

**AMERIHEALTH INSURANCE COMPANY OF NEW JERSEY**  
**HIGH DEDUCTIBLE HEALTH PLANS**  
**DECLARATION OF UNDERSTANDING**

This declaration is issued pursuant to Section 18 of PL 2005, c 248, as it pertains to high deductible health plans for which qualified medical expenses are paid using health savings accounts (HSAs) (Section 223 of the federal Internal Revenue Code of 1986 (26 U.S.C. s.223)).

This declaration provides a brief description of the important features of the Contract. This declaration 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 the Contract holder and the Carrier. It is, therefore, important to read the Contract carefully!

The Contract delivered to you is a high deductible health plan, meant to be used in conjunction with a health savings account (HSA). It provides coverage to Covered Persons for primary and preventive care services, daily hospital room and board, miscellaneous hospital services, surgical services, in-hospital medical services and supplies, and out-of-hospital care. Before the Carrier pays benefits for Covered Services, a Deductible must be met by each Covered Person and/or Family, each Benefit Period. This Deductible, which is a specified amount of Covered Expense for the Covered Services that is incurred by the Covered Person and/or Family, applies to all Covered Services except for preventive services. After the Deductible is met, the Carrier will pay benefits for Covered Services, but the Carrier's payment is reduced by any applicable In-Network and/or Out-of-Network Coinsurance amount that each Covered Person must pay until the Contract's applicable Out-of-Pocket Limit(s) amount(s) is/are reached for the Benefit Period. The Out-of-Pocket Limit is a maximum that is placed on the amount of out-of-pocket expenses which the Covered Person and/or Family are required to pay each Benefit Period. The Out-of-Pocket Limit is a specific dollar amount of expense incurred by a Covered Person and/or Family for Covered Services, including covered prescription drug expenses. The Out-of-Pocket Limit expense includes any applicable Copayments, Coinsurance amounts and Deductibles. Once the applicable Out-of-Pocket Limit(s) amount(s) is/are reached, the Carrier will pay 100% of the Covered Expenses for In-Network and/or Out-of-Network Covered Services incurred during the balance of the Benefit Period, subject to any applicable annual or lifetime maximum limits as shown in the **Schedule of Benefits** section of the Contract or booklet/certificate attached to the Contract or booklet/certificate.

The HSA funds may be used to pay for expenses classified as "qualified medical expenses" under federal tax law. These expenses include Copayments, Deductibles and Coinsurance.

Please review the definitions of "Coinsurance", "Copayment", "Covered Expense", "Covered Person", "Covered Service", "Deductible", "Out-of-Pocket Limit" and other terms applicable to the Contract's benefit design in the **Defined Terms** section of the Contract or booklet/certificate attached to the Contract or booklet/certificate.

For In-Network services, Covered Persons will not be required to submit claim forms. In-Network preferred providers will submit In-Network claims on the Covered Person's behalf. However, Covered Persons may be required to submit claim forms for Out-of-Network Covered Services. The Covered Person may be required to pay the full charges of the Out-of-Network services, and may need to complete and submit a claim for reimbursement. Additional claim information is outlined in the **Claims** section of the Contract or booklet/certificate attached to the Contract or booklet/certificate.

-over-

I hereby agree that I have read and understand the contents of the "Declaration of Understanding" as stated above.

Signed by \_\_\_\_\_  
(Authorized Signature for Contract holder)

Title \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_