



## RENEWAL NOTIFICATION

Summary of Small Group Contract Modifications  
and Operational Impacts of Merger  
for groups renewing January-June 2016

Highmark and Blue Cross of Northeastern Pennsylvania have worked together for decades to bring you the quality health care benefits and services that you and your family have come to rely on. Highmark Inc. and Blue Cross of Northeastern Pennsylvania (BCNEPA) have merged, and Blue Cross of Northeastern Pennsylvania is now operating as Highmark Blue Cross Blue Shield in BCNEPA's 13-county northeastern and north central Pennsylvania region.

The following are contractual and operational changes that will take place as your coverage renews in 2016.

**Contractual changes affect the following group contracts:**

- BlueCare PPO
- BlueCare Custom PPO
- BlueCare Traditional
- BlueCare Qualified High Deductible PPO
- AffordaBlue

### CONTRACTUAL CHANGES - EFFECTIVE UPON RENEWAL

**Definitions:**

- Definitions of Inpatient Non-Hospital Residential Care, Inpatient Non-Hospital Residential Facility and Partial Hospitalization Psychiatric Care Services are being updated to clarify the benefits.
- A definition of Intensive Outpatient Alcohol and/or Drug Abuse Program is being added.

**Description of Benefits:** The Mental Health Care Services and Treatment for Alcohol and/or Drug Abuse and Dependency sections of the Description of Benefits are being modified to clarify the benefits.

**Exclusions:**

- The exclusion regarding dental procedures and oral surgery is updated to include an exception for coverage of orthognathic surgery for the treatment of obstructive sleep apnea.

**Nutritional Counseling:** The 6 visit maximum per benefit period is being removed. The benefit is unlimited.

**Prescription Drug Coverage:** The copayment structure for prescription drugs is updated as follows:

- Tier \$0 is replaced with a \$3 copay for any prescription drugs in this category. There will be more prescription drugs in this category.
- All mail order copayments will be exactly 2 times the retail copayment amounts.

**Qualified High Deductible Plan Deductible and Out-of-Pocket Maximum Administration:**

- In 2015, the entire family deductible must be met collectively before any family member is eligible for covered benefits (except for those services not subject to the deductible) and the entire family out of pocket maximum must be met collectively before services are covered in full.
- Starting January 1, 2016 (and upon renewal) the administration of family deductible and out-of-pocket maximum will change (for preferred/in-network services only) due to new regulations from The Centers for Medicare and Medicaid Services (CMS) and The Department of Labor (DOL).
- The 2016 family deductible and out-of-pocket maximum for in-network services will be administered as follows:
  - If the individual deductible is less than the annual IRS minimum family deductible amount of \$2,600 and the family deductible exceeds the annual IRS minimum family deductible amount of \$2,600, no one family member's contribution toward the family deductible may exceed the IRS minimum family amount of \$2,600.
  - If the individual deductible is more than \$2,600: No one person pays more than the individual amount and no family pays more than the family amount.
  - If the family deductible is less than the IRS minimum family deductible amount of \$2,600, the per person amount is the same as the group family deductible amount. One person can pay more than the individual amount but no family pays more than the family amount.
  - If the family out-of-pocket maximum exceeds the annual IRS maximum individual out-of-pocket amount of \$6,550, no one family member's contribution toward the family out-of-pocket maximum may exceed the IRS maximum individual amount of \$6,550.
  - If the family out-of-pocket maximum is less than the annual IRS maximum individual out-of-pocket amount of \$6,550, the per person amount is the same as the group family out-of-pocket amount. One person can pay more than the individual amount but no family pays more than the family amount.



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### OPERATIONAL CHANGES - EFFECTIVE UPON 2016 RENEWAL

#### **BlueCare Senior:**

- Highmark does not offer a Medicare Complimentary plan to small (2-50) employer groups. Effective upon your 2016 renewal, if you offer BlueCare Senior coverage it will be cancelled.
- All affected members will be provided with information on alternative coverage available from Highmark. All members will receive a conversion offer with information on the Medigap Blue plans that are available to them on a guaranteed issue basis.
- Members who may live in Highmark's service area will be provided with information on Highmark's Medicare Advantage and Medicare Prescription Drug plans.
- Actively working employees and their dependents may also consider enrolling in your current health insurance coverage.

**Medical Policy:** The Highmark medical policy will be used. Please note that over time, BCNEPA has made an effort to align medical policies with those of Highmark wherever possible.

#### **Prescription Drug Formulary:**

- There will be differences in the network of pharmacy providers and specialty pharmacy providers that are available.
- Certain, existing medications may have previous prior authorizations transferred to Highmark. Other medications may now require a prior authorization before coverage is granted.
- There may be copayment differences for certain medications depending on the tier placement of the medication on the Highmark formulary. Medications may cost more or less depending on the Highmark plan chosen and drug formulary placement.

**Provider Networks:** These 2016 plans (BlueCare PPO, BlueCare Qualified High Deductible PPO, and BlueCare Traditional) will use the:

- Highmark Blue Shield facility network (which includes the First Priority Life facility providers) and
- PremierBlue Shield professional physician network

The provider networks for customers who currently have BlueCare Custom PPO and AffordaBlue will not change in 2016.

*This summary is provided to you as an advance notice only. You will receive complete contract amendments or a new policy following your annual renewal. Please contact your client manager for more information.*

*The information in this renewal is for plans offered through First Priority Life Insurance Company® which is a licensed affiliate of Highmark Blue Cross Blue Shield.*