

A close-up photograph of an elderly person's hand reaching out to pick a cluster of ripe blueberries from a bush. The person is wearing a blue long-sleeved shirt. The background is a soft-focus green and brown, suggesting an outdoor setting. A semi-transparent dark blue box is overlaid on the top right of the image, containing white text.

SmartChoiceSM
(High Deductible Plan F)

SmartChoiceSM Preferred
(High Deductible Plan F)



**A New Approach to Medicare
Supplemental Coverage**

An advantage for making smart choices.

Q

Are you in good health and expect to remain that way?
Do you eat healthy foods whenever possible?
Are you an active person?
Do you seldom need to see a doctor?

Living a healthy lifestyle is clearly a smart choice.
Now, it can help lower the cost of your health
insurance protection.

A

Making smart choices can help you save.

More Affordable Medicare Supplement Plans for Georgians

Because they've made good choices and developed good habits for their well being, many Georgians who are eligible for Medicare benefits are in good health. And, many expect to stay that way in the years ahead.

Blue Cross Blue Shield of Georgia (BCBSGA) recognizes that active individuals who make smart decisions about their health, may also want to benefit from lower costs for their Medicare supplement (or 'Medigap') insurance protection.

Perhaps they seldom need medical care and, as a result, would benefit from a high deductible plan. Many have the financial ability to cover small charges for an annual check-up or a portion of medical expenses for a minor emergency, but want protection should a more

significant need every arise.

The SmartChoiceSM (High Deductible Plan F) and SmartChoice PreferredSM (High Deductible Plan F) from BCBSGA are similar to other Medicare supplement plans. SmartChoice (High Deductible Plan F) protects individuals from the "gaps" in Medicare coverage covering deductibles, coinsurance and excess charges after Medicare has paid its portion. SmartChoice Preferred (High Deductible Plan F) includes all the same benefits as the SmartChoice plan with some added extras. Both are designed to provide benefits for expenses you incur as the result of an illness or injury. As you know, should you ever need significant care, the charges can quickly add up. These plans with their \$1,860 annual plan deductible* - are designed to protect you from these devastating costs - but at a much lower monthly cost than other Medicare supplement plans.

**Amount subject to change annually as determined by Medicare.*

Medicare and Blue Cross and Blue Shield of Georgia – Both Sides of the Story

When it comes to Medicare, it is important that you know both sides of the story, and understand the advantages and disadvantages of relying solely on Medicare to provide for your health care needs.

Though Medicare covers many health care costs, there are many medical services that Medicare does not cover. This point is clearly made in the “Guide to Health Insurance for People with Medicare” which is published yearly by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services. As the guidebook suggests,

“There are health care costs that Medicare either does not pay in full or does not pay at all. If you need or want services not covered by Medicare, you must pay the entire bill.”

Why should I consider buying supplemental insurance? Before Medicare will pay for any of the medical services you want or need, you must first pay the Medicare deductibles. When combined with the coinsurance you are also required to pay, your costs can add up quickly. A supplemental health insurance policy can help pay the bills that Medicare does not cover, providing you with protection from the ever-increasing gaps in your Medicare coverage.

There are many different types of supplemental insurance policies available to you. Typically, plans with no or low deductibles will cost more in monthly premiums. On the other hand, a high deductible plan may be the more affordable choice for those who seldom see a doctor, but want protection should the need arise.

SmartChoiceSM Plan (High Deductible Plan F)

Providing Protection From the Gaps in Medicare

Our SmartChoice Plan helps pay for many of the health care bills that Medicare doesn't cover. Like thousands of Georgians, you realize that Medicare Part A (hospital coverage) and Part B (physician and other medical services) do not cover *all* expenses.

Medicare deductibles and coinsurance can add up to hundreds, even thousands of dollars each year. However, there are options for buying insurance plans that supplement Medicare's coverage, known as “Medigap” policies. Without coverage from plans like the SmartChoice Plan, these are bills you would have been expected to pay. With SmartChoice, after Medicare has paid its portion, we will cover your deductibles, coinsurance, and excess charges once your out-of-pocket expenses have reached the required calendar year \$1,860 deductible for this plan.

How the SmartChoice Plan Works and How It Can Save You Money

Under the SmartChoice plan, Medicare pays all Medicare covered benefits first, while you

are responsible for the corresponding Part A and/or Part B deductibles and coinsurance amounts. Once Medicare has paid its portion, and you have met your calendar year \$1860 deductible amount, your plan will pay all remaining covered charges.

Example: A 65 year old, covered under the SmartChoice Plan who visits a physician four times a year.

	Typical Medicare F Plan	SmartChoice
Premium*	\$1,740	\$552
Physician Visits (4)**	\$0	\$160.80
Total Costs	\$1,740	\$712.80
TOTAL SAVINGS		\$1,027.20

*Premium for "Typical" Medicare F Plan based on an individual age 65-69 in Area 1 at \$145 per month. Premium for SmartChoice based on an individual age 65-69 in Area 1 at \$46 per month.

**Physician visits cost estimated at \$70 per visit ($\$70 \times 4 = \280). Member pays first \$131 Part B deductible amount, leaving a balance of \$149. Medicare covers 80% of remaining costs (\$119.20) and member pays the coinsurance amount of 20% (\$29.80). Member pays a total of \$160.80 (\$131+\$29.80).

Exclusions:

Unless specifically stated otherwise, this policy does not cover or consider for payment any service or supply, or any portion of any service or supply that is not a Medicare Eligible Expense, nor will this policy duplicate any benefit paid by Medicare.

Expenses that would satisfy the \$1860 calendar year plan deductible may include any combination of the following:

- Coinsurance amounts covered under Medicare's Basic Benefits
- Expenses applied toward the Medicare Part A Deductible, as determined by Medicare
- Expenses applied toward the Medicare Part B Annual Deductible, as determined by Medicare
- Coinsurance amounts for Parts A & B

- Skilled Nursing copay expenses incurred while Medicare is paying Skilled Nursing Home Benefits
- 100% of Excess Charges incurred for health care services and supplies of the type covered under Part B of Medicare that exceed Medicare Eligible expenses
- Foreign Travel Emergency Coinsurance Amount

Not Eligible:

- Services not covered by Medicare
- Foreign Travel Emergency \$250 deductible

All benefits, except foreign travel emergency deductible (a separate deductible), are subject to the annual \$1860 deductible. This means that you pay for covered services not paid for by Medicare until you have reached the policy \$1860 deductible.

The Advantages Are Yours With Blue Cross and Blue Shield of Georgia

Your SmartChoice Plan provides a wide range of benefits, including a valuable prescription drug benefit. These benefits are outlined in this booklet.

Our SmartChoice and SmartChoice Preferred Plans help pay the bills that Medicare doesn't and provides you with protection from the ever-increasing gaps in Medicare once you have met your plan deductible.

- Freedom to use the doctor or hospital of your choice
- Pays all Medicare Deductibles*
- No cost to you for Medicare Part B Excess Charges*
- Coverage for Skilled Nursing Facility Coinsurance*
- Benefits for Medicare Part A and Part B Coinsurance*
- Full conventional Medicare benefits at all providers anywhere in the United States
- Benefits for Foreign Travel Emergencies
- No paperwork – claims are filed for you
- Guaranteed Renewable coverage

**After you pay the required calendar year plan deductible Pays the Medicare Part B \$131 annual deductible if not already met under the required annual plan deductible.*

Protection Against Excess Charges

Under Part B of Medicare, you could have out-of-pocket costs if your physician or medical supplier does not accept assignment of your Medicare claim and charges more than Medicare's approved amount. The difference to be paid is called the 'excess charge.'

SmartChoice and SmartChoice Preferred can save you the expense and worry about paying significant out-of-pocket costs because of gaps in Medicare. Your doctor's charges for Medicare's covered services are *paid in full*. Even if you receive medical services from a provider that does not accept Medicare assignment, your physician's charges for Medicare's covered services are still *paid in full*, except for the Medicare Part B \$131 deductible.

SmartChoiceSM Plan (High Deductible Plan F)

Once Medicare has paid its portion, and you pay the required calendar year plan deductible, the plan provides all the basic Medicare Benefits, plus the following:

- Pays the Part A \$992 deductible
- Pays the Part B \$131 deductible
- Benefits for Part B Excess Charges
- Coverage for Skilled Nursing Facility Coinsurance
- Benefits for Foreign Travel Emergency (separate \$250 deductible applies)

PART A Services

Benefits

Hospitalization*

Semiprivate room and board, general nursing and miscellaneous services and supplies.

First 60 days

61st day thru 90th day

91st day and after; While using 60 lifetime reserve days

Once lifetime reserve days are used: Additional 365 days

Beyond the additional 365 days

Skilled Nursing Facility Care*

You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital

First 20 days

21st thru 100th day

101st day and after

Blood*

First 3 pints

Additional Amounts

Hospice Care

Available as long as your doctor certifies you are terminally ill and elect to receive these services

PART B Services

Benefits

Medical Expenses – In or out of the hospital and outpatient hospital treatment, such as physician's services, surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment.*

First \$131 of Medicare approved amounts

Remainder of Medicare approved amounts

Part B Excess Charges
(Above Medicare approved amounts)

Blood*

First 3 pints

Remainder of Medicare approved amounts

Clinical Laboratory Services –
Blood tests for diagnostic services

Other Services

Benefits

Foreign Travel

Not Covered by Medicare

Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA –
First \$250 each calendar year

Remainder of Charges

Medicare Pays	After Medicare has paid, and you have met the \$1860 deductible, Plan pays	After meeting the \$1860 deductible, you pay
All but the first \$992 (Part A deductible)	\$992 (Part A deductible)	\$0
All but \$248 per day coinsurance	\$248 per day	\$0
All but \$496 per day lifetime reserve	\$496 per day	\$0
\$0	100% of Medicare eligible expenses	\$0
\$0	\$0	All costs
100% of Medicare eligible expenses	\$0	\$0
All but \$124 per day	Up to \$124 per day	\$0
\$0	\$0	All costs
\$0	Cost of 3 pints	\$0
100%	\$0	\$0
All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance
\$0	\$131**	\$0
Generally 80%	Generally 20%	\$0
\$0	100%	\$0
\$0	Cost of 3 pints	\$0
Generally 80%	Generally 20%	\$0
100%	\$0	\$0
\$0	\$0	\$250
\$0	Generally 80% to a lifetime maximum benefit of \$50,000	Generally 80% to a lifetime maximum benefit of \$50,000

The New SmartChoice Preferred Medicare Supplement plan provides all of the same benefits as the SmartChoice Plan plus the following additional benefits:

- **Coverage for Part B deductible**
- **Physician Office Visit** – This plan provides coverage for unlimited physician office visits per calendar year with a \$10 copay.
- **Vision Care Benefits** – This plan provides basic vision care through an arrangement with AVESIS. Basic vision care includes 100% coverage for one pair of standard eyeglass lenses (including single vision, bifocal and trifocal lenses) and up to \$75 for one pair of frames OR up to \$131 for one pair of contact lenses per 24-month period. An annual eye exam with a \$20 copay is also covered.
- **Chiropractic Services** – This plan covers certain Medicare approved chiropractic services with a \$10 office copay per visit.

Read Your Agreement

This brochure provides a brief description of important features of your program. This is not the Agreement and only the Agreement sets forth, in detail, the rights and obligations of both you and Blue Cross and Blue Shield of Georgia. You will receive your Blue Cross and Blue Shield of Georgia Agreement once you enroll. It is important that you read your Agreement carefully upon receiving it.

The SmartChoiceSM Preferred Plan

(High Deductible Plan F)

Services

Medicare Expenses –

In or out of the hospital and outpatient hospital treatment, such as physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment.

Physician Office Visits

Medicare-covered Chiropractic Services

Vision Care Benefits

– Not Covered by Medicare

In addition to the services covered under the SmartChoice Plan, your SmartChoice Preferred plan also provides coverage for the following services, which are *not subject to calendar year deductible* (unless otherwise noted):

Use this easy reference chart to learn what we help cover with the SmartChoice Preferred Plan (High Deductible Plan F).

Benefits	Medicare Pays	After Medicare has paid, and you have met the \$1860 deductible, Plan pays	After meeting the \$1860 deductible, you pay
First \$131 of Medicare approved amounts	Nothing	\$131 (not subject to annual deductible)	Nothing
Remainder of Medicare approved amounts	Generally 80%	Generally 20%	Nothing
Part B Excess Charges (Above Medicare approved amounts)	Nothing	100%*	Nothing
Unlimited physician office visits per calendar year	Generally 80%	Generally 20%	\$10 copay per physician office visit
Manual manipulation of the spine to correct subluxation**	Generally 80%	Generally 20%	\$10 copay
Basic Vision Care through AVESIS	Nothing	100% coverage for one pair of standard eyeglass lenses and up to \$75 for one pair of frames OR up to \$131 for one pair of contact lenses per 12-month period. Remainder of eye exam (not subject to annual deductible).	\$20 copay for eye exam and remainder of frames or contact lenses***

*After you pay the required calendar year plan deductible.

** Provided such treatment is legal in the State where performed. Chiropractic maintenance therapy is not covered by this policy.

***There may be an additional charge if you elect a cosmetic lens option, such as progressive multifocal lenses, lens coating and lens tinting.

The Coverage You Need

Guaranteed Acceptance

Acceptance into SmartChoice or SmartChoice Preferred is guaranteed if you are 65 or older and apply within six months after your initial Medicare enrollment in Medicare Part A and B*, or within 6 months of enrollment in Medicare Part B (already enrolled in Part A). We require you to be enrolled in both Parts A and B of Medicare to be eligible for the SmartChoice or SmartChoice Preferred plans. You are also guaranteed acceptance if you are transferring from a group plan and are in the six month enrollment period. Pre-existing conditions will be waived in these cases.

In addition, SmartChoice and SmartChoice Preferred are guaranteed renewable. After the first month's premium payment, your SmartChoice or SmartChoice Preferred contract renews automatically. We will notify you in writing 60 days before we make any changes to your subscription charges. These changes are applicable to the entire group enrolled in either the SmartChoice or SmartChoice Preferred plans and are not based on your specific condition.

If you do not qualify for Guaranteed Acceptance, you will need to complete the Health Status section (Section 12) of the Application. Acceptance will be based on results from the Health Status section.

Policy Replacement

If you are replacing other health coverage, do NOT cancel it until you have actually received your new contract and are sure you want to keep it.

Notice

This contract may not fully cover all of your medical costs. Neither Blue Cross Blue Shield of Georgia nor its agents are connected with Medicare.

This outline of coverage does not give all the details of Medicare coverage. Contact your local Social Security Office or consult "The Medicare Handbook" for further details and limitations applicable to Medicare.

Outline of Medicare Supplement Coverage and Premium Information

Use this outline to compare benefits and premiums among policies. Medicare supplement coverage/policies of this category are designed to supplement Medicare by covering some hospital, medical and surgical services that are partially covered by Medicare. Coverage is provided for hospital inpatient charges and some physicians' charges, subject to any deductibles and coinsurance provisions that may be in addition to those provided by Medicare, and subject to other limitations that may be set forth in the policy.

Complete Answers Are Very Important

When you fill out the application, be sure to answer truthfully and completely all questions about your medical and health history. The company may cancel your contract and refuse to pay any claims if you leave out or falsify important medical information; this would not apply if you are in your guaranteed acceptance period described in the section titled "Guaranteed Acceptance." Review the application carefully before you sign it. Be certain that all information has been properly recorded.

What Is Not Covered

Some expenses the SmartChoice Plan does not cover are: custodial care, non-formulary drugs, dental care or treatment; dentures; foot care; eye examinations or eyeglasses (unless covered by Medicare or SmartChoice Preferred); hearing aids; chiropractic care (unless covered by Medicare).

Other expenses the SmartChoice Plan does not cover are: private duty nursing; personal comfort items; services for which no charge is made; services rendered by relatives; any services or supplies not specifically listed as covered in your Agreement; services rendered during a hospital stay which began before coverage is in force or after coverage has been terminated; any conditions covered under Workers' Compensation; any conditions covered by any Federal Government agency; conditions resulting from war, invasion or atomic explosion; custodial care and rest cures; routine physical examinations; inpatient admissions primarily for diagnostic studies when inpatient bed care is not medically

necessary; acupuncture; dental work; cosmetic surgery or other services for beautification; services primarily for weight reduction as the main method of treatment and services not approved by Medicare unless specified elsewhere.

Grievance Procedure

All complaints and disputes relating to coverage under this plan must be resolved in accordance with Blue Cross Blue Shield of Georgia's grievance procedure. Grievances may be made by telephone or in writing.

All grievances received by Blue Cross Blue Shield of Georgia will be acknowledged in writing, together with a description of how we propose to resolve the grievance. Grievances that cannot be resolved by this procedure shall be submitted to arbitration.



30-Day Guarantee of Satisfaction

We want you to be completely satisfied with your plan. If you are not satisfied, or you change your mind for any reason, simply write to us within 30 days of the date your coverage becomes effective and send us your policy and membership card. We will cancel your insurance and refund your premium in full, with no questions asked and no further obligation.

Return your policy to:

Blue Cross and Blue Shield of Georgia
Membership and Billing, Mail Stop: G30410
2357 Warm Springs Rd.
Columbus, GA 31904

Easy Application Process

After reviewing the information contained in this brochure and deciding that either SmartChoice or SmartChoice Preferred is the plan for you, simply complete the enrollment application and send it in the enclosed postage paid envelope to:

Blue Cross and Blue Shield of Georgia
P.O. Box 9087
Oxnard, CA 93031-9951

Contact your insurance agent if you need help in completing the application form.



The Power of Blue.[®]

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