

Benefits Certificate

EMPLOYER GROUP RETIREE PROGRAM *for retirees and spouses of retirees enrolled in Medicare* **Program II**

Wellmark Blue Cross and Blue Shield of Iowa is an Independent Licensee
of the Blue Cross and Blue Shield Association

Right to Return

You have the right to return this certificate to us within 30 days of its receipt and to have your premium payment refunded if, after examination, you are not satisfied for any reason. If we have paid claims for you during this inspection period, we have the right to recover any amounts we paid.

Certificate Term and Renewal

This certificate is in force for one month from the effective date. This certificate is automatically renewed each month with your or the policyholder's advance premium payment unless it is terminated by you, by the policyholder, or by us (see page 12). We may change the premium from time to time, but only if we change the premium for all certificates of this form and class. The premium change may be due to our implementation of a new table of rates, an increase in your age, or a change in Medicare's benefit structure. Since benefits are tied to Medicare's deductible and coinsurance amounts, premium and benefit changes are expected to occur each January.

Notice to Buyer

This certificate may not cover all of your medical expenses. **THIS CERTIFICATE IS NOT A MEDICARE SUPPLEMENT CONTRACT.**

NOTICE OF PROTECTION PROVIDED BY IOWA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the Iowa Life and Health Insurance Guaranty Association (the "Association") and the protection it provides for policyholders. This safety net was created under Iowa law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Iowa law, with funding from assessments paid by other insurance companies.

The basic protections provided by the Association are:

Life Insurance

- \$300,000 in death benefits
- \$100,000 in cash surrender and withdrawal values

Health Insurance

- \$500,000 in basic hospital, medical-surgical or major medical insurance benefits
- \$300,000 in disability income protection insurance benefits
- \$300,000 in long-term care insurance benefits
- \$100,000 in other types of health insurance benefits

Annuities

- \$250,000 in annuity benefits, cash surrender and withdrawal values

The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$350,000. Special rules may apply with regard to hospital, medical-surgical and major medical insurance benefits.

Note: Certain policies and contracts may not be covered or fully covered. If coverage is available, it will be subject to substantial limitations and exclusions. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements under Iowa law.

To learn more about the Association and the protections it provides, as well as those relating to group contracts or retirement plans, please visit the Association's website at www.ialifega.org, or contact:

Iowa Life and Health Insurance
Guaranty Association
700 Walnut Street, Suite 1600
Des Moines, IA 50309
(515) 248-5712

Iowa Insurance Division
Two Ruan Center
601 Locust, 4th Floor
Des Moines, IA 50309-3738
(515) 281-5705

Information about the financial condition of insurers is available from a variety of sources, including financial rating agencies such as AM Best Company, Fitch Inc., Moody's Investors Service, Inc., and Standard & Poor's. That information may be accessed from the "Helpful Links & Information" page located on the website of the Iowa Insurance Division at www.iid.iowa.gov.

The Association is subject to supervision and regulation by the Commissioner of the Iowa Insurance Division. Persons who desire to file a complaint to allege a violation of the laws governing the Association may contact the Iowa Insurance Division. State law provides that any suit against the Association shall be brought in the Iowa District Court in Polk County, Iowa.

Insurance companies and agents are not allowed by Iowa law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and Iowa law, then Iowa law will control.



Wellmark Blue Cross and Blue Shield of Iowa is an Independent Licensee of the Blue Cross and Blue Shield Association.

Amendment to Your Benefits Certificate

This amendment to your benefits certificate is effective **January 1, 2020**. The headings refer to sections in the benefits certificate. Please review this amendment and keep it with your benefits certificate.

For purposes of this certificate, “assignment” means “Medicare assignment” and “nursing facility” means “skilled nursing facility.” Therefore, these terms are referenced accordingly throughout your certificate.

In the Glossary section of your certificate, “You and Your” is defined as you, the plan member. Therefore, all other references to “plan member” are removed.

Important Information

Your Employer Group Retiree coverage helps you pay for some of your health care expenses not paid in full by original Medicare. Therefore, the following is revised in the Important Information section of your certificate:

This group health care coverage is an Employer Group Retiree Program. This product was developed to help you pay for some of your health care expenses not paid in full by Original Medicare Part A and Part B. This coverage only pays for those services accepted and approved by Original Medicare Part A and Part B except as stated in the *Benefits* section of this certificate. This coverage will not coordinate benefits with other plans, including but not limited to Medicare Advantage (Part C) plans.

If your physician does not accept Medicare assignment, your responsibility will not exceed any charge limitation established by the Medicare Program or State Law. Therefore, the following is revised in the Important Information section of your certificate:

The Way Payment Works

If a physician does not accept Medicare assignment, he or she may collect more than Medicare’s approved amount. When this happens, you are responsible for the difference not to exceed any charge limitation established by the Medicare Program or State Law.

Services Not Covered

Your Employer Group Retiree coverage only covers services allowed and paid for by Original Medicare Part A or Part B. Therefore, the following is revised in the Services Not Covered section of your certificate:

We will not allow benefits for:

- services not allowed and paid by Original Medicare Part A or Part B as benefits, except as stated in the *Benefits* section of this certificate;
- services denied by Medicare, except as stated in the *Benefits* section of this certificate;
- deductibles or coinsurance amounts, not covered by Medicare, except as stated in the *Benefits* section of this certificate; and
- services that would duplicate benefits provided by Medicare.

Your Certificate

If your certificate has Time Limit on Certain Defenses language in the Your Certificate section, this language is removed.

The following is revised in the Your Certificate section of your certificate:

When Coverage Ends

Your coverage will end immediately if any of the following occurs:

- You or your employer or group sponsor fraudulently misrepresents or conceals material facts in the application. If this happens, we will recover any claim payments we made, minus any premium paid.
- You or your employer or group sponsor fails to pay the monthly premium when due.
- You or your employer or group sponsor terminates this certificate by giving written notice of termination to Wellmark Blue Cross and Blue Shield of Iowa at least 10 days before the termination date.
- You fail to satisfy the requirements for eligibility.
- We terminate the agreement or group insurance policy we have with your employer or group sponsor.
- We decide to discontinue offering or nonrenew similar coverage plans issued in Iowa by giving written notice to your employer or group sponsor.

We will not pay any benefits under this certificate for professional services after the termination date. Therefore, the following excerpt under Effects of Termination is replaced in the Your Certificate section of your certificate:

Effects of Termination

An exception to this applies in the case of a continuous loss that commenced while this certificate is in force. If you receive covered facility services as an inpatient of a hospital or skilled nursing facility on the date this certificate terminates, payment for these covered services will end on the earliest of:

- the date you are first discharged from the facility following termination of this certificate;
- the date the certificate coverage period would have ended if this certificate had not been terminated – that is, the end of the calendar year during which you were an inpatient in a hospital or skilled nursing facility;
- the date your Medicare benefits are exhausted if no additional benefits would otherwise have been covered under this certificate had it remained in effect; or
- payment of maximum benefits.

The following is revised in the Your Certificate section of your certificate:

Subrogation

For purposes of this “Subrogation” section, “third party” includes, but is not limited to, any of the following:

- The responsible person or that person’s insurer;
- Uninsured motorist coverage;
- Underinsured motorist coverage;
- Personal umbrella coverage;

- Other insurance coverage including, but not limited to, homeowner's, motor vehicle, or medical payments insurance; and
- Any other payment from a source intended to compensate you for injuries resulting from an accident or alleged negligence.

Right of Subrogation. If you or your legal representative have a claim to recover money from a third party and this claim relates to an illness or injury for which Wellmark provides benefits, Wellmark will be subrogated to you and your legal representative's rights to recover from the third party as a condition to your receipt of benefits.

Right of Reimbursement. If you have an illness or injury as a result of the act of a third party or arising out of obligations you have under a contract and you or your legal representative files a claim under this group health plan, as a condition of receipt of benefits, you or your legal representative must reimburse Wellmark for all benefits paid for the illness or injury from money received from the third party or its insurer, or under the contract, to the extent of the amount paid by Wellmark on the claim.

Once you receive benefits under this group health plan arising from an illness or injury, Wellmark will assume any legal rights you have to collect compensation, damages, or any other payment related to the illness or injury from any third party.

You agree to recognize Wellmark's rights to subrogation and reimbursement. These rights provide Wellmark with a priority over any money paid by a third party to you relative to the amount paid by Wellmark, including priority over any claim for nonmedical charges, or other costs and expenses. Wellmark will assume all rights of recovery, to the extent of payment, regardless of whether payment is made before or after settlement of a third party claim, and regardless of whether you have received full or complete compensation for an illness or injury.

Procedures for Subrogation and Reimbursement. You or your legal representative must do whatever Wellmark requests with respect to the exercise of Wellmark's subrogation and reimbursement rights, and you agree to do nothing to prejudice those rights. In addition, at the time of making a claim for benefits, you or your legal representative must inform Wellmark in writing if you have an illness or injury caused by a third party or arising out of obligations you have under a contract. You or your legal representative must provide the following information, by registered mail, as soon as reasonably practicable of such illness or injury to Wellmark as a condition to receipt of benefits:

- The name, address, and telephone number of the third party that in any way caused the illness or injury or is a party to the contract, and of the attorney representing the third party;
- The name, address and telephone number of the third party's insurer and any insurer of you;
- The name, address and telephone number of your attorney with respect to the third party's act;
- Prior to the meeting, the date, time and location of any meeting between the third party or his attorney and you, or your attorney;
- All terms of any settlement offer made by the third party or his insurer or your insurer;
- All information discovered by you or your attorney concerning the insurance coverage of the third party;
- The amount and location of any money that is recovered by you from the third party or his insurer or your insurer, and the date that the money was received;
- Prior to settlement, all information related to any oral or written settlement agreement between you and the third party or his insurer or your insurer;
- All information regarding any legal action that has been brought on your behalf against the third party or his insurer; and
- All other information requested by Wellmark.

Send this information to:

Wellmark Blue Cross and Blue Shield of Iowa
1331 Grand Ave., Station 5E151
Des Moines, IA 50309-2901

You also agree to all of the following:

- You will immediately let us know about any potential claims or rights of recovery related to the illness or injury.
- You will furnish any information and assistance that we determine we will need to enforce our rights under this group health plan.
- You will do nothing to prejudice our rights and interests including, but not limited to, signing any release or waiver (or otherwise releasing) our rights, without obtaining our written permission.
- You will not compromise, settle, surrender, or release any claim or right of recovery described above, without obtaining our written permission.
- If payment is received from the other party or parties, you must reimburse us to the extent of benefit payments made under this group health plan.
- In the event you or your attorney receive any funds in compensation for your illness or injury, you or your attorney will hold those funds (up to and including the amount of benefits paid by Wellmark in connection with the illness or injury) in trust for the benefit of Wellmark as trustee(s) for Wellmark until the extent of our right to reimbursement or subrogation has been resolved.
- In the event you invoke your rights of recovery against a third party related to the illness or injury, you will not seek an advancement of costs or fees from Wellmark.

It is further agreed that in the event that you fail to take the necessary legal action to recover from the responsible party, Wellmark shall have the option to do so and may proceed in its name or your name against the responsible party and shall be entitled to the recovery of the amount of benefits paid under this group health plan and shall be entitled to recover its expenses, including reasonable attorney fees and costs, incurred for such recovery.

In the event Wellmark deems it necessary to institute legal action against you if you fail to repay Wellmark as required in this group health plan, you shall be liable for the amount of such payments made by Wellmark as well as all of Wellmark's costs of collection, including reasonable attorney fees and costs.

You and your covered family member(s) must notify us if you have the potential right to receive payment from someone else. You must cooperate with us to ensure that our rights to subrogation are protected.

Wellmark's right of subrogation and reimbursement under this group health plan applies to all rights of recovery, and not only to your right to compensation for medical expenses. A settlement or judgement structured in any manner not to include medical expenses, or an action brought by you or on your behalf which fails to state a claim for recovery of medical expenses, shall not defeat our rights of subrogation and reimbursement if there is any recovery on your claim.

We reserve the right to offset any amounts owed to us against any future claim payments.

Additional examples of value added or innovative benefits that Wellmark may make available are added. Therefore, the following is revised in the Your Certificate section of your certificate:

Value Added or Innovative Benefits

Wellmark may from time to time make available to you certain value added or innovative benefits for a fee or for no fee. Examples include Blue365®, identify theft protections, and discounts on

alternative/preventive therapies, fitness, exercise and diet assistance, and elective procedures as well as resources to help you make more informed health decisions.

If the “Nonassignment” provision does not appear in your certificate as it appears below, the provision is replaced in the Your Certificate section of your certificate:

Nonassignment

Except as required by law, benefits for covered services under this group health plan are for your personal benefit and cannot be transferred or assigned to anyone else without our consent. Whether made before or after services are provided, you are prohibited from assigning any claim. You are further prohibited from assigning any cause of action arising out of or relating to this group health plan. Any attempt to assign this group health plan, even if assignment includes the provider’s rights to receive payment, will be null and void. Nothing contained in this group health plan shall be construed to make the health plan or Wellmark liable to any third party to whom a member may be liable for medical care, treatment, or services.

If the “Blue Cross Blue Shield Disclosure Statement” provision does not appear in your certificate as it appears below, the provision is added or replaced in the Your Certificate section of your certificate:

Blue Cross Blue Shield Disclosure Statement

You hereby expressly acknowledge your understanding that this certificate is a contract solely between you and us, Wellmark Blue Cross and Blue Shield of Iowa. We are an independent corporation operating under a license from the Blue Cross and Blue Shield Association (BCBSA), an association of independent Blue Cross and Blue Shield Plans. BCBSA permits us to use the Blue Cross and Blue Shield Service Marks in the State of Iowa. However, we are not a contracting agent of BCBSA. You further acknowledge and agree that you have purchased this certificate based upon representations by us and only us. No other person, entity, or organization other than us is accountable or liable to you for any obligations created under this certificate. This paragraph does not create any additional obligations whatsoever on our part other than those obligations created under the provisions of this certificate.

By enrolling and providing your phone number and email address to Wellmark, you give consent to Wellmark to contact you using the email address or telephone number provided via live or pre-recorded voice call, or text message notification or email notification. Therefore, the following is added to the Your Certificate section of your certificate.

Consent to Telephone Calls and Text or Email Notifications

By enrolling in this employer sponsored group health plan, and providing your phone number and email address to your employer or to Wellmark, you give express consent to Wellmark to contact you using the email address or residential or cellular telephone number provided via live or pre-recorded voice call, or text message notification or email notification. Wellmark may contact you for purposes of providing important information about your plan and benefits, or to offer additional products and services related to your Wellmark plan. You may revoke this consent by following instructions given to you in the email, text or call notifications, or by telling the Wellmark representative that you no longer want to receive calls.

Glossary

If the following definitions do not appear in your certificate as they appear below, the definitions are replaced in the Glossary section of your certificate:

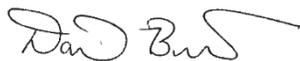
Illness or Injury means a bodily disorder, bodily injury, disease, or mental health condition. We will not provide benefits if your illness or injury falls under:

- a motor vehicle no-fault plan; or
- an employers' liability or similar law, unless prohibited by law. This includes any injury you receive while you were working, while engaged in any activity pertaining to any trade, business, employment or occupation for wage or profit.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Act of 1965 as originally passed and as amended, including implementing regulations. In this Benefits Certificate, the term "Medicare" is a reference to Original Medicare Parts A and B.

Skilled Nursing Facility provides continuous skilled nursing services as ordered and certified by your attending physician on an inpatient basis for short-term care. Benefits do not include maintenance or custodial care or services provided for the convenience of the family caregiver. The facility must be licensed as a nursing facility under applicable law.

All other terms and provisions of your benefits certificate, including any amendments we may have issued previously, remain unaltered and in effect.



David S. Brown
Executive Vice President, Chief Financial Officer and Treasurer
Wellmark Blue Cross and Blue Shield of Iowa



An Independent Licensee of the Blue Cross and
Blue Shield Association

Amendment to Your Group Retiree Benefits Certificate

This Amendment applies to your Employer Group Retiree benefits certificate, effective January 1, 2012. Please review this Amendment and keep it with your certificate.

Subrogation

The following subrogation provisions are added to the Your Certificate section of your benefits certificate.

Right of Subrogation. If you or your legal representative have a claim to recover money from a third party and this claim relates to an illness or injury for which Wellmark provides benefits, Wellmark will be subrogated to you and your legal representative's rights to recover from the third party as a condition to your receipt of benefits.

Right of Reimbursement. If you are injured as a result of the act of a third party and you or your legal representative files a claim under this health plan, as a condition of receipt of benefits, you or your legal representative must reimburse Wellmark for all benefits paid for the injury from money received from the third party or its insurer, to the extent of the amount paid by Wellmark on the claim.

Once you receive benefits under this health plan arising from an illness or injury, Wellmark will assume any legal rights you have to collect compensation, damages, or any other payment related to the illness or injury from any of the following:

- The responsible person or that person's insurer.
- Uninsured motorist coverage.
- Underinsured motorist coverage.
- Other insurance coverage, including but not limited to homeowner's, motor vehicle, or medical payments insurance.

You agree to recognize Wellmark's rights to subrogation and reimbursement. These rights provide Wellmark with a priority over any money paid by a third party to you relative to the amount paid by Wellmark, including priority over any claim for non-medical charges, or other costs and expenses. Wellmark will assume all rights of recovery, to the extent of payment, regardless of whether payment is made before or after settlement of a third party claim, and regardless of whether you have received full or complete compensation for an illness or injury.

Procedures for Subrogation and Reimbursement. You or your legal representative must do whatever Wellmark requests with respect to the exercise of Wellmark's subrogation and reimbursement rights, and you agree to do nothing to prejudice those rights. In addition, at the time of making a claim for benefits, you or your legal representative must inform Wellmark in writing if you were injured by a third party. You or your legal representative must provide the following information, by registered mail, within seven (7) days of such injury to Wellmark as a condition to receipt of benefits:

- The name, address, and telephone number of the third party that in any way caused the injury, and of the attorney representing the third party;
- The name, address and telephone number of the third party's insurer and any insurer of you;
- The name, address and telephone number of your attorney with respect to the third party's act;

- Prior to the meeting, the date, time and location of any meeting between the third party or his attorney and you, or your attorney;
- All terms of any settlement offer made by the third party or his insurer or your insurer;
- All information discovered by you or your attorney concerning the insurance coverage of the third party;
- The amount and location of any money that is recovered by you from the third party or his insurer or your insurer, and the date that the money was received;
- Prior to settlement, all information related to any oral or written settlement agreement between you and the third party or his insurer or your insurer;
- All information regarding any legal action that has been brought on your behalf against the third party or his insurer; and
- All other information requested by Wellmark.

Send this information to:

Wellmark Blue Cross and Blue Shield of Iowa
1331 Grand Ave., Station 5E293
Des Moines, IA 50309-2901

You also agree to all of the following:

- You will immediately let us know about any potential claims or rights of recovery related to the illness or injury.
- You will furnish any information and assistance that we determine we will need to enforce our rights under this health plan.
- You will do nothing to prejudice our rights and interests including, but not limited to, signing any release or waiver (or otherwise releasing) our rights, without obtaining our written permission.
- You will not compromise, settle, surrender, or release any claim or right of recovery described above, without obtaining our written permission.
- If payment is received from the other party or parties, you must reimburse us to the extent of benefit payments made under this health plan.
- In the event you or your attorney receive any funds in compensation for your illness or injury, you or your attorney will hold those funds (up to and including the amount of benefits paid by Wellmark in connection with the illness or injury) in trust for the benefit of Wellmark as trustee(s) for Wellmark until the extent of our right to reimbursement or subrogation has been resolved.

In the event Wellmark deems it necessary to institute legal action against you if you fail to repay Wellmark as required in this health plan, you shall be liable for the amount of such payments made by Wellmark as well as all of Wellmark's costs of collection, including reasonable attorney fees and costs.

You and your covered family member(s) must notify us if you have the potential right to receive payment from someone else. You must cooperate with us to ensure that our rights to subrogation are protected.

Wellmark's right of subrogation and reimbursement under this health plan applies to all rights of recovery, and not only to your right to compensation for medical expenses. A settlement or judgment structured in any manner not to include medical expenses, or an action brought by you or on your behalf which fails to state a claim for recovery of medical expenses, shall not defeat our rights of subrogation and reimbursement if there is any recovery on your claim.

We reserve the right to offset any amounts owed to us against any future claim payments.

Wellmark Address

References in your benefits certificate to Wellmark's address of 636 Grand Ave., Des Moines, IA, are changed to the following. In addition, you may always contact us by calling the Customer Service number on your ID card.

Wellmark Blue Cross and Blue Shield of Iowa
1331 Grand Ave.
Des Moines, IA 50309-2901

All other terms and provisions of your benefits certificate, including any previous amendments, remain unaltered and in effect.



David S. Brown
Executive Vice President, Chief Financial Officer and Treasurer
Wellmark Blue Cross and Blue Shield of Iowa



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Blue Shield Association

Amendment to Your Group Retiree Benefits Certificate

This amendment applies to your Employer Group Retiree benefits certificate, effective July 1, 2011. Please keep this amendment with your certificate.

Skilled Nursing Facility Care

The Benefits section provision on Skilled Nursing Facility Care from day 101 through 130 is corrected to delete the reference to coinsurance amount. Benefits have been administered in accordance with this revised provision.

■ **Days 101–130**

We pay for the actual billed charges from the 101st day through the 130th day in a Medicare benefit period for post-hospital skilled nursing facility care eligible under Medicare Part A.

All other terms and provisions of your benefits certificate, including any other amendments we have issued, remain unaltered and in effect.

A handwritten signature in cursive script that reads "David Southwell".

David N. Southwell
Executive Vice President
Wellmark Blue Cross and Blue Shield of Iowa



An Independent Licensee of the Blue Cross and Blue Shield Association

Amendment to Your Group Retiree Benefits Certificate

This amendment applies to your Group Retiree benefits certificate, effective January 1, 2009. Please keep this amendment with your certificate.

Premium Changes and Automatic Payments

The amount of your periodic premium payment will change as otherwise provided in your certificate and from time to time based on changes in your coverage, including but not limited to, changes in benefits, payment obligations (such as deductible, coinsurance and copayments), your age, or other factors that require adjustments to the total premium. These changes may occur at times other than an annual or other certificate renewal.

If you elected to authorize automatic premium withdrawals from a deposit account, the automatic withdrawal will change periodically to correspond with the applicable premium. Your authorization for automatic premium withdrawals shall include authorization for automatic withdrawal of any changed amount unless you call or provide your bank with written notice not less than three business days before a scheduled withdrawal to stop the payment. If you call your bank to stop payment, you may be required to provide a written request within 14 days after your call. You will be responsible for any fee assessed by your bank for stop-payment orders that you make.

Value Added or Innovative Benefits

Wellmark may from time to time make available to you certain value added or innovative benefits for a fee or for no fee. Examples include discounts on alternative/preventive therapies, fitness, exercise and diet assistance, and elective procedures as well as resources to help you make more informed health decisions.

All other terms and provisions of your benefits certificate, including any other amendments we have issued, remain unaltered and in effect.

A handwritten signature in cursive script that reads "David Southwell".

David N. Southwell
Group Vice President, Financial Officer and Treasurer
Wellmark Blue Cross and Blue Shield of Iowa



An Independent Licensee of the Blue Cross and Blue Shield Association

Amendment to Your Benefits Certificate

Please review the amendment and keep it with your benefits certificate(s).

Appealing a Denied Claim

The following is a modification of our administrative procedures, effective July 1, 2002.

In the event that we deny a claim in whole or in part, you have a right to a full and fair review. Your request to review a claim must be made within 180 days from the claim denial. We will respond to your request within 60 days of receiving it. You must file your request in writing addressed to:

*Wellmark Blue Cross and Blue Shield of Iowa
Appeals/ERISA Review Office
636 Grand Ave., Station 52
Des Moines, IA 50309-2565*

Your request must include:

- Date of your request.
- Your printed name and address (and name and address of the authorized representative if you have designated one).
- Identification number and claim number from your Explanation of Health Care Benefits.
- Date of service in question.

You may submit written comments, documents, or other information in support of your appeal. You will also be provided, upon request and free of charge, reasonable access to and copies of all relevant records used in making the decision. The review will take into account all information regarding the denied or reduced claim whether or not presented or available at the initial determination.

The review will be conducted by someone different from the original decision makers and without deference to the original decision. If a decision requires medical judgment, an appropriate medical expert will be consulted who was not previously involved in your case. If the decision on appeal is adverse, you may request in writing the identity of the medical expert who was consulted.

Authorized Representative

The following is a modification of our administrative procedures, effective July 1, 2002.

You may authorize another person to represent you and with whom you want us to communicate regarding specific claims or an appeal. This authorization must be in writing, signed by you, and include all the information required in our Authorized Representative Form. This form is available at www.wellmark.com or by calling Wellmark Customer Service.

In a medically urgent situation your treating health care practitioner may act as your authorized representative without completion of the Authorized Representative Form. An assignment of benefits, release of information, or other similar form that you may sign at the request of your health care provider does not make your provider an authorized representative. You can revoke the authorized representative at any time, and you can authorize only one person as your representative at a time.

Confidentiality and Release of Information

The following is a modification of our administrative procedures, effective January 1, 2003.

We are committed to protecting the privacy of your health information. We will request, use or disclose your health information only as permitted or required by law. For example, we will use or disclose your health information for treatment, payment and health care operations according to the standards and specifications of the federal privacy regulations.

Treatment. We may disclose your health information to a physician or other health care provider in order for such health care provider to provide treatment to you.

Payment. We may use and disclose your health information to pay claims from physicians, hospitals and other providers for covered services, to determine your eligibility for benefits, to coordinate benefits, to determine medical necessity, to obtain payments, to issue explanations of benefits to the person enrolled in the health plan in which you participate, and the like. We may disclose your health information to a health care provider or entity subject to the federal privacy rules so they can obtain payment or engage in these payment activities.

Health Care Operations. We may use and disclose your health information in connection with health care operations. Health care operations include, but are not limited to, determining payment and rates for your health plan; quality assessment and improvement activities; reviewing the competence or qualifications of health care practitioners, evaluating provider performance, conducting training programs, accreditation, certification, licensing or credentialing activities; medical review, legal services, and auditing, including fraud and abuse detection and compliance; business planning and development; and business management and general administrative activities.

Other Disclosures. We will obtain your explicit authorization for any use or disclosure of your health information that is not permitted or required by law. For example, at your request we may release claim payment information to a friend or family member to act on your behalf during a hospitalization by submitting an authorization to release information to that person.

All other terms and provisions of your policy, including any amendments we may have issued previously, remain unaltered and in effect.



John D. Forsyth
Chairman and CEO
Wellmark Blue Cross and Blue Shield of Iowa

IMPORTANT INFORMATION..... 1

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The policyholder's group health care coverage is called **Employer Group Retiree Program and is for retirees and spouses of retirees only**. This product was developed to help you pay for some of your health care expenses not paid in full by Medicare. *This coverage only pays for those services accepted and approved by Medicare with the exception of benefits for medically necessary emergency care outside the United States.*

■ UNDERSTANDING THIS COVERAGE

To understand the benefits of this Employer Group Retiree Program certificate, you must first understand your Medicare benefits. Therefore, it is very important that you also read your Medicare Handbook carefully. If you do not have a Medicare Handbook, you may order one by calling your Social Security office.

Medicare benefits are divided into two categories: Medicare Part A and Medicare Part B.

■ MEDICARE PART A

Medicare Part A helps pay for inpatient hospital care, inpatient skilled nursing facility care, home health care and hospice services. We offer you supplemental benefits in all of these categories except for hospice.

■ MEDICARE PART B

Medicare Part B helps pay for physician services, outpatient hospital services, home medical equipment, and a number

of other medical services and supplies that are not covered by Medicare Part A. We offer you supplemental benefits in all these categories as stated in the *Benefits* section with the addition of benefits for medically necessary emergency care outside the United States.

■ THE WAY PAYMENT WORKS

When a physician or supplier agrees to accept the charge approved by Medicare as the most he or she will collect for covered services, he or she is said to accept assignment. All physicians who participate in the Medicare program agree to accept assignment. If you are not sure if your physicians participate in the Medicare program, ask them and they will tell you.

If a physician does not accept assignment, he or she may collect more than Medicare's approved amount. When this happens, you are responsible for the difference between the approved amount and the billed amount.

If your provider accepts assignment, we will send our payment directly to that provider. If your provider does not accept assignment, we send our payments to you, or, in the event of your death, to your estate.

■ FILING CLAIMS

You do not need to file a claim for any services. By law, physicians or other suppliers must fill out claim forms for you and send them to Medicare even if they do not accept assignment. However,

IMPORTANT INFORMATION

you should always make sure your physician knows that you have supplemental coverage with us.

Appealing a Denied Claim. In the event that we deny a claim in whole or in part, you have a right to a full and fair review. Your request to review a claim must be made within 180 days from the claim denial. We will respond to your request within 60 days of receiving it. You must file your request in writing addressed to:

*Wellmark Blue Cross and Blue Shield of
Iowa
Appeals Office
636 Grand Ave., Station 52
Des Moines, IA 50309-2565*

Your request must include:

- Date of your request.
- Your printed name and address (and name and address of the authorized representative if you have designated one).
- Identification number and claim number from your Explanation of Health Care Benefits.
- Date of service in question.

You may submit written comments, documents, or other information in support of your appeal. You will also be provided, upon request and free of charge, reasonable access to and copies of all relevant records used in making the decision. The review will take into account all information regarding the denied or reduced claim whether or not presented or available at the initial determination.

The review will be conducted by someone different from the original decision makers and without deference to the original decision. If a decision requires medical judgment, an appropriate medical expert will be consulted who was not previously involved in your case. If the decision on appeal is adverse, you may request in writing the identity of the medical expert who was consulted.

■ INTERPRETING THIS CERTIFICATE

We will interpret the provisions of this certificate and determine all questions that arise under it. We have the administrative discretion to determine whether you meet our written eligibility requirements, or to interpret any other term in this certificate. If any benefit in this certificate is subject to a determination of medical necessity, we will make that factual determination. Our determinations are final and conclusive.

Medicare Part A helps pay for most but not all of the services you receive in a hospital or skilled nursing facility or from a home health agency or hospice program. Medicare Part B helps pay for some but not all doctor services and other medical services and supplies that are not covered under Medicare Part A. Your coverage with us helps pay for some of the remaining health care expenses.

BENEFIT PERIOD

A benefit period under Medicare Part A is used to count the number of days you are covered for medically necessary services in a hospital or other facility primarily providing skilled or rehabilitation services.

There is a limit on how many days of hospital or skilled nursing facility care Medicare helps pay for in each benefit period. However, it is possible to renew a benefit period. When your benefit period is renewed, your Part A protection is also renewed. Renewing a benefit period means that you begin a new benefit period.

During a benefit period, Medicare will help you pay for medically necessary covered services when you are an inpatient in a hospital for 90 days.

If you are in the hospital for more than 90 days, then Medicare offers 60 lifetime

reserve days you can use to help meet expenses.

■ WHEN BENEFIT PERIODS BEGIN AND END

A benefit period begins on the first day you enter a hospital or skilled nursing facility as an inpatient.

A benefit period ends after you have been out of the facility for 60 days in a row (including the day of discharge).

A benefit period starts over when you reenter a hospital or skilled nursing facility more than 60 days after your last discharge.

The following are two examples of how the benefit period works. The first example shows when the benefit period is renewed. The second example shows when the benefit period is not renewed.

Example 1

Benefit Period Renewed

You enter the hospital on January 15. You are discharged on January 25. You use 10 days of your first benefit period. You are not hospitalized again until July 20.

Since more than 60 days passed between your hospital stays, you begin a new benefit period. This means your Medicare Part A coverage is completely renewed. Therefore, you have 90 eligible days to use in the new benefit period.

BENEFITS

Example 2

Benefit Period Not Renewed

You enter the hospital January 15. You are discharged January 25. As before, you use 10 days of your first benefit period. However, you are then readmitted to the hospital on February 20.

Since less than 60 days passed between hospital stays, your benefit period is not renewed. You are still in your first benefit period. The first day of your second admission (February 20) is counted as day 11 of hospital care in that benefit period. Therefore, you have 80 remaining eligible days in that benefit period. You will not begin a new benefit period until you have been out of the hospital (or skilled nursing facility) for 60 consecutive days.

MEDICARE PART A COINSURANCE

We will help pay for some of the expenses while you are in the hospital by supplementing Medicare's coverage.

■ DAYS 61-90

We pay the Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period.

■ DAYS 91-150

We pay the Part A Medicare eligible expenses incurred for hospitalization to the extent not covered by Medicare for each Medicare lifetime inpatient reserve day you use.

■ DAYS BEYOND 150

Upon exhaustion of the Medicare hospital inpatient coverage including the lifetime reserve days, we pay one hundred (100) percent of all Medicare Part A eligible expenses for hospitalization not covered by Medicare subject to a lifetime maximum benefit of an additional 365 days.

MEDICARE BLOOD DEDUCTIBLE

We pay, under Medicare Parts A and B, for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

MEDICARE PART B COINSURANCE

We pay the coinsurance amount of Medicare eligible expenses under Part B regardless of hospital confinement, subject to the Medicare Part B deductible.

MEDICARE PART A DEDUCTIBLE

We pay all of the Medicare Part A inpatient hospital deductible amount per benefit period.

SKILLED NURSING FACILITY CARE

■ DAYS 21-100

We pay for the actual billed charges up to the coinsurance amount from the 21st day through the 100th day in a Medicare

benefit period for post-hospital skilled nursing facility care eligible under Medicare Part A.

■ **DAYS 101-130**

We will pay for the actual billed charges up to the coinsurance amount from the 101st day through the 130th day in a Medicare benefit period for post-hospital skilled nursing facility care eligible under Medicare Part A.

MEDICARE PART B DEDUCTIBLE

We pay all of the Medicare Part B deductible amount per calendar year regardless of hospital confinement.

MEDICALLY NECESSARY CARE IN A FOREIGN COUNTRY

We pay, to the extent not covered by Medicare, for seventy-five percent (75%) of the billed charges for Medicare-eligible expenses for medically necessary emergency hospital, physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States. For purposes of this benefit, “emergency care” means care needed immediately because of an injury or an illness of sudden and unexpected onset.

MAMMOGRAPHY

We pay for routine mammography x-rays denied by Medicare and furnished in accordance with the following schedule:

- 35–39 years of age: one base line mammogram.
- 40–49 years of age: one mammogram every two years.
- 50 years of age and older: one mammogram every year.

We will not allow benefits for:

- services not allowed by Medicare as benefits, except as stated in the *Benefits* section of this certificate;
- services denied by Medicare, except as stated in the *Benefits* section of this certificate; and
- services that would duplicate benefits provided by Medicare.

If you have any questions after reading the Medicare Handbook and this Employer Group Retiree Program certificate for retirees and spouses of retirees, please call us at **800-245-6106**. Remember, we're here to help you.

Our responsibilities to you, as well as the conditions of your coverage with us, are defined in the documents that make up your contract. Your contract includes:

- any application or underwriting documents you submitted for coverage,
- any agreement or group insurance policy we have with the policyholder,
- any application completed by the policyholder,
- this benefits certificate, and
- any riders or amendments.

All of the statements made by you in your application will be treated by us as representations, not warranties. We will not use them to deny any claim unless we've furnished you with a copy of the application.

■ **COVERAGE ELIGIBILITY**

You are eligible for this coverage if you are enrolled in both Medicare Part A and Medicare Part B and satisfy the conditions of eligibility established by the policyholder in its employee benefit plan established or maintained under the Employee Retirement Income Security Act of 1974 (ERISA).

■ **WHEN COVERAGE BEGINS**

Once we receive your application and premium, your certificate is valid one month from the effective date. If your premium is paid on time and your certificate is not terminated by you, the policyholder, or us, then we will automatically renew your certificate each month.

Please note: Before you receive benefits under this certificate, you must agree to release any necessary information requested about you so we can process claims for benefits. Since we will not physically examine you to determine your eligibility for benefits under this certificate, you must allow any provider, facility or their employee to give us information about a treatment or condition. If we do not receive the information requested, or if you withhold information in your application, your benefits may be denied.

■ **PREMIUMS**

You or the policyholder must pay us in advance of the due date assigned by your certificate. For example, payment must be made prior to the beginning of each calendar month, each quarter, or each year, depending on your specific due date.

■ **PREMIUM CHANGES**

We have the right to change your premium upon our implementation of a new table of rates, an increase in your age, or a change in Medicare's benefit structure such as noted below. If we do change your premium, we will notify the policyholder at least 30 days before the change.

■ **MEDICARE DEDUCTIBLE AND COINSURANCE CHANGES**

The deductible and coinsurance amounts to be paid by us will automatically change when Medicare's deductible and

YOUR CERTIFICATE

coinsurance change. This usually happens on January 1 each year.

■ AUTHORIZED CERTIFICATE CHANGES

No agent, employee or representative of ours is authorized to vary, add to, change, modify, waive or alter any of the provisions of this certificate. This certificate cannot be changed except by written amendment signed by one of our authorized officers and accepted by you or the policyholder as shown by payment of the monthly premium.

Your or the policyholder's acceptance of the amendment must be in writing if the amendment:

- **Reduces or eliminates benefits;** or
- **Increases benefits** accompanied by an increase in premium during the certificate term, unless the increase in benefits is required by law.

■ AUTHORITY TO TERMINATE, AMEND, OR MODIFY

The policyholder has the authority to terminate, amend, or modify the coverage described in this certificate at any time. We also have this authority. Any amendment or modification will be in writing and will be as binding as this certificate. If your coverage is terminated by the policyholder and is not replaced, or if your coverage is terminated by us for any reason other than nonpayment of premium or material misrepresentation, you will be offered certain continuation options as described in *Continued Coverage* later in this section.

■ WHEN COVERAGE ENDS

Your coverage will end if any of the following occurs:

- You or the policyholder fraudulently misrepresent or conceal material facts in the application. If this happens, we will recover any claim payments we made, minus any premium paid.
- You or the policyholder fails to pay the monthly premium when due.
- You or the policyholder terminates this certificate by giving written notice of termination to Wellmark Blue Cross and Blue Shield of Iowa at least 30 days before the termination date.
- You fail to satisfy the requirements for eligibility.
- We terminate this certificate by terminating the agreement or group insurance policy we have with the policyholder.

■ CONTINUED COVERAGE

If your coverage is terminated by the policyholder and is not replaced, or if your coverage is terminated by us for any reason other than nonpayment of premium or material misrepresentation, we will offer you:

- a standardized, individual Medicare Supplement policy currently offered by us that has comparable benefits of this certificate; or
- a standardized, individual Medicare Supplement Plan A.

If you terminate this Employer Group Retiree Program coverage, we will offer you:

- a standardized, individual Medicare Supplement policy currently offered by us that has comparable benefits to this certificate; or
- a standardized, individual Medicare supplement Plan A; or
- at the option of the policyholder, continuation of coverage under the group certificate.

If the policyholder decides to purchase Employer Group Retiree Program coverage from another carrier and replaces this Employer Group Retiree Program coverage, the new carrier must offer coverage to all persons covered under the replaced group coverage on its date of termination. Coverage under the new policy will not result in any exclusion for pre-existing conditions that would have been covered under the group certificate being replaced.

■ EFFECTS OF TERMINATION

If this certificate is terminated because of your or the policyholder's failure to pay us premiums when due, we will not pay any benefits under this certificate after the termination date.

If your certificate is terminated for misrepresentation or the concealment of material facts:

- We will not pay for any services or supplies provided after the date the certificate is terminated;
- We will retain legal rights. This includes the right to initiate a civil action based on concealment or misrepresentation; and

- We may, at our option, declare the certificate void.

If your certificate is terminated for reasons other than concealment or misrepresentation of material facts, we may stop payment for any services or supplies the day your certificate is terminated. An exception to this applies when you receive covered services as an inpatient of a hospital on the date this certificate terminates. Under this exception, payment for these covered services will end on the earlier of:

- the date you are first discharged from such facility following termination of this certificate; or
- the date the certificate coverage period would have ended if this certificate had not been terminated, that is, the end of the calendar year during which you were hospitalized as an inpatient.

■ SUSPENSION OF COVERAGE AVAILABLE DURING MEDICAID ELIGIBILITY

You may request a suspension of coverage for the period (not to exceed twenty-four (24) months) in which you have applied for and have been determined entitled to medical assistance under Title XIX of the Social Security Act (Medicaid). You must notify us within ninety (90) days after the date you become entitled to such assistance. We shall return to you that portion of the premium paid by you which is attributable to the period of Medicaid eligibility, subject to adjustment for paid claims.

YOUR CERTIFICATE

If a suspension occurs and you lose entitlement to such Medicaid assistance within twenty-four (24) months, your certificate will be automatically reinstated as of the date your entitlement is terminated if you notify us that you lost Medicaid entitlement. You must notify us within ninety (90) days after the date of such loss, and you must pay the premium attributable to the period, effective as of the date of termination of Medicaid entitlement.

Reinstatement of such coverage:

- will not provide for any waiting period with respect to treatment of preexisting conditions;
- will provide for coverage substantially equivalent to the coverage in effect before the date of suspension; and
- will provide for premium classification on terms at least as favorable to you as the premium classification terms that would have applied had the coverage not been suspended.

■ PAYMENT IN ERROR

If for any reason we make payments under this certificate in error, we may recover the amount we paid.

■ AUTHORIZED REPRESENTATIVE

You may authorize another person to represent you and with whom you want us to communicate regarding specific claims or an appeal. This authorization must be in writing, signed by you, and include all the information required in our Authorized Representative Form.

This form is available at www.wellmark.com or by calling Wellmark Customer Service. In a medically urgent situation your treating health care practitioner may act as your authorized representative without completion of the Authorized Representative Form. An assignment of benefits, release of information, or other similar form that you may sign at the request of your health care provider does not make your provider an authorized representative. You can revoke the authorized representative at any time, and you can authorize only one person as your representative at a time.

■ NOTICE

If a specific address has not been provided elsewhere in this certificate, it is sufficient to address and send any notice to our home office:

*Wellmark Blue Cross and Blue Shield of
Iowa
636 Grand Avenue
Des Moines, Iowa 50309*

Any notice from us is acceptable when addressed to you at your address as it appears on our records.

■ CONFIDENTIALITY AND RELEASE OF INFORMATION

We are committed to protecting the privacy of your health information. We will request, use or disclose your health information only as permitted or required by law. For example, we will use or disclose your health information for treatment, payment and health care

operations according to the standards and specifications of the federal privacy regulations.

Treatment. We may disclose your health information to a physician or other health care provider in order for the health care provider to provide treatment to you.

Payment. We may use and disclose your health information to pay claims from physicians, hospitals and other providers for covered services, to determine your eligibility for benefits, to determine medical necessity, to obtain payments, to issue explanations of benefits to the person enrolled in the health plan, and the like. We may disclose your health information to a health care provider or entity subject to the federal privacy rules so they can obtain payment or engage in these payment activities.

Health Care Operations. We may use and disclose your health information in connection with health care operations. Health care operations include, but are not limited to, determining payment and rates for your health plan; quality assessment and improvement activities; reviewing the competence or qualifications of health care practitioners, evaluating provider performance, conducting training programs, accreditation, certification, licensing or credentialing activities; medical review, legal services, and auditing, including fraud and abuse detection and compliance; business planning and

development; and business management and general administrative activities.

Other Disclosures. We will obtain your explicit authorization for any use or disclosure of your health information that is not permitted or required by law. For example, at your request we may release claim payment information to a friend or family member to act on your behalf during a hospitalization by submitting an authorization to release information to that person.

■ **LEGAL ACTION**

No legal or equitable action may be brought against us because of a claim under this certificate, or because of the alleged breach of this certificate, more than two years after the end of the calendar year in which the health care services or supplies were provided.

■ **NONASSIGNMENT**

Benefits for covered services in this certificate are for your personal benefit and cannot be transferred or assigned to anyone else. Any attempt to assign this certificate or rights to payment will be void.

■ **GOVERNING LAW**

To the extent not superseded by the laws of the United States, this certificate will be construed in accordance with and governed by the laws of the state of Iowa. Any action brought because of a claim under this certificate will be litigated in the state or federal courts located in the state of Iowa and in no other.

■ DISCLOSURE STATEMENT

You hereby expressly acknowledge your understanding that this certificate is a contract solely between you, the certificateholder, and us, Wellmark Blue Cross and Blue Shield of Iowa. We are an independent corporation operating under a license from the Blue Cross and Blue Shield Association (BCBSA), an association of independent Blue Cross and Blue Shield Plans. BCBSA permits us to use the Blue Cross and Blue Shield Service Marks in the State of Iowa. However, we are not a contracting agent of BCBSA. You, the certificateholder, further acknowledge and agree that you have purchased this certificate based upon representations by us and only us. No other person, entity, or organization other than us is accountable or liable to you or the policyholder for any obligations created under this certificate. This paragraph does not create any additional obligations whatsoever on our part other than those obligations created under the provisions of this certificate.

Your rights concerning your coverage may be protected by the Employee Retirement Income Security Act of 1974 (ERISA). Any employee benefit plan established or maintained by an employer or by an employee organization or both is subject to this federal law unless the benefit plan is a governmental or church plan as defined in ERISA. If ERISA applies to your group, you will want to read this section carefully.

■ YOUR RIGHTS UNDER ERISA

The Employee Retirement Security Act of 1974 (ERISA) provides that you are entitled to:

- examine certain plan documents and copies of documents (such as annual reports) filed by the plan with the United States Department of Labor. You may examine these documents at the plan administrator's office or at specified locations. You will not be charged to examine these documents.
- obtain copies of certain plan documents from the plan administrator upon written request. The plan administrator may request a reasonable charge for the copies.
- receive a summary of the plan's annual financial report if the policyholder has 100 or more participants in the plan. The plan administrator is required by law to furnish you with a copy of this summary annual report.

The Responsibility of Your Retiree Benefit Plan. In addition to creating rights for you and other participants,

ERISA imposes duties upon the people responsible for the operation of this retiree benefit plan. The people responsible are called fiduciaries of the plan. Fiduciaries have a duty to operate this retiree benefit plan prudently and in the interest of you and your family members. No one, including the policyholder, or any other person, may discriminate against you in any way to prevent you from obtaining a covered benefit or exercising your rights under ERISA. If your claim for a covered benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to request a review and reconsideration of your claim.

Steps You Can Take to Enforce Your Rights. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request the plan document from the plan administrator and do not receive it within 30 days, a federal court may require the plan administrator to provide the materials and pay you up to \$100 a day until you receive the document, unless the document was not sent because of matters reasonably beyond the control of the plan administrator.

If you have a claim for benefits which is denied or ignored (in whole or in part), you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for

asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Whom to Contact When You Have Questions. If you have any questions about this retiree benefit plan, you should contact the plan administrator, i.e. the policyholder. If you have questions about this statement or about your rights under ERISA, you should contact the nearest Area Office of the Pension and Welfare Benefits Administration, Department of Labor.

Accidental Injury means an injury, independent of disease or bodily infirmity of any other cause, which happens by chance and requires immediate medical attention. We will not provide benefits if your accidental injury falls under:

- Motor vehicle no-fault plan;
- Workers' compensation; and
- Employer's liability or similar law, unless prohibited by law. This includes any accidental injury you receive while you were working, while engaged in any activity pertaining to any trade, business, employment or occupation for wage or profit.

Assignment is when a provider or supplier agrees to accept Medicare's approved charge as the most he or she will collect for a service or supply. This does not include any deductible and/or coinsurance amount you are responsible to pay.

Certificate Coverage Period is the same as a calendar year. It begins on the day your coverage goes into effect and starts over each January 1. This is true for as long as you have coverage.

Certificate means this Employer Group Retiree Program benefit document for retirees and spouses of retirees which was delivered or issued for delivery in Iowa by Wellmark, Inc., doing business as Wellmark Blue Cross and Blue Shield of Iowa, pursuant to the employer group program sponsored by the policyholder

with whom a group insurance policy is in effect with us.

Certificateholder refers to you, the person who signed for this certificate and who pays the monthly premium or has the monthly premium paid by the policyholder on your behalf.

Coinsurance is the percentage of expenses you pay for covered services.

Contract refers to all of the following:

- Any application or underwriting documents you submitted for coverage;
- Any agreement or group insurance policy we have with the policyholder;
- Any application completed by the policyholder;
- This benefits certificate; and
- Any riders or amendments.

Covered Services refers to those medically necessary, Medicare approved services and supplies that qualify for payment of benefits under this certificate.

Custodial Care helps you meet your daily living activities. This type of care does not require the continuing attention and assistance of licensed medical or trained paramedical personnel. Some examples of custodial care are: assistance in walking and getting in and out of bed; aid in bathing, dressing, feeding and other forms of assistance with normal bodily functions; preparation of special diets; and supervision of medication which can usually be self-administered.

Deductible is an initial amount you must pay before Medicare or we will begin paying for benefits.

Emergency Care is care that is needed immediately because of an injury or an illness of sudden and unexpected onset.

Explanation of Medicare Benefits (EOMB) is a form summarizing the action Medicare took on your claim and what amount, if any, Medicare paid for the services you received.

Hospital means an institution that primarily provides diagnostic and therapeutic services for surgical and medical diagnosis, treatment and care of injured or sick persons. The facility must be licensed as a hospital under applicable law.

Illness or Injury means a bodily disorder, bodily injury, disease or mental illness. We will not provide benefits if your injury falls under:

- Motor vehicle no-fault plan;
- Workers' compensation; and
- Employer's liability or similar law, unless prohibited by law. This includes any injury you receive while you were working, while engaged in any activity pertaining to any trade, business, employment or occupation for wage or profit.

Medicare is the Health Insurance for the Aged Act, Title XVIII of the Social Security Act of 1965 as originally passed and later amended.

Medicare Benefit Period counts the number of days under Medicare Part A you are covered for medically necessary services in a hospital or other facility primarily providing skilled or rehabilitation services. The benefit period begins on the first day you receive inpatient hospital services for which Medicare Part A allows benefits. The benefit period ends after you have been released from the hospital or skilled nursing facility for 60 days.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare, to the extent recognized as reasonable and medically necessary by Medicare.

Our means Wellmark, Inc., doing business as Wellmark Blue Cross and Blue Shield of Iowa.

Physician means doctors of medicine (MD) doctors of osteopathy (DO), chiropractors, doctors of podiatric medicine (podiatrists), doctors of dental surgery or dental medicine (dentists), and doctors of optometry (optometrists).

Policyholder means the entity or organization which sponsors this Employer Group Retiree Program for retirees and spouses of retirees and to whom we have issued a group insurance policy.

Provider means any licensed or approved health care professional including a physician, psychologist (who has a doctorate degree in psychology with two years clinical experience or who meets the standards of a national register), a chiropractor, optometrist, podiatrist, physical therapist, oral surgeon, certified registered nurse anesthetist, or any other provider approved by Medicare.

Skilled Nursing Facility provides continuous skilled nursing services as ordered and certified by your attending physician. A registered nurse (R.N.) must supervise services and supplies on a 24-hour basis. A skilled nursing facility must also be licensed under applicable law.

Us means Wellmark, Inc., doing business as Wellmark Blue Cross and Blue Shield of Iowa.

We means Wellmark, Inc., doing business as Wellmark Blue Cross and Blue Shield of Iowa.

You and Your means you, the certificateholder.

