



LEARN

# Your guide to health insurance

How to choose the best plan for you and your family

Independence 

# Table of Contents

Understanding health insurance .....	1
Health care law and you .....	2
Health insurance basics .....	4
Why health insurance is important	
How health insurance works	
Types of health plans .....	5
PPO	
PPO Reserve with an HSA	
HMO	
HMO Proactive with a tiered network	
Choose your level of coverage: platinum, gold, silver, or bronze.....	8
Your health plan options for 2015	
Valuable extras to help you get healthy .....	10
Create and track your wellness goals online	
Stay motivated with discounts and reimbursements	
Get personal support	
How to choose and apply for a health plan.....	11
How to choose a plan	
Information you'll need to apply for a plan	
Glossary .....	13

# Understanding health insurance

Health insurance can be tough to understand, but it's an important decision that affects you and your family. How do you pick the right health plan? Do you qualify for financial help? How do you apply?

Independence Blue Cross is here to help you get the facts you need to make the right choice. For more than 75 years, we've provided the best in quality, reliability, and service to the greater Philadelphia region. We're dedicated to improving the health and wellness of the communities we serve in Philadelphia, Montgomery, Bucks, Delaware, and Chester counties. With an expansive network of more than 44,500 doctors and 160 hospitals to choose from, care is never far away.

Trust your health coverage to Independence Blue Cross so that you can stop worrying about health care and start living your life.



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#1 preferred brand  
in the region











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# Health care law and you

Now that the Affordable Care Act requires you and your family to have health insurance, there are several important things you should know. The good news is that this basic fact isn't changing: health insurance is one of the most important things you can have. It pays for services that help you stay healthy and covers the cost of health care when you're sick or injured.

Here's what you need to know:

- **You are required to have health insurance.** If you do not have the option of purchasing health insurance through an employer, you are required to purchase insurance on your own. If you choose not to purchase health insurance, you will have to pay a penalty to the government unless you meet certain requirements (visit [www.healthcare.gov](http://www.healthcare.gov) for more information on penalties).
- **Tax credits, or subsidies, are available to help people pay for insurance.** Depending on how much money you make and how many people are in your family, you may qualify for:
  - Free health insurance through Medicaid
  - Lower monthly rates and costs when you receive care
  - Lower monthly rates
- **Health plans include 10 core benefits, known as essential health benefits.**
- **Health plans are organized by platinum, gold, silver, and bronze metal categories.** To make it easier for you to compare plans across companies, the federal government created four levels of coverage — platinum, gold, silver, and bronze. Platinum health plans will cost you the most each month, but your out-of-pocket costs each time you need care will probably be lower. Bronze health plans will have the lowest monthly costs but will likely have higher out-of-pocket costs when you use services.
- **Catastrophic health plans are available for some people.** You may be eligible for a catastrophic plan if you are under age 30 or qualify for an exemption, including extreme financial hardship or cancellation of your current plan because it does not comply with the health care law. Catastrophic plans include the 10 essential health benefits and are good plans for people who need "just in case" coverage.

Essential Health Benefit	Example
 Preventive, wellness and disease management services	Yearly physical, flu shot, gynecological exam, birth control
 Emergency care	Treatment for broken bones, heart attacks, and more at a hospital emergency room
 Ambulatory services	Minor surgeries, blood tests, X-rays
 Hospitalization	Treatment at a hospital for a condition that requires you to stay overnight or multiple days
 Maternity and newborn services	Care through the course of a pregnancy, delivery of the baby, and checkups after the baby is born
 Pediatric services, including dental and vision	Well visits, shots to prevent serious health conditions, teeth cleanings, braces, exams, glasses, and contact lenses
 Prescription drugs	High blood pressure medicine, insulin, antibiotics, birth control pills
 Laboratory services	Blood tests
 Mental health and substance abuse services, including behavioral health treatment	Treatment for conditions like depression, alcohol abuse, and drug abuse
 Rehabilitation and habilitation services	Physical therapy, speech therapy, occupational therapy

# Health insurance basics

## Why health insurance is important

Health insurance can help protect you from the potentially devastating personal and financial cost of illness and injury. Without health insurance, an ear infection can cost more than \$100 to treat, a broken leg can cost over \$5,000, and a heart attack can cost more than \$70,000.\*

Health insurance is important because it helps you protect your health and well-being, primarily through its coverage of preventive care services. It also limits your risk of paying for very expensive illnesses and injuries by covering other services, such as hospitalization and surgery.

## How health insurance works

You choose a plan based on the cost of the plan and services it covers. For most plans, you will pay a fixed amount each month, known as a premium or monthly rate. In addition to your premium, you may also pay each time you receive care from a doctor or hospital, have a prescription filled, or get some type of medical care. These payments are often called cost-sharing, or out-of-pocket costs, and come in the following types:

**Deductible** — The amount you pay each year before your health plan starts paying for covered services. For example, if your plan has a \$1,000 deductible, you will need to pay the first \$1,000 of the costs for the health care services you receive. Once you have paid this amount, your insurance will begin to pay a portion or all of your health care costs, depending on the health plan.

**Copay** — The flat fee you pay when you see a doctor or receive other services. For example, \$20 to see a doctor.

**Coinsurance** — The percentage you pay for some covered services. If your coinsurance is 20 percent, your health insurance company will pay 80 percent of the cost of covered services; you will pay the remaining 20 percent (your costs are usually based on a discounted amount negotiated by your insurance company).

**Out-of-pocket maximum** — No matter what, you will not pay more than this amount each year. Any in-network care for covered services you get after you meet your out-of-pocket maximum will be covered 100 percent by your health plan.

\*Source: FAIR Health.

# Types of health plans

There are several types of health plans that you can choose from – PPO, PPO Reserve with an HSA, HMO, and HMO Proactive with a tiered network. Each plan works a little differently and is associated with a group of doctors, hospitals, and other health care providers. This group is called a network, and we negotiate with these doctors and hospitals to get you discounts on the health care services you need.

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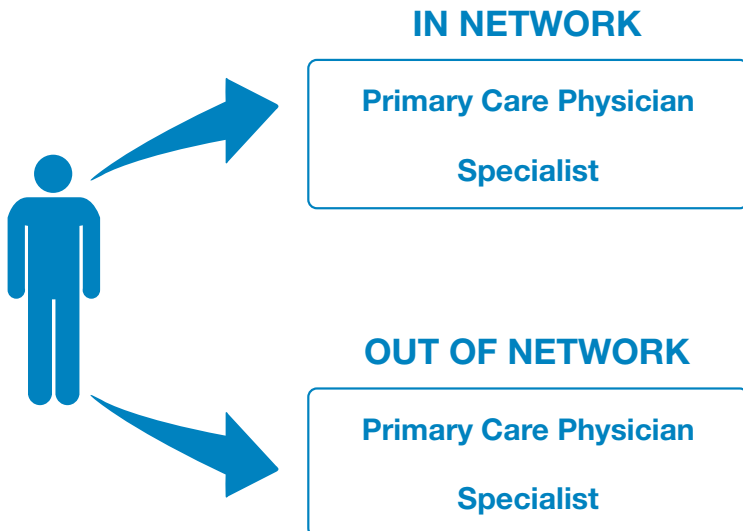
Find out which networks  
your doctors and  
hospitals are in.  
[ibx4you.com/answers](https://ibx4you.com/answers)  
**1-866-346-2081**

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## PPO

PPO stands for preferred provider organization. With a PPO plan, you can choose to see any doctor or hospital you want. You'll pay less when you visit doctors and hospitals in the PPO network, and more if you choose to see doctors and hospitals out of network. You don't need to get referrals, which means you can see any specialist you want without permission from a primary care physician, or family doctor.

### How a PPO plan works



In our PPO product portfolio, Bronze Basic and Catastrophic plans do not have out-of-network coverage, except emergency care services.

## PPO Reserve with an HSA

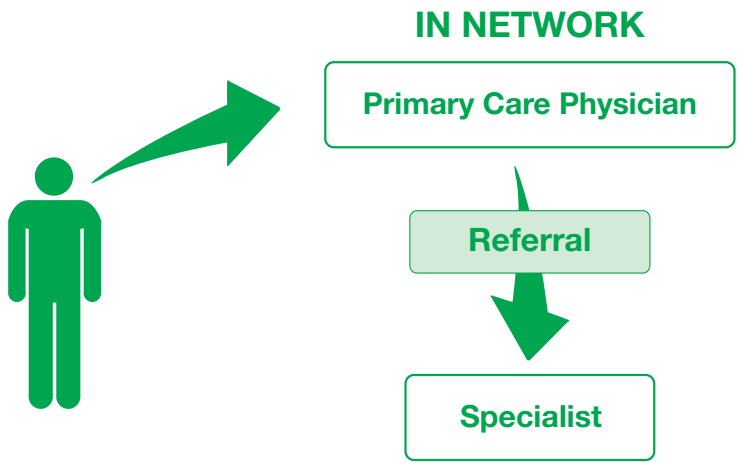
Our PPO Reserve plan gives you the option of opening a health savings account (HSA), a bank account that helps you save money for health expenses. You save money by paying lower monthly premiums for this plan, then you can contribute to a tax-advantaged HSA. You don't have to pay taxes on the money you take out for qualified medical expenses or any money you earn on the account. The IRS determines what qualifies as a health expense, which includes your out-of-pocket costs (copays, deductibles, coinsurance), along with some services not covered by a health plan, such as LASIK surgery.

## HMO

HMO stands for health maintenance organization. With an HMO, you can see any doctors or hospitals in the HMO network, but you aren't covered for care you receive outside the HMO network (except for emergency care).

You will need to pick a primary care physician, or family doctor, to coordinate your care. Your primary care physician will treat you for general health needs and refer you to specialists as needed. For example, if you need to see a heart doctor (cardiologist), your primary care physician will need to give you a referral first.

### How an HMO plan works

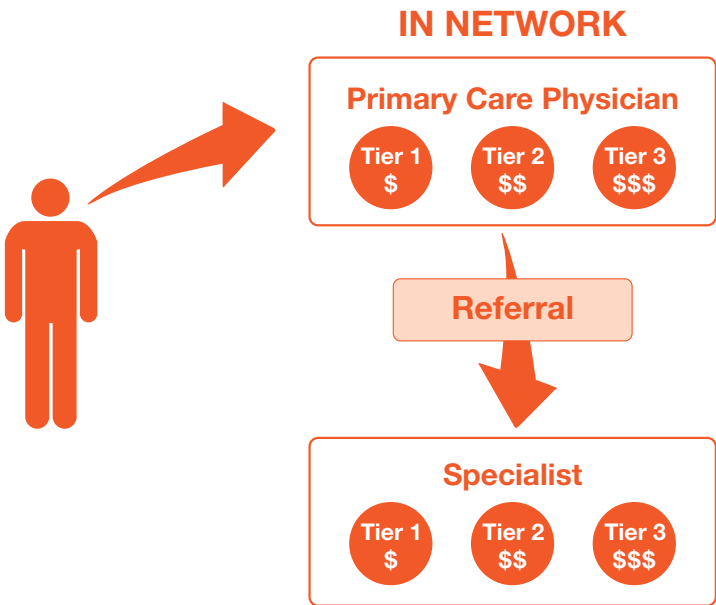




# HMO Proactive with a tiered network

If you're looking for a more affordable plan, then HMO Proactive with a tiered network may be right for you. Just like a regular HMO plan, you must visit in-network providers and select a primary care physician who refers you to specialists when needed. But, you can save on your monthly premium and also save on cost-sharing (out-of-pocket costs) when you visit certain doctors and hospitals. We've grouped our HMO network into three benefit tiers, using cost and in many cases, quality measures. This means that you can pay less out of pocket when you visit providers in Tier 1 and Tier 2.

## How HMO Proactive with a tiered network works



Learn more about each plan type in the *2015 Health Insurance Plans* brochure.

# Choose your level of coverage: platinum, gold, silver, or bronze

All health plans are categorized by the level of coverage they offer – platinum, gold, silver, or bronze. The only exception is catastrophic plans which will be available for people under age 30 or those who qualify for an exemption. Plans will be assigned one of the metal categories based on how much of the cost of health care services is covered by the health insurance company.

The metal categories will make it easier for you to compare plans among health insurance companies. All plans will cover the essential health benefits like doctor visits, prescription drugs, X-rays, and hospital stays. The major differences will be in what you pay when you need these services and the monthly cost of the plan.

				
	Platinum	Gold	Silver	Bronze
Monthly cost	\$\$\$\$	\$\$\$	\$\$	\$
Cost when you get care	\$	\$\$	\$\$\$	\$\$\$\$
Good option if you...	plan to use a lot of health care services	want to save on monthly rates while keeping your out-of-pocket costs low	need to balance your monthly rate with your out-of-pocket costs	don't plan to use a lot of health care services

As you can see, bronze health plans will have the lowest monthly costs but will likely have higher out-of-pocket costs when you get care. Platinum health plans will cost you the most each month, but your costs each time you need care will probably be lower. The gold and silver plans will fall somewhere in the middle.

## Your health plan options for 2015

We have several health plans available for you to choose from. Here's a quick look at the types of plans we offer in each category.

	Platinum	Gold	Silver	Bronze	Catastrophic
PPO	✓	✓	✓	✓	✓
PPO Reserve with an HSA				✓	
HMO	✓	✓	✓	✓	
HMO Proactive with a tiered network		✓	✓		

### Catastrophic plan

A catastrophic plan, which emphasizes coverage for hospitalization or serious illness, may be an option if you are under age 30 or qualify for an exemption, including extreme financial hardship or cancellation of your current plan because it does not comply with the health care law. This type of plan includes the ten essential health benefits but will have a high deductible and a lower monthly rate than the platinum, gold, silver, or bronze plans.

### Additional benefits

All medical plans will provide comprehensive coverage for prescription drug and pediatric dental and vision services. Pediatric dental and vision services include coverage for enrolled individuals up to age 19. If you need a plan that offers dental and vision coverage for adults, check out the PPO Platinum Complete plan. You can also purchase our standalone dental and vision plans and add them to any of our other health plans. For more information, review the Specialty Services brochure, or visit [ibx4you.com/specialtyservices](http://ibx4you.com/specialtyservices).

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**Need dental or vision coverage? Review the Specialty Services brochure to learn about our standalone plans.**

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# Valuable extras to help you get healthy

All of our plans include online tools, discounts and reimbursements, and coaching to help you reach your personal health goals – whether you're healthy now or trying to get there.

## Create and track your wellness goals online

It's easy to get on the road to good health with WebMD® tools. Once you become a member, simply create an account on [ibxpress.com](http://ibxpress.com) to get started.

- Keep your medical history secure, organized, and all in one place.
- Get a clear picture of your current health and a plan for the future.
- Set healthy goals and track your progress.



## Stay motivated with discounts and reimbursements

Even the most determined people can use a little extra motivation to get healthy. That's why we offer you wellness discounts and reimbursements to make it easier on your wallet and keep you moving toward good health.

- Get \$150 back on your fitness membership, approved weight loss program, and programs to help you quit tobacco
- Plus, save money on fitness gear, wellness products, gym memberships, and more

## Get personal support

You get access to a Personal Health Advocate who can help you with questions about your health care and benefits, from locating eldercare to finding doctors and scheduling appointments. And when you need help with a chronic condition or health-related concern, you can contact a registered nurse Health Coach who can answer your questions and even help you coordinate care. Both Health Advocates and Health Coaches are available 24/7 and are free with your membership.

These are value-added programs and services. They are not benefits under the health care plan that you purchased and are therefore subject to change without notice.

WebMD is an independent company offering online health information and wellness education to Independence Blue Cross members.

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Get your health info  
on the go.

Download the IBX  
app for Apple and  
Android smartphones.

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# How to choose and apply for a health plan



Now that you have a better understanding of the Affordable Care Act and the types of health insurance available to you, it's time to find the best health plan for you.

## How to choose a health plan

Enclosed you'll find a *2015 Health Insurance Plans* booklet that lists all of our plan options. When you visit [ibx4you.com/answers](http://ibx4you.com/answers), it's easier than ever to find the best plan for you. Our guided online shopping experience will help you compare plans, monthly rates, and out-of-pocket costs. By answering just a few simple questions, you can see the plans that are the best match and lowest cost. And, you no longer have to guess how much your plan will cost. We can show you your estimated monthly premiums and cost-sharing based on the information you provide us.

To help you make a decision, here's a list of questions you may want to think about as you compare plans:

- Do I tend to use a lot of health care services?
- Do I qualify for a tax credit or subsidy from the government?
- How much will I pay every month in premiums (monthly rate)?
- How much can I afford to pay out of pocket (copays, deductibles, or coinsurance)?
- Which networks are my doctors and hospitals in?
- Are my doctors and hospitals in Tier 1 – Preferred (if choosing Keystone HMO Proactive)?

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### Questions?

[ibx4you.com/answers](http://ibx4you.com/answers)  
**1-866-346-2081**

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## Information you'll need to apply for a plan

Once you've chosen a plan, it's easy to apply. Here's a list of what you'll need:



- ☐ Social Security Numbers
- ☐ Immigration information, if applicable (Lawful Permanent Resident/Green Card documentation)
- ☐ Address information
- ☐ Birth dates
- ☐ Email address\* (needed for primary applicant only)
- ☐ Information on tobacco use
- ☐ Income information (paystubs or W-2 Forms, Wage and Tax Statements)
- ☐ Employer information including employer name, address, and phone numbers
- ☐ Policy numbers for any health insurance plan you currently have
- ☐ Information from your employer about any job-related health insurance available
- ☐ Office name and ID number for your primary care physician (PCP) if choosing an HMO plan (visit [ibx4you.com/providerfinder](https://ibx4you.com/providerfinder) to find a PCP)
- ☐ Health care needs (estimate of the number of times you visit a doctor, get prescriptions filled, and any planned surgeries or hospital stays)
- ☐ Budget (set a budget of how much you can comfortably spend on your health plan)

\* Whether you're applying online or by phone, you'll need to have an email address for registration. There are many free email services available, such as [www.gmail.com](https://www.gmail.com) and [www.mail.yahoo.com](https://www.mail.yahoo.com). If you prefer not to create an email address, paper applications are available by request. You can request a paper application by calling 1-888-475-6206.

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Apply for a plan  
[ibx4you.com/applynow](https://ibx4you.com/applynow)  
1-866-346-2081

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# Glossary

**Cost-sharing** – Also known as out-of-pocket costs, this is the money you pay when you receive care in the form of a copay, deductible, or coinsurance. This is separate from the monthly premium you pay to be a member of the health plan.

**In network** – The doctors, hospitals, labs, and other health care providers who contract with a health insurance company to deliver services to members. They usually charge discounted rates for their services. To keep it simple, we'll just refer to them as doctors and hospitals throughout this brochure.

**Out of network** – Doctors, hospitals, labs, and other health care providers who do not have a contract with a health insurance company. Members typically pay more for services from out-of-network providers. Some health plans may not cover services from out-of-network providers (e.g., HMO plans).

**Premium** – Also known as a monthly rate, this is the money you pay to your insurance company each month to pay your share of the plan's costs. This is separate from the copays, deductibles, and coinsurance you pay when you need care.

**Preventive care** – Services that help you stay healthy and may also detect some diseases in the early stages. Examples include flu shots, mammograms, and cholesterol tests.

**Primary care physician** – This is just another term for your family doctor.

**Referral** – If you have an HMO plan, your family doctor (or primary care physician) will need to write you a referral before you see other network providers, such as a heart doctor (cardiologist).

**Specialist** – A specialist provides care for certain conditions in addition to the treatment provided by your family doctor (primary care physician). For example, you may need to see an allergist for allergies or an orthopedic surgeon for a knee injury.

**Subsidy** – Financial help from the government (also known as a tax credit) to pay for some or all of your health insurance expenses.



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