Contract cannot be renewed, and is therefore not intended to be a permanent plan. If you need coverage for an additional period of time, you may apply for a second SelecTEMPSM Contract. Any condition which may have existed or occurred under the prior Contract will be a Preexisting Condition under the subsequent Contract and will not be covered under the subsequent Contract.

VI. Premiums

- A. The total premium rate for this Contract is \$_____. Premiums are payable in advance for the term of the Contract. Your payment options are:
 - 1. Single Payment Plan. Available for 1 to 6 month Benefit Periods. The entire premium must be submitted with the application. Required for a 1-month Benefit Period.
 - 2. Monthly Bank Draft. Available for 2 to 6 month Benefits Periods. The first month's premium must be submitted with the application along with a completed Bank Draft Authorization Request Form and a blank check marked "void."
- B. The premium rates for this Contract are based on the sex and age of the each adult, the Deductible amount and Benefit Period selected, place of residence, and the number of family members to be included on the Contract. There are no increases in premium during the Benefit Period. Premiums will be calculated based on the age of each adult and Dependent child(ren) to be included under the Contract.
- C. The Contract does not have a grace period and therefore cannot be reinstated.