

MASTER SCHEDULE – \$500 DEDUCTIBLE PLAN

The Plan Year begins on July 1st and ends on June 30th of the following year. All benefits described in this Schedule are subject to the exclusions, limitations, and other provisions of the Plan described in detail with in this document.

ELIGIBILITY REQUIREMENTS FOR FY15 COMPLETED DURING FY14

To be eligible for the lowest deductible plan in FY15, employees and covered spouses must complete a Health Screening, Latitude Program, and Health Assessment during FY14. Eligibility requirements are explained in detail in the Latitude Wellness and Prevention section.

PLAN YEAR DEDUCTIBLE

Members in the \$500 Deductible Plan must satisfy a Plan Year \$500 individual Deductible or \$1,250 family Deductible for care received in-network or from DAKOTACARE providers. Coinsurance applies after Deductible is satisfied.

The Family Deductible applies only to families with three or more covered family members enrolled in the same Plan.

The Plan will begin paying benefits for each individual as soon as the per person Deductible is met. The Family Deductible is satisfied when at least three family members have medical expenses that total the Family Deductible amount. No one family member can meet the entire Family Deductible.

Only charges which apply to the individual Deductible are applied to the Family Deductible. Coinsurance cannot be used to satisfy the Family Deductible. Each covered family member must also satisfy an individual annual Out-of-Pocket Maximum.

HOW THE DEDUCTIBLE IS SATISFIED

A Member can satisfy the Deductible by incurring covered charges in an amount equal to the Deductible within the Plan Year.

The Deductible applies separately to each Member, except:

- (a) If any three or more Members enrolled in the same Plan, satisfy the Family Deductible for the same Plan Year. One Member cannot meet the Family Deductible in the \$500 Deductible Plan.

Only charges which apply to the individual Deductible are applied to the Family Deductible.

The Plan will begin paying benefits for each Member as soon as the individual Deductible or Family Deductible is met.

- (b) If maternity charges are Incurred for a mother and newborn child during the birth of the child, one Deductible and Coinsurance applies to the eligible charges for both individuals — if they are discharged from the Hospital at the same time.

Non-covered charges do not apply to the Deductible. This includes charges above the Usual, Customary,

and Reasonable (UCR) charges or the Plan Maximum Allowable Charges (MAC), and cost variance when covered services are provided at facilities not under contract to receive the South Dakota State Employee Health Plan set payment for those services.

If a Member elects COBRA and changes from the \$500 Deductible Plan to the \$1,000 Deductible Plan, eligible Copayments and Coinsurance applied during the Plan Year while under the \$500 Deductible Plan will apply to the annual Deductible.

COMBINED FAMILY DEDUCTIBLE

Under the \$500 Deductible Plan families with both spouses employed by the State, may combine their plans to meet the family Deductible.

Criteria:

- 1) Married
- 2) Both spouses employed by State of South Dakota and/or Board of Regents
- 3) Both spouses elected the same Plan.
- 4) Coverage level:
 - a) One spouse is covered as single
 - b) One spouse is covered with Dependent(s)
- 5) Request must be submitted during annual enrollment asking BHR to combine Deductibles.

Complete the following to request combined family Deductible:

- 1) Send an email to BHR.memberbenefits@state.sd.us
- 2) Include:
 - a) Employee name, DAKOTACARE #, and plan (\$500 or \$1,000)
 - b) Spouse name, DAKOTACARE #, and plan (\$500 or \$1,000)
- 3) Indicate which Employee covers Dependent(s) on the Health Plan.
- 4) Include a statement asking BHR to combine Deductibles.

MASTER SCHEDULE – \$500 DEDUCTIBLE PLAN

COINSURANCE AND COPAYMENTS UNDER THE \$500 DEDUCTIBLE PLAN

Once the Deductible is satisfied, the Member pays a percentage of the allowable costs (the “Coinsurance” or “Benefit Percentage”). A member pays a Bundled Outpatient Surgery fee of \$500 if the procedure is an approved bundled procedure at a preferred contracted facility. A member pays an Emergency Room Copayment each time services are rendered. The ER Copayment is not applied toward the Deductible or Out-of-Pocket Maximum. ER Copayment is waived if admitted as Inpatient.

The type of service received and the provider used determines the benefits covered by the Plan and whether Copayments or Coinsurance are payable. If care is managed by the Physician and coordinated through the DAKOTACARE network of providers, Coinsurance is 25%, when applicable. If care is provided out-of-network, the Member must meet a \$1,000 Deductible and Coinsurance increases to 35% for most covered expenses. The Member also pays any charges above UCR or MAC.

NOTE: If a Plan Member is Hospitalized over two Plan Years (for example from June 26 to July 3), a Deductible and Coinsurance carryover policy will apply. The Plan Member will not have to pay an additional Deductible for a period of confinement continuing into the new Plan Year. Charges for the Hospitalization will apply to the first year’s Out-of-Pocket Maximum. Expenses Incurred after the Hospitalization will apply to the new Plan Year limit.

Eligible Members	All benefit-eligible Members.	Member Responsibility**
<i>Deductible</i>		
<i>In-Network</i>		\$500 (per individual) \$1,250 (per family of three or more)
<i>Out-of-Network</i>		\$1,000 (per individual) \$2,500 (per family of three or more)
<i>Coverage In-Network</i>		
	(a) Per Emergency Room Visit	\$250 per visit, Deductible, then Coinsurance
	(b) Per Bundled Outpatient Surgery* Certain Eligible Preventive Care	\$500 per Surgery Coverage (See Latitude Wellness and Prevention, page 89)
	(c) Prescription Drugs	\$50 Deductible, then applicable Copayment.

* *These services must be pre-authorized and be performed at a preferred contracted facility.*

** *See Covered Charges, for additional information.*

Depending on services received and facility used, Member may incur additional expenses. Charges above the UCR or MAC are not applied to the medical Out-of-Pocket Maximum

MASTER SCHEDULE – \$500 DEDUCTIBLE PLAN

Eligible Members	All benefit-eligible Members.	Member Responsibility**
Room and Board Coverage	(a) Private Room*	When Medically Necessary, the daily charge made by the facility for: <ul style="list-style-type: none"> • semi-private accommodations; • private accommodations
	(b) Other Accommodations*	Full Semi-Private Room Charge
Benefit Maximums (lifetime maximum per person)	(a) Organ Procurement for Transplant*	\$50,000
	(b) Diagnosis and Treatment:	
	1) Temporomandibular Joint Syndrome (TMJ)*	\$5,000
	2) Gastric Bypass Surgery and Similar Types of Surgery*	1 per person
	3) Ossaatron Lithotripsy (Shock Wave Treatment for Chronic Plantar Fasciitis)	\$5,000
(c) Infertility Diagnosis and Medically Necessary Treatment	\$3,000 for all medical services combined <i>(Excludes infertility drugs)</i>	
(d) Smoking Cessation Aids that Require a Prescription	180 days	

* *These services must be pre-authorized and be performed at a preferred contracted facility.*

** *See Covered Charges, for additional information.*

Depending on services received and facility used, Member may incur additional expenses. Charges above the UCR or MAC are not applied to the medical Out-of-Pocket Maximum.

MASTER SCHEDULE – \$500 DEDUCTIBLE PLAN

BENEFIT PERCENTAGES (COINSURANCE) UNDER THE \$500 DEDUCTIBLE PLAN

The Coinsurance payment is the percentage of covered charges paid by the Member after the Deductible is satisfied. Coinsurance percentages are determined by the provider used.

Members should select a DAKOTACARE Primary Care Provider to manage and coordinate care for themselves and Dependents. Physicians may include: family practitioners, general practitioners, general internists, general pediatricians or OB GYN.

If members use a DAKOTACARE Network provider, the member is responsible for the Deductible then 25% Coinsurance. If members use a non-DAKOTACARE Network provider, the member is responsible for the Deductible then 35% Coinsurance.

Primary care providers provide basic or routine services, Preventive Care, and will refer Patients to participating DAKOTACARE specialists or Hospitals as necessary. In some cases, a DAKOTACARE specialist may require a referral from your Physician before an appointment is scheduled.

If chiropractors participating in the Chiropractic Associates LTD of South Dakota (CASD) Chiropractic Network are used, the Member is responsible for Deductible, then 25% Coinsurance.

If non-CASD chiropractors are used, the Member is responsible for Deductible, then 35% Coinsurance and is responsible for charges over UCR or MAC.

If South Dakota Department of Health or the South Dakota Human Services Center in Yankton is used, the Member is responsible for Deductible, then 25% Coinsurance.

When other healthcare providers or facilities which the State has negotiated services are used, the Member is responsible for Deductible, then 25% Coinsurance. If a member has a Bundled Outpatient Surgery at a preferred contracted facility the member responsibility is \$500. The Bundled Outpatient Surgery fee applies to the Out-of-Pocket Maximum.

MEDICAL OUT-OF-POCKET MAXIMUM UNDER THE \$500 DEDUCTIBLE PLAN

The medical Out-of-Pocket Maximum is \$2,500 per person for covered medical expenses each Plan Year. The maximum consists of any Deductible and Coinsurance payments, as well as payments for Outpatient Surgeries at contracted facilities. Emergency Room Copayments do not count towards the medical Out-of-Pocket Maximum.

When a Member receives services from DAKOTACARE and non-DAKOTACARE providers, eligible charges from both will apply to the Out-of-Pocket limits. The maximum paid for eligible combined out-of-pocket expenses is \$5,000 per person.

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In-Network	
<ul style="list-style-type: none"> • Deductible \$500 • Copayment • Bundled Outpatient Surgery Fee \$500 • Coinsurance 75/25 • Maximum Out-of-Pocket \$2,500 	<p>Applies to covered charges:</p> <ul style="list-style-type: none"> • DAKOTACARE Provider, In State • Out-of-state DAKOTACARE Provider • Non-DAKOTACARE Provider * • Out of State PHCS Provider when Member resides out of State * • Non-PHCS Provider when Member resides out of State * <p>Charges covered to the Maximum Allowable Charges (MAC) and/or the Usual, Customary, and Reasonable (UCR).</p>
Out-of-Network	
<ul style="list-style-type: none"> • Deductible \$1,000 • Coinsurance 65/35 • Maximum Out-of-Pocket \$5,000 	<p>Applies to covered charges :</p> <ul style="list-style-type: none"> • Non-DAKOTACARE Provider • Out-of-state Provider who is Out of Network • Non-preferred out-of-state provider when services are available in state <p>Charges covered to the Maximum Allowable Charges (MAC) and/or the Usual, Customary, and Reasonable (UCR).</p>

* Some services require pre-authorization by HMP. Services must be approved by HMP and In Network to be covered at the Maximum Benefit Level.

Note: Depending on services received and facility used, Member may incur additional expenses. Charges above the UCR or MAC do not apply to the medical out-of-pocket. Call DAKOTACARE at 877.573.7347, option 1 to inquire about your benefit coverage.

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Medical Out-of-Pocket Maximum

In-Network \$2,500 per person
Out-of-Network \$5,000 per person

If a Member reaches the medical Out-of-Pocket Maximum, the Plan pays 100% of eligible charges up to the Plan Maximum Allowable Charges (MAC) or Usual, Customary, and Reasonable charges (UCR) for most eligible expenses for the rest of the Plan Year.

The Medical Out-of-Pocket Maximum **includes**:

- Medical Deductible
- Coinsurance
- Bundled Outpatient Surgery Fee \$500

The Medical Out-of-Pocket Maximum **does not include**:

- \$250 Emergency Room Copayment
 - Pharmacy (see Pharmacy)
 - Expenses not covered by the Plan (see Exclusions)
 - Penalties for not receiving Pre-authorization from HMP when required.
 - Any charges above UCR or MAC.
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Pharmacy Out-of-Pocket Maximum

The per Member Out-of-Pocket for eligible prescription drug expenses each Plan Year is \$1,000 per Member or \$2,500 total for a family of three or more.

The pharmacy Out-of-Pocket Maximum includes a \$50 Deductible and pharmacy Copayments. If the actual cost of the drug is less than the Copayment, that amount will also apply to the Plan Year maximums.

The pharmacy Out-of-Pocket does not include:

- The difference in cost between brand and generic drugs when a generic is available,
 - Excess amounts paid at nonparticipating pharmacies, or
 - Charges that are not covered by the Plan or cost of prescription for not pre-authorizing when required.
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MASTER SCHEDULE – \$1,000 DEDUCTIBLE PLAN

The Plan Year begins on July 1st and ends on June 30th of the following year. All benefits described in this Schedule are subject to the exclusions, limitations, and other provisions of the Plan described in detail with in this document.

PLAN YEAR DEDUCTIBLE

Members in the \$1,000 Deductible Plan must satisfy a \$1,000 individual Deductible or a \$2,500 family Deductible for care received in-network or from DAKOTACARE providers. Coinsurance applies after the Deductible is satisfied.

The Family Deductible applies only to families with three or more covered family members enrolled in the same Plan.

The Plan will begin paying benefits for each individual as soon as the per person Deductible is met. The Family Deductible is satisfied when at least three family members have medical expenses that total the Family Deductible amount. No one family member can meet the entire Family Deductible.

Only charges which apply to the individual Deductible are applied to the Family Deductible. Coinsurance cannot be used to satisfy the Family Deductible. Each covered family member must also satisfy an individual annual Out-of-Pocket Maximum.

HOW THE DEDUCTIBLE IS SATISFIED

A Member can satisfy the Deductible by incurring covered charges in an amount equal to the Deductible within the Plan Year.

The Deductible applies separately to each Member, except:

- (a) If any three or more Members enrolled in the same Plan, satisfy the Family Deductible for the same Plan Year. One Member cannot meet the Family Deductible in the \$1,000 Deductible Plan.

Only charges which apply to the individual Deductible are applied to the Family Deductible.

The Plan will begin paying benefits for each Member as soon as the individual Deductible or Family Deductible is met.

- (b) If maternity charges are Incurred for a mother and newborn child during the birth of the child, one Deductible and Coinsurance applies to the eligible charges for both individuals — if they are discharged from the Hospital at the same time.

Non-covered charges do not apply to the Deductible. This includes charges above the Usual, Customary, and Reasonable (UCR) charges or the Plan Maximum Allowable Charges (MAC), and cost variance when covered services are provided at facilities not under contract to receive the South Dakota State Employee Health Plan set payment for those services.

If a Member elects COBRA and changes from the \$500 Deductible Plan to the \$1,000 Deductible Plan, eligible Copayments and Coinsurance applied during the Plan Year while under the \$500 Deductible Plan will apply to the annual Deductible.

COMBINED FAMILY DEDUCTIBLE

Under the \$500 Deductible Plan and the \$1,000 Deductible Plan, families with both spouses employed by the State, may combine their plans to meet the family Deductible.

Criteria:

- 1) Married
- 2) Both spouses employed by State of South Dakota and/or Board of Regents
- 3) Both spouses elected the same Plan: \$500 Deductible Plan or \$1,000 Deductible. With IRS rules, there is no opportunity for combined Deductibles under the \$1,800 Deductible Plan.
- 4) Coverage level:
 - a) One spouse is covered as single
 - b) One spouse is covered with Dependent(s)
- 5) Request must be submitted during annual enrollment asking BHR to combine Deductibles.

Complete the following to request combined family Deductible:

- 1) Send an email to BHR.memberbenefits@state.sd.us
- 2) Include:
 - a) Employee name, DAKOTACARE #, and plan (\$500 or \$1,000)
 - b) Spouse name, DAKOTACARE #, and plan (\$500 or \$1,000)
- 3) Indicate which Employee covers Dependent(s) on the Health Plan.
- 4) Include a statement asking BHR to combine Deductibles.