



## GROUP MEDICAL PLAN

**OEBB**

Preferred Provider Organization (PPO) Plan

Plan 5

Effective Date October 1, 2012



[www.odskompanies.com](http://www.odskompanies.com)



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## SECTION 1. WELCOME

ODS is pleased to have been chosen by the participating organization as its preferred provider organization (PPO) plan. This handbook is designed to provide members with important information about the Plan's benefits, limitations and procedures.

Members also have access to certain value-added services through ODS in addition to the benefits outlined in this handbook, including a weight management program and the ODS associated smoking cessation program. Visit myODS or contact ODS Customer Service for more information about these additional value-added services.

**During a first appointment, the member should tell their medical provider that they have medical benefits through ODS. The member will need to provide their subscriber identification number and ODS Group number. These numbers are located on the I.D. card.**

Members may direct their questions to one of the numbers listed below or access tools and resources on ODS' personalized member website, myODS, at [www.odscompanies.com/oebb](http://www.odscompanies.com/oebb). myODS is available 24 hours a day, 7 days a week allowing members to access plan information whenever it's convenient.

ODS  
P.O. Box 40384  
Portland, Oregon 97240

### Medical Customer Service Department

Portland	503-265-2909
Toll-Free	866-923-0409
En Español	503-265-2961
Llamado Gratis	888-786-7461

### Pharmacy Customer Service Department

Portland	503-265-2911
Toll-Free	866-923-0411

### ODS Behavioral Health

Portland	503-382-5323
Toll-Free	877-796-3223

### Prior Authorization

Portland	503-243-4496
Toll-Free	800-258-2037

### Relay Service for the Hearing and Speech Impaired

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ODS reserves the right to monitor telephone conversations and e-mail communications between its employees and its customers for legitimate business purposes as determined by ODS. The monitoring is to ensure the quality and accuracy of the service provided by employees of ODS to their customers.

This handbook may be changed or replaced at any time, by OEGB or ODS, without the consent of any member. The most current handbook is available on myODS, accessed through the ODS website. All plan provisions are governed by OEGB's policy with ODS. This handbook may not contain every plan provision.

## **SECTION 2. SUMMARY OF BENEFITS – A QUICK REFERENCE**

This section is a quick reference summarizing the Plan's benefits. The details of the actual benefits and the conditions, limitations and exclusions of the Plan are contained in the sections that follow.

Section 3.1 provides information regarding prior authorization requirements. Members can access a complete list of procedures that require prior authorization by visiting myODS or contacting ODS Customer Service. Failure to obtain required prior authorizations will result in denial of benefits or a penalty.

### **2.1 MEMBER RESOURCES**

#### **ODS Website (log in to myODS)**

[www.odscompanies.com/oebb](http://www.odscompanies.com/oebb)

#### **Medical Customer Service Department**

Portland 503-265-2909; Toll-free 866-923-0409; En Español 503-265-2961; Llamado gratis 888-786-7461

#### **Pharmacy Customer Service Department**

Portland 503-265-2911; Toll-free 866-923-0411

#### **Prior Authorization**

Portland 503-243-4496; Toll-Free 800-258-2037

#### **ODS Behavioral Health**

Portland 503-382-5323; Toll-free 1-877-796-3223

#### **Telecommunications Relay Service for the hearing impaired**

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### **2.2 NETWORK INFORMATION**

In-network benefits are those delivered by in-network providers; out-of-network benefits are those delivered by out-of-network providers. By using the services of an in-network provider, members will receive quality healthcare and will have a higher level of benefits. Members may choose an in-network provider from the network directory, which is available on myODS under "Find Care" or by contacting ODS Customer Service for assistance. Member ID cards will identify the applicable network(s).

#### **2.2.1 Primary Network; Primary Service Area**

All members will have access to a primary network, which provides services in their primary service area. Additional networks may also be available to retiree and COBRA members who reside outside the primary service area. Members who move outside of a network service area must contact ODS Customer Service to find out if another network is available to ensure continued access to in-network providers.

#### **Networks**

For all members:

ODS Plus Network for residents in Oregon, Idaho, southwest Washington and northern California



For retirees and COBRA members residing outside the ODS Plus Network service area:  
First Choice Health Network (FCH) for residents in Washington (excluding southwest Washington)  
Health InfoNet (HIN) for residents in Montana  
Private HealthCare Systems (PHCS) for residents in all other states.

Note: Only retirees and COBRA members may access the networks listed above and receive the in-network level of benefits if the subscriber resides outside the ODS Plus Network service area. Subscribers and their spouse, domestic partner or child(ren) who reside in the ODS Plus Network service area will receive out-of-network benefits when using any of the other networks listed above.

### **2.2.2 Coverage Outside The Service Area For Children**

Enrolled children residing outside the primary service area may receive the in-network benefit level by using a travel network provider as described in section 2.2.3. If a travel network provider is not available, plan benefits will be extended to such children as if the care were rendered by in-network providers, subject to the following limitations:

- a. All non-emergency hospital confinements must be prior authorized;
- b. Services will be paid at the in-network benefit level if provided within a 30-mile radius of the child's residence or at the closest appropriate facility;
- c. Services will be paid at the out-of-network benefit level if such services are provided outside the 30-mile radius of the child's residence; and
- d. Fees charged by out-of-area providers will be reimbursed at the maximum plan allowance for those services.

When an enrolled child moves outside the service area, members must update the address in the myOEBB system. The enrolled child will be eligible for out-of-area coverage the first day of the month following the date the address is update in myOEBB.

### **2.2.3 Travel Network**

Members traveling outside of the primary service area may receive the in-network benefit level by using a travel network provider. When members use a travel network provider, covered services will be subject to the same benefit level as if they had used a primary network provider. The in-network benefit level only applies to a travel network provider if members are outside the primary service area and the travel is not for the purpose of receiving treatment or benefits. The travel network is not available to members whose assigned network provides nationwide access.

#### **Travel Network**

PHCS Healthy Directions

Members may choose an in-network provider from the travel network directory, which is available on myODS under "Find Care" or by contacting ODS Customer Service for assistance.

## 2.3 SCHEDULE OF BENEFITS

Note: Benefits are paid on a Plan Year beginning October 1st of each year and ending September 30th of the following year.

	<u>In-Network Benefits</u>	<u>Out-Of- Network Benefits</u>
Plan year Deductible per Member		\$300
Maximum plan year Family Aggregate Deductible		\$900
Per Member plan year Out-of-Pocket Maximum (does not include deductible)	\$2,000	\$ 4,000
Per Family plan year Out-of-Pocket Maximum (does not include deductible)	\$6,000	\$12,000

### BENEFITS

### COPAYMENT/COINSURANCE (Amount Member Pays)

### DETAILS

	In-Network	Out-Of-Network	
<b>Emergency Care</b>			
Urgent Care Office Visit	\$50 copayment per visit, deductible waived	\$50 copayment per visit, deductible waived	Page 28 In-network out-of-pocket maximum applies to mental health and chemical dependency services
Emergency Room Facility	\$100 copayment per visit, then 20%	\$100 copayment per visit, then 20%	Page 22 Copayment waived if covered hospitalization immediately follows emergency room use. In-network out-of-pocket maximum applies to mental health and chemical dependency services.
Ambulance Transportation	20%	20%	Page 21 In-network out-of-pocket maximum applies to mental health and chemical dependency services.
<b>Hospital Care</b>			
Inpatient Acute Care	20%	50%	Page 22
Inpatient Rehabilitation	20%	50%	Page 22 30 days per plan year. May be eligible for up to 60 days for head or spinal cord injury.
Partial Hospitalization Treatment & Day Treatment Programs for Mental Health & Chemical Dependency	20%	50%	Page 22

**BENEFITS**

**COPAYMENT/COINSURANCE**  
(Amount Member Pays)

**DETAILS**

	In-Network	Out-Of-Network	
Chemical Dependency Detoxification	20%	50%	Page 23
<b>Residential Facility Care</b>			
Skilled Nursing Facility Care	20%	50%	Page 23 60 days per plan year.
Residential Mental Health Treatment Program	20%	50%	Page 23
Residential Chemical Dependency Treatment Program	20%	50%	Page 23
<b>Ambulatory Services</b>			
Outpatient Surgery and Invasive Diagnostic Procedures (Facility Charges)	20%	50%	Page 23 Requires authorization
Outpatient Rehabilitation	20%	50%	Page 23 30 sessions per plan year. May be eligible for additional sessions for autism or up to 60 sessions for head or spinal cord injury. May require authorization.
Infusion Therapy			Page 24
Home Infusion	20%	50%	Requires authorization
Outpatient Infusion	20%	50%	Requires authorization
Diagnostic X-ray and Lab	20%	50%	Page 24
Therapeutic X-ray	20%	50%	Page 25
Kidney Dialysis	20%	50%	Page 25
Imaging Procedures	\$100 copayment per procedure, then 20%	\$100 copayment per procedure, then 50%	Page 25 May require authorization. Copayment waived if billed with a primary diagnosis of cancer.
Sleep Studies	\$100 copayment per study, then 20%	\$100 copayment per study, then 50%	Requires authorization
Outpatient Chemical Dependency Services	\$25 copayment per visit, deductible waived	50%	Page 26
<b>Professional Services</b>			
Preventive Healthcare			
Services as required under the Affordable Care Act, including the following:	No copayment/ coinsurance, deductible waived	50%	Page 26
Periodic Health Exams	No copayment/ coinsurance, deductible waived	50%	Page 26 7 exams from age 1 to 4 One per plan year, age 5+

**BENEFITS**

**COPAYMENT/COINSURANCE**  
(Amount Member Pays)

**DETAILS**

	In-Network	Out-Of-Network	
Immunizations	No copayment/ coinsurance, deductible waived	50%	Page 27
Hearing Evaluation	No copayment/ coinsurance, deductible waived	50%	Page 27
Routine Vision Screening	No copayment/ coinsurance, deductible waived	50%	Page 27 Age 3 to 5
Women’s Yearly Exam & Pap Test	No copayment/ coinsurance, deductible waived	50%	Page 27 One per plan year
Routine Mammogram	No copayment/ coinsurance, deductible waived	50%	Page 27 One per plan year, age 40+
Routine Colonoscopy	No copayment/ coinsurance, deductible waived when performed on an outpatient basis	50%	Page 27 One per 10 plan years, age 50+. Related charges included.
Routine Diagnostic X-ray & Lab	No copayment/ coinsurance, deductible waived	50%	Page 26
Cardiovascular Screening	No copayment/ coinsurance, deductible waived	50%	Page 26
Obesity Screening	No copayment/ coinsurance, deductible waived	50%	One per plan year
Prostate Rectal Exam	No copayment/ coinsurance, deductible waived	50%	Page 27 One per plan year, age 50+
Prostate Specific Antigen (PSA) Test	No copayment/ coinsurance, deductible waived	50%	Page 27 One per plan year, age 50+
Incentive Home and Office Visits (for asthma, heart conditions, cholesterol, high blood pressure, and diabetes)	\$10 copayment per visit, deductible waived	50%	Page 28
Primary Care Home and Office Visits (all other conditions)	\$25 copayment per visit, deductible waived	50%	Page 28
Specialist Office Visits	20%	50%	
Upper Endoscopy	\$100 copayment per procedure, then 20%	\$100 copayment per procedure, then 50%	
Spinal injections	\$100 copayment per procedure, then 20%	\$100 copayment per procedure, then 50%	

**BENEFITS****COPAYMENT/COINSURANCE****DETAILS**

(Amount Member Pays)

	In-Network	Out-Of-Network	
Additional Cost Tier (for certain outpatient and hospital services)	\$500 copayment per procedure, then 20%	\$500 copayment per procedure, then 50%	Page 20
Physician Hospital Visits	20%	50%	Page 28
Outpatient Diabetic Instruction	20%	50%	Page 28
Therapeutic Injections	20%	50%	Once, following diagnosis Page 28
Surgery	20%	50%	Page 28
Special Dental Care	20%	50%	Page 29
Temporomandibular Joint Syndrome	20%	50%	Page 30
Outpatient Mental Health Services	\$25 copayment per visit, deductible waived	50%	Page 30
Tobacco Cessation Treatment			Page 30 age 10+
Exclusive tobacco cessation -program	No copayment/ coinsurance, deductible waived	N/A	
Consultation and Supplies			
All other providers - Consultation	No copayment/ coinsurance, deductible waived	50%	
All other providers - Supplies	20%	20%	
Hearing Aids and Related Services	10%	50%	Page 31 \$4,225 maximum every 48 months for members under age 26 \$4,000 maximum every 48 months for members 26 and older Subject to annual adjustment
Chiropractic, Naturopathic & Acupuncture Care			Page 31 \$2,000 aggregate plan year maximum May require authorization.
Office visits	\$25 copayment per visit, deductible waived	50%	Page 32
All other services (e.g. labs, diagnostics, etc.)	20%	50%	Page 32

**BENEFITS****COPAYMENT/COINSURANCE****DETAILS**

(Amount Member Pays)

	In-Network	Out-Of-Network	
<b>Hospice Care</b>			Page 32
Home Care	No copayment, deductible waived	50%	
Inpatient Care	No copayment, deductible waived	50%	
Respite Care	No copayment, deductible waived	50%	
<b>Other Services</b>			
Maternity	Treated same as any other condition.	Treated same as any other condition.	
Breastfeeding Support, Supplies and Counseling	No copayment/ coinsurance (deductible waived)	50%	Page 33
Transplants			Page 33 Requires authorization.
Exclusive transplant network facilities	No copayment/ coinsurance	N/A	
All other facilities	20%	50%	
Donor Costs			\$25,000 maximum
(Exclusive transplant network facilities)	No copayment/ coinsurance	N/A	
(All other facilities)	20%	50%	
Gastric Bypass (Roux-en-Y) Centers of Excellence	\$500 copayment, then 80%	N/A	Page 35 Deductible applies
All other facilities	Not covered	Not covered	Covered for subscriber only
Biofeedback	20%	50%	Page 37 10 visits
Home Healthcare	20%	50%	Page 37 Requires authorization. 140 visits per plan year
Outpatient Durable Medical Equipment	20%	50%	Page 37 Requires authorization. One wheelchair per plan year under age 19 and every 3 plan years age 19+.
Supplies and Appliances	20%	50%	Page 37
Disposable Supplies (provided in a professional provider's office)	20%	50%	Page 37
<b>Medications</b>			
Prescription Medications			Page 39 May require authorization \$1,100 Plan year out-of- pocket maximum

**BENEFITS****COPAYMENT/COINSURANCE**  
(Amount Member Pays)**DETAILS**

	In-Network	Out-Of-Network	
Retail Pharmacy			Page 39 31-day supply per prescription
Value Tier	\$4 per prescription	\$4 per prescription	
Generic Tier	\$8 per prescription	\$8 per prescription	
Preferred Tier	\$25 per prescription	\$25 per prescription	
Non-Preferred Tier	50%	50%	
Mail Order Pharmacy			Page 39 90-day supply per prescription
Value Tier	\$8 per prescription	N/A	
Generic Tier	\$16 per prescription	N/A	
Preferred Tier	\$50 per prescription	N/A	
Non-Preferred Tier	50%	N/A	
Specialty Pharmacy			Page 39 31-day supply per prescription Prior authorization required
Generic Tier	\$16 per prescription	N/A	
Preferred Tier	\$50 per prescription	N/A	
Non-Preferred Tier	50%	N/A	

**2.4 DEDUCTIBLES**

The Plan has a plan year deductible. The deductible is the amount of covered expenses that are paid by each member before benefits are payable by the Plan. The amount of the deductible is shown in section 2.3. Covered services, whether performed in-network or out-of-network, accumulate toward the plan year deductible. The deductible applies separately to each member, but no family will be required to satisfy more than the total family deductible as shown in section 2.3, no matter how many members are in the family. After the deductible has been satisfied, benefits will be paid according to section 2.3. Expenses applied toward the plan year deductible do not apply toward the out-of-pocket maximum.

Copayments, prescription drug out-of-pocket expenses, and disallowed charges do not apply toward the plan year deductible.

If a member does not meet their deductible during a plan year, any expenses applied to their deductible during the last 3 months of a plan year will be carried over and applied to the deductible for the following plan year.

Deductibles are accumulated on a plan year basis.

## **2.5 PLAN YEAR MAXIMUM OUT-OF-POCKET**

After a per member or per family plan out-of-pocket maximum is met, the Plan will pay 100% of covered services for the remainder of the plan year. Services accumulated toward the in-network out-of-pocket maximum can be used to satisfy both the in-network and out-of-network out-of-pocket maximum. Services accumulated toward the out-of-network out-of-pocket maximum cannot be used to satisfy the in-network out-of-pocket maximum.

Out-of-pocket costs are accumulated on a plan year basis.

Members are responsible for the following costs (they do not accrue toward the out-of-pocket maximum and members must pay for them even after the out-of-pocket maximum is met):

- a. Copayments (including but not limited to copayments for the additional cost tier, upper endoscopy, spinal injections, imaging procedures, and sleep studies);
- b. The out-of-pocket expenses for prescription medications;
- c. The out-of-pocket expenses for transplants not performed at an exclusive transplant network facility;
- d. Cost containment penalties; and
- e. Disallowed charges.

## **2.6 PAYMENT**

Expenses allowed by ODS are based upon the maximum plan allowance, which is a contracted fee for in-network providers and for out-of-network providers is an amount established, reviewed, and updated by a national database. Section 5 has more details. Depending upon the Plan provisions, deductibles and copayments or coinsurance may apply.

Except for copayments, coinsurance, deductibles, and policy benefit limitations, in-network providers agree to look solely to ODS, if it is the paying insurer, for compensation of covered services provided to members.

## **2.7 COORDINATION OF BENEFITS WITH MEDICARE**

The Plan coordinates benefits with Medicare Part A or B as allowed under federal government rules and regulations (see section 11.5).

## **2.8 CARE AFTER NORMAL OFFICE HOURS**

Most professional providers have an on-call system to provide 24-hour service. Members who need to contact their professional provider after normal office hours should call his or her regular office number.

## **2.9 EMERGENCY CARE**

Members are covered for emergency services worldwide (see section 6.4). A member who believes he or she has a medical emergency should call 9-1-1 or seek care from the nearest appropriate provider, such as a clinic, urgent care facility or emergency room.



## **SECTION 3. COST CONTAINMENT**

The following special cost containment provisions may affect how benefits are paid.

### **3.1 PRIOR AUTHORIZATION REQUIREMENTS**

When a professional provider suggests admission to the hospital or a residential program, or a non-emergency surgery, the member should ask that he or she contact ODS for prior authorization.

The professional provider or his or her office staff calls ODS or submits a prior authorization form. ODS will either approve the procedure or admission and when applicable, assign the expected length of stay and an appropriate time of admission (such as the morning of, or the night before, a scheduled surgery), ask for additional information and/or request that the member get a second opinion. ODS may also specify that the member receive care on an outpatient basis only. The hospital, professional provider and member are notified of the outcome of the authorization process by letter.

If a member fails to obtain prior authorization for prescription medications; inpatient, partial hospitalization, or residential stays; or for outpatient or ambulatory services when authorization is required (other than specified imaging procedures), a penalty of 50% up to a maximum deduction of \$2,500 per occurrence will be applied to covered charges before regular plan benefits are computed. The member will be responsible for any charges not covered because of noncompliance with authorization requirements.

The prior authorization penalty does not apply toward the Plan's deductible or out-of-pocket maximum. The penalty will not apply in the case of an emergency admission.

Prior authorization does not guarantee coverage. When a service is not medically necessary, or is otherwise excluded from benefits, charges will be denied.

#### **3.1.1 Inpatient Services, Partial Hospitalization, and Residential Programs**

All non-emergency hospital confinements that are scheduled in advance, and admission to any residential treatment program, must be prior authorized in order for maximum plan benefits to be payable. If the hospitalization, partial hospitalization or residential stay is not medically necessary, claims will be denied. ODS will authorize medically necessary lengths of stay, based upon the medical condition. Additional hospital or residential days are covered only upon medical evidence of need.

Authorization for emergency hospital admissions must be obtained by calling ODS within 48 hours of the emergency hospital admission (or as soon as reasonably possible).

#### **3.1.2 Ambulatory Surgery**

Certain diagnostic and therapeutic procedures can be performed without an inpatient admission or overnight stay in a hospital. Prior authorization must be obtained for any inpatient admission or overnight stay for a service that is commonly performed on an outpatient basis. Some outpatient or ambulatory services also require prior authorization. Any covered benefit will be based on the cost of the most appropriate setting for the procedure.

### **3.1.3 Outpatient Services**

The Plan requires prior authorization for many outpatient services.

### **3.1.4 Prescription Medication**

A complete list of medications that require prior authorization is available on myODS or by contacting ODS Customer Service. Prior authorization refers to the process by which approval is obtained from ODS prior to ODS processing payment for a specific drug. The member, provider or pharmacy should contact ODS Customer Service for prior authorization.

## **3.2 MANDATORY SECOND SURGICAL OPINION**

ODS may require an independent consultation to confirm that non-emergency surgery is medically necessary. The Plan pays the full cost of the second opinion with any deductible waived.

<p>If a member chooses not to participate in the mandatory second surgical opinion program or decides to have surgery when it is not recommended by the consulting surgeon, a penalty of 50%, up to a maximum deduction of \$2,500 per occurrence, will be applied to covered charges before regular plan benefits are computed. The member will be responsible for payment of any charges not covered because of non-compliance. The penalty does not apply toward the Plan's deductible or out-of-pocket maximum.</p>
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## **3.3 COST EFFECTIVENESS SERVICES**

Cost effectiveness services are services or supplies that are not otherwise benefits of the Plan, but which ODS believes to be medically necessary and cost effective. At its sole discretion and under unique and unusual circumstances, as determined by ODS in its sole discretion, ODS may approve benefits for cost effectiveness services as determined by ODS' medical director in conjunction with a treatment plan authorized by the member's attending physician.

The fact that the Plan has paid benefits for cost effectiveness services for a member shall not obligate it to pay such benefits for any other member, nor shall it obligate the Plan to pay benefits for continued or additional cost effectiveness services for the same member. All amounts paid for cost effectiveness services under this provision shall be included in computing any benefits, limitations, copayments, or coinsurance under the Plan.

## **SECTION 4. CARE COORDINATION**

### **4.1 CARE COORDINATION**

The Plan provides individualized coordination of complex or catastrophic cases. Care Coordinators and Case Managers who are nurses or behavioral health clinicians work directly with members, their families, and their professional providers to coordinate healthcare needs.

The Plan will coordinate access to a wide range of services spanning all levels of care depending on the member's needs. Having a nurse or behavioral health clinician available to coordinate these services ensures improved delivery of healthcare services to members and their professional providers.

### **4.2 DISEASE MANAGEMENT**

The Plan provides education and support to help members manage a chronic disease or medical condition. Health Coaches help members to identify their healthcare goals, self-manage their disease and prevent the development or progression of complications.

Working with a Health Coach can help members follow the medical care plan prescribed by a professional provider and improve their health status, quality of life and productivity.

IF CALLING FROM PORTLAND AREA ..... 503-243-3957  
OUTSIDE THE PORTLAND AREA ..... 800-913-4957

Office Hours – Monday through Friday  
7:30 AM to 5:30 PM (Pacific Time)

## SECTION 5. DEFINITIONS

The following are definitions of some important terms used in this handbook. **Terms used but not otherwise defined in this handbook shall have the same meaning as those terms in the OEBB Administrative Rules.**

**Ambulatory Care** means medical care provided on an outpatient basis. Ambulatory care is given to members who are not confined to a hospital.

**Ancillary Services** are support services provided to a member in the course of care. They include such services as laboratory and radiology.

**Annual** means a calendar year from January 1st through December 31st.

**Authorization** see Prior Authorization.

**Chemical Dependency** (including alcoholism) means a substance-related disorder, as defined by the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, Text Revision, (DSM-IV-TR), except for those related to foods, tobacco, or tobacco products.

**Chemical Dependency Outpatient Treatment Program** means a state-licensed program that provides an organized outpatient course of treatment, with services by appointment, for substance-related disorders.

**Claim Determination Period** means the plan year or portion thereof commencing October 1 of any calendar year and ending September 30 of the subsequent calendar year.

**Coinsurance** means the percentages of covered expenses to be paid by a member.

**Copay or Copayment** means the fixed dollar amounts to be paid by a member to a physician or provider when receiving a covered service.

**Covered Service** is a service or supply that is specifically described as a benefit of the Plan.

**Creditable Coverage** means a member's prior healthcare coverage including coverage remaining in force at the time a member obtains new coverage, under any of the following:

- a. A group health plan;
- b. Individual insurance coverage including student health plans;
- c. Medicare Part A and B;
- d. Medicaid, other than benefits consisting solely of benefits under Section 1928 (pediatric vaccines);
- e. Tricare;
- f. A medical care program of the Indian Health Service or of a tribal organization;
- g. A State high risk pool;
- h. Federal Employees Health Benefit Plan (FEHBP);
- i. A public health plan (as defined in regulations);
- j. Children's Health Insurance Program (CHIP); or
- k. A health benefits plan under section 5(e) of the Peace Corps Act (22 U.S.C. 2504(e)).

Some plans that provide medical care coverage do not qualify as creditable coverage. Such plans are called excepted benefits. The following plans are excepted benefits:

- a. Coverage only for accident, or disability income insurance, or any combination thereof.
- b. Coverage issued as a supplement to liability insurance.
- c. Liability insurance, including general liability insurance and automobile liability insurance.
- d. Workers' Compensation or similar insurance.
- e. Automobile medical payment insurance.
- f. Credit-only insurance.
- g. Coverage for on-site medical clinics.
- h. Other similar insurance coverage, specified in regulations, under which benefits for medical care are secondary or incidental to other insurance.

**Custodial Care** means care that helps a member conduct such common activities as bathing, eating, dressing or getting in and out of bed. It is care that can be provided by people without medical or paramedical skills. Custodial care also includes care that is primarily for the purpose of separating a member from others, or for preventing a member from harming himself or herself.

**Day Treatment or Partial Hospitalization** means an appropriately licensed mental health or chemical dependency facility providing no less than 4 hours of direct, structured treatment services per day.

**Dental Care** means services or supplies provided to prevent, diagnose, or treat diseases of the teeth and supporting tissues or structures, including services or supplies rendered to restore the ability to chew and to repair defects that have developed because of tooth loss.

**Emergency Medical Condition** means a medical condition that manifests itself by acute symptoms of sufficient severity, including severe pain, such that a prudent layperson possessing an average knowledge of health and medicine would reasonably expect that failure to receive immediate medical attention could place the health of a member, or a fetus in the case of a pregnant woman, in serious jeopardy.

**Emergency Medical Screening Examination** means the medical history, examination, ancillary tests and medical determinations required to ascertain the nature and extent of an emergency medical condition.

**Emergency Services** means those healthcare items and services furnished in an emergency department of a hospital, all ancillary services routinely available to the emergency department to the extent they are required for the stabilization of a member, and within the capabilities of the staff and facilities available at the hospital, such further medical examination and treatment as are required to stabilize a member.

**Enroll** means to become covered for benefits under the Plan (that is, when coverage becomes effective) without regard to when the person may have completed or filed any forms that are required in order to become covered. For this purpose, a person who has health coverage is enrolled in the Plan regardless of whether the person elects coverage, the person is a spouse, domestic partner, or child who becomes covered as a result of an election by a subscriber, or the person becomes covered without an election.

**Enrolled Dependent** means a subscriber's eligible spouse, domestic partner, or child whose application has been accepted by OEGB and who is enrolled in the Plan.

**Exclusion Period** means a period during which specified treatments or services are excluded from coverage.

**Experimental or Investigational** means services and supplies that:

- a. Are not rendered by an accredited institution, or provider within the United States or by one that has not demonstrated medical proficiency in the rendering of the service or supplies;

- b. Are not recognized by the medical community in the service area in which they are received;
- c. Involve a treatment for which the approval of one or more government agencies is required, but has not been obtained at the time the services and supplies are rendered or are to be rendered;
- d. Involve a treatment for which scientific or medical assessment has not been completed, or the effectiveness of the treatment has not been generally established; and
- e. Are available in the United States only as part of clinical trial or research program for the illness or condition being treated

**Genetic Information** pertains to a member or his or her relative, and means information about genetic tests, a request for or receipt of genetic services, or participation in clinical research that includes genetic services. It also includes the manifestation of a disease or disorder in a member's relative.

**Group Health Plan** means a health benefit plan that is made available to the employees of the participating organization.

**Health Benefit Plan** means any hospital and/or medical expense policy or certificate, healthcare service contractor or health maintenance organization subscriber contract, any plan provided by a multiple employer welfare arrangement, or other benefit arrangement defined in the federal Employee Retirement Income Security Act of 1974, as amended.

**Implant** means a material inserted or grafted into tissue.

**Injury** means physical damage to the body inflicted by a foreign object, force, temperature or corrosive chemical that is the direct result of an accident, independent of illness or any other cause. Injury does not include damage caused by routine or normal body movements such as stooping, twisting, bending or chewing and does not include any condition related to pregnancy..

**In-Network** refers to providers that are contracted under ODS to provide care to members.

**Maximum Plan Allowance (MPA)** is the maximum amount that ODS will reimburse providers. For an in-network provider, the MPA is the amount the provider has agreed to accept for a particular service.

MPA for an out-of-network provider other than a facility is the lesser of the amount payable under any supplemental provider fee arrangements ODS may have in place and the 75<sup>th</sup> percentile of fees commonly charged for a given procedure in a given area, based on a national database. If a dollar value is not available in the national database, ODS will consider 75% of the billed charge as the MPA. In certain instances, when a dollar value is not available in the database, the claim is reviewed by ODS' medical consultant, who determines a comparable code to the one billed. Once a comparable code is established, the claim is processed as described above.

MPA for out-of-network facilities including, but not limited to hospitals, ambulatory surgical centers, home health providers, skilled nursing facilities, residential mental health or chemical dependency treatment programs, hospice, end-stage renal disease (ERSD) facilities or long-term care facilities is the lesser of supplemental facility or provider fee arrangements ODS may have in place, 125% of the Medicare allowable amount based on data collected from the Centers for Medicare and Medicaid Services (CMS), or the billed charge.

MPA for emergency services by an out-of-network facility is the greatest of the median in-network rate, the maximum amount as calculated according to this definition for out-of-network facility and the Medicare allowable amount.

MPA for prescription medications at out-of-network pharmacies is no more than the prevailing pharmacy network fee based on the average wholesale price (AWP) accessed by ODS minus a percentage discount. AWP is a figure that is reported by commercial publishers of drug pricing data, based on wholesale pricing information provided to them by drug manufacturers. Reimbursement for medications dispensed by all other providers will be subject to benefit provisions of the Plan and paid based on the lesser of either contracted rates, AWP or billed charges. In the event AWP is no longer recognized as a pricing standard for prescription medications, then the MPA amount will be based upon a new pricing source consistent with prescription drug industry standards.

When using an out-of-network provider, any amount above the MPA is the member's responsibility.

**Medical Condition** means any physical or mental condition including, but not limited to one resulting from illness, injury (whether or not the injury is accidental), pregnancy, or congenital malformation. Genetic information is not considered a condition.

**Medical Services Contract** means a contract between an insurer and an independent practice association or a provider. Medical services contract does not include a contract of employment or a contract creating legal entities.

**Medically Necessary** means those services and supplies that are required for diagnosis or treatment of illness or injury and which are:

- a. Appropriate and consistent with the symptoms or diagnosis of the member's condition;
- b. Established as the standard treatment by the medical community in the service area in which they are received;
- c. Not primarily for the convenience of the member or a provider; and
- d. The least costly of the alternative supplies or levels of service that can be safely provided to the member. For example, care rendered in a hospital inpatient setting is not medically necessary if it could have been provided in a less expensive setting, such as a skilled nursing facility or by a nurse in the member's home, without harm to the member.

Medically necessary care does not include custodial care.

The fact that a provider prescribes, orders, recommends, or approves a service or supply does not, of itself, make the service medically necessary or a covered service. More information regarding medical necessity can be found in General Exclusions (section 8).

**Member** means a subscriber, spouse, domestic partner, child or an individual otherwise eligible for a group health benefit plan who has enrolled for coverage under the terms of the Plan.

**Mental Health** refers to benefits, facilities, programs, levels of care and services related to the assessment and treatment of mental illness, as defined in the Plan.

**Mental Health Provider** means a board-certified psychiatrist, or any of the following state-licensed professionals: a psychologist, a psychologist associate, a practicing mental health nurse practitioner, a clinical social worker, a professional counselor, a mental health counselor, a marriage and family therapist or a clinician providing services under the auspices of a program licensed, approved, established, maintained, contracted with or operated by the Oregon Office of Mental Health & Addiction Services.

**Mental Illness** means all disorders listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, Text Revision, (DSM-IV-TR) except for:

- a. Mental retardation,
- b. Learning disorders,
- c. Paraphilias,
- d. Gender identity disorders in members age 19 or older, and
- e. V-Codes, (this exception does not extend to members 5 years of age or younger for diagnostic codes V61.20, V61.21, and V62.82).

**Network** means a group of providers who contract to provide healthcare to members. Such groups are called Preferred Provider Organizations (PPOs), and provide in-network services in their specific service areas. Covered medical expenses will be paid at a higher rate when an in-network physician or provider is used (see section 2.3).

**ODS** refers to ODS Health Plan, Inc.

**ODS Behavioral Health** provides specialty services for managing mental health and chemical dependency benefits to help members access care in the right place, while helping employers to contain costs.

**Orthotic Device** means a rigid or semi-rigid device supporting a weak or deformed leg, foot, arm, hand, back or neck, or restricting or eliminating motion in a diseased or injured leg, foot, arm, hand, back or neck.

**Out-of-Network** refers to providers that have not contracted under ODS to provide benefits to members. They will be reimbursed at the maximum plan allowance for the service provided.

**Outpatient Mental Health Treatment Episode** means a sequence of outpatient visits to a single professional provider, with no interval of 60 or more days without a visit.

**Outpatient Surgery** means surgery that does not require an inpatient admission or overnight stay.

**Partial Hospitalization or Day Treatment** means an appropriately licensed mental health or chemical dependency facility providing no less than 4 hours of direct, structured treatment services per day.

The **Plan** is the health benefit plan sponsored by OEGB and insured under the terms of the policy between OEGB and ODS.

**Plan Year** refers to the twelve month period beginning October 1st and ending September 30th. All deductibles, maximums and limitations shall be accrued on a plan year basis.

The **Policy** is the agreement between OEGB and ODS for insuring the health benefit plan sponsored by OEGB. This handbook is a part of the policy.

**Prior Authorization or Prior Authorized** refers to obtaining approval by ODS prior to the date of service. A complete list of services that require prior authorization is available on my ODS or by contacting ODS Customer Service . Failure to obtain required authorization will result in denial of benefits or a penalty (see section 3.1).

**Professional Provider** means any of the following state-licensed professionals, when providing medically necessary services within the scope of their license. In all cases, the services must be covered under the Plan to be eligible for benefits.



- a. An acupuncturist;
- b. A certified nurse midwife;
- c. A chiropractor;
- d. A hearing aid specialist;
- e. A dentist (doctor of medical dentistry or doctor of dental surgery), but only for treatment of accidental injury to natural teeth, or for surgery that does not involve repair, removal or replacement of teeth, gums, or supporting tissue;
- f. A naturopath;
- g. An optometrist;
- h. A physician (doctor of medicine or osteopathy);
- i. A podiatrist;
- j. A registered nurse or licensed practical nurse, but only for services provided upon the written referral of a physician, and only for those services for which nurses customarily bill patients;
- k. A registered nurse first assistant;
- l. A registered physical, occupational, or speech therapist, but only for rehabilitative services provided upon the written referral of a physician;
- m. An audiologist;
- n. A mental health provider as defined above
- o. A nurse practitioner (including a certified nurse practitioner midwife);
- p. A physician assistant;
- q. A tobacco cessation program following the United States Public Health guidelines for tobacco use cessation.

**Prosthetic Device** as required by state law means an artificial limb device or appliance designed to replace in whole or in part an arm, leg, eye or other body part.

**Provider** means an entity, including but not limited to a facility, a medical supplier, a program or a professional provider, that is state licensed and approved to provide a covered service or supply to a member. The term "provider" does not include any class of provider not named, and no benefits of the Plan will be paid for their services unless otherwise stated.

**Residential Program** means a state-licensed program or facility providing an organized full-day or part-day program of treatment. Residential programs provide overnight 24-hour per day care and include programs for treatment of mental illness or chemical dependency. Residential program does not include any program that provides less than 4 hours per day of direct treatment services.

The Plan's **Service Area** is the geographical area where the in-network providers provide their services.

**Significant Break in Coverage** means a period of 63 consecutive days during all of which a member does not have any creditable coverage in effect. For purposes of determining whether a member has incurred a significant break in coverage, any coverage waiting period imposed under a group health plan or policy, and any affiliation period imposed by an HMO, will not be taken into account.

**Subscriber** means any eligible employee who is enrolled in the Plan.

**Urgent Care** means the provision of immediate, short-term medical care for minor but urgent medical conditions that do not pose a significant threat to life or health at the time the services are rendered.

## **SECTION 6. BENEFIT DESCRIPTION**

This section describes the benefits under the Plan. The Plan covers services and supplies listed when medically necessary for diagnosis and/or treatment of an illness or injury. Payment of covered expenses is always limited to the maximum plan allowance. Some benefits have day or dollar limits, which are noted in the “Details” column in the Schedule of Benefits (section 2.3).

Many services require prior authorization. For a complete list, members may visit myODS or contact ODS Customer Service. Failure to obtain required prior authorization will result in denial of benefits or a penalty (see section 3.1).

Members should present their identification cards and make the appropriate copayments before they receive care.

### **6.1 MEMBERSHIP CARD**

After enrollment, members will receive identification cards that will include the group and identification numbers. Members will need to present the cards each time they receive services.

Members may contact ODS Customer Service for replacement of a lost identification card. Identification cards can be accessed via a smart phone.

### **6.2 WHEN BENEFITS ARE AVAILABLE**

The Plan only pays claims for covered services obtained when a member’s coverage is in effect. Coverage is in effect when the member:

- a. Is eligible to be covered according to the eligibility provisions of the Plan;
- b. Has applied for coverage and has been accepted; and
- c. Has had his or her premiums for the current month paid by OEGB on a timely basis.

When a member is a hospital inpatient on the day coverage ends, the Plan will continue to pay claims for covered services for that hospitalization until the member is discharged from the hospital or until benefits have been exhausted, whichever comes first.

### **6.3 ADDITIONAL COST TIER**

When certain surgical procedures with less invasive alternatives are performed, they are subject to a copayment in addition to the standard benefit level. Additional cost tier procedures include the following:

- a. Arthroscopy (knee and shoulder);
- b. Hip replacement;
- c. Knee replacement; and
- d. Spine surgery.

Visit myODS or contact ODS Customer Service for more information regarding the Additional Cost Tier.

## **6.4 EMERGENCY CARE**

Members are covered for treatment of emergency medical conditions worldwide. All emergency services will be reimbursed at the in-network benefit level. However, benefits are subject to the contracted rates for in-network providers and the maximum plan allowance for out-of-network providers. The emergency room facility copayment applies to services billed by the facility. Professional fees (e.g., emergency room physician, or x-ray/lab) billed separately are subject to the standard in-network benefit level. If a covered hospitalization immediately follows emergency services, emergency room facility copayments will be waived. All other applicable copayments or coinsurance remain in effect.

Prior authorization is not required for emergency medical screening exams or treatment to stabilize an emergency medical condition. Prior authorization is also not required for emergency services provided by an out-of-network provider when a prudent layperson possessing an average knowledge of health and medicine would reasonably believe that the time required to go to an in-network provider would place the health of the member, or a fetus in the case of a pregnant woman, in serious jeopardy.

If a member's condition requires hospitalization in an out-of-network facility, the attending physician and ODS' medical director will monitor the condition and determine when the transfer to an in-network facility can be made. The Plan does not provide the in-network benefit level for care beyond the date the attending physician and ODS' medical director determine the member can be safely transferred.

The in-network benefit level will not be available for out-of-network care other than emergency medical care. The following are not emergency medical conditions and are not eligible for the in-network benefit level (this list is not inclusive of all such services):

- a. Preventive services;
- b. Diagnostic work-ups for chronic conditions; and
- c. Elective surgery and/or hospitalization unless authorized as services not readily accessible from in-network providers.

## **6.5 AMBULANCE TRANSPORTATION**

Ambulance transportation, including local ground transportation by state certified ambulance and certified air ambulance transportation, is covered for medically necessary transport to the nearest facility that has the capability to provide the necessary treatment. Benefits will be paid to the member and the provider or directly to the provider.

Services provided by a stretcher car, wheelchair car or other similar methods are considered custodial and are not covered benefits under the Plan.

## **6.6 HOSPITAL CARE**

A hospital is a facility that is licensed as an acute care hospital and that provides inpatient surgical and medical care to members who are acutely ill. Its services must be under the supervision of a staff of licensed physicians and must include 24-hour-a-day nursing service by registered nurses. Facilities that are primarily rest, old age or convalescent homes are not considered hospitals.

Facilities operated by agencies of the federal government are not considered hospitals. However, the Plan will cover expenses incurred in facilities operated by the federal government where benefit payment is mandated by law. The Plan will also benefit any covered service rendered at any hospital owned or operated by the state of Oregon.

Hospitalization must be directed by a physician and must be medically necessary.

#### **6.6.1 Hospital Benefits**

Covered expenses consist of the following:

- a. **Hospital room.** The actual daily charge, not to exceed the hospital's most common rate for a 2-bed room;
- b. **Isolation care.** When the Plan agrees it is necessary to protect other patients from contagion or to protect a member from contracting the illness of another person;
- c. **Intensive care unit.** Using the criteria of the Joint Commission on Accreditation of Hospitals as a guide, the Plan reserves the right to decide whether a unit in a particular hospital qualifies as an intensive care unit;
- d. **Facility charges.** For surgery performed in a hospital outpatient department;
- e. **Other hospital services and supplies.** Those necessary for treatment and ordinarily furnished by a hospital; and
- f. **Routine nursery care.** Including one in-nursery physician's visit of a well newborn infant while the mother is confined in the hospital and receiving maternity benefits under the Plan. The Plan deductible is waived for routine nursery care.

Coverage for take-home prescription medications following a period of hospitalization will be limited to a 3-day supply at the same benefit level as for hospitalization.

All inpatient stays require prior authorization. Failure to obtain required prior authorization may result in denial of benefits or a penalty.

#### **6.6.2 Inpatient Days Covered**

The Plan will allow benefits for an unlimited number of days for acute hospital care.

#### **6.6.3 Inpatient Rehabilitative Hospital Care**

Covered rehabilitative care expenses are subject to a plan year limit for inpatient services delivered in a hospital or other inpatient rehabilitation facility that specializes in such care. Additional days may be available for treatment required following head or spinal cord injury, subject to medical necessity and prior authorization. These benefits are payable only when a member's condition requires inpatient rehabilitative hospital care.

In order to be a covered expense, rehabilitative services must begin within one year of the onset of the condition from which the need for services arises and must be part of a physician's formal written program to improve and restore lost function following illness or injury. The services must be appropriate to the condition that is being treated.

#### **6.6.4 Emergency Room Care**

The Plan covers medically necessary emergency room care. See section 6.4 for more information.

#### **Pre-admission Testing**

Medically necessary preadmission testing is covered when ordered by the physician.

#### **6.6.5 Partial Hospitalization Treatment and Day Treatment Programs**

The Plan covers all-inclusive per diem charge for mental health and/or chemical dependency treatment programs providing no less than 4 hours per day of direct treatment services.

### **6.6.6 Chemical Dependency Detoxification Program**

All-inclusive per diem charge for room and treatment services by a treatment program that meets the definitions in the Plan, subject to medical necessity.

## **6.7 RESIDENTIAL FACILITY CARE**

### **6.7.1 Skilled Nursing Facility Benefits**

A skilled nursing facility is a facility licensed under applicable laws to provide residential care under the supervision of a medical staff or a medical director. It must provide rehabilitative services and 24-hour-a-day nursing services by registered nurses.

Covered skilled nursing facility days are subject to a plan year limit and medical necessity.

Covered expenses are limited to the daily service rate, but no more than the amount that would be charged if the member were in a semi-private hospital room.

The Plan will not pay charges related to an admission to a skilled nursing facility that began before the member was enrolled in the Plan or for a stay where care is provided principally for:

- a. Senile deterioration;
- b. Alzheimer's disease;
- c. Mental deficiency or retardation in members age 18 or older; or
- d. Mental illness.

Expenses for routine nursing care, non-medical self-help or training, personal hygiene or custodial care are not covered under the Plan.

### **6.7.2 Residential Mental Health and Chemical Dependency Treatment Programs**

All-inclusive per diem charges for room and treatment services by a treatment program that meets the definitions in the Plan are covered.

## **6.8 AMBULATORY SERVICES**

Many ambulatory services require prior authorization. For a complete list, members may visit myODS or contact ODS Customer Service. Failure to obtain required prior authorization will result in denial of benefits or a penalty.

### **6.8.1 Outpatient Surgery**

The Plan covers operating rooms and recovery rooms, surgical supplies and other services ordinarily provided by a hospital or surgical center. Outpatient surgery requires prior authorization.

Certain surgical procedures are covered only when performed as outpatient surgery. Members should ask their in-network professional provider if this applies to a proposed surgery, or contact ODS Customer Service.

### **6.8.2 Outpatient Rehabilitation**

Rehabilitative services provided by a professional provider to a member who is not confined in a hospital are subject to a plan year limit which may be increased. If rehabilitative services are required following head or spinal cord injury, the benefit may be increased. However, to receive this additional benefit, prior authorization must be obtained before the initial sessions have been exhausted. A session is one visit. No more than one session of each type of physical, occupational, or speech therapy is covered in one day.

Medically necessary outpatient services for mental health and chemical dependency are not subject to these limits.

Rehabilitative services are physical, occupational, or speech therapies necessary to restore or improve lost function caused by illness or injury. Outpatient rehabilitative services are short term in nature with the expectation that the member's condition will improve significantly in a reasonable and generally predictable period of time.

Therapy performed to maintain a current level of functioning without documentation of significant improvement is considered maintenance therapy and is not covered. Maintenance programs that prevent regression of a condition or function are not covered. This benefit also does not cover recreational or educational therapy, educational testing or training, non-medical self-help or training, services related to treatment, testing or training for learning disabilities, testing or treatment for mental retardation for members age 18 or older, or hippotherapy.

### **6.8.3 Infusion Therapy**

The Plan covers infusion therapy services and supplies as described here, when medically necessary, authorized, and ordered by a professional provider as a part of an infusion therapy regimen. Infusion therapy requires prior authorization. Members should contact ODS Customer Service before receiving such care.

Home infusion therapy must be provided by an accredited home infusion therapy agency. In addition, members receiving the services must qualify as "homebound" (as defined in section 6.11.6).

Infusion therapy benefits are limited to the following:

- a. aerosolized pentamidine;
- b. intravenous drug therapy;
- c. total parenteral nutrition;
- d. hydration therapy;
- e. intravenous/subcutaneous pain management;
- f. terbutaline infusion therapy;
- g. SynchroMed pump management;
- h. IV bolus/push medications; and
- i. blood product administration.

In addition, covered expenses include only the following medically necessary services and supplies:

- a. solutions, medications, and pharmaceutical additives;
- b. pharmacy compounding and dispensing services;
- c. durable medical equipment for the infusion therapy;
- d. ancillary medical supplies;
- e. nursing services associated with:
  - i. patient and/or alternative care giver training;
  - ii. visits necessary to monitor intravenous therapy regimen;
  - iii. emergency services;
  - iv. administration of therapy; and
- f. collection, analysis, and reporting of the results of laboratory testing services required to monitor response to therapy.

### **6.8.4 Diagnostic X-rays and Laboratory Tests**

The Plan covers medically necessary diagnostic x-rays and laboratory tests related to treatment of an illness or injury.

### **6.8.5 Radium, Radioisotopic, X-ray Therapy, and Kidney Dialysis**

Covered expenses include:

- a. Treatment planning and simulation;
- b. Professional services for administration and supervision; and
- c. Treatments, including therapist, facility and equipment charges.

### **6.8.6 Imaging Procedures**

The Plan covers all standard imaging procedures when medically necessary and related to treatment of an illness or injury.

The following advanced imaging services require prior authorization:

- a. Magnetic resonance imaging (MRI) or magnetic resonance angiography (MRA);
- b. Computerized axial tomography (CT or CAT) or computed tomography angiogram (CTA);
- c. Positron emission tomography (PET);
- d. Single photon emission computed tomography (SPECT); and
- e. Nuclear cardiology studies.

Prior authorization for advanced imaging services is required for members utilizing all networks other than Private Healthcare Systems (PHCS), if authorization is not obtained in advance of receiving such services, the charges will be denied.

In-network providers who perform the imaging services are responsible for obtaining prior authorization on the member's behalf. Members using an out-of-network provider are responsible for ensuring that their provider contacts ODS for prior authorization. Services not authorized in advance will be denied. The in-network provider is expected to write off the full charge of the service. If the provider is out-of-network, the full charge will be the member's responsibility.

### **6.8.7 Routine Costs in Clinical Trials**

Routine costs for the care of a member who is enrolled in or participating in a qualifying clinical trial are covered. Routine costs mean medically necessary conventional care, items or services covered by the Plan if typically provided absent a clinical trial. Such costs will be subject to the applicable deductible and standard copayments or coinsurance if provided in the absence of a clinical trial. The Plan is not liable for any adverse effects of the clinical trials.

Qualified clinical trials are limited to those:

- a. Funded or supported by a center or cooperative group that is funded by the National Institutes of Health, the Centers for Disease Control and Prevention, the Agency for Healthcare Research and Quality, the Centers for Medicare and Medicaid Services, the United States Department of Defense or the United States Department of Veterans Affairs;
- b. Conducted as an investigational new drug application, an investigational device exemption or a biologics license application to the United States Food and Drug Administration; or
- c. Exempt by federal law from the requirement to submit an investigational new drug application to the United States Food and Drug Administration.

The Plan does not cover:

- a. The drug, device or service being tested in the clinical trial unless it would be covered by the Plan if provided outside of a clinical trial;
- b. Items or services required solely for the provision of the drug device or service being tested in the clinical trial;

- c. Items or services required solely for the clinically appropriate monitoring of the drug, device or service being tested in the clinical trial;
- d. Items or services required solely for the prevention, diagnosis or treatment of complications arising from the provision of the drug, device or service being tested in the clinical trial;
- e. Items or services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the member;
- f. Items or services customarily provided by a clinical trial sponsor free of charge to any person participating in the clinical trial; or
- g. Items or services that are not covered by the Plan if provided outside of the clinical trial.

### **6.8.8 Outpatient Chemical Dependency Services**

Services for assessment and treatment of chemical dependency in an outpatient treatment program are covered, subject to medical necessity.

ODS Behavioral Health can help members locate in-network providers and understand their chemical dependency benefits.

## **6.9 PROFESSIONAL PROVIDER SERVICES**

### **6.9.1 Preventive Healthcare**

When performed by an in-network provider and required under the ACA, evidence-based services rated A or B by the United States Preventive Services Taskforce, immunizations recommended by the Advisory Committee on Immunization Practices of the Center for Disease Control and Prevention (ACIP), and preventive care and screenings recommended by the Health Resources and Services Administration for infants, children, adolescents, and women will be covered at no cost to the member. See section 3.2 for benefit level when services are provided out-of-network. Members may call ODS Customer Service to verify if a preventive service is covered at no cost share.

There are additional preventive healthcare services for which the Plan will waive the deductible and any copayments and cover when performed by an in-network provider and billed with a routine diagnosis. Services billed with a medical diagnosis are paid at the standard benefit level.

- a. Periodic Health Exams. The Plan covers periodic health exams limited to the following schedule:
  - i. Newborn: One hospital visit.
  - ii. Infants: 6 well-baby visits during the first year of life.
  - iii. Age 1 to 4: 7 exams .
  - iv. Age 5 and above: One exam every plan year.

Exams for licensing or employment purposes do not constitute periodic health exams and are not covered. An exam to rule out a diagnosis of illness based on family history is eligible for benefits as a periodic health exam based on the above schedule.

Routine diagnostic x-ray and lab work related to a periodic health exam are also covered.

- b. Immunizations. The Plan covers routine immunizations for members of all ages when administered by a professional provider. Covered immunizations will be limited to those that are recommended by the ACIP. Immunizations for the sole purpose of travel or to prevent illness that may be caused by a work environment are not covered.
- c. Cardiovascular screenings. The Plan covers one Electrocardiogram (EKG) and treadmill test when performed in conjunction with a covered periodic health exam.



- d. Hearing evaluation. Hearing evaluations are covered for newborns and when performed in conjunction with a covered well-child examination. Hearing evaluations are covered for adults when performed in conjunction with an adult periodic health exam.
- e. Routine Vision Screening. The Plan covers screening to detect amblyopia, strabismus and defects in visual acuity in children from age 3 to 5.
- f. Preventive Women's Healthcare. The Plan covers a preventive women's healthcare visit once per plan year, including pelvic and breast exams and a Pap test

Breast exams are limited to women 18 years of age and older. Mammograms are limited to once between the ages of 35 and 39 and one per plan year age 40 and older.

Pap tests, breast exams, and mammograms for the purpose of diagnosis in symptomatic or designated high risk women, are also covered when deemed necessary by a professional provider. These services covered under the office visit, x-ray or lab test benefit level if not performed for preventive purposes.

- g. Routine Prostate Rectal Exam & Prostate Specific Antigen (PSA) Test. For men age 50 and over, the Plan covers one rectal examination and one PSA test every plan year or as determined by the treating professional provider. For men younger than 50 years of age who are at high risk for prostate cancer, including African-American men and men with a family medical history of prostate cancer, prostate rectal exam and PSA test are covered as determined by the treating professional provider.
- h. Colorectal Cancer Screening. The Plan covers the following colorectal cancer screening exams and laboratory tests, including related charges:
  - i. One routine flexible sigmoidoscopy and pre-surgical exam or consultation every 5 plan years for members age 50 and over.
  - ii. One routine colonoscopy and pre-surgical exam or consultation every 10 plan years for members age 50 and over.

Colonoscopy is covered under the surgery benefit level if it is not performed for preventive purposes.

- iii. One double contrast barium enema every 5 plan years for members age 50 and over.
- iv. One fecal occult blood test every plan year for members age 50 and over.

For members who are at high risk for colorectal cancer with a family medical history of colorectal cancer, a prior occurrence of cancer or precursor neoplastic polyps, a prior occurrence of a chronic digestive disease condition such as inflammatory bowel disease, Crohn's disease or ulcerative colitis, or other predisposing factors, colorectal cancer screening exams and laboratory tests are covered as recommended by the treating professional provider. Colorectal cancer screening is covered at the medical benefit level if it is not performed for preventive purposes.

### **6.9.2 Contraception**

All FDA-approved contraceptive methods and counseling are covered when prescribed by a professional provider. Women's contraception, when utilizing the most cost effective option (i.e., generic instead of brand name), will be covered at no cost to the member.

### **6.9.3 Home, Office or Hospital Visits (including Urgent Care visits)**

A "visit" means the member is actually examined by a professional provider. Covered expenses include consultations with written reports, as well as second opinion surgery consultations.

### **6.9.4 Diabetes Self-Management Programs**

The Plan will cover diabetes self-management programs associated with the treatment of insulin-dependent diabetes, insulin-using diabetes, gestational diabetes and noninsulin-using diabetes, when prescribed by a professional provider legally authorized to prescribe such programs. The Plan will cover one diabetes self-management program of assessment and training after diagnosis. Upon a material change of condition, medication or treatment, the Plan will also cover up to 3 hours per plan year of assessment and training if:

- a. Provided through an education program credentialed or accredited by a state or national entity accrediting such programs; or
- b. Provided by a physician, a registered nurse, a nurse practitioner, a certified diabetes educator or a licensed dietitian with demonstrated expertise in diabetes.

### **6.9.5 Therapeutic Injections**

Administrative services for therapeutic injections, such as allergy shots, are covered when given in a professional provider's office. When comparable results can be obtained safely with home self-care, or through oral use of a prescription drug, administrative services for therapeutic injections are not covered. (Additional information in section 6.12.1).

Vitamin and mineral injections are not covered unless medically necessary for treatment of a specific medical condition.

### **6.9.6 Surgery**

Surgery (operative and cutting procedures), including treatment of fractures, dislocations and burns, is covered. The Plan will pay for:

- a. The primary surgeon;
- b. The assistant surgeon;
- c. The anesthesiologist or certified anesthetist; and
- d. Surgical supplies such as sutures and sterile set-ups when surgery is performed in the physician's office.

The services listed above are paid at the surgery copayment or coinsurance level.

Eligible surgery performed in a physician's office is covered, subject to the appropriate prior authorizations.

### **6.9.7 Circumcision**

Circumcision for a newborn is covered when performed within 3 months of birth and may be performed without prior authorization. A circumcision beyond age 3 months must be medically necessary and requires prior authorization.

### **6.9.8 Reconstructive Surgery Following a Mastectomy**

The Plan covers reconstructive surgery following a mastectomy for:

- a. All stages of reconstruction of the breast on which the mastectomy has been performed, including nipple reconstruction, skin grafts and stippling of the nipple and areola;
- b. Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- c. Prostheses;
- d. Treatment of physical complications of the mastectomy, including lymphedemas; and
- e. Inpatient care related to the mastectomy and post-mastectomy services.

This coverage will be provided in consultation with the member's attending physician and will be subject to the same terms and conditions, including the prior authorization, plan year deductible and copayment or coinsurance provisions otherwise applicable under the Plan.

#### **6.9.9 Cosmetic and Reconstructive Surgery**

Cosmetic surgery is surgery that improves or changes appearance without restoring impaired body function. Reconstructive surgery is surgery performed on abnormal structures of the body, caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease. It is usually performed to improve function, but may also be performed to approximate a normal appearance.

Cosmetic surgery is not covered. Reconstructive procedures that are partially cosmetic in nature may be covered if ODS' medical director finds the procedure to be medically necessary. All reconstructive procedures must be medically necessary and prior authorized or benefits will not be paid.

Coverage is also available for the following services if prior authorized and medically necessary:

- a. Surgery to reduce breast size;
- b. Surgical repair of congenital deformities;
- c. Hormone-related conditions; and
- d. Acne surgery, including cryotherapy, dermabrasion, and excision of acne scarring.

Treatment for complications related to a surgery performed to correct a functional disorder is covered when medically necessary. Treatment for complications related to a surgery that does not correct a functional disorder is excluded.

When deemed cosmetic surgery by ODS' medical director, nasal rhinoplasty is not covered.

Surgery for breast augmentation, achieving breast symmetry, and replacing breast implants (prosthetics) to accomplish an alteration in breast contour or size are not covered except as provided in section 6.9.8.

#### **6.9.10 Cochlear Implants**

Cochlear implants are covered when medically necessary and prior authorized.

#### **6.9.11 Inborn Errors of Metabolism**

The Plan covers treatment of inborn errors of metabolism that involve amino acid, carbohydrate and fat metabolism and for which standard methods of diagnosis, treatment and monitoring exist. Coverage includes diagnosing, monitoring and controlling the disorders by nutritional and medical assessment, including but not limited to clinical visits, biochemical analysis and medical foods used in the treatment of such disorders.

#### **6.9.12 Special Dental Care**

Dental services are not covered, except for treatment of accidental injury to natural teeth. Natural teeth are teeth that grew/developed in the mouth. All of the following are required to qualify for coverage:

- a. The accidental injury must have been caused by a foreign object or was caused by acute trauma (e.g., a broken tooth resulting from biting and/or chewing is not an accidental injury);
- b. Diagnosis is made within 6 months of the date of injury; and
- c. Treatment is medically necessary and is provided by a physician or dentist while the member is enrolled in the Plan.

If a member chooses to have tooth implant placement as the restoration choice following a covered dental accident, the allowed amount will be limited to that which would have been allowed for a crown, bridge, or partial. Removal of tooth implants or attachments to tooth implants are not covered.

The Plan only covers treatment within 12 months of the date of injury. Covered treatment is limited to that which will restore teeth to a functional state.

#### **6.9.13 Maxillofacial Prosthetic Services**

The Plan covers maxillofacial prosthetic services considered necessary for adjunctive treatment, which means restoration and management of head and facial structures that cannot be replaced with living tissue and that are defective because of disease, trauma or birth and developmental deformities when such restoration and management are performed for the purpose of:

- a. Controlling or eliminating infection;
- b. Controlling or eliminating pain; or
- c. Restoring facial configuration or functions such as speech, swallowing or chewing but not including cosmetic procedures rendered to improve on the normal range of conditions.

#### **6.9.14 Temporomandibular Joint Syndrome (TMJ)**

TMJ-related surgical procedures and splints require prior authorization, and are covered only when medically necessary as established by a history of advanced pathologic process (arthritic degeneration) documented in a physician's medical record, or in cases involving severe acute trauma. Treatment of related dental diseases or injuries is excluded.

#### **6.9.15 Mental Health**

The Plan covers medically necessary outpatient services by a mental health provider as defined in Section 5.

ODS Behavioral Health can help members locate in-network providers and understand the mental health benefits.

#### **6.9.16 Podiatry Services**

Services of podiatrists are covered for the diagnosis and treatment of a specific current problem. The Plan will not cover the following services unless otherwise required by the member's medical condition (e.g., diabetes):

- a. Paring or cutting of benign hyperkeratotic lesion (e.g., corn or callus);
- b. Trimming of dystrophic and non-dystrophic nails; and
- c. Debridement of nails by any method.

#### **6.9.17 Treatment for Tobacco Cessation**

The Plan covers expenses incurred when a member age 10 or older participates in a tobacco cessation program. Covered expenses include counseling, office visits, medical supplies, and drugs provided or recommended by a tobacco cessation program.

A tobacco cessation program means a professional provider offering an overall treatment program that follows the United States Public Health Service guidelines for tobacco use cessation.

Members may contact ODS Customer Service to locate an exclusive tobacco cessation program.

### **6.9.18 Hearing Aids**

The Plan covers one hearing aid per hearing impaired ear. This benefit is subject to a 48-month maximum. The benefit will be adjusted annually as required by Oregon statute for children under the age of 26. Members must be examined by a physician before obtaining a hearing aid that is prescribed, fitted and dispensed by a licensed audiologist or hearing aid specialist.

Covered benefits include the following up to the dollar maximum every 48 months:

- a. A hearing aid (monaural or binaural), including a bone-anchored hearing aid, prescribed as a result of the examination;
- b. Ear molds;
- c. Hearing aid instruments;
- d. Initial batteries, cords and other necessary supplementary equipment;
- e. A warranty; and
- f. Repairs, servicing, or alteration of the hearing aid equipment.

### **6.9.19 Telemedical Health Services**

Covered medical services, delivered through a 2-way video communication that allows a professional provider to interact with a member who is at an originating site, are covered. Benefits will be subject to the applicable deductible and standard copayments or coinsurance for the covered medical services.

An originating site includes the following:

- a. Hospital;
- b. Rural health clinic;
- c. Federally qualified health center;
- d. Physician's office;
- e. Community mental health center;
- f. Skilled nursing facility;
- g. Renal dialysis center; or
- h. Site where public health services are provided.

If telemedical services are in connection with covered treatment of diabetes, communication can also be delivered via audio, Voice over Internet Protocol, or transmission of telemetry. One of the participants must be a representative of an academic health center.

### **6.9.20 Chiropractors, Naturopaths and Acupuncturists**

The Plan pays for the services of licensed chiropractors, naturopaths, and acupuncturists. For the purpose of this section, these providers are known as alternative care providers.

To be covered, a service must be within the scope of the alternative care provider's license. It also must not be specifically excluded under the Plan.

There is an aggregate plan year maximum for chiropractic, naturopathic and acupuncture services.

Lab and diagnostic x-rays ordered by a chiropractor or naturopath are subject to the Plan's standard reimbursement rate for lab and diagnostic x-rays.

Office supplies and substances provided by a naturopath are covered. Physical therapy ordered by a naturopath is also covered. Reimbursement is at the Plan's standard reimbursement rate for the type of service rendered. Physical therapy services (see section 6.8.2) are not subject to the maximum for alternative care.

To be covered, a substance must be prescribed by a naturopath and approved by the Board of Naturopathic Examiners. Benefits for covered substances prescribed by a naturopath are subject to the aggregate plan year maximum for chiropractic, naturopathic and acupuncture services when aggregated with such services.

## **6.10 HOSPICE CARE**

### **6.10.1 Definitions**

**Approved hospice** means a private or public hospice agency or organization approved by Medicare or accredited by the Oregon Hospice Association (or a similar agency if services are provided outside of Oregon).

**Home health aide** means an employee of an approved hospice who provides intermittent custodial care under the supervision of a registered nurse, physical therapist, occupational therapist or speech therapist.

**Hospice treatment plan** means a written plan of care established and periodically reviewed by the member's attending physician. The physician must certify in the plan that the member is terminally ill and the plan must describe the services and supplies for medically necessary or palliative care to be provided by the approved hospice.

The Plan covers the services and supplies listed below when included in a hospice treatment plan. Services must be provided by an approved hospice agency to a member who is terminally ill and not seeking further curative treatment.

### **6.10.2 Hospice Home Care**

Covered charges for hospice home care include services by any of the following:

- a. A registered or licensed practical nurse;
- b. A physical, occupational or speech therapist;
- c. A home health aide; or
- d. A licensed social worker.

A visit must be for intermittent medically necessary or palliative care.

### **6.10.3 Hospice Inpatient Care**

The Plan covers short-term hospice inpatient services and supplies.

### **6.10.4 Respite Care**

Respite care means care for a period of time to relieve persons residing with and caring for a member in hospice from their duties. Providing care to allow a caregiver to return to work does not qualify as respite care.

The Plan covers respite care provided to a member who requires continuous assistance when arranged by the attending professional provider and prior authorized by ODS. Hospice care is covered for services provided in the most appropriate setting.

The services and charges of a non-professional provider may be covered for respite care if approval is given by ODS in advance.

### **6.10.5 Exclusions**

In addition to exclusions listed in section 8 the following are not covered:

- a. Hospice services provided to other than the terminally ill member, including bereavement counseling for family members; and
- b. Services and supplies not included in the hospice treatment plan or not specifically set forth as a hospice benefit.

## 6.11 OTHER SERVICES

### 6.11.1 Maternity Care

Pregnancy care, childbirth and related conditions, including voluntary abortions are covered when rendered by a professional provider. Professional providers do not include midwives unless they are also licensed and certified nurse midwives or certified nurse practitioner midwives. The Plan will cover facility charges for maternity care when rendered at a covered facility, including a birthing center.

Home birth expenses are not covered other than the fees billed by a professional provider. Additional information regarding home birth exclusions is in section 8.

**Special Right Upon Childbirth.** Benefits for any hospital length of stay in connection with childbirth for the mother or newborn child will not be restricted to less than 48 hours following a normal vaginal delivery or 96 hours following a cesarean section, unless the mother's or newborn's attending professional provider, after consulting with the mother, chooses to discharge the mother or her newborn earlier. Prior authorization is not required for a length of stay up to these limits.

### 6.11.2 Breastfeeding Support

Comprehensive lactation support and counseling is covered during pregnancy and/or the postpartum period. The Plan will cover the rental charge (not to exceed the purchase price) for a breast pump and equipment. Charges for supplies such as milk storage bags and extra ice packs, bottles or coolers are not covered.

### 6.11.3 Transplants

The Plan pays benefits for medically necessary and appropriate transplant procedures that conform to accepted medical practice and are not experimental or investigational.

Covered donor costs are subject to a per transplant maximum.
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- a. Definitions

**Complications** resulting from a transplant means all related medical and surgical treatments except the transplantation of hematopoietic cells or solid organ(s).

**Exclusive Transplant Network Facility** means a healthcare facility with which ODS has contracted or arranged to provide facility transplant services for participating organization's members.

**Transplant** means:

- i. A procedure or a series of procedures by which tissue (e.g., solid organ, marrow, stem cells) is removed from the body of one person (donor) and implanted in the body of another person (recipient); and/or
- ii. A procedure or series of procedures by which tissue is removed from one's body and later re-introduced back into the body of the same person.

Corneal transplants and the collection of and/or transfusion of blood or blood products are not considered transplants for the purposes of this section and are not subject to this section's limitations and requirements.

- b. Covered Benefits. Benefits for transplants are limited as follows:
- i. If a transplant procedure is performed at a facility other than an exclusive transplant network facility, the deductible and coinsurance will not accumulate toward the out-of-pocket maximum amount under the Plan. **Note:** Member coinsurance will apply to services not performed at an exclusive transplant network facility even if the member has met the out-of-pocket maximum.
  - ii. If the recipient or self-donor is enrolled in the Plan, donor costs related to a covered transplant, including expenses resulting from complications and unforeseen effects of the donation, are covered subject to the per transplant donor cost maximum. "Donor costs" means the covered expense of removing the tissue from the donor's body and preserving or transporting it to the site where the transplant is performed as well as any other necessary charges directly related to locating and procuring the organ. If the donor is enrolled in the Plan and the recipient is not enrolled or is in the exclusion period, the Plan will not pay any benefits toward donor costs. Expenses incurred by a donor not enrolled in the Plan that result from complications and unforeseen effects of the donation are not covered.
  - iii. All transplant services must be prior authorized. Prior authorization requests for transplants will be reviewed to ensure the medical appropriateness and medical necessity of the proposed treatment for the member's medical condition or disease.
  - iv. Professional provider transplant services are paid according to the benefits for professional providers;
  - v. Immunosuppressive medications provided during a hospital stay are paid as a medical supply. Outpatient oral and self-injectable prescription medications for transplant-related services are paid under the Prescription Medication section (see section 6.13).
  - vi. The Plan will not pay for chemotherapy with autologous or homogenic/allogenic bone marrow transplant for treatment of any type of cancer not approved for coverage.

**Note:**

**To receive maximum plan benefits, the transplant related procedure must be performed at an exclusive transplant network facility.**

- c. Prior Authorization Requirement. A member may obtain prior authorization information by contacting ODS Customer Service.

The member's physician must contact ODS' Medical Intake Unit prior to the transplant admission to request authorization. Prior authorization should be obtained as soon as possible after a member has been identified as a possible transplant candidate.

To be valid, prior authorization approval must be in writing from ODS.

- d. 24-Month Exclusion Period. Transplants will not be covered during the first 24 months a person is enrolled in the Plan (see Section 7).



#### **6.11.4 Gastric Bypass (Roux-en-Y)**

Medically necessary bariatric surgery services, limited to the Roux-en-Y gastric bypass surgery is covered for subscribers who meet all of the following requirements:

- a. Are 18 years or older.
- b. Complete all the requirements listed under section 6.11.4.1 below prior to the surgery and no earlier than 6 months after October 1, 2012 or the date coverage began, whichever is later.
- c. Meet the requirements as listed under section 6.11.4.2.

##### **6.11.4.1 Pre-Surgery Eligibility Requirements:**

- a. Medical and psychological evaluation.
- b. A modest weight loss of 5% over 6 months.
- c. Dietary counseling and evaluation.
- d. Documented participation in one of the following programs:
  - i. Minimum of 6 months participation in OEBC Weight Watchers Program or a recognized commercial behavioral weight management program. The treatment program must include hypocaloric diet changes, nutrition education, and physical activity and behavior change strategies.
  - ii. Minimum 6 months participation in a physician, nurse practitioner, physician assistant, registered dietician or licensed behavioral therapist-supervised weight loss program, with or without obesity pharmacotherapy.
  - iii. Three or more primary care visits over a minimum of 6 months with a weight management treatment plan in the medical record.
  - iv. Participation and completion of an 12-week health education weight management program.
- e. Medical record documentation that none of the previous weigh loss efforts have been sustained and sufficient to address the co-existing medical condition(s) and/or comorbid conditions applicable to the patient.

##### **6.11.4.2 Surgery Requirements**

- a. Body mass index (BMI)  $\geq 35$  with one or more co-existing conditions that can be life-threatening:
  - i. Sleep apnea uncontrolled on Continuous Positive Airway Pressure (CPAP) or inability to use CPAP with an Apnea/Hypopnea Index (AHI)  $>15$  on sleep study or inability to use CPAP with an AHI  $>5$  and documentation of excessive daytime sleepiness, impaired cognition (ability to think clearly), mood disorders or insomnia, hypertension, ischemic heart disease, or history of stroke.
  - ii. Congestive heart failure (CHF) or cardiomyopathy with a recommendation for bariatric surgery from a participating physician who is a cardiologist.
  - iii. Obesity hypoventilation with  $PCO_2 \geq 45$  and a recommendation for bariatric surgery from a participating physician who is a pulmonologist.
  - iv. Diabetes mellitus uncontrolled (HbA1c8 persistently above 7.5) with conventional medical therapy that includes insulin together with an insulin sensitizing oral agent *i.e.* metformin or pioglitazone (or documented intolerance to insulin or insulin sensitizing oral agents) or  $> 15$  pound weight gain within 2 years of starting insulin therapy.
  - v. Severe hypertriglyceridemia ( $>1000$  mg/dl) uncontrolled with conventional medical therapy that includes trial of at least two fibrate medications and therapeutic doses of omega-3 fatty acid (6 grams daily), as well as alcohol avoidance.

- vi. Hypertension (high blood pressure) with blood pressure >140/90 (130/80 in the presence of diabetes or renal (kidney) disease) documented on two consecutive visits despite use of three antihypertensive medications including a diuretic (increases urination), unless contraindicated.
  - vii. Refractory extremity edema with ulceration documented by a participating physician.
  - viii. End-stage renal disease with difficulty dialyzing documented by a participating physician who is a nephrologist (kidney specialist).
  - ix. Pseudotumor cerebri documented by a participating physician who is a neurologist.
- b. BMI  $\geq$ 40/ m2 with one or more of the above co-morbid conditions and/or have symptomatic degenerative (deteriorating) joint disease of hip, knee or ankle with abnormal x-rays.
  - c. BMI  $\geq$ 50/m2 (no co-morbid condition required).
  - d. BMI  $\geq$  60:
    - i. For subscribers with a BMI  $\geq$ 60 and/or subscribers 60 years of age or higher, surgical risk decisions regarding the appropriateness of surgery will be made individually based on rehabilitation potential and the participating provider’s judgment regarding surgical risk and likelihood of benefit.
    - ii. For subscribers with a BMI between 60 and 70, decisions regarding surgical timing will be made individually based on rehabilitation potential and the participating provider’s judgment regarding surgical risk and benefit.
    - iii. Surgery is not felt to be appropriate for extreme levels of obesity (BMI >70) and non-surgical strategies for weight loss will be recommended.

**6.11.4.3 Bariatric Surgery Services Limitations:**

- a. Services in section 6.11.4 are for subscribers only.
- b. Only Roux-en-Y gastric bypass surgery will be performed.
- c. Surgeries will only be performed at a defined network of Centers of Excellence

**6.11.4.4 Definitions:**

- a. **Centers of Excellence** (COE) means a healthcare facility with which ODS has contracted or arranged to provide facility Roux-en gastric bypass surgery services for participating organization’s members.

**6.11.4.5 Travel Benefit:**

- a. To qualify, the subscriber must live more than 120 miles from a Center of Excellence.
- b. Per diem and mileage limitations based on federal government allowances from the US General Services Administration (GSA).
- c. The Plan will reimburse up to \$2,600 for qualifying expenses.

Benefit includes:

Trips to COE	Maximum Nights	With Guest
Pre-surgery consultation	1	No
Surgery	6	Yes
One post Surgery follow-up	1	No

### **6.11.5 Biofeedback Therapy**

Covered expenses for biofeedback therapy services are limited to treatment of tension or migraine headaches. Covered visits are subject to a lifetime maximum.

### **6.11.6 Home Healthcare**

Home healthcare services and supplies are covered when provided by a home healthcare agency for a member who is homebound. "Homebound" means that the member's condition creates a general inability to leave home. If the member does leave home, the absences must be infrequent, of short duration, and mainly for receiving medical treatment. A home healthcare agency is a licensed public or private agency that specializes in providing skilled nursing and other therapeutic services, such as physical therapy, in a member's home.

The home healthcare benefit consists of medically necessary home healthcare visits. A visit must be for intermittent care of not more than 2 hours in duration. Home healthcare services must be ordered by a physician and be provided by and require the training and skills of one of the following professional providers:

- a. a registered or licensed practical nurse;
- b. a physical, occupational, speech, or respiratory therapist; or
- c. a licensed social worker.

Home health aides do not qualify as a home health service provider under the Plan.

This benefit does not include home healthcare, home care services, or supplies provided as part of a hospice treatment plan. These are covered under section 6.10 and section 6.11.7.

There is a 2-visit maximum allowed in any one day for the services of a registered or licensed practical nurse. All other home healthcare providers are limited to one visit per day. Home health visits are also subject to a per plan year maximum.

Home healthcare requires prior authorization. Members should contact ODS Customer Service before receiving such care.

### **6.11.7 Supplies, Appliances and Durable Medical Equipment**

Outpatient supplies, appliances and durable medical equipment are covered.

Covered supplies include the following:

- a. medical supplies used in a professional provider's office;
- b. application of a cast;
- c. supplies related to a colostomy or mastectomy; and
- d. pumps and meters for diabetes.

The Plan covers prosthetic and orthotic devices, including repair or replacement of such devices, if they are medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities. Prosthetic and orthotic devices that are solely for comfort or convenience are not covered.

The first extremity prosthesis after loss of a body part is covered, including artificial eyes and post-mastectomy bra and prosthetic. An additional prosthesis may be authorized if the attending physician provides documentation to ODS that a new prosthetic device is medically necessary because of changing fit or poor function. Testicular prostheses are not covered.

The Plan covers one conventional intraocular lens or one contact lens or eyeglasses within 90 days following cataract surgery for each eye operated on.

An appliance is an item used for performing or facilitating the performance of a particular bodily function. Appliances, including orthopedic braces, are covered expenses. However, the following are not covered: dental appliances and braces, supporting devices such as corsets, compression or therapeutic stockings except when such stockings are medically necessary, hearing aids except as stated in section 6.9.18, eye glasses and contact lenses (see above for the cataract surgery exception).

Orthopedic shoes are covered if they are an integral part of a leg brace or if they are ordered by a professional provider and are medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities. If such correction or support is accomplished by modification of a mass-produced shoe, then the covered expense will be limited to the cost of the modification. The covered expense will not include the original cost of the shoe. Orthopedic shoes or modifications will not be covered if they are solely for comfort or convenience.

Durable medical equipment is equipment and related supplies that are used primarily to serve a medical purpose, are not generally useful to a member in the absence of illness, injury or disease, are appropriate for use in the member's home and are designed to withstand repeated use. Examples of durable medical equipment include a wheelchair, a hospital-type bed, and oxygen. Purchase or maintenance expenses of a wheelchair (including scooters) are covered up to a coverage limit (see section 3.2).

The Plan covers the rental charge (not to exceed the purchase price) for durable medical equipment. Upon request, members must authorize any supplier furnishing durable medical equipment to provide information related to the equipment order and any other records ODS requires to approve a claim payment.

In order to obtain reimbursement for replacement or repair of appliances, including prosthetic devices, equipment or durable medical equipment, members must establish, to the satisfaction of ODS, that the foregoing were not abused, were not used beyond their specifications and not used in a manner to void applicable warranties.

In addition to the exclusions listed in SECTION 8, the Plan will not cover the following appliances and equipment, even if they relate to a condition that is otherwise covered by the Plan:

- a. Those used primarily for comfort, convenience, or cosmetic purposes;
- b. Wigs and toupees;
- c. Those used for education or environmental control, such as ramps, hand rails, bath benches, telephones, humidifiers, air filters, air conditioners, heat lamps, tanning lights, whirlpools or hot tubs;
- d. Therapeutic devices, except for transcutaneous nerve stimulators; and
- e. Incontinence supplies.

ODS is not liable for any claim for damages connected with illness or injuries arising out of the use of any durable medical equipment or due to recalled surgically implanted devices or to complications of surgically implanted devices covered by manufacturer warranty.

#### **6.11.8 Nonprescription Enteral Formula For Home Use**

The Plan will cover nonprescription elemental enteral formula for home use. The formula must be medically necessary and ordered by a physician for the treatment of severe intestinal malabsorption and must comprise the sole source, or an essential source, of nutrition.

## **6.12 MEDICATIONS**

### **6.12.1 Medication Administered by Providers, Infusion Center or Home Infusion**

A medication that is given by injection or infusion (intravenous administration) in the professional provider's office, infusion center or home infusion is covered at the same benefit level as a supply. If the pharmaceutical is available in an oral dosage form, the Plan will not cover it in the form of an injectable medication unless it is medically necessary that the member use the injectable form. In addition, infusion and in-office injectables may require prior authorization by ODS or be subject to specific benefit limitations (more information is available on the ODS website). Prescription Medication benefit is in section 6.13.

### **6.12.2 Oral Anti-cancer Medication**

A prescribed, orally-administered anticancer medication that is given in the professional provider's office is covered at the same benefit level as a supply. In addition, oral anti-cancer medication may require prior authorization by ODS or be subject to specific benefit limitations (more information is available on the ODS website). Prescription Medication benefit is in section 6.13.

## **6.13 PRESCRIPTION MEDICATION BENEFIT**

### **6.13.1 ODS Preferred Pharmacy Program**

The Plan will pay benefits for covered prescription drug charges as follows:

#### **6.13.2 Benefits for prescriptions filled at a retail pharmacy (31-day supply):**

- a. 100% of covered expenses after a \$4 copayment per prescription for value tier medications;
- b. 100% of covered expenses after a \$8 copayment per prescription for generic tier medications;
- c. 100% of covered expenses after a \$25 copayment per prescription for preferred tier medications; and
- d. 50% of covered expenses for non-preferred tier medications.

#### **6.13.3 Benefits for prescriptions filled at a mail-order pharmacy (90-day supply):**

- a. 100% of covered expenses after a \$8 copayment per prescription for value tier medications;
- b. 100% of covered expenses after a \$16 copayment per prescription for generic tier medications;
- c. 100% of covered expenses after a \$50 copayment per prescription for preferred tier medications; and
- d. 50% of covered expenses for non-preferred tier medications.

#### **6.13.4 Benefits for prescriptions filled at a Specialty Pharmacy (31-day supply):**

- a. 100% of covered expenses after a \$16 copayment for generic tier medications;
- b. 100% of covered expenses after a \$50 copayment per prescription for preferred tier medications; and
- c. 50% of covered expenses for non-preferred tier medications.

The Plan has a plan year out-of-pocket maximum for prescription medication expenses (retail, mail order and specialty pharmacy providers). The amount is shown in section 2.3. The out-of-pocket maximum includes copayments and coinsurance for covered medications. The amount members pay towards non-covered expenses (e.g. the difference in cost between a generic and the brand equivalent) does not accrue towards the out-of-pocket maximum. This out-of-pocket maximum is calculated separately from any other out-of-pocket maximum that may apply to the Plan. Once the out-of-pocket maximum is met, covered prescriptions will be reimbursed at 100%.

### 6.13.5 Definitions

**Formulary.** A formulary is a listing of all prescription medications and their coverage under the prescription medications benefit. A formulary look up tool is available on myODS under the pharmacy tab. This online formulary tool provides coverage information, treatment options and price quotes for many medications.

**Generic Medications** have been determined by physicians and pharmacists to be therapeutically equivalent to the brand name version. Generic medications must contain the same active ingredients as their brand name counterpart and be identical in strength, dosage form and route of administration. Therapeutic equivalency of generic medications is determined by the FDA approval process, the physician at the point of prescribing, and the pharmacist at the point of dispensing according to State Pharmacy Laws. This category may include certain brand medications that have been identified as favorable from a clinical and cost effective perspective.

**Brand Substitution.** Both generic and brand medications are covered. If a member requests, or the treating professional prescribes, a brand medication when a generic equivalent is available, the member will be responsible for the brand copayment or coinsurance plus the difference in cost between the generic and brand medications. As the difference in cost between the generic and the brand medications is not a covered expense, the member will at all times be responsible for payment of this difference. The difference in cost between the generic and brand medications does not apply towards the member's plan year out of pocket maximum.

**In-Network Pharmacy** refers to a pharmacy that has contracted with the Oregon Prescription Drug Program to provide prescription medication benefits to members.

**Legend Medications** are those that include the notice "Caution - Federal law prohibits dispensing without prescription".

**Non Preferred Brand Medications** that are not designated as preferred have been reviewed by ODS and do not have significant therapeutic advantage over their preferred alternative(s). These products are usually not recommended as first line therapy and different methods of treatment exist.

**Orphan Tier Drugs.** An orphan drug is considered a specialty medication that has been developed to treat a rare medical condition. The Food and Drug Administration (FDA) closely regulates medications with orphan drug status and supports the research and development of these products. Orphan drugs must be prior authorized and medically necessary.

**Over-the-Counter (OTC) Drugs.** An over-the-counter drug is a medication that may be purchased without a professional provider's prescription. OTC designations for specific drugs vary by state. ODS follows the federal designation of OTC drugs to determine coverage.

**Preferred Drug Lists.** The ODS Preferred Drug List is available on myODS. It is intended to provide information pertaining to the coverage of commonly prescribed medications and is not an all inclusive list of covered products. New FDA approved medications are subject to review and may be subject to additional coverage parameters, requirements, or limits established by ODS. Medications that are new to the market are not covered until reviewed by the ODS Pharmacy and Therapeutics Committee.

**Note:** The preferred drug list and the tiering of medications are subject to change and will be periodically updated. Members with any questions regarding coverage for medications should contact ODS' Pharmacy Customer Service Department.

ODS and the Plan bear no responsibility for any prescribing or dispensing decisions. These decisions are to be made by the professional provider and pharmacist using their medical and professional judgment. Members should consult their physicians about whether a drug from the preferred list would be appropriate for them. This list is not meant to replace a physician's judgment pertaining to prescribing decisions.

**Preferred Tier Medications** including specialty preferred medications, have been reviewed by ODS and found to be clinically effective at a favorable cost when compared to other medications in the same therapeutic class and/or category. Generic medications that have been identified as having no more favorable outcomes from a clinical perspective than other more cost effective may be included in this tier.

**Specialty Medications.** Certain prescription medications or medicines are defined as specialty products. Specialty medications are often used to treat complex chronic health conditions. Specialty treatments often require special handling techniques, careful administration and a unique ordering process. Specialty medications must be prior authorized and medically necessary.

**The Plan-** for the purposes of this prescription drug rider, refers to the agreement between OEGB and ODS Health Plan, Inc.

**Value Medications.** Value tier medications include select commonly prescribed products used to treat chronic medical conditions and preserve health. A list of value tier medications is available on myODS.

#### **6.13.6 Covered Expenses**

A **covered expense** is a charge that meets all of the following criteria:

- a. It is for a covered medication supply that is prescribed for a member;
- b. The expense is incurred while the member is eligible under the Plan; and
- c. The prescribed medication is not excluded under the Plan.

#### **6.13.7 Covered Drug Supply**

A **covered drug supply** includes the following:

- a. A legend medication or drug that is medically necessary for the treatment of a medical condition that cannot legally be dispensed without a prescription.
- b. Compounded medications containing at least one covered drug as the main ingredient.
- c. Must be prescribed by an approved provider type and dispensed from a licensed pharmacy employing licensed registered pharmacists.
- d. Selected over-the-counter (OTC) products (such as covered diabetic supplies and insulins), when accompanied with a valid prescription. The same benefit parameters such as copayment or coinsurance and day supply restrictions will apply to covered OTC products. Additional information related to covered OTC products is available on myODS or by contacting ODS' Pharmacy Customer Service Department.
- e. Select legend- prenatal vitamins.
- f. Legend contraceptive medications and devices for birth control and medical conditions covered under the Plan, Pre-packaged birth control products packaged in 91-day supply containers will be assessed 3 copayments as defined by the Plan benefits.
- g. Covered expenses for select immunizations and related administration fees are covered at 100% at in-network retail pharmacies (e.g. influenza, pneumonia and shingles vaccines). Covered immunizations will be limited to those recommended by the Advisory Committee on Immunization Practices of the Center for Disease Control and Prevention. Immunizations for the sole purpose of travel or to prevent illness which may be caused by a work environment are not covered.

**Please Note:**

The fact that a professional may prescribe, order, recommend, or approve a drug does not, of itself, make the charge a covered expense.

**6.13.8 Mail Order Pharmacy**

Members have the option of obtaining prescriptions for covered medications through an exclusive mail order pharmacy.

Prescriptions purchased through the mail order drug program are subject to the ODS brand substitution policy.

A mail order pharmacy form can be obtained from myODS, or by contacting ODS' Pharmacy Customer Service Department.

**6.13.9 Specialty Services And Pharmacy**

The pharmacist and other professional providers will advise a member if a prescription requires prior authorization or delivery by an exclusive pharmacy. Specialty medications are often used to treat complex chronic health conditions. Because specialty treatments often require special handling techniques, careful administration and a unique ordering process, the Plan provides enhanced member services for these medications. Information about the clinical services and a list of eligible specialty medications are available on myODS or by contacting ODS' Pharmacy Customer Service Department at 503-265-2911 or toll free at 866-923-0411. If a member does not purchase these drugs at the exclusive specialty pharmacy provider, the drug expense will not be covered.

Specialty medications must be prior authorized. Some specialty prescriptions may have shorter day supply coverage limits. More information is available on myODS or by contacting ODS' Pharmacy Customer Service Department. For some specialty medications, members may be required to enroll in programs to ensure proper medication use and/or reduce the cost of the medication.

**6.13.10 Utilization Management****6.13.10.1 Prior Authorization**

Certain prescription medications and/or quantities of prescription medications may require prior authorization. A complete list of medications that require prior authorization is available on myODS or by contacting ODS' Pharmacy Customer Service Department. Failure to obtain required prior authorization may result in denial of benefits or a penalty (see section 3.1).

Prior authorization programs are not intended to create barriers or limit access to medications. Medications requiring prior authorization are evaluated with respect to evidence based criteria that align with medical literature, best practice clinical guidelines and guidance from the FDA. Requiring prior authorization ensures member safety, promotes proper use of medications and supports cost effective treatment options for members.

**6.13.10.2 Step Therapy**

Step therapy requires members to try selected medications before proceeding to alternative treatments. Brand medications are available as shown in section 2.3 once members have tried and failed first line therapies.

**6.13.11 Limitations**

To ensure appropriate access to medications the following limitations will apply.

- a. Retail prescriptions with a net cost over \$1,000 for a 31 day supply require authorization.
- b. Mail-order and specialty prescriptions with a net cost over \$3,000 require authorization.
- c. Compounded medications with a net cost over \$150 for a 31 day supply require a prior authorization.



- d. New FDA approved medications are subject to review and may be subject to additional coverage parameters, requirements, or limits established by the Plan.
- e. If a brand drug is dispensed when a generic equivalent is available, the member will be responsible for the difference in cost between the generic and brand drug.
- f. Select specialty medications that have been determined to have a high discontinuation rate or short durations of use may be limited to a 15 day supply.
- g. Access to covered prescription medications for the treatment of tobacco use disorder is limited to members participating in a tobacco cessation program that follows the United States Public Health Service guidelines.
- h. Claims for medications purchased outside of the United States and its territories will only be covered in emergency and urgent care situations.
- i. Early refill of medications for travel outside of the United States is limited to once every 6 months.
- j. Specialty medications with dosing intervals beyond 30 days will be assessed an increased copayment consistent with the day supply.

### 6.13.12 Exclusions

The following services, procedures and conditions are not covered by the Plan, even if otherwise medically necessary or if recommended, referred, or provided by a professional provider, pharmacist or pharmacy. In addition, any direct complication or consequence that arises from these exclusions will not be covered. See SECTION 8 for additional exclusions that may apply.

- a. **Charges Over the Maximum Plan Allowance.**
- b. **Cosmetic.** Medications prescribed or used for cosmetic purposes.
- c. **Devices.** Including, but not limited to therapeutic devices and appliances. Information for contraceptive devices is in section 6.13.7.
- d. **Drug Administration.** A charge for administration or injection of a drug or medicine except for select medications at in-network retail pharmacies.
- e. **Experimental or Investigational Medications.** Including any drug or medicine that is used for an experimental or investigational purpose, even if it is otherwise approved by the federal government or recognized as neither experimental nor investigative for other uses or health conditions.
- f. **Foreign Drug Claims.** Drugs purchased from non-U.S. mail order or online pharmacies or U.S. mail or online pharmacies acting as agents of non-U.S. pharmacies.
- g. **Gender Reassignment.** Medications prescribed (such as hormone supplements) prescribed to support gender reassignment.
- h. **Hair Growth Medications.**
- i. **Immunization Agents for Travel.**
- j. **Infertility Medications.**
- k. **Institutional Medications or Medicine.** Medicine or medications that are to be taken by or administered to a member in whole or in part while the member is a patient in a hospital, a sanitarium, a rest home, a skilled nursing facility, an extended care facility, a nursing home, or a similar institution.
- l. **Medications Covered Under Another Benefit.** Such as medications covered under home health, medical, etc.
- m. **Medications Prescribed by a Relative.** Prescriptions written or ordered by members or their relatives, including a spouse, domestic partner, child, sibling, or parent of a member or his or her spouse or domestic partner.
- n. **Non-Covered Condition.** A drug prescribed for purposes other than to treat a covered medical condition.
- o. **Nutritional Supplements and Medical Foods** Unless determined to be medically necessary.
- p. **Off-label Use.** Medications prescribed for or used for non-FDA approved indications, unless approved by the Health Resources Commission, are not covered

- q. **Over the Counter (OTC) Medications** and prescription medications for which there is an OTC equivalent or alternative.
- r. **Repackaged Medications.**
- s. **Replacement Medications and/or Supplies.**
- t. **Sexual Disorders.** Medications or devices prescribed or used to treat sexual dysfunction.
- u. **Treatment Not Medically Necessary.** Including:
  - i. Medications prescribed for purposes other than treating disease;
  - ii. Medications that are either inappropriate or inconsistent with the symptoms or diagnosis of a member's condition;
  - iii. Medications that are not representative of the standard treatment by the medical community in the service area in which they are received;
  - iv. Medications that are primarily rendered for the convenience of a member or a provider; and/or
  - v. Medications that are not a cost-effective option when considering common alternatives that can be safely provided to a member.
- v. **Untimely Dispensing.** Medications or medicines that are dispensed more than one year after the order of a professional provider.
- w. **Vitamins and Minerals.** The Plan does not cover over-the-counter (OTC) vitamins and minerals.
- x. **Weight Loss Medications.**

#### **6.13.13 Claims Procedures**

Members who go to an in-network pharmacy should present their ODS ID card and pay the prescription copayment or coinsurance as required by the Plan.

At times, members may be required to submit a claim form and applicable receipts for reimbursement. For example, a member who fills a prescription at an out-of-network pharmacy that does not access ODS' claims payment system will need to submit a request for reimbursement (see section 11.1.4).

#### **6.13.14 Pharmacy Coordination Of Benefits (COB)**

Claims subject to the COB provision of the Plan may be submitted electronically by pharmacies or through the direct member reimbursement paper claim process. The preferred method is for the pharmacy to electronically transmit the primary plan's remaining balance to ODS for processing. If approved, the secondary claim will be automatically processed according to plan benefits. Members who are unable to have their secondary claims processed electronically may submit a claim reimbursement request directly to ODS (see section 11.1.4).

#### **COB Processing Guidelines**

The manner in which a pharmacy claim is paid by the primary payer will affect how ODS pays for the claim as the secondary plan. In-network pharmacies are prohibited from coordinating with manufacturer-sponsored discount programs for brand medications with available generic or over-the-counter options.

**Denied by Primary:** If a claim is denied by the primary plan, ODS will process the claim as if it is primary.

#### **Approved by Primary:**

- a. **Primary plan approves a claim, but does not pay anything toward the claim.** Reasons for this may include, but are not limited to; the member has not satisfied a deductible (if applicable) or the cost of the medication is less than the primary plan's copayment or coinsurance. In this scenario, ODS will pay as if it is primary.

- b. Primary plan approves a claim and benefits are paid.** In this scenario, ODS will pay up to what the Plan would have allowed had it been the primary payer. The Plan will not pay more than the member's total out-of-pocket expense under the primary plan.

Additional information on COB is in Section 12.

## **SECTION 7. EXCLUSION PERIODS**

Notwithstanding any other provisions of the Plan, there are limitations on the benefits available under the Plan for the treatment of certain conditions and the use of certain procedures. These limitations are described below.

### **7.1 24-MONTH EXCLUSION PERIOD FOR TRANSPLANTS**

Transplants will not be covered during the first 24 months a member is enrolled in the Plan except as follows:

- a. The 24-month exclusion period will not apply if the member has been continuously enrolled in the Plan since birth;
- b. The 24-month exclusion period will not apply if the member was continuously enrolled in the Plan together with the participating organization's prior plan (but only if the prior plan included transplant coverage and would have covered the same services) at least 24 months prior to incurring transplant-related expenses. If the member had applicable transplant coverage under a prior health benefit plan, each day of creditable coverage the member had under that prior health benefit plan will reduce the 24-month exclusion period by one day (see section 7.2).

### **7.2 CREDITABLE COVERAGE WILL REDUCE THE EXCLUSION PERIOD**

The exclusion period will be reduced for members who have creditable coverage. Combined periods of creditable coverage will reduce the exclusion period if a member's most recent period of creditable coverage is still in effect on the date of enrollment or ended within 63 days of the enrollment date of coverage under the Plan. Each day of creditable coverage that a member has will reduce the exclusion period by one day. Any period of creditable coverage that is followed by a significant break in coverage cannot be used to reduce the exclusion period.

A member has the right to demonstrate the existence of prior creditable coverage by providing ODS with a certificate of creditable coverage from a prior group or individual plan. Members who have more than one certificate due to coverage under more than one plan in the 24 months preceding the enrollment date for transplant coverage should submit all available certificates. Members may request a certificate of creditable coverage from a prior plan or insurer within 24 months of coverage termination.

## **SECTION 8      GENERAL EXCLUSIONS**

In addition to the limitations and exclusions described elsewhere in the Plan, the following services, procedures and conditions are not covered, even if otherwise medically necessary, if they relate to a condition that is otherwise covered by the Plan, or if recommended, referred, or provided by an in-network provider. In addition, any direct complication or consequence that arises from these exclusions will not be covered except for emergency medical conditions.

### **Benefits Not Stated**

Services and supplies not specifically described in this handbook as covered expenses.

### **Birthing Classes**

### **Charges Over the Maximum Plan Allowance**

Except when required under the Plan's coordination of benefits rules (see section 12.1).

### **Comfort and First-Aid Supplies**

Including, but not limited to footbaths, vaporizers, electric back massagers, footpads, heel cups, shoe inserts, band-aids, cotton balls, cotton swabs, and off-the-shelf wrist, ankle or knee braces.

### **Cosmetic Procedures**

Any procedure requested for the purpose of improving or changing appearance without restoring impaired body function, including breast augmentation, lipectomy, liposuction, and hair removal (including electrolysis and laser). Exceptions are provided for reconstructive surgery following a mastectomy (see section 6.9.8) and complications of reconstructive surgeries if medically necessary and not specifically excluded.

### **Court-Ordered Services**

Those related to criminal behavior by the member, including a sex offender treatment program and a screening interview or treatment program related to driving under the influence of intoxicants for members age 18 or older. This exclusion does not apply to chemical dependency services for members age 17 or younger or to services provided pursuant to civil commitment proceedings for mental illness.

### **Custodial Care**

Routine care and hospitalization for assistance with activities of daily living, including, but not limited to, bathing, dressing, feeding, and administration of medications. Custodial care also includes care that is primarily for the purpose of separating a member from others, or for preventing a member from harming himself or herself.

### **Dental Examinations and Treatment; Orthodontia**

Except as specifically provided for in section 6.9.12 and 6.9.13, dental examination and treatment and orthodontia are not covered.

### **Enrichment Programs**

Psychological or lifestyle enrichment programs including self-help programs, educational programs, assertiveness training, marathon group therapy, and sensitivity training.

### **Experimental or Investigational Procedures**

Including expenses incidental to or incurred as a direct consequence of such procedures.

**Eye Examinations**

Including the fitting, provision, or replacement of eyeglasses or contact lenses, and any charges for orthoptics, vitamin therapy, low vision therapy, eye exercises, or fundus photography, except as otherwise provided under the Plan.

**Faith Healing****Family Planning**

Surgery to reverse voluntary sterilization procedures (vasectomy or tubal ligation) and any men's contraceptive drug, device or supply that can be legally dispensed without a prescription.

**Financial Counseling Services****Food Services**

"Meals on Wheels" and similar programs.

**Gender Identity Disorders**

Services and supplies for members age 19 and older.

**Guest Meals in a Hospital or Skilled Nursing Facility****Hearing Aids**

Including:

- a. Implantable hearing aids and surgical procedure to implant them including osseointegrated auditory implants and similar devices;
- b. Replacement of a hearing aid for any reason before the end of the 48-month maximum benefit period;
- c. Batteries or other supplementary equipment other than those obtained upon purchase of the hearing aid; and
- d. Expenses incurred after coverage ends, unless the hearing aid is ordered before coverage terminated and it is received within 90 days of the end date.

**Home Birth or Delivery**

Charges including but not limited to travel, portable hot tubs, and transportation of equipment other than the professional services billed by a professional provider.

**Homemaker or Housekeeping Services****Illegal Acts, Riot or Rebellion**

Services and supplies for treatment of an illness, injury or condition caused by or arising out of a member's voluntary participation in a riot, armed invasion or aggression, insurrection or rebellion or arising directly from an illegal act.

**Infertility**

All services and supplies for office visits, diagnosis and treatment of infertility, as well as the cause of infertility.

**Inmates**

Services and supplies a member receives while in the custody of any state or federal law enforcement authorities or while in jail or prison.

**Legal Counseling**

### **Massage or Massage Therapy**

### **Mental Examination and Psychological Testing and Evaluations**

For the purpose of adjudication of legal rights, administrative awards or benefits, corrections or social service placement, employment, or any use except as a diagnostic tool for the treatment of mental illness.

### **Mental Retardation/Learning Disabilities**

Treatment related to mental retardation for members age 18 or older and custodial services or supplies provided by an institution for the mentally retarded. Treatment for learning disabilities.

### **Midwives**

Except a licensed and certified nurse midwife or nurse practitioner midwife.

### **Missed Appointments**

### **Necessities of Living**

Including, but not limited to food, clothing, and household supplies. Related exclusion is under "Supportive Environmental Materials."

### **Never Events**

Services and supplies related to never events, which are events that should never happen while receiving services in a hospital or facility including but not limited to the wrong surgery, surgery on the wrong body part, or surgery on the wrong patient. These also apply to any hospital acquired condition, as that term is defined in the Centers for Medicare and Medicaid Services (CMS) guidelines, which includes but is not limited to serious preventable events.

### **Nuclear Radiation**

Any illness or injury arising from ionizing radiation, pollution or contamination by radioactivity from any nuclear waste from the combustion of nuclear fuel, and the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or component, unless otherwise required by law.

### **Nutritional Counseling**

Except as provided for in section 6.

### **Obesity or Weight Reduction**

Even if morbid obesity is present. Services and supplies including:

- a. Gastric restrictive procedures with or without gastric bypass (except as provided in section 6.11.4), or the revision of such procedures.
- b. Weight management services such as weight loss programs, exercise programs, counseling, hypnosis, biofeedback, neurolinguistic programming, guided imagery, relaxation training and subliminal suggestion used to modify eating behaviors.
- c. Any drug or formula related to or resulting from the treatment of weight loss or obesity even if prescribed by a physician.

The Plan will cover services and supplies that are necessary for the treatment of established medical conditions that may be caused by or made worse by obesity, but services and supplies that do so by treating the obesity directly are not covered, except as required under the ACA.

### **Orthopedic Shoes**

Except as provided for in section 6.11.7.

**Orthognathic Surgery**

Including associated services and supplies.

**Paraphilia****Pastoral and Spiritual Counseling****Physical Examinations**

Routine physical examinations for employment, licensing, participating in sports or other activities or insurance coverage.

**Physical Exercise Programs****Private Nursing Services****Professional Athletic Contests**

Diagnosis, treatment and rehabilitation services for injuries sustained while practicing for or competing in a professional (full time, for payment or under sponsorship) or semi-professional (part time, for payment or under sponsorship) athletic contest.

**Psychoanalysis or psychotherapy**

As part of an educational or training program, regardless of diagnosis or symptoms.

**Rehabilitation Services**

Except as provided for in sections 6.6.3 and 0.

**Reports and Records**

Including charges for the completion of claim forms.

**Routine Foot Care**

Including the following services unless otherwise required by the member's medical condition (e.g., diabetes):

- a. Paring or cutting of benign hyperkeratotic lesion (e.g., corn or callus);
- b. Trimming of dystrophic and non-dystrophic nails; and
- c. Debridement of nails by any method.

**School Services**

Educational or correctional services or sheltered living provided by a school or half-way house.

**Services Otherwise Available**

Including:

- a. those for which payment could be obtained in whole or in part if a member had applied for payment under any city, county, state or federal law, except for Medicaid coverage;
- b. those for which a member cannot be held liable because of an agreement between the provider and another third-party payer which has paid or is obligated to pay for such service or supply;
- c. those for which no charge is made, or for which no charge is normally made in the absence of insurance;
- d. those provided under separate contracts that are used to provide coordinated coverage for covered persons in a group and are considered parts of the same plan; and



- e. those a member could have received in a hospital or program operated by a government agency or authority. This exclusion does not apply to:
  - i. covered services rendered at any hospital owned or operated by the state of Oregon or any state-approved community mental health and developmental disabilities program; or
  - ii. veterans of the armed forces, in which case covered services and supplies furnished by the Veterans' Administration of the United States that are not service-related are eligible for payment according to the terms of the Plan.

### **Services Provided By a Relative**

Relatives, for the purpose of this exclusion, include a member or a spouse or domestic partner, child, sibling, or parent of a member or his or her spouse or domestic partner.

### **Services Provided By Volunteer Workers**

### **Sexual Disorders**

The Plan covers services delivered by mental health providers for the treatment of sexual dysfunction diagnoses listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, (DSM-IV-TR), but does not cover services or supplies delivered by other medical providers for the following treatment:

- a. Sexual dysfunction; or
- b. Sex change procedures and complications resulting from sex change procedures.

### **Support Education**

Including the following:

- a. Level 0.5 education-only programs;
- b. Education-only, court-mandated anger management classes;
- c. Voluntary mutual support groups, such as Alcoholics Anonymous; and
- d. Family education or support groups except for support groups rated A or B by the United States Preventive Services Taskforce.

### **Supportive Environmental Materials**

Including but not limited to hand rails, ramps, bath benches, humidifiers, air filters, air conditioners, heat lamps, tanning lights, whirlpools, hot tubs, and telephones, and other items that are not for the treatment of a medical condition even if they relate to a condition otherwise covered by the Plan. Related exclusion is under "Necessities of Living."

### **Surgery to Alter Refractive Character of the Eye**

Refractive surgery, laser vision correction, and any other procedure that alters the refractive character of the eye, the purpose of which is to cure or reduce myopia, hyperopia, or astigmatism. Includes radial keratotomy, corneal rings, LASIK, PRK, procedures using the Holmium: YAG laser, and other procedures of the refractive keratoplasty type. Reversals or revisions of any procedures that alter the refractive character of the eye and any complications of these procedures.

### **Taxes**

### **Telemedical Health Services**

Including telephone visits or consultations and telephone psychotherapy, except as specifically provided for in section 6.9.19.

### **Telephones and Televisions in a Hospital or Skilled Nursing Facility**

**Therapies**

Services or supplies related to mental retardation for members age 18 or older, or related to learning disabilities, hippotherapy, and maintenance therapy and programs.

**Third-party Liability Claims**

Services and supplies for treatment of illness or injury for which a third party is or may be responsible, to the extent of any recovery received from or on behalf of the third party. Includes benefits payable under any automobile medical, personal injury protection (PIP), automobile no fault, underinsured or uninsured, homeowner, commercial premises coverage, or similar contract or insurance, when such contract or insurance is issued to, or makes benefits available to, a member, whether or not such benefits are requested (see section 11.4.2).

**Transportation**

Except medically necessary ambulance transport.

**Treatment After Coverage Terminates**

The only exception is if a member is hospitalized at the time of termination (see section 6.2).

**Treatment in the Absence of Illness**

Including individual or family counseling or treatment for marital, behavioral, financial, family, occupational or religious problems, treatment for “at risk” individuals in the absence of illness, or treatment of “normal” transitional response to stress.

**Treatment Not Medically Necessary**

Including services or supplies that:

- a. Are not medically necessary for the treatment or diagnosis of a condition otherwise covered under the Plan;
- b. Are either inappropriate or inconsistent with the symptoms or diagnosis of a member’s condition;
- c. Are not established as the standard treatment by the medical community in the service area in which they are received;
- d. Are primarily rendered for the convenience of a member or a provider; and/or
- e. Are not the least costly of the alternative supplies or levels of service that can be safely provided to a member. For example, coverage is not allowed for an inpatient hospital stay or residential chemical dependency treatment program when an appropriate level of treatment could be delivered in an outpatient setting such as an ambulatory surgery facility or outpatient chemical dependency treatment program.

The fact that a professional provider may prescribe, order, recommend, or approve a service or supply does not, of itself, make the charge a covered expense.

**Treatment Prior to Enrollment**

Including services and supplies for an admission to a hospital, skilled nursing facility or special facility that began before the member’s coverage under the Plan began. Reimbursement for such admission will be the responsibility of the plan under which the member was covered immediately preceding and extending up to the effective date of the Plan. If no such plan was in effect, ODS will provide coverage only for those covered expenses incurred on or after the member’s effective date under the Plan.

**Vitamins and Minerals**

Unless medically necessary for treatment of a specific illness or injury and prescribed and dispensed by a naturopath or other licensed professional provider. This applies whether the vitamin or mineral is oral, injectable, or transdermal.

**Wigs, Toupees, Hair Transplants****Work-Related Conditions**

Treatment of illness or injury arising out of or in the course of employment or self-employment for wages or profit so long as the member is not exempt from state and federal workers' compensation law. Applies whether or not the expense for the service or supply is paid under workers' compensation.

## **SECTION 9. ELIGIBILITY**

The Plan's eligibility rules are outlined in the Oregon Administrative Rules under OAR 111-015-0001. The date a person becomes eligible may be different than the date coverage begins. More specific information can be found in section 10).

### **9.1 ELIGIBILITY AUDIT**

ODS reserves the right to conduct audits to verify a member's eligibility, and may request documentation including but not limited to employee timecards, member birth certificates, adoption paperwork, marriage certificates, domestic partnership registration and any other evidence necessary to document eligibility on the Plan.

## SECTION 10. ENROLLMENT

### 10.1 NEWLY-HIRED AND NEWLY-ELIGIBLE ACTIVE ELIGIBLE EMPLOYEES

The Plan's enrollment rules for newly-hired and newly-eligible active eligible employees are outlined in the Oregon Administrative Rules under OAR 111-040-0010.

### 10.2 QUALIFIED STATUS CHANGES

The Plan's enrollment rules for qualified status changes are outlined in the Oregon Administrative Rules under OAR 111-040-0040.

An eligible employee and their spouse, registered domestic partner, and/or children may also have additional enrollment rights under the Children's Health Insurance Program Reauthorization Act of 2009 if prior coverage was under Medicaid or a children's health insurance program (CHIP) and such coverage was terminated due to loss of eligibility. Special enrollment must be requested within 60 days of the termination.

Additionally, if an eligible employee, spouse, domestic partner or child covered under Medicaid or CHIP becomes eligible for a premium assistance subsidy, and special enrollment is requested within 60 days of the determination of eligibility, they may enroll in the Plan outside of the open enrollment period.

The special enrollment rights as described above apply:

- a. To an eligible employee who loses other coverage or becomes eligible for a premium assistance subsidy;
- b. To a spouse, domestic partner, or child who loses coverage under the other plan or becomes eligible for a premium assistance subsidy; or,
- c. To both if neither is enrolled in the Plan, and either loses coverage under the other plan or becomes eligible for a premium assistance subsidy.

To enroll, an eligible employee will need to submit a complete and signed application within the required timeframe, along with a certificate of creditable coverage from the previous plan.

**Note: A new dependent may cause a premium increase. Premiums will be adjusted accordingly. Such adjustments will apply during the first 31 days of coverage for newborn or adopted children. If payment is required but not received, the child will not be covered. A signed copy of court-ordered guardianship will be required for coverage of a grandchild.**

### 10.3 EFFECTIVE DATES

The Plan's effective dates for enrollment are outlined in the Oregon Administrative Rules under OAR 111-040-0001.

## **10.4 OPEN ENROLLMENT**

The Plan's open enrollment rules are outlined in the Oregon Administrative Rules under OAR 111-040-0020.

## **10.5 LATE ENROLLMENT**

The Plan's late enrollment rules are outlined in the Oregon Administrative Rules under OAR 111-040-0030.

## **10.6 RETURNING TO ACTIVE ELIGIBLE EMPLOYEE STATUS**

The Plan's enrollment rules for those persons returning to active eligible employee status are outlined in the Oregon Administrative Rules under OAR 111-040-0035.

All plan provisions will resume at re-enrollment whether or not there was a lapse in coverage. Any exclusion period that was not completed at the time the subscriber was laid off or had a reduction in hours must be satisfied. However, the period of layoff or reduction in hours will be counted toward the exclusion period. Upon re-enrollment in the Plan, any waiting period required by the Plan will not have to be re-served.

## **10.7 REMOVING AN INELIGIBLE INDIVIDUAL FROM BENEFIT PLANS**

The Plan's rules for removing an ineligible person from the Plan are outlined in the Oregon Administrative Rules under OAR 111-040-0015.

## **10.8 WHEN COVERAGE ENDS**

Termination dates for loss of eligibility, death of the active eligible employee, and retirement of the active eligible employee are outlined in the Oregon Administrative Rules under OAR 111-040-0005. In addition, there are a variety of other circumstances in which a member's coverage will end. These are described in the following paragraphs.

### **10.8.1 Group Plan Termination**

If the Plan is terminated for any reason, coverage ends for the participating organization and members on the date the Plan ends. There is one exception to this rule. If the OEBC terminates the Plan and a member is hospitalized on the day the Plan ends, coverage under the Plan (including all terms, limitations, and conditions) shall continue until the hospital confinement ends or hospital benefits under the Plan are exhausted, whichever is earlier.

ODS may terminate the group policy for fraud or intentional misrepresentation of material fact by OEBC, or for OEBC's noncompliance with material policy provisions.

In the event the group policy is terminated for a reason other than nonpayment of premiums and OEGB does not replace the insurance coverage, ODS will mail a notice of termination to OEGB. Group Plan termination includes termination of a multiple-employer trust policy. ODS' notice will be mailed within 10 working days of the date of termination. The notice will explain members' rights under federal and state law regarding Portability, conversion and continuation of coverage. It is the responsibility of OEGB to send the information contained in the notice to members.

If ODS does not give notice as required by this provision, the group policy shall remain in full force from the date notice should have been provided until the date the notice is received by OEGB, and ODS will waive the premiums owing for this period. In this case, the period during which members have to apply for continuation or Portability coverage will begin on the date OEGB receives the notice.

#### **10.8.2 Termination By A Subscriber**

A subscriber may terminate his or her coverage, or coverage for any enrolled dependent, by giving ODS written notice through OEGB in accordance with OEGB's administrative rules. Coverage will end on the last day of the month through which premiums are paid. If a subscriber terminates his or her own coverage, coverage for any enrolled dependents also ends at the same time.

#### **10.8.3 Rescission By Insurer**

The Plan's enrollment rules for rescission by insurer are outlined in OEGB's Administrative Rules. Members may also refer to the OEGB Member Benefits Guide for additional information on rescinding.

#### **10.8.4 Certificates of Creditable Coverage**

Certificates of creditable coverage will be issued when coverage ends, when COBRA coverage ends, and when a member requests a certificate while covered under the Plan or within 2 years of losing coverage.

#### **10.8.5 Other**

Information is in Continuation of Health Coverage (section 14) and Individual Portability Coverage (section 15).

### **10.9 DECLINATION OF COVERAGE**

The Plan's rules for declining coverage are outlined in the Oregon Administrative Rules under OAR 111-040-0050.

## **SECTION 11. CLAIMS ADMINISTRATION & PAYMENT**

### **11.1 SUBMISSION AND PAYMENT OF CLAIMS**

In no event, except absence of legal capacity or in the case of a Medicaid claim, is a claim valid if submitted later than 12 months from the date the expense was incurred. Claims submitted by Medicaid must be sent to ODS within 3 years after the date the expense was incurred.

#### **11.1.1 Hospital and Professional Provider Claims**

If a member is hospitalized, his or her ODS identification card must be presented to the admitting office. In most cases, the hospital will bill ODS directly for the cost of the hospital services. ODS will pay the hospital and send copies of its payment record to the member. The hospital will then bill the member for any charges that were not covered under the Plan.

Sometimes, a hospital will require a member, at the time of discharge, to pay charges that might not be covered by the Plan. If this happens, the member must pay these amounts. ODS will reimburse the member if any of the charges paid are later determined to be covered by the Plan.

A professional provider will often bill charges directly to ODS as well. When a member is billed by the hospital or professional provider directly, he or she should send a copy of the bill to ODS at the address listed below, and include all of the following information:

ODS  
Attn: Medical  
P.O. Box 40384  
Portland, Oregon 97240

- a. The patient's name;
- b. The subscriber's name and group and identification numbers;
- c. The date of service;
- d. The diagnosis with the corresponding current ICD (diagnosis) codes; and
- e. An itemized description of the services and charges with corresponding American Medical Association (AMA) CPT and/or Centers for Medicare and Medicaid (CMS) HCPCS codes.

If the treatment is for an accidental injury, a statement explaining the date, time, place, and circumstances of the accident must be included with the bill.

The same procedure should be followed with bills for hospital or professional provider care received outside the United States.

#### **11.1.2 Ambulance Claims**

Bills for ambulance service must show where the member was picked up and taken as well as the date of service and the member's name, group number, and identification number.

#### **11.1.3 Tobacco Cessation Program Claims**

Members participating in the exclusive tobacco cessation program may obtain prescription medications at participating pharmacies and will be responsible for the applicable copay/coinsurance. A specific claim form is available by visiting myODS or contacting ODS Customer Service. Members not participating in the exclusive tobacco cessation program should follow the claim submission procedures in section 12.1.5 for prescribed medications treating tobacco cessation.



ODS will be billed directly by the exclusive tobacco cessation program for the cost of counseling, consultation and supplies. Other providers may require a member to pay the charges and submit the claim to ODS. If this happens, the member must pay these amounts and submit the claim form specific to the tobacco cessation program. ODS will reimburse the member for covered expenses.

#### **11.1.4 Prescription Medication Claims**

To ensure timely processing of a reimbursement request members should complete the prescription medication claim form to request benefit reimbursement for prescribed drugs. Forms are available on myODS.

Submit the claim to: ODS Pharmacy Network  
P.O. Box 40168  
Portland, OR 97240-0168

#### **11.1.5 Explanation of Benefits (EOB)**

Soon after receiving a claim, ODS will report its action on the claim by providing the member a document called an Explanation of Benefits (EOB). Members are encouraged to access their EOBs electronically by signing up through myODS. ODS may pay claims, deny them, or accumulate them toward satisfying the deductible, if any. If all or part of a claim is denied, the reason will be stated in the EOB.

If a member does not receive an EOB or an e-mail indicating that an EOB is available within a few weeks of the date of service, this may indicate that ODS has not received the claim. To be eligible for reimbursement, claims must be received within the claim submission period explained in section 11.1.

#### **11.1.6 Claim Inquiries**

ODS Customer Service can answer questions about how to file a claim, the status of a pending claim, or any action taken on a claim. ODS will respond to an inquiry within 30 days of receipt.

### **11.2 DISPUTE RESOLUTION**

#### **11.2.1 Definitions**

For purposes of section 11.2, the following definitions apply:

**Adverse Benefit Determination** means a written notice from ODS, in the form of a letter or an Explanation of Benefits (EOB), of any of the following: rescission of coverage, or a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for a benefit, including one based on a determination of a member's eligibility to participate in the Plan and one resulting from the application of any pre-existing condition exclusion or utilization review, as well as a failure to cover an item or service for which benefits are otherwise provided because it is determined to be experimental or investigational or not necessary and customary by the standards of generally accepted practice for the prevention or treatment of disease or accidental injury, or when continuity of care is denied because the course of treatment is not considered active. A **Final Internal Adverse Benefit Determination** is an adverse benefit determination that has been upheld by ODS at the completion of the internal appeal process or with respect to which the internal appeal process has been exhausted.

**Appeal** is a written request by a member or his or her representative for ODS to review an adverse benefit determination.

**Claim Involving Urgent Care** means any claim for medical care or treatment in which the application of the regular time period to review a denial of a pre-service claim could seriously jeopardize a member's life or health or ability to regain maximum function, or, in the opinion of a physician with knowledge of a member's medical condition, would subject the member to severe pain that cannot be adequately managed without the requested care or treatment.

**Complaint** means an expression of dissatisfaction about a specific problem a member has encountered or about a decision by ODS or an agent acting on behalf of ODS, and which includes a request for action to resolve the problem or change the decision. A complaint does not include a request for information or clarification about any subject related to the Plan.

**Post-service Claim** means any claim for a benefit under the Plan for care or services that have already been received by a member.

**Pre-service Claim** means any claim for a benefit under the Plan for care or services that require prior authorization.

**Utilization Review** means a system of reviewing the medical necessity, appropriateness, or quality of medical care services and supplies using specified guidelines, including preadmission certification, the application of practice guidelines, continued stay review, discharge planning, prior authorization of ambulatory procedures, and retrospective review. An adverse benefit determination that the item or service is not medically necessary or appropriate, is investigational or experimental, or in which the decision as to whether a benefit is covered involved a medical judgment is a utilization review decision.

#### **11.2.2 Time Limit for Submitting Appeals**

A member has **180 days** from the date of an adverse benefit determination to submit an initial written appeal. If an appeal is not submitted within the timeframes outlined in this section, the rights to the appeals process will be lost.

#### **11.2.3 The Review Process**

The Plan has a 2-level internal review process consisting of a first-level appeal and a second-level appeal. If a member is not satisfied with the outcome of the second-level appeal, and the dispute meets the specifications outlined in section 12.2.6, the member may request external review by an independent review organization. The first and second levels of appeal must be exhausted to proceed to external review, unless ODS agrees otherwise.

<p>The timelines addressed in the sections below do not apply when the member does not reasonably cooperate, or circumstances beyond the control of either party prevent that party from complying with the standards set (but only if the party who is unable to comply gives notice of the specific circumstances to the other party when the circumstances arise).</p>
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#### **11.2.4 First-level Appeals**

Before filing an appeal, it may be possible to resolve a dispute with a phone call to ODS Customer Service. Otherwise, an appeal must be submitted in writing to ODS. If necessary, ODS Customer Service can provide assistance filing an appeal. The member may review the claim file and present evidence and testimony as part of the appeal process, and may appoint a representative to act on his or her behalf. ODS will acknowledge receipt of the written appeal within 7 days and conduct an investigation by persons who were not involved in the original determination.

An appeal related to an urgent care claim will be entitled to expedited review upon request. An expedited review will be completed no later than 72 hours after receipt of the appeal by ODS, unless the member fails to provide sufficient information for ODS to make a decision. In this case, ODS will

notify the member within 24 hours of receipt of the appeal of the specific information necessary to make a decision. The member will have 48 hours to provide the specified information. The investigation of an urgent care claim will be completed no later than 48 hours following the earlier of (a) ODS' receipt of the specified information, or (b) the end of the period provided to submit the specified additional information.

Investigation of a pre-service appeal will be completed within 15 days. Investigation of a post-service appeal will be completed within 30 days. When an investigation has been completed, ODS will notify the member in writing of the decision, the basis for the decision, and if applicable, information on the right to a second-level appeal.

#### **11.2.5 Second-level Appeals**

A member who disagrees with the decision regarding the first-level appeal may request a review of the decision. The second-level appeal must be submitted in writing within 60 days of the date of ODS' action on the first-level appeal.

Investigations and responses to a second-level appeal will be by persons who were not involved in the initial determination, and will follow the same timelines as those for a first-level appeal. The member may review the claim file and present evidence and testimony as part of the appeal process, and may appoint a representative to act on his or her behalf. If new or additional evidence or rationale is used by ODS in connection with the claim, it will be provided to the member, in advance and free-of-charge, before any final internal adverse benefit determination. Members may respond to this information before ODS' determination is finalized. ODS will notify the member in writing of the decision, the basis for the decision, and if applicable, information on the right to request an external review.

#### **11.2.6 External Review**

If the dispute meets the criteria below, a member may request that it be reviewed by an independent review organization appointed by the Oregon Insurance Division.

- a. The dispute must relate to an adverse benefit determination based on a utilization review decision or whether a course or plan of treatment that a member is undergoing is an active course of treatment for purposes of continuity of care (see section 12.3); or cases in which ODS fails to meet the internal timeline for review or to provide all of the information and notices required under federal law for appeals regarding those issues;
- b. The request for external review must be in writing no more than 180 days after receipt of the final internal adverse benefit determination. For an urgent care claim or when the dispute concerns a condition for which a member received emergency services and is still hospitalized, a request for external review may be expedited or simultaneous with a request for internal appeal review;
- c. The member must sign a waiver granting the independent review organization access to his or her medical records;
- d. The member must have exhausted the appeal process described in sections 12.2.4 and 12.2.5. However, ODS may waive this requirement and have a dispute referred directly to external review with the member's consent; and
- e. The member shall provide complete and accurate information to the independent review organization in a timely manner.

The decision of the independent review organization is binding except to the extent other remedies are available to the member under state or federal law. If ODS fails to comply with the decision, the member may initiate a suit against ODS.

A final internal adverse benefit determination based on specific exclusions or limitations on the amount, duration or scope of coverage that does not involve medical judgment or a decision on whether a person is a member under the Plan does not qualify for external review. A complaint decision does not qualify for external review.

### **11.2.7 Complaints**

ODS will investigate complaints regarding the following issues when submitted in writing within 180 days from the date of the claim.

- a. Availability, delivery or quality of a health care service;
- b. Claims payment, handling or reimbursement for health care services that is not disputing an adverse benefit determination; or
- c. Matters pertaining to the contractual relationship between a member and ODS.

Investigation of a complaint will be completed within 30 days. If additional time is needed ODS will notify the member and have an additional 15 days to make a decision.

### **11.2.8 Additional Member Rights**

Members have the right to file a complaint or seek other assistance from the Oregon Insurance Division. Assistance is available:

By phone:	503-947-7984 or toll-free 888-877-4894
By mail:	Oregon Insurance Division PO Box 14480 Salem, Oregon 97309-0405
By internet:	<a href="http://www.cbs.state.or.us/external/ins/consumer/consumer.html">www.cbs.state.or.us/external/ins/consumer/consumer.html</a>
By email:	<a href="mailto:cp.ins@state.or.us">cp.ins@state.or.us</a>

This information is subject to change upon notice from the Director of the Oregon Insurance Division.

## **11.3 CONTINUITY OF CARE**

### **11.3.1 Continuity of Care**

Continuity of care allows a member who is receiving care from an individual professional provider to continue care with that professional provider for a limited period of time after the medical services contract terminates.

ODS will provide continuity of care if a medical services contract or other contract for a professional provider's services is terminated, the provider no longer participates in the network, and the Plan does not cover services when services are provided to members by the professional provider or covers services at a benefit level below the benefit level specified in the Plan for out-of-network professional providers.

Continuity of care requires the professional provider to be willing to adhere to the medical services contract that had most recently been in effect between the professional provider and ODS, and to accept the contractual reimbursement rate applicable at the time of contract termination, or if the contractual reimbursement rate was not based on a fee for service, a rate equivalent to the contractual rate.

For a member to receive continuity of care, all of the following conditions must be satisfied:

- a. The member must request continuity of care from ODS;
- b. The member is undergoing an active course of treatment that is medically necessary and, by agreement of the professional provider and the member, it is desirable to maintain continuity of care; and
- c. The contractual relationship between the professional provider and ODS, with respect to the Plan covering the member, has ended.

However, ODS will not be required to provide continuity of care when the contractual relationship between the professional provider and ODS ends under one of the following circumstances:

- a. Because the professional provider:
  - i. has retired;
  - ii. has died;
  - iii. no longer holds an active license;
  - iv. has relocated out of the service area;
  - v. has gone on sabbatical; or
  - vi. is prevented from continuing to care for patients because of other circumstances; or
- b. The contractual relationship has terminated in accordance with provisions of the medical services contract relating to quality of care and all contractual appeal rights of the professional provider have been exhausted.

ODS will not provide continuity of care if the member leaves the Plan or if OEGB discontinues the Plan in which the member is enrolled.

### **11.3.2 Length of Continuity of Care**

Except in the case of pregnancy, continuity of care will end on the earlier of the following dates:

- a. The day following the date on which the active course of treatment entitling the member to continuity of care is completed; or
- b. The 120<sup>th</sup> day after the date of notification by ODS to the member of the termination of the contractual relationship with the professional provider.

Continuity of care will end for a member who is undergoing care for pregnancy, and who becomes entitled to continuity of care after commencement of the second trimester of the pregnancy, on the later of the following dates:

- a. The 45<sup>th</sup> day after the birth; or
- b. As long as the member continues under an active course of treatment, but not later than the 120<sup>th</sup> day after the date of notification by ODS to the member of the termination of the contractual relationship with the professional provider.

### **11.3.3 Notice Requirement**

ODS will give written notice of the termination of the contractual relationship with a professional provider, and of the right to obtain continuity of care, to those members that ODS knows or reasonably should know are under the care of the professional provider. The notice shall be given to the members no later than the 10<sup>th</sup> day after the date on which the termination of the contractual relationship takes effect or no later than the 10<sup>th</sup> day after ODS first learns the identity of an affected member after the date of termination of the contractual relationship.

If the professional provider belongs to a provider group, the provider group may deliver the notice if the notice clearly provides the information that the Plan is required to provide to the affected members.

For purposes of notifying a member of the termination of the contractual relationship between ODS and the professional provider and the right to obtain continuity of care, the date of notification by ODS is the earlier of the date on which the member receives the notice or the date on which ODS receives or approves the request for continuity of care.

## **11.4 BENEFITS AVAILABLE FROM OTHER SOURCES**

Situations may arise in which healthcare expenses may be the responsibility of someone other than ODS.

### **11.4.1 Coordination Of Benefits (COB)**

This provision applies when a member has healthcare coverage under more than one plan. A complete explanation of COB is in Section 12.

### **11.4.2 Third-Party Liability**

A member may have a legal right to recover benefit or healthcare costs from a third party as a result of an illness or injury for which benefits or healthcare costs were paid by ODS. For example, a member who is injured may be able to recover the benefits or healthcare costs from a person or entity responsible for the injury or from an insurer, including different forms of liability insurance, or uninsured motorist coverage or under-insured motorist coverage. As another example, a member may become sick or be injured in the course of employment, in which case the employer or a workers' compensation insurer may be responsible for healthcare expenses connected with the illness or injury. If ODS makes an advance payment of benefits, as described below, it is entitled to be reimbursed for any benefits it paid that are associated with any illness or injury that are or may be recoverable from a third party or other source. Amounts received by ODS through these recoveries help reduce the cost of premiums and providing benefits.

Payment of benefits where a third party may be legally liable is excluded under the terms of the Plan. Because recovery from a third party may be difficult and take a long time, as a service to the member ODS will pay a member's expenses based on the understanding and agreement that the member is required to honor ODS' subrogation rights as discussed below and, if requested, to reimburse ODS in full from any recovery the member may receive, no matter how the recovery is characterized.

Upon claiming or accepting benefits, or the provision of benefits, under the terms of the Plan, the member agrees that ODS has the remedies and rights described in section 11.3.2. ODS may elect to seek recovery under one or more of the procedures outlined in this section. The member agrees to do whatever is necessary to fully secure and protect, and to do nothing to prejudice, ODS' right of reimbursement or subrogation as discussed in this section. ODS has the sole discretion to interpret and construe these reimbursement and subrogation provisions.

#### **11.4.2.1 Definitions**

For purposes of section 11.4.2, the following definitions apply:

**Benefits** means any amount paid by ODS, or submitted to ODS for payment to or on behalf of a member. Bills, statements or invoices submitted to ODS by a provider of services, supplies or facilities to or on behalf of a member are considered requests for payment of benefits by the member.

**Recovery Funds** means any amount recovered from a third party.

**Third Party** means any person or entity responsible for the injury or illness, or the aggravation of an injury or illness, of a member. Third party includes any insurer of such person or entity, including different forms of liability insurance, or any other form of insurance that may pay money to or on behalf of the member including uninsured motorist coverage, under-insured motorist coverage, premises med-pay coverage, PIP coverage, and workers' compensation insurance.

**Third-party Claim** means any claim, lawsuit, settlement, award, verdict, judgment, arbitration decision or other action against a third party (or any right to assert the foregoing) by or on behalf of a member, regardless of how the claims or damages or recovery funds are characterized. (For example, a member who has received payment of medical expenses from ODS may file a third-party claim against the party responsible for the member's injuries, but only seek the recovery of non-economic damages. In that case, ODS is still entitled to recover benefits as described in section 11.4.2.)

#### **11.4.2.2 Subrogation**

Upon payment by the Plan, ODS shall be subrogated to all of the member's rights of recovery. The member shall do whatever is necessary to secure such rights and do nothing to prejudice them. ODS may pursue the third party in its own name or in the name of the member. ODS is entitled to all subrogation rights and remedies under the common and statutory law, as well as under the Plan.

#### **11.4.2.3 Right of Recovery**

In addition to its subrogation rights, ODS may, at its sole discretion and option, ask that a member, and his or her attorney, if any, protect its reimbursement rights. The following rules apply to this right of recovery:

- a. The member holds any rights of recovery against the third party in trust for ODS, but only for the amount of benefits ODS paid for that illness or injury.
- b. ODS is entitled to receive the amount of benefits it has paid for that illness or injury out of any settlement or judgment that results from exercising the right of recovery against the third party. This is so regardless of whether the third party admits liability or asserts that the member is also at fault. In addition, ODS is entitled to receive the amount of benefits it has paid whether the health care expenses are itemized or expressly excluded in the third-party recovery.
- c. If ODS asks the member and his or her attorney to protect its reimbursement rights under this section, then the member may subtract from the money to be paid back to ODS a proportionate share of reasonable attorney fees as an expense for collecting from the other party.
- d. ODS may ask the member to sign an agreement to abide by the terms of this section. ODS will not be required to pay benefits for the illness or injury until the agreement is properly signed and returned.
- e. This right of recovery includes the full amount of the benefits paid, or pending payment by ODS, out of any recovery made by the member from the third party, including, without limitation, any and all amounts from the first dollars paid or payable to the member (including his or her legal representatives, estate or heirs, or any trust established for the purpose of paying for the future income, care or medical expenses of the member), regardless of the characterization of the recovery, whether or not the member is made whole, or whether or not any amounts are paid or payable directly by the third party, an insurer or another source. ODS' recovery rights will not be reduced due to the member's own negligence.

- f. If it is reasonable to expect that the member will incur future expenses for which benefits might be paid by ODS, the member shall seek recovery of such future expenses in any third-party claim.

#### **11.4.2.4 Motor Vehicle Accidents**

Any expense for injury or illness that results from a motor vehicle accident and is payable under a motor vehicle insurance policy is not a covered benefit under the Plan and will not be paid by ODS.

If a claim for healthcare expenses arising out of a motor vehicle accident is filed with ODS and motor vehicle insurance has not yet paid, then ODS may advance benefits, subject to sections 11.4.2.2 and 11.4.2.3.

In addition, in third-party claims involving the use or operation of a motor vehicle, ODS, at its sole discretion and option, is entitled to seek reimbursement under the Personal Injury Protection statutes of the state of Oregon, including ORS 742.534, ORS 742.536, or ORS 742.538 or under other applicable state law.

#### **11.4.2.5 Additional Third-Party Liability Provisions**

In connection with ODS' rights as discussed in the above sections, members shall do one or more of the following, and agree that ODS may do one or more of the following, at its discretion:

- a. If the member seeks payment by ODS of any benefits for which there may be a third-party claim, the member shall notify ODS of the potential third-party claim. The member has this responsibility even if the first request for payment of benefits is a bill or invoice submitted to ODS by the member's provider.
- b. Upon request from ODS, the member shall provide all information available to the member, or any representative or attorney representing the member, relating to the potential third-party claim. The member and his or her representatives shall have the obligation to notify ODS in advance of any claim (written or oral) and/or any lawsuit made against a third party seeking recovery of any damages from the third party, whether or not the member is seeking recovery of benefits paid by ODS from the third party.
- c. In order to receive an advance payment of benefits pursuant to section 11.4.2, ODS requires any member seeking payment of benefits by ODS, and if the member is a minor or legally incapable of contracting, then the member's parent or guardian, to fill out, sign and return to ODS a Third Party Reimbursement Questionnaire and Agreement, which includes a questionnaire about the accident and the potential third-party claim. If the member has retained an attorney, then the attorney must also sign the agreement.
- d. The member shall cooperate with ODS to protect its recovery rights, and in addition, but not by way of limitation, shall:
  - i. Sign and deliver any documents ODS reasonably requires to protect its rights;
  - ii. Provide any information to ODS relevant to the application of the provisions of section 11.4.2, including medical information (doctors' reports, chart notes, diagnostic test results, etc.), settlement correspondence, copies of pleadings or demands, and settlement agreements, releases or judgments; and
  - iii. Take such actions as ODS may reasonably request to assist ODS in enforcing its third-party recovery rights.
- e. By accepting payment of benefits by ODS, the member agrees that ODS has the right to intervene in any lawsuit or arbitration filed by or on behalf of a member seeking damages from a third party.



- f. The member agrees that ODS may notify any third party, or third party's representatives or insurers, of its recovery rights described in section 11.4.2.
- g. Even without the member's written authorization, ODS may release to, or obtain from, any other insurer, organization or person, any information it needs to carry out the provisions of section 11.4.2.
- h. This section applies to any member for whom advance payment of benefits is made by ODS whether or not the event giving rise to the member's injuries occurred before the member became covered by ODS.
- i. If the member continues to receive medical treatment for an illness or injury after obtaining a settlement or recovery from a third party, ODS will provide benefits for the continuing treatment of that illness or injury only to the extent that the member can establish that any sums that may have been recovered from the third party have been exhausted.
- j. If the member or the member's representatives fail to do any of the foregoing acts at ODS' request, then ODS has the right to not advance payment of benefits or to suspend payment of any benefits for or on behalf of the member related to any sickness, illness, injury or medical condition arising out of the event giving rise to, or the allegations in, the third-party claim. In exercising this right, ODS may notify medical providers seeking authorization or prior authorization of payment of benefits that all payments have been suspended, and may not be paid.
- k. Coordination of benefits (where the member has healthcare coverage under more than one plan or health insurance policy) is not considered a third-party claim.
- l. If any term, provision, agreement or condition of section 11.4.2 is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

## **11.5 MEDICARE**

To the extent permitted by law, the Plan will not pay for any part of a covered expense to the extent the expense is actually paid or would have been paid under Medicare Part A or B had the member properly enrolled in Medicare and applied for benefits. For coordination of benefits purposes, the Plan will estimate what Medicare would have paid and reduce its benefits based on the estimate.

In addition, if the Plan is secondary to Medicare, ODS will not pay for any part of expenses incurred from providers who have opted out of Medicare participation.

## SECTION 12. COORDINATION OF BENEFITS

Coordination of Benefits (COB) occurs when a member has healthcare coverage under more than one plan.

### 12.1 DEFINITIONS

For purposes of Section 12, the following definitions apply:

**Plan** means any of the following that provides benefits or services for medical or dental care or treatment. If separate contracts are used to provide coordinated coverage for covered persons in a group, the separate contracts are considered parts of the same plan and there is no COB among those separate contracts.

Plan includes:

- a. Group insurance contracts and group-type contracts;
- b. HMO (Health Maintenance Organization) coverage;
- c. Coverage under a labor-management trustee plan, a union welfare plan, an employer organization plan or an employee benefits plan;
- d. Medical care components of group long-term care contracts, such as skilled nursing care;
- e. Medicare or other government programs, other than Medicaid, and any other coverage required or provided by law; or
- f. Other arrangements of insured or self-insured group or group-type coverage.

Plan does not include:

- a. Hospital indemnity coverage or other fixed indemnity coverage;
- b. Accident-only coverage;
- c. Specified disease or specified accident coverage;
- d. School accident coverage;
- e. Benefits for non-medical components of group long-term care policies;
- f. Medicare supplement policies;
- g. Medicaid policies; or
- h. Coverage under other federal governmental plans, unless permitted by law.

Each contract or other arrangement for coverage described above is a separate plan. If a plan has 2 parts and COB rules apply to only one of the 2, each of the parts is treated as a separate plan.

**Complying Plan** is a plan that complies with these COB rules.

**Non-complying Plan** is a plan that does not comply with these COB rules.

**Claim** means a request that benefits of a plan be provided or paid.

An **Allowable Expense** means a healthcare expense, including deductibles and copayments or coinsurance, that is covered at least in part by any plan covering the member. When a plan provides benefits in the form of a service rather than cash payments, the reasonable cash value of the service will also be considered an allowable expense and a benefit paid. An expense that is not covered by any plan covering the member is not an allowable expense. In addition, any expense that a provider by law or in accordance with a contractual agreement is prohibited from charging a member is not an allowable expense.

The following are examples of expenses that are **not** allowable expenses:

- a. The difference between the cost of a semi-private hospital room and a private hospital room, unless one of the plans provides coverage for private hospital room expenses;
- b. The amount of the reduction by the primary plan because a member has failed to comply with the plan provisions concerning second surgical opinions or prior authorization of admissions or services, or because the member has a lower benefit due to not using an in-network provider;
- c. Any amount in excess of the highest reimbursement amount for a specific benefit, if a member is covered by 2 or more plans that compute their benefit payments on the basis of usual and customary fees or relative value schedule reimbursement methodology or other similar reimbursement methodology;
- d. Any amount in excess of the highest of the negotiated fees, if a member is covered by 2 or more plans that provide benefits or services on the basis of negotiated fees;
- e. If a member is covered by one plan that calculates its benefits or services on the basis of usual and customary fees or relative value schedule reimbursement methodology or other similar reimbursement methodology and another plan that provides its benefits or services on the basis of negotiated fees, the primary plan's arrangement shall be the allowable expense for all plans. However, if the provider has contracted with the secondary plan to provide the benefit or service for a specific negotiated fee or payment amount that is different than the primary plan's payment arrangement and if the provider's contract permits, the negotiated fee or payment shall be the allowable expense used by the secondary plan to determine its benefits.
- f. If a plan is advised by a member that all plans covering the member are high-deductible health plans and the member intends to contribute to a health savings account established in accordance with Section 223 of the Internal Revenue Code of 1986, the primary high-deductible health plan's deductible is not an allowable expense, except for any healthcare expense incurred that may not be subject to the deductible as described in Section 223(c)(2)(C).

**This Plan** is the part of this policy that provides benefits for healthcare expenses to which the COB provision applies and which may be reduced because of the benefits of other plans. Any other part of the policy providing healthcare benefits is separate from this Plan. A policy may apply one COB provision to certain benefits, coordinating only with similar benefits, and may apply another COB provision to coordinate other benefits.

A **Closed Panel Plan** is a plan that provides healthcare benefits to covered persons primarily in the form of services through a network of providers that have contracted with or are employed by the plan, and that excludes coverage for services provided by other providers, except in cases of emergency or referral by an in-network provider.

**Custodial Parent** is the parent awarded custody by a court decree or, in the absence of a court decree, is the parent with whom the child resides more than one half of the calendar year excluding any temporary visitation.

## 12.2 HOW COB WORKS

If the member is covered by another plan or plans, the benefits under this Plan and the other plan(s) will be coordinated. This means one plan pays its full benefits first, and then any other plans pay. The order of benefit determination rules govern the order in which each plan will pay a claim for benefits.

The **primary plan** (the plan that pays benefits first) pays the benefits that would be payable under its terms in the absence of this provision.

The **secondary plan** (the plan that pays benefits after the primary plan) will reduce the benefits it pays so that payments from all plans do not exceed 100% of the total allowable expense.

This Plan will coordinate with a plan that is “excess” or “always secondary” or that uses order of benefit determination rules that are inconsistent with those contained in OAR 836-020-0770 to 836-020-0805 (non-complying plan) on the following basis:

- a. If this Plan is primary, it will provide its benefits first.
- b. If this Plan is secondary and the non-complying plan does not provide its primary payment information within a reasonable time after it is requested to do so, this Plan will assume that the benefits of the non-complying plan are identical to this Plan’s benefits. This Plan will provide its benefits first, but the amount of the benefits payable shall be determined as if this Plan were the secondary plan.
- c. If the non-complying plan reduces its benefits so that the member receives less in benefits than he or she would have received had this Plan provided its benefits as the secondary plan and the non-complying plan provided its benefits as the primary plan, then this Plan shall advance additional benefits equal to the difference between the amount that was actually paid and the amount that should have been paid if the non-complying plan had not improperly reduced its benefits. Additional payment will be limited so that ODS will not pay any more than it would have paid if it had been the primary plan. In consideration of such an advance, this Plan shall be subrogated to all rights of the member against the non-complying plan.

### 12.3 ORDER OF BENEFIT DETERMINATION (WHICH PLAN PAYS FIRST?)

The first of the following rules that applies will govern:

- a. **Non-dependent/Dependent.** If a plan covers the member as other than a dependent, for example, an employee, member of an organization, subscriber, or retiree, then that plan will determine its benefits before a plan that covers the member as a dependent. However, if the member is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the member as a dependent and primary to the plan covering the member as other than a dependent (e.g. a retired employee), then the order of benefits between the two plans is reversed.
- b. **Dependent Child/Parents Married, Registered Domestic Partners, or Living Together.** If the member is a dependent child whose parents are married, registered domestic partners, or are living together whether or not they have ever been married or registered domestic partners, the plan of the parent whose birthday falls earlier in the calendar year is the primary plan. If both parents' birthdays are on the same day, the plan that has covered the parent the longest is the primary plan. (This is called the ‘Birthday Rule’.)
- c. **Dependent Child/Parents Separated or Divorced or Not Living Together.** If the member is a dependent child of divorced or separated parents, or parents not living together whether or not they have ever been married or registered domestic partners, then the following rules apply:
  - i. If a court decree states that one of the parents is responsible for the healthcare expenses of the child, and the plan of that parent has actual knowledge of those terms, that plan is primary. This rule applies to plan years commencing after the plan is given notice of the court decree.

- ii. If a court decree states that both parents are responsible for the healthcare expenses of the child, or that the parents have joint custody without specifying that one parent is responsible, the 'birthday rule' described above applies.
- iii. If there is not a court decree allocating responsibility for the child's healthcare expenses, the order of benefits is as follows:
  - A. The plan covering the custodial parent;
  - B. The plan covering the spouse or domestic partner of the custodial parent;
  - C. The plan covering the non-custodial parent; and then
  - D. The plan covering the spouse or domestic partner of the non-custodial parent.
- d. **Dependent Child Covered by Individual Other than Parent.** For a dependent child covered under more than one plan of persons who are not the parents of the child, the first applicable provision (b or c) above shall determine the order of benefits as if those persons were the parents of the child.
- e. **Active/Retired or Laid Off Employee.** The plan that covers a member as an active employee, that is, one who is neither laid off nor retired (or as that employee's dependent) determines its benefits before those of a plan that covers the member as a laid off or retired employee (or as that employee's dependent). If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of the benefits, this rule is ignored.
- f. **COBRA or State Continuation Coverage.** If a member whose coverage is provided under COBRA or under a right of continuation provided by state or other federal law is covered under another plan, the plan covering the member as an employee, member of an organization, subscriber, or retiree or as a dependent of the same, is the primary plan and the COBRA or other continuation coverage is the secondary plan. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of the benefits, this rule is ignored.
- g. **Longer/Shorter Length of Coverage.** The plan that covered a member longer is the primary plan and the plan that covered the member for the shorter period of time is the secondary plan.
- h. **None of the Above.** If the preceding rules do not determine the order of benefits, the allowable expenses shall be shared equally between the plans. In addition, this Plan will not pay more than it would have paid had it been the primary plan.

## 12.4 EFFECT ON THE BENEFITS OF THIS PLAN

In determining the amount to be paid for any claim, the secondary plan will calculate the benefits it would have paid in the absence of other healthcare coverage and apply that calculated amount to any allowable expense under its plan that is unpaid by the primary plan. The secondary plan shall credit to its plan deductible any amounts it would have credited to its deductible in the absence of other healthcare coverage.

If the primary plan is a closed panel plan and the member uses an out-of-network provider, the secondary plan shall provide benefits as if it were the primary plan, except for emergency services or authorized referrals that are paid or provided by the primary plan.

## 12.5 ODS' RIGHT TO COLLECT AND RELEASE NEEDED INFORMATION

In order to receive benefits, the member must give ODS any information needed to pay benefits. ODS may release to or collect from any person or organization any needed information about the member.

## **12.6 CORRECTION OF PAYMENT**

If benefits that this Plan should have paid are instead paid by another plan, this Plan may reimburse the other plan. Amounts reimbursed are plan benefits and are treated like other plan benefits in satisfying the Plan's liability.

## **12.7 RIGHT OF RECOVERY**

If the Plan pays more for a covered expense than is required by the Plan, the excess payment may be recovered from:

- a. The subscriber;
- b. Any person to whom the payment was made; or
- c. Any insurance company, service plan or any other organization that should have made payment.

## **SECTION 13. MISCELLANEOUS PROVISIONS**

### **13.1 REQUEST FOR INFORMATION**

When necessary to process claims, ODS may require a member to submit information concerning benefits to which the member is entitled. ODS may also require a member to authorize any provider to give ODS with information about a condition for which a member claims benefits.

### **13.2 CONFIDENTIALITY OF MEMBER INFORMATION**

Keeping a member's protected health information confidential is very important to ODS. Protected health information includes enrollment, claims, and medical and dental information. ODS uses such information internally for claims payment, referrals and authorization of services, and business operations such as case management and quality management programs. ODS does not sell this information. The Notice of Privacy Practices provides more detail about how ODS uses members' information. A copy of the notice is available on the ODS website by following the HIPAA link or by calling ODS at 503-243-4492.

### **13.3 TRANSFER OF BENEFITS**

Only members are entitled to benefits under the Plan. These benefits are not assignable or transferable to anyone else. Any attempted assignment or transfer will not be binding on ODS.

### **13.4 RECOVERY OF BENEFITS PAID BY MISTAKE**

If ODS mistakenly makes a payment for a member to which he or she is not entitled, or pays a person who is not eligible for payments at all, ODS has the right to recover the payment from the person paid or anyone else who benefited from it, including a provider. ODS' right to recovery includes the right to deduct the amount paid by mistake from future benefits it would provide for a member even if the mistaken payment was not made on that member's behalf.

### **13.5 CONTRACT PROVISIONS**

OEBB's policy with ODS and this handbook plus any endorsements or amendments are the entire contract between the parties. No promises, terms, conditions or obligations exist other than those contained in the contract. This handbook and the policy plus such endorsements or amendments, if any, shall supersede all other communications, representations or agreements, either verbal or written between the parties.

### **13.6 RESPONSIBILITY FOR QUALITY OF MEDICAL CARE**

In all cases, members have the exclusive right to choose their provider. ODS is not responsible for the quality of medical care a member receives, since all those who provide care do so as independent contractors. ODS cannot be held liable for any claim or damages connected with injuries a member suffers while receiving medical services or supplies.

## 13.7 WARRANTIES

All statements made by OEGB, or a member, unless fraudulent, are considered representations and not warranties. No statement made for the purpose of obtaining coverage will void the coverage or reduce benefits unless contained in a written form and signed by OEGB or the member, a copy of which has been given to OEGB or member or the member's beneficiary.

## 13.8 GUARANTEED RENEWABILITY

ODS is required to renew coverage at the option of OEGB. Coverage may only be discontinued or non-renewed:

- a. For nonpayment of the required premiums by OEGB.
- b. For fraud or intentional material misrepresentation of OEGB, or with respect to coverage of individual members, the members or their representatives.
- c. When the number or percentage of members is less than required by participation requirements.
- d. For non-compliance with the employer contribution requirements in the policy.
- e. When ODS discontinues offering and/or renewing, all of its group health benefit plans in Oregon or in a specified service area within Oregon. In order to discontinue plans under this provision, ODS:
  - i. Must give notice of the decision to the Director of the Department of Consumer and Business Services and to all groups, associations, trusts, and discretionary groups covered by the plans;
  - ii. May not cancel coverage under the plans for 180 days after the date of the notice required immediately above if coverage is discontinued in the entire state or, except as provided in the next subsection of this paragraph, in a specified service area;
  - iii. May not cancel coverage under the plans for 90 days after the date of the notice required above if coverage is discontinued in a specified service area because of an inability to reach an agreement with the healthcare providers or organization of healthcare providers to provide services under the plans within the service area; and
  - iv. Must discontinue offering or renewing, or offering and renewing, all health benefit plans issued by ODS in the group market in Oregon or in the specified service area.
- f. When ODS discontinues offering and renewing a group health benefit plan in a specified service area within Oregon because of an inability to reach an agreement with the healthcare providers or organization of healthcare providers to provide services under the plan within the service area. In order to discontinue a plan under this provision, ODS:
  - i. Must give notice of the decision to the director and to all groups, associations, trusts, and discretionary groups, covered by the plan;
  - ii. May not cancel coverage under the plan for 90 days after the date of the notice required immediately above; and
  - iii. Must offer in writing to each group, association, trust, and discretionary group, covered by the plan, all other group health benefit plans that ODS offers in the specified service area. ODS shall offer the plans at least 90 days prior to discontinuation.
- g. When ODS discontinues offering and/or renewing a health benefit plan for all groups, associations, trusts, and discretionary groups in Oregon or in a specified service area within Oregon, other than a plan discontinued under the paragraph immediately above. With respect to plans that are being discontinued, ODS must:
  - i. Offer in writing to each group, association, trust, and discretionary group covered by the plan, one or more health benefit plans that ODS offers in the specified service area.
  - ii. Offer the plans at least 180 days prior to discontinuation.



- iii. Act uniformly without regard to the claims experience of the affected groups, associations, trusts, and discretionary groups of the health status of any current or prospective members.
- h. When the director orders ODS to discontinue coverage in accordance with procedures specified or approved by the director upon finding that the continuation of the coverage would:
  - i. not be in the best interest of the members; or
  - ii. impair ODS' ability to meet contractual obligations.
- i. When, in the case of a group health benefit plan that delivers covered services through a specified network of healthcare providers, there is no longer any member who lives, resides or works in the service area of the provider network.
- j. When, in the case of a health benefit plan that is offered in the group market only through one or more bona fide associations, the membership of an employer in the association ceases and the termination of coverage is not related to the health status of any member.
- k. For misuse of a provider network provision. As used in this paragraph, 'misuse of a provider network provision' means a disruptive, unruly or abusive action taken by a member that threatens the physical health or well-being of healthcare staff and seriously impairs ODS' ability or its in-network providers to provide services to the member. The member under this paragraph retains the rights as described under ORS 743.804.

### **13.9 NO WAIVER**

Any waiver of any provision of the Plan, or any performance under the Plan, must be in writing and signed by the waiving party. Any such waiver shall not operate as, or be deemed to be, a waiver of any prior or future performance or enforcement of that provision or any other provision. If ODS delays or fails to exercise any right, power or remedy provided in the Plan, including, a delay or failure to deny a claim, that shall not waive ODS' rights to enforce the provisions of the Plan.

### **13.10 GROUP IS THE AGENT**

OEGB is the member's agent for all purposes under the Plan. OEGB is not the agent of ODS.

### **13.11 GOVERNING LAW**

To the extent the Plan is governed by state law, it shall be governed by and construed in accordance with the laws of the state of Oregon. Should federal law, including but not limited to the Affordable Care Act of 2010, supersede state law and create a discrepancy between state and federal law, federal law shall govern.

### **13.12 WHERE ANY LEGAL ACTION MUST BE FILED**

Any legal action arising out of the Plan must be filed in either state or federal court in the state of Oregon.

### **13.13 TIME LIMITS FOR FILING A LAWSUIT**

Any legal action arising out of, or related to, the Plan and filed against ODS by a member or any third party, must be filed in court within 3 years of the time the claim arose. All internal levels of appeal under the Plan must be exhausted before filing a claim in court.

### **13.14 EVALUATION OF NEW TECHNOLOGY**

ODS develops medical necessity criteria for new technologies and new use of current technologies. The technology committee reviews information consisting of medical studies, national, regional or local clinical practice guidelines, and local and national carrier benefits to develop the criteria. The reviews are performed once a year or more often if needed.

## **SECTION 14. CONTINUATION OF HEALTH COVERAGE**

The Plan's continuation of coverage rules are outlined in the Oregon Administrative Rules under OAR 111-050-0001 through OAR 111-050-0080. Additional guidance on how to obtain continuation of coverage is outlined in the following sections.

### **14.1 FAMILY AND MEDICAL LEAVE**

If the participating organization grants a leave of absence under the Family and Medical Leave Act of 1993, as amended (FMLA), the following rules will apply:

- a. Affected members will remain eligible for coverage during a family and medical leave.
- b. If members elect not to remain enrolled during a family and medical leave, they will be eligible to re-enroll in the Plan on the date the subscriber returns from leave. To re-enroll, a complete and signed application must be submitted within 60 days of the return to work. All of the terms and conditions of the Plan will resume at the time of re-enrollment as if there had been no lapse in coverage. Any exclusion period served prior to the leave will be credited and any group eligibility waiting period under the Plan will not have to be re-served. However, no exclusion period credits will be received for the period of the leave.
- c. A subscriber's rights under family and medical leave will be governed by applicable state or federal statute and regulations.

### **14.2 LEAVE OF ABSENCE**

If granted a leave of absence by the participating organization, a subscriber may continue coverage for up to 3 months. Premiums must be paid through OEGB in order to maintain coverage during a leave of absence.

A leave of absence is a period off work granted by the participating organization at a subscriber's request during which he or she is still considered to be employed and is carried on the employment records of the participating organization. A leave can be granted for any reason acceptable to the participating organization.

### **14.3 STRIKE OR LOCKOUT**

If employed under a collective bargaining agreement and involved in a work stoppage because of a strike or lockout, a subscriber may continue coverage for up to 6 months. The subscriber must pay the full premiums, including any part usually paid by the participating organization, directly to the union or trust, and the union or trust must continue to pay ODS the premiums when due.

Continuation of coverage during a strike or lockout will not occur if:

- a. Fewer than 75% of those normally enrolled choose to continue their coverage;
- b. A subscriber accepts full-time employment with another employer; or
- c. A subscriber otherwise loses eligibility under the Plan.

## 14.4 RETIREES

The Plan's continuation rules for retirees are outlined in the Oregon Administrative Rules under OAR 111-050-0010 through 111-050-0050.

## 14.5 OREGON CONTINUATION COVERAGE FOR SPOUSES & DOMESTIC PARTNERS AGE 55 AND OVER

### 14.5.1 Introduction

55+ Oregon Continuation only applies to employers with 20 or more employees. ODS will provide 55+ Oregon Continuation coverage to those members who elect it, subject to the following conditions:

- a. Other than the inclusion of domestic partners, ODS will offer no greater rights than ORS 743.600 to 743.602 requires;
- b. ODS will not provide 55+ Oregon Continuation coverage for members who do not comply with the requirements outlined below; and
- c. As the Plan Administrator, OEGB or its designated third-party administrator is responsible for providing the required notices within the statutory time periods, including the notice of death and the election notice. If OEGB or the third-party administrator fails to notify the eligible spouse or domestic partner, premiums shall be waived from the date the notice was required until the date notice is received by the spouse or domestic partner. OEGB shall be responsible for such premiums.

### 14.5.2 Eligibility Requirements For 55+ Oregon Continuation Coverage

The spouse or domestic partner of the subscriber may elect 55+ Oregon Continuation coverage for himself or herself and any enrolled children if the following requirements are met:

- a. Coverage is lost because of the death of the subscriber, dissolution of marriage or domestic partnership with the subscriber, or legal separation from the subscriber;
- b. The spouse or domestic partner is 55 years of age or older at the time of such event; and
- c. The spouse or domestic partner is not eligible for Medicare.

### 14.5.3 Notice And Election Requirements For 55+ Oregon Continuation Coverage

**Notice of Divorce, Dissolution, or Legal Separation.** Within 60 days of legal separation or the entry of a judgment of dissolution of marriage or domestic partnership, a legally separated or divorced spouse or domestic partner who is eligible for 55+ Oregon Continuation and seeks such coverage shall give the OEGB or its designated third-party administrator written notice of the legal separation or dissolution. The notice shall include his or her mailing address.

**Notice of Death.** Within 30 days of the death of the subscriber whose surviving spouse or domestic partner is eligible for 55+ Oregon Continuation, the participating organization shall give the designated third-party administrator, if any, written notice of the death and the mailing address of the surviving spouse or domestic partner.

**Election Notice.** Within 14 days of receipt of the above notice (or within 44 days of the death of the subscriber if there is no third-party administrator), OEGB or its designated third-party administrator shall provide notice to the surviving, legally separated or divorced spouse or domestic partner that coverage can be continued, along with an election form. If OEGB or its designated third-party administrator fails to provide this election notice within the required 14 days (or 44 days if there is no third-party administrator), premiums shall be waived until the date notice is received.

**Election.** The surviving, legally separated or divorced spouse or domestic partner must return the election form within 60 days after the form is mailed. Failure to exercise this election within 60 days of the notification shall terminate the right to continued benefits under this section.

#### **14.5.4 Premiums For 55+ Oregon Continuation Coverage**

The monthly premiums for 55+ Oregon Continuation are limited to 102% of the premiums paid by a current subscriber. The first premium shall be paid by the surviving, legally separated or divorced spouse or domestic partner to the Participating Organization or its designated third-party administrator within 45 days of the date of election. All remaining monthly premiums must be paid within 30 days of the premium due date.

#### **14.5.5 When 55+ Oregon Continuation Coverage Ends**

55+ Oregon Continuation will end on the earliest of any of the following events:

- a. Failure to pay premiums when due, including any grace period allowed by the Plan;
- b. The date the Plan terminates, or the date the Participating Employer terminates participation under the Plan, unless a different group policy is made available to members;
- c. The date on which the member becomes insured under any other group health plan;
- d. The date on which the member remarries or registers another domestic partnership under the Oregon Family Fairness Act and becomes covered under another group health plan; or
- e. The date on which the member becomes eligible for Medicare.

### **14.6 COBRA CONTINUATION COVERAGE**

#### **14.6.1 Introduction**

ODS will provide COBRA continuation coverage to those members who have experienced a qualifying event and elect coverage under COBRA, subject to the following conditions:

- a. Other than the inclusion of domestic partners, ODS will offer no greater COBRA rights than the COBRA statute requires;
- b. ODS will not provide COBRA coverage for those members who do not comply with the requirements outlined below;
- c. ODS will not provide COBRA coverage if the participating organization or Plan Administrator fails to provide the required COBRA notices within the statutory time periods, , or if the participating organization or Plan Administrator otherwise fails to comply with any of the requirements outlined below; and
- d. ODS will not provide a disability extension if the participating organization or Plan Administrator fails to notify ODS within 60 days of its receipt of a disability extension notice from a qualified beneficiary.

For purposes of section 14.6, Plan Administrator means either OEGB or a third party administrator delegated by OEGB to handle COBRA administration

#### **14.6.2 Qualifying Events**

**Subscriber.** A subscriber may elect continuation coverage if coverage is lost because of termination of employment (other than termination for gross misconduct, which may include misrepresenting immigration status to obtain employment), or a reduction in hours.

**Spouse.** The spouse of a subscriber has the right to continuation coverage if coverage is lost for any of the following qualifying events:

- a. Death of the subscriber;
- b. Termination of the subscriber's employment (for reasons other than gross misconduct) or reduction in the subscriber's hours of employment with the participating organization;
- c. Divorce or legal separation from the subscriber;
- d. The subscriber becomes entitled to Medicare; or

(Also, if a subscriber eliminates coverage for his or her spouse in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the later divorce or legal separation will be considered a qualifying event even though the ex-spouse lost coverage earlier. If the ex-spouse notifies the Plan Administrator within 60 days of the later divorce or legal separation and can establish that the coverage was eliminated earlier in anticipation of the divorce or legal separation, then COBRA coverage may be available for the period after the divorce or legal separation.)

**Children.** A child of a subscriber has the right to continuation coverage if coverage is lost for any of the following qualifying events:

- a. Death of the subscriber;
- b. Termination of the subscriber's employment (for reasons other than gross misconduct) or reduction in a subscriber's hours of employment with the participating organization;
- c. Parents' divorce or legal separation;
- d. The subscriber becomes entitled to Medicare;
- e. The child ceases to be a "child" under the Plan; or

**Domestic Partners.** A domestic partner, who at the time of the qualifying event was covered under the Plan, can elect COBRA continuation coverage. Under the Plan, the domestic partner would have the same rights to COBRA continuation coverage as a spouse does, unless otherwise stated. Where this COBRA section refers to divorce or legal separation, termination of domestic partnership would apply for domestic partners.

### 14.6.3 Other Coverage

The right to elect continuation coverage shall be available to persons who are entitled to Medicare at the time of the election or are covered under another group health plan at the time of the election.

### 14.6.4 Notice And Election Requirements

**Qualifying Event Notice.** The Plan provides that a dependent member's coverage terminates as of the last day of the month in which a divorce or legal separation occurs (spouse's coverage is lost) or a child loses dependent status under the Plan (child loses coverage). Under COBRA, the subscriber or a family member has the responsibility to notify the Plan Administrator if one of these events occurs by mailing or hand-delivering a written notice to the Plan Administrator. The notice must include the following: 1) the name of the Group; 2) the name and social security number of the affected member; 3) the event (e.g. divorce); and 4) the date the event occurred. Notice must be given no later than 60 days after the loss of coverage under the Plan. If notice of the event is not given on time, continuation coverage will not be available.

**Election Notice.** Members will be notified of their right to continuation coverage within 14 days after the Plan Administrator receives a timely qualifying event notice.

Otherwise, members will be notified by the Plan Administrator of the right to elect COBRA continuation coverage within 44 days of any of the following events that result in a loss of coverage: the subscriber's termination of employment (other than for gross misconduct), reduction in hours, death of the subscriber, the subscriber's becoming entitled to Medicare.

**Election.** A member must elect continuation coverage within 60 days after plan coverage ends, or, if later, 60 days after the Plan Administrator sends notice of the right to elect continuation coverage to the members. If continuation coverage or Portability coverage is not elected, group health insurance coverage for all members will end.

A subscriber or the spouse may elect continuation coverage for eligible family members. However, each family member has an independent right to elect COBRA coverage. This means that a spouse or child may elect continuation coverage even if the subscriber does not.

#### **14.6.5 COBRA Premiums**

Those eligible for continuation coverage do not have to show that they are insurable. However, they are responsible for all premiums for continuation coverage except for members who qualify for premium reduction under any applicable federal law. The first payment for continuation coverage is due within 45 days after a member provides notice of electing coverage (this is the date the election notice is postmarked, if mailed, or the date the election notice is received by the Plan Administrator, if hand-delivered). This payment must include the amount necessary to cover all months that have elapsed between the date regular coverage ended and the payment date. Subsequent payments are due on the first day of the month; however, there will be a grace period of 30 days to pay the premiums. ODS will not send a bill for any payments due. The member is responsible for paying the applicable premiums, in good funds, when due; otherwise continuation coverage will end and may not be reinstated. The premium rate may include a 2% add-on to cover administrative expenses.

#### **14.6.6 Length Of Continuation Coverage**

If COBRA is elected, the participating organization will provide the same coverage as is available to similarly situated members under the Plan.

**18-Month Continuation Period.** In the case of a loss of coverage due to end of employment or a reduction of hours of employment, coverage generally may be continued for up to a total of 18 months.

**36-Month Continuation Period.** In the case of losses of coverage due to a subscriber's death, divorce or legal separation, or a child ceasing to be a dependent under the terms of the Plan, coverage under the Plan may be continued for up to a total of 36 months.

When the qualifying event is the end of employment or reduction of the subscriber's hours of employment, and the subscriber became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA coverage under the Plan for members (other than the subscriber) who lose coverage as a result of the qualifying event can last up to 36 months after the date of Medicare entitlement. This COBRA coverage period is available only if the subscriber becomes entitled to Medicare within 18 months BEFORE the termination or reduction of hours.

#### **14.6.7 Extending The Length Of COBRA Coverage**

If COBRA is elected, an extension of the maximum period of coverage may be available if a member is disabled or a second qualifying event occurs. The Plan Administrator must be notified of a disability or a second qualifying event in order to extend the period of COBRA coverage. Failure of the member to provide notice of a disability or second qualifying event will eliminate the right to extend the period of COBRA coverage.

**Disability.** If any of the members is determined by the Social Security Administration to be disabled, the maximum COBRA coverage period that results from a subscriber's termination of employment or reduction of hours may be extended to a total of up to 29 months. The disability must have started at some time before the 61st day after the subscriber's termination of employment or reduction of hours and must last at least until the end of the period of COBRA coverage that would be available without the disability extension (generally 18 months). Each member who has elected COBRA coverage will be entitled to the disability extension if one of them qualifies.

The disability extension is available only if the Plan Administrator is notified in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

- a. the date of the Social Security Administration's disability determination;
- b. the date of the subscriber's termination of employment or reduction of hours; and
- c. the date on which the member loses (or would lose) coverage under the terms of the Plan as a result of the subscriber's termination or reduction of hours.

A member must provide the Plan Administrator a copy of the Social Security Administration's determination within the 18-month period and not later than 60 days after the Social Security Administration's determination was made. If the notice is not provided to the Plan Administrator during the 60-day notice period and within 18 months after the subscriber's termination of employment or reduction of hours, then there will be no disability extension of COBRA coverage. The premiums for COBRA coverage may increase after the 18th month of coverage to 150% of the premiums.

If determined by the Social Security Administration to no longer be disabled, the member must notify the Plan Administrator of that fact within 30 days after the Social Security Administration's determination.

**Second Qualifying Event.** An extension of coverage will be available to spouses and children who are receiving COBRA coverage if a second qualifying event occurs during the 18 months (or, in the case of a disability extension, the 29 months) following the subscriber's termination of employment or reduction of hours. The maximum amount of COBRA coverage available when a second qualifying event occurs is 36 months from the date of the first qualifying event. Such second qualifying events may include the death of a subscriber, divorce or legal separation from the subscriber, or a child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the member to lose coverage under the Plan if the first qualifying event had not occurred. (This extension is not available under the Plan when a subscriber becomes entitled to Medicare after his or her termination of employment or reduction of hours.)

This extension due to a second qualifying event is available only if the Plan Administrator is notified in writing of the second qualifying event within 60 days after the date of the second qualifying event. If this notice is not provided to the Plan Administrator during the 60-day notice period, then there will be no extension of COBRA coverage due to a second qualifying event.

**Note:** Longer continuation coverage may be available under Oregon Law for a subscriber's spouse or domestic partner who has entered into a "Declaration of Domestic Partnership" that is recognized under Oregon law age 55 and older who loses coverage due to the subscriber's death, or due to legal separation or dissolution of marriage or domestic partnership. (see section 14.5).

#### **14.6.8 Newborn Or Adopted Child**

If, during continuation coverage, a child is born to or placed for adoption with the subscriber, the child is considered an eligible member. The subscriber may elect continuation coverage for the child provided the child satisfies the otherwise applicable plan eligibility requirements (for example, age). The participating organization must be notified within 31 days of the birth or placement to obtain continuation coverage. If the participating organization is not notified in a timely fashion, the child will not be eligible for continuation coverage.



#### **14.6.9 Special Enrollment And Open Enrollment**

Members under continuation coverage have the same rights as similarly situated members who are not enrolled in COBRA. A member may add newborns, new spouses, or domestic partners, and adopted children (or children placed for adoption) as covered dependents in accordance with the Plan's eligibility and enrollment rules, including HIPAA special enrollment. If non-COBRA members can change plans at open enrollment, COBRA members may also change plans at open enrollment.

#### **14.6.10 When Continuation Coverage Ends**

COBRA coverage will automatically terminate before the end of the maximum period if:

- a. any required premiums are not paid in full on time;
- b. a member becomes covered under another group health plan (but only after any exclusions of that other plan for a preexisting condition have been exhausted or satisfied);
- c. a member becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing COBRA. ;
- d. the participating organization ceases to provide any group health plan for its employees; or
- e. during a disability extension period (see section 14.6.7), the disabled member is determined by the Social Security Administration to be no longer disabled (COBRA coverage for all members, not just the disabled member, will terminate).

COBRA coverage may also be terminated for any reason the Plan would terminate coverage of a member not receiving COBRA coverage (such as fraud).

When COBRA continuation coverage ends, members *may* be eligible to enroll in an individual Portability Plan provided by ODS.

Questions about COBRA should be directed to the Plan Administrator. The Plan Administrator should be informed of any address changes.

#### **14.6.11 Trade Act Of 2002**

This COBRA provision applies only to subscribers who have lost their jobs or had a reduction in hours as a result of import competition or shifts of production to other countries.

**Second Election Period for Certain Trade-Displaced Individuals.** Certain subscribers (Trade Adjustment Assistance (TAA) Eligible Employees) who did not elect COBRA coverage are entitled to elect COBRA coverage during a special second election period if they satisfy each of the following requirements:

- a. They must be receiving a trade readjustment allowance under the Trade Act of 1974 (or be eligible for such an allowance once unemployment compensation is exhausted) or receiving alternative trade adjustment assistance under the Trade Act of 1974;
- b. They must have lost group health plan coverage due to a termination of employment or reduction of hours that resulted in eligibility for a trade readjustment allowance or alternative trade adjustment assistance; and
- c. They did not elect COBRA during the regular COBRA election period available to them as a result of their termination of employment or reduction of hours.

The special second election period lasts for 60 days or less. It is the 60-day period beginning on the first day of the month in which a TAA Eligible Employee began receiving a trade readjustment allowance (or would have become eligible for such an allowance but for the requirement to exhaust unemployment compensation) or began receiving alternative trade adjustment assistance, but only if the election is made within 6 months after the initial loss of group health plan coverage that occurred in connection with the TAA Eligible Employee's termination of employment.

**Duration of COBRA Coverage Elected During the Special Second Election Period.** COBRA coverage elected during the special second election period is not retroactive. Coverage commences on the day that the special second election period began, and the maximum COBRA coverage period will terminate on the same day that it would have terminated if COBRA coverage had been elected during the regular 60-day election period.

**COBRA Tax Credit.** The Trade Act of 2002 created a new tax credit for certain persons who become eligible for trade adjustment assistance (eligible persons). Under the new tax provisions, eligible persons can either take a tax credit or get advance payment of 65% of premiums paid for qualified health insurance coverage, including continuation coverage. Questions about these new tax provisions should be directed to the Health Care Tax Credit Customer Contact Center toll-free at 866-628-4282 (TTD/TTY 866-626-4282). More information about the Trade Act is also available at [www.doleta.gov/tradeact/2002act\\_index.cfm](http://www.doleta.gov/tradeact/2002act_index.cfm).

#### **14.7 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)**

Coverage will terminate if a subscriber is called to active duty by any of the armed forces of the United States of America. However, if a subscriber requests to continue coverage under USERRA, coverage can be continued for up to 24 months or the period of uniformed service leave, whichever is shortest, provided the subscriber pays any required contributions toward the cost of the coverage during the leave. If the leave is 30 days or less, the contribution rate will be the same as for active members. If the leave is longer than 30 days, the required contribution will not exceed 102% of the cost of coverage.

If a subscriber does not elect continuation coverage under USERRA or if continuation coverage is terminated or exhausted, coverage will be reinstated on the first day he or she returns to active employment with the participating organization if released under honorable conditions, but only if he or she returns to active employment:

- a. On the first full business day following completion of his or her military service for a leave of 30 days or less;
- b. Within 14 days of completing military service for a leave of 31 to 180 days; or
- c. Within 90 days of completing military service for a leave of more than 180 days.

Regardless of the length of the leave, a reasonable amount of travel time or recovery time for an illness or injury determined by the Veteran's Administration (VA) to be service connected will be allowed.

When coverage under the Plan is reinstated, all plan provisions and limitations will apply to the extent that they would have applied if the subscriber had not taken military leave and coverage had been continuous under the Plan. There will be no additional eligibility-waiting period. (This waiver of limitations does not provide coverage for any illness or injury caused or aggravated by military service, as determined by the VA. Complete information regarding rights under the USERRA is available from the participating organization).

## **SECTION 15. INDIVIDUAL PORTABILITY COVERAGE**

A member who loses coverage under the Plan may be entitled to convert to one of ODS' Portability plans. The purpose of Portability coverage is to make health coverage portable, or in other words, to improve the availability and affordability of health benefit plans for persons leaving group coverage. The benefits contained in the Portability plan will be different than the benefits under the Plan.

### **15.1 ELIGIBILITY FOR PORTABILITY COVERAGE**

A member has the right to convert to an ODS Portability plan if he or she is an eligible individual. An **eligible individual** is one who has left coverage that was continuously in effect for a period of 180 days or more under one or more Oregon group health benefit plans, or meets the eligibility requirements of the Health Insurance Portability and Accountability Act of 1998. In either case, the member must apply for Portability coverage not later than the 63rd day after termination of group coverage issued by ODS and be an Oregon resident at the time of such application.

A person who remains eligible for his or her prior group coverage or would remain eligible for prior group coverage in a plan under the Employee Retirement Income Security Act of 1974, as amended (ERISA), were it not for action by OEGB relating to the actual or expected health condition of the person, or who is covered under another health benefit plan or is eligible for the federal Medicare program is not an eligible individual. However, a person who is eligible to obtain a Portability plan may obtain such a plan regardless of whether he or she has continued coverage under COBRA or General Oregon Continuation, or has received any benefits under such coverage, unless he or she is an eligible individual who is leaving or has left an employee welfare benefit plan or multiple employer welfare arrangement that is exempt from state regulation under ERISA.

If an eligible dependent is not enrolled when Portability coverage begins, that dependent is not eligible for enrollment as a dependent in the plan at any later date. For the purposes of this rule, an eligible dependent is one who was covered by the prior group health benefit plan, provided that such dependent meets the eligibility requirements of the Portability plan. After a Portability coverage begins, ODS shall accept for enrollment any new dependent, provided that such dependent meets the eligibility requirement of the Portability plan.

Domestic partners who have not entered into a "Declaration of Domestic Partnership" that is recognized under Oregon law are not eligible dependents under a Portability health plan and will not be able to enroll in a Portability plan as the former employee's dependent. Such domestic partners who otherwise meet the eligibility criteria listed above will need to enroll in a Portability plan as a policyholder.

The Portability plans are not available if OEGB terminates the policy and replaces it with a similar group policy within 31 days, and the coverage takes effect immediately following the date of termination.

## 15.2 ISSUANCE AND RENEWABILITY

Portability plans are guaranteed issue, guaranteed renewable and may be retained indefinitely subject to certain exceptions as stated below. In addition, Portability plans cannot contain pre-existing condition exclusions, waiting periods or other similar limitations on coverage.

Portability plans shall be renewable with respect to all Portability plan members except:

- a. For nonpayment of the required premiums by the Portability plan subscriber;
- b. For fraud or misrepresentation by the Portability plan subscriber or his or her representatives;
- c. If ODS elects to discontinue offering all of its group health benefit plans in accordance with ORS 743.737 and 743.754; or
- d. If the Oregon Insurance Division orders ODS to discontinue coverage.

## 15.3 ENROLLMENT AND EFFECTIVE DATE OF COVERAGE

A member losing group coverage for any reason other than group replacement of coverage will receive an explanation of Portability coverage within 10 days after ODS takes action to initiate or document the loss of coverage.

Eligible individuals must submit a written application and pay the first premium no later than the 63rd day after the date coverage terminated under the Plan. Coverage becomes effective on the day following termination of coverage under the Plan. Eligible individuals may enroll in Portability coverage before, during, or at the end of their COBRA or state continuation coverage. Portability coverage is guaranteed renewable and may be retained indefinitely.

A member may select COBRA or state continuation or select Portability.

When Portability coverage is chosen instead of COBRA or state continuation, members will not be eligible to select COBRA or state continuation at a later date.

## 15.4 PORTABILITY OPTIONS

Portability coverage via the Oregon Medical Insurance Pool (OMIP) is available to eligible individuals who were covered by a non-Oregon group plan while a resident of Oregon.

ODS offers 2 options for Portability coverage:

- a. The Prevailing Plan reflects benefit coverages that are prevalent in the group health insurance market; and
- b. The Low Cost Plan emphasizes affordability for eligible individuals.

For more information regarding the Prevailing and Low Cost Plans, members may contact ODS Customer Service.

## SECTION 16 PATIENT PROTECTION ACT

The intent of the Patient Protection Act is to assure, among other things, that patients and providers are informed about their health insurance plans. This section outlines some important terms and conditions.

### 16.1 What are a member's rights and responsibilities?

Members have the right to:

- a. Be treated with respect and recognition of their dignity and need for privacy.
- b. Have access to urgent and emergency services, 24 hours a day, 7 days a week.
- c. Know what their rights and responsibilities are. Members will be given information about the Plan and how to use it, and about the providers who will care for them. This information will be provided in a way that members can understand.
- d. Participate in decision making regarding their healthcare. This includes a discussion of appropriate or medically necessary treatment options for their conditions, whether or not the cost or benefit is covered by ODS, and the right to refuse care and to be advised of the medical result of their refusal.
- e. Receive services as described in this handbook.
- f. Have their medical and personal information remain private. Personal information will be handled in compliance with state and federal law, and will be given to third parties only as necessary to administer the plan, as required by law, or as permitted by the member.
- g. File a complaint or appeal about any aspect of the plan, and to receive a timely response. Members are welcome to make suggestions to the Plan.
- h. Obtain free language assistance services, including verbal interpretation services, when communicating with the Plan.
- i. Have a statement of wishes for treatment, known as an Advanced Directive, on file with their professional providers. Members also have the right to file a power of attorney which allows the member to give someone else the right to make healthcare choices when the member is unable to make these decisions.
- j. Make suggestions regarding ODS' policy on members' rights and responsibilities.

Members have the responsibility to:

- a. Read this handbook to make sure they understand the Plan. Members are advised to call ODS Customer Service with any questions.
- b. Treat all providers and their staff with courtesy and respect.
- c. Provide all the information needed for their physician or provider to provide good healthcare.
- d. Participate in making decisions about their medical care and forming a treatment plan.
- e. Follow instructions for care they have agreed to with their physician or provider.
- f. Use urgent and emergency services appropriately.
- g. Present their medical identification card when seeking medical care.
- h. Notify providers of any other insurance policies that may provide coverage.
- i. Reimburse ODS from any third-party payments they may receive.
- j. Keep appointments and be on time. If this is not possible, members must call ahead to let the provider know they will be late or cannot keep their appointment.
- k. Seek regular health checkups and preventive services.

- l. Provide adequate information to the Plan to properly administer benefits and resolve any issues or concerns that may arise.

Members may call ODS Customer Service for questions about these rights and responsibilities.

#### **17.2 What if a member has a medical emergency?**

A member who believes he or she has a medical emergency should call 9-1-1 or seek care from the nearest appropriate provider, such as a physician's office or clinic, urgent care facility or emergency room.

#### **17.3 How will a member know if benefits are changed or terminated?**

It is the responsibility of OEBC to notify members of benefit changes or termination of coverage. If OEBC's policy terminates and OEBC does not replace the coverage with another group policy, OEBC is required by law to inform its members in writing of the termination.

#### **17.4 If a member is not satisfied with the plan, how can an appeal be filed?**

A member can file an appeal by contacting ODS Customer Service or by writing a letter to ODS (P.O. Box 40384, Portland, Oregon 97240). Complete information in section 11.2.

A member may also contact the Oregon Insurance Division:

By phone: 503-947-7984 or toll-free 888-877-4894

By mail: Oregon Insurance Division

PO Box 14480

Salem, Oregon 97309-0405-1

By internet: [www.cbs.state.or.us/external/ins/consumer/consumer.html](http://www.cbs.state.or.us/external/ins/consumer/consumer.html)

By email: [cp.ins@state.or.us](mailto:cp.ins@state.or.us)

#### **17.5 What are the prior authorization and utilization review criteria?**

Prior authorization is the process ODS uses to determine whether a service is covered under the Plan (including whether it is medically necessary) prior to the service being rendered. Members may contact ODS Customer Service or visit myODS for a list of services that require prior authorization. Many types of treatment may be available for certain conditions; the prior authorization process helps determine which treatment is covered under the Plan.

Obtaining a prior authorization is the member's assurance that the services and supplies recommended by the provider are medically necessary and covered under the Plan. Except in the case of fraud or misrepresentation, prior authorization for benefit coverage and medical necessity shall be binding if obtained no more than 30 days prior to the date the service is provided, and prior authorization for member eligibility shall be binding if obtained no more than 5 business days prior to the date the service is provided.

Utilization review is the process of reviewing services after they are rendered to ensure that they were medically necessary and appropriate with regard to widely accepted standards of good medical practice.

A written summary of information that may be included in ODS' utilization review of a particular condition or disease can be obtained by calling ODS Customer Service.

**17.6 How are important documents, such as medical records, kept confidential?**

ODS protects members' information in several ways:

- a. ODS has a written policy to protect the confidentiality of health information.
- b. Only employees who need to access member information in order to perform their job functions are allowed to do so.
- c. Disclosure outside ODS is permitted only when necessary to perform functions related to providing coverage and/or when otherwise allowed by law.
- d. Most documentation is stored securely in electronic files with designated access.

**17.7 How can a member participate in the development of ODS' corporate policies and practices?**

Member feedback is very important to ODS. ODS welcomes any suggestions for improvements about its health benefit plans or its services.

ODS has formed advisory committees, including the Group Advisory Committee for employers, and the Quality Council for healthcare professionals, to allow participation in the development of corporate policies and to provide feedback. The committees generally meet 2 times per year. Committee membership is limited. Members may obtain more information by contacting ODS at:

ODS  
601 SW Second Avenue  
Portland, Oregon 97204  
[www.odskompanies.com/oebb](http://www.odskompanies.com/oebb)

**17.8 How can non-English speaking members get information about the Plan?**

A representative will coordinate the services of an interpreter over the phone when a member calls ODS Customer Service for assistance.

**17.9 What additional information is available upon request?**

The following documents are available by calling ODS Customer Service:

- a. A copy of ODS' annual report on complaints and appeals.
- b. A description of ODS' efforts to monitor and improve the quality of health services.
- c. Information about procedures for credentialing network providers and how to obtain the names, qualifications, and titles of the providers responsible for a member's care.
- d. Information about ODS' prior authorization and utilization review procedures.

**17.10 What information about ODS is available from the Oregon Insurance Division?**

The following information regarding ODS' health benefit plans is available from the Oregon Insurance Division:

- a. The results of all publicly available accreditation surveys.
- b. A summary of ODS' health promotion and disease prevention activities.
- c. An annual summary of appeals.
- d. An annual summary of utilization review policies.
- e. An annual summary of quality assessment activities.
- f. An annual summary of scope of network and accessibility of services.

Contact:

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[www.cbs.state.or.us/ins/external/consumer/consumer.html](http://www.cbs.state.or.us/ins/external/consumer/consumer.html)  
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