BC Life & Health
Insurance Company

This is only an overview of coverage. A comprehensive description of coverage, benefits and limitations is contained in the Policy booklet. Review the Exclusions and Limitations listed in the Policy booklet prior to applying for coverage. For a copy, contact your agent or call Blue Cross of California at 800-333-0912.

The Right Plan PPO 40 is offered by BC Life & Health Insurance Company (BCL&H). Blue Cross of California and BCL&H are Independent Licensees of the Blue Cross Association (BCA). The Blue Cross name and symbol are registered service marks of the BCA.

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BC Life & Health
Insurance Company

Individual Plans

RightPlan PPO 40

A Prudent Buyer Plan

Now Available!

A plan specially designed to benefit a range of life stages, including

- Young, active healthy adults
- Young adults losing dependent coverage
- Self-employed singles
- Empty nesters
- Early retirees

Effective November 1, 2003

The RightPlan PPO 40

Designed for a Range of Life Stages

The RightPlan PPO, from BC Life & Health Insurance Company (Blue Cross) has the right benefits and premium pricing for you.

Protect Your Health and Financial Future

Even if you're young, active and healthy, you could be caught off guard by an unexpected illness or injury. Medical care can quickly add up to a staggering financial loss. The RightPlan PPO can help limit your out-of-pocket costs, protect your assets and even safeguard your future earnings.

The RightPlan PPO covers more than just an injury or illness. It also offers preventive care and access to a variety of programs that help to maintain your health.

Why Pay for Benefits You May Never Use?

Now you can get the affordable health care coverage and financial security you need without the cost of added-on benefits, such as maternity, that you may never use. The RightPlan PPO provides key benefits designed for specific stages of your life. With the RightPlan PPO, you'll enjoy:

- First-dollar coverage with no medical deductible
- More cost predictability with a low $40 office visit copay
- Choice of three levels of prescription drug options
- Lower premiums, because the plan doesn't include benefits you're less likely to use

Save as a Single Policyholder

The RightPlan PPO is designed and priced for single policyholders. This rating structure focuses on the more predictable needs of each individual and is based on the options each individual chooses. The RightPlan's single policyholder pricing structure could result in substantial premium savings.

Save Even More with Prescription Drug Options

You can reduce your premium even further by choosing the Generic Only or No Prescription Drug options with your plan. For a list of generic drugs on the RightPlan Generic Prescription Drug Formulary, visit www.bluecrossca.com, click on *Visitors, Individual & Families, and Pharmacy.*

Take Advantage of The Power of Blue℠

Blue Cross' excellent reputation for innovative plans, provider relations and customer service has earned the confidence and satisfaction of our members and the health care professionals with whom we contract. This trust has preserved our role as a leading provider of health care coverage year after year. We're committed to offering affordable, reliable coverage that meets your needs at every stage of life.

When you enroll in the RightPlan, you directly benefit from:

- Low, negotiated provider fees that substantially reduce your out-of-pocket cost
- Access to over 42,000 network providers
- Out-of-state and out-of-country emergency coverage
- A variety of additional services to enhance your life, including health management programs and discounts on health care-related products and services

Common Accidents and What They Cost You

Scenario #1. Cleaning the garage. The garage finally looks good but you stepped on a rusty nail. Charges for an office visit and Tetanus shot:

	RightPlan PPO 40 Participating Provider	No Health Coverage
Total charges	**$220**	**$220**
Blue Cross discount	– 88	---
Blue Cross negotiated fee	$132	
Blue Cross payment	– 88*	---
You pay	**$44***	**$220**

Scenario #2. Ski slope. Your ski went one way and your leg went another. Emergency Room charges only for a broken leg:

	RightPlan PPO 40 Participating Provider	No Health Coverage
Total charges	**$1,900**	**$1,900**
Blue Cross discount	– 410	---
Blue Cross negotiated fee	$ 1,490	
Member's ER copay	– 30	
	$ 1,460	
Blue Cross payment (60%)	$ 876	
You pay 40%	$ 584	
Plus ER copay	+ 30	---
You pay	**$ 614***	**$1,900**

*Assuming you have RightPlan PPO 40 coverage and you have not yet reached your annual out-of-pocket maximum. Charges may be higher if you receive services from a non-participating provider.

Note:
Benefits for cancer clinical trials in accordance with Health and Safety Code Section 1370.6 will be available administratively.

[1]Excludes non-participating charges in excess of the Blue Cross negotiated fee and non-participating charges in excess of customary and reasonable fees for emergency care. Copayments to participating and non-participating providers apply to out-of-pocket maximum except where specifically noted.

[2]Additional $500 admission charge at Participating Hospitals (no additional charge for Preferred Participating) is for inpatient stays or outpatient surgery or infusion therapy. The charge is not required for Ambulatory Surgical Centers or medical emergencies.

[3]Additional $30 copay applies for each Emergency Room visit. Waived if admitted as inpatient.

[4]Tests ordered by a physician are covered, including appropriate screening for breast, cervical and ovarian cancer.

[5]One HealthyCheck visit at a HealthyCheck Center only allowed for each 12-month period. HealthyCheck applies only to adults and children age 7 and above.

[6]Benefits include visits to Participating and Non-Participating Providers combined.

[7]If a member selects a brand-name drug when a generic equivalent drug is available, even if the physician writes a "dispense as written" or "do not substitute" prescription, the member will be responsible for the generic copay plus the difference in cost between the brand-name drug and the generic equivalent drug. The amount paid does not apply to the member's brand-name deductible.

RightPlan PPO 40 Benefits

Amounts listed below represent member's share of costs unless otherwise noted.

Benefit	Participating Provider	Non-Participating Provider
Annual Deductible	$0	
Lifetime Maximum	$5,000,000	
Annual Out-of-Pocket Maximum	$7,500 Participating and Non-Participating Provider combined[1]	
Office Visits	$40 copay	50% of the negotiated fee plus 100% of excess
Professional Services (x-ray, lab, anesthesia, surgery, etc.)	40% of negotiated fee	50% of negotiated fee plus 100% of excess
Hospital Inpatient	40% of negotiated fee plus $400 copay per day/4-day max copay per admission[2]	All charges except $650 per day
Hospital Outpatient	40% of negotiated fee plus $400 copay per outpatient surgery admission[2]	All charges except $380 per day
Emergency Services	40% of negotiated fee[3]	40% of customary & reasonable for first 48 hours plus 100% of excess. After 48 hours, all charges in excess of $650 per day.[3]
Preventive Care	Routine mammogram, PSA and PAP tests[4]: $40 office visit plus 40% of negotiated fee Well Baby & Well Child (through age 6): $40 office visit plus 40% of negotiated fee HealthyCheck Centers[5]: $25 and $75 copay for basic screenings	Routine mammogram, PSA and PAP tests[4]: 50% of negotiated fee plus excess Well Baby & Well Child (through age 6): 50% of negotiated fee plus excess
Ambulance	40% of negotiated fee	50% of negotiated fee plus 100% of excess
Physical and Occupational Therapy; Chiropractic Services	40% of negotiated fee, up to 12 visits per year[6]	All charges except $25 per visit, up to 12 visits per year
Acupuncture/Acupressure	All charges except $25 per visit, up to 24 visits per year[6]	
Maternity	Not covered	
Prescription Coverage Options		
Prescription Drug Benefits Retail or Mail Order: 30-day supply	**Participating Provider**	**Non-Participating Provider**
RightPlan PPO 40 with No Prescription Drug Coverage (P958)	No Prescription Coverage	No Prescription Coverage
RightPlan PPO 40 with Generic Prescription Drug Coverage (PE48)	$10 copay generic *(for drugs on RightPlan Generic Prescription Drug Formulary only)*	50% of Drug Limited Fee Schedule within California *(for drugs on RightPlan Generic Prescription Drug Formulary only)*
RightPlan PPO 40 with Comprehensive Prescription Drug Coverage (PE49)	$10 copay generic, $30 copay brand after calendar year $500 brand name prescription drug deductible[7]; 30% of negotiated fee for self-administered injectibles, except insulin	50% of Drug Limited Fee Schedule within California after calendar year $500 brand name prescription drug deductible[7]

Exclusions and Limitations

What the Medical Plan Does Not Cover

Please take a few moments to review the exclusions and limitations. We want you to understand what your coverage does not include before you enroll. These listings are an overview only. The RightPlan PPO 40 Policy booklet contains a comprehensive list of the plan's exclusions and limitations. For a sample copy of a Policy booklet, ask your agent or contact BCL&H.

Exclusions and Limitations

- Conditions covered by Workers' Compensation or similar laws.
- Experimental or investigative care or therapy.
- Any services provided by a local, state, county or federal government agency, including any foreign government.
- Services or supplies not specifically listed as covered under the plan agreement.
- Services received before your Effective Date or during an inpatient stay that began before your Effective Date, or after coverage ends.
- Services or supplies for which no charge is made, or for which no charge would be made if you had no insurance coverage, or services for which you are not legally obligated to pay.
- Services provided by relatives, and professional services received from a person who lives in your home or who is related to you by blood, marriage or adoption.
- Any services to the extent you are entitled to receive Medicare benefits for those services without payment of additional premium for Medicare coverage. For parts of Medicare requiring additional premium payment, services are excluded for those parts of Medicare the member has enrolled in.
- Services or supplies that are not medically necessary, as determined by BC Life & Health.
- Routine physical exams, except for preventive care services (e.g., physical exams for insurance, employment, licenses or school are not covered).
- Any amounts in excess of the maximum amounts stated in the Maximum Comprehensive and Copay/Coinsurance Lists sections of the policy.
- Sex change operations or related treatment and study.
- Cosmetic surgery or other services for beautification, including any complications arising from, or the result of cosmetic surgery, except for reconstructive surgery.*

  **Does not apply to reconstructive surgery to restore a bodily function or to correct a deformity caused by injury, or medically necessary reconstructive surgery performed to restore symmetry incident to mastectomy*
- Services primarily for weight reduction or treatment of obesity, or any care, which involves weight reduction as the main method of treatment, except medically necessary treatment of morbid obesity.
- Dental care and treatment or treatment on or to the teeth and gums, unless covered under accidental injury.
- Dental implants.
- Hearing aids.
- Contraceptive drugs and/or some contraceptive devices, including Norplant and Norplant kits, except injectable contraceptives when administered by a physician. (Oral contraceptives and some contraceptive devices are covered under a plan's prescription benefits except the RightPlan PPO 40 with No Prescription Drug Coverage).
- All services related to the evaluation or treatment of infertility, including all tests, consultations, medications, surgical, medical or lab procedures, and reversal of sterilization.
- Private duty nursing, including inpatient or outpatient services of a private duty nurse.
- Eyeglasses or contact lenses unless specified in your plan policy.
- Certain eye surgeries, including those solely for the purpose of correcting refractive defects of the eye such as nearsightedness (myopia), astigmatism, and for farsightedness (presbyopia).
- Diagnostic admissions, including inpatient room and board charges in connection with a hospital stay primarily for diagnostic tests that could have been safely performed on an outpatient basis, and inpatient admissions primarily for diagnostic studies when inpatient bed care is not medically necessary.
- Mental and nervous disorders, substance abuse, and learning disabilities, except as specifically stated under the benefits sections of the plan policy.
- Orthopedic shoes (except when joined to braces) or shoe inserts, except for limited benefits as stated in the Policy.
- Orthodontic services, braces, and other orthodontic appliances.
- No payment will be made for services or supplies for the treatment of a preexisting condition during a period of six months following your Effective Date. Also, if you were covered under qualifying prior coverage within 63 days of becoming covered under the policy, the time spent under the qualifying prior coverage will be used to satisfy, or partially satisfy, the six-month period.
- Services furnished through outdoor treatment programs.
- Consultations provided by telephone or fax.
- Educational services except as specifically provided or arranged by BC Life & Health.
- Nutritional counseling and food supplements, except as stated in your plan agreement.
- No benefits are provided for care and treatment furnished in a non-contracting hospital, except for medical emergencies as specified in the policy.
- Items which are furnished primarily for your personal comfort or convenience: air purifiers, air conditioners, humidifiers, exercise equipment, treadmills, spas, elevators and supplies for comfort, hygiene or beautification.
- Custodial care. Custodial care is care that does not require the services of trained medical or health professionals, such as, but not limited to, help in walking, getting in and out of bed, bathing, dressing, preparation and feeding of special diets, and supervision of medications that are ordinarily self-administered. Domiciliary, or rest cures for which facilities and/or services of a general acute hospital are not medically required, including resident treatment centers, are also excluded.
- Outpatient speech therapy, except following surgery, injury or non-congenital organic disease.
- Benefits for Hospice services are limited to a lifetime maximum of $10,000 per member for participating and non-participating providers combined.
- Durable medical equipment including but not limited to orthopedic shoes or shoe inserts, air purifiers, air conditioners, humidifiers, exercise equipment, treadmills, spas, elevators, supplies for comfort, hygiene or beautification, disposable sheaths and supplies, correction appliances or support appliances and supplies such as stockings.
- Maternity care: No benefits are provided for pregnancy, maternity care or abortions.
- Non-Policyholder: Any person other than the Policyholder, including but not limited to the Policyholder's dependents such as, spouse, newborn, legal ward, natural and/or adopted child.
- Outpatient drugs and medications: Any drugs, medications or other substances dispensed or administered in any outpatient setting except as specifically stated in the Policy.

General Provisions

Mental Health Coverage

Blue Cross provides the same level of coverage as other medical diagnoses for the medically necessary treatment of severe mental illnesses in persons of any age. Severe mental illness, as defined by the American Psychiatric Association in the Diagnostic and Statistical Manual (DSM), includes the following diagnoses:

- Schizophrenia
- Schizoaffective disorder
- Bipolar disorder (manic-depressive illness)
- Major depressive disorders
- Panic disorder
- Obsessive-compulsive disorder
- Pervasive developmental disorder or autism
- Anorexia nervosa
- Bulimia nervosa

Blue Cross also provides the same level of coverage as other medical diagnoses for serious emotional disturbances in children that result in behavior inappropriate to the child's age, according to expected developmental norms.

For the RightPlan PPO, coverage is provided for non-severe mental and nervous disorders and substance abuse as follows:

- Inpatient Hospital (30 days/year maximum) – You pay all charges except $175/day
- Professional Services (1 visit/day; 20 visits/year maximum) – You pay all charges except $25/visit

For more details regarding these benefits, refer to the Policy booklet.

Emergency Care

Blue Cross covers emergency services necessary to screen and stabilize your condition. No authorization or precertification is required if you reasonably believe an emergency medical condition exists. A medical emergency is an unexpected acute illness, injury or condition that could endanger your health if not treated immediately. Examples of medical emergencies include:

- Severe pain
- Chest pains
- Heavy bleeding
- Difficulty breathing or shortness of breath
- Sudden loss of consciousness
- Active natal labor (childbirth)
- Sudden weakness or numbness of the face, arm or leg on one side of the body

When you consider a medical condition to be an emergency, immediately call 911 or go to the nearest hospital emergency room. Once your condition is stabilized, it is important for the hospital, you, or a family member to contact your physician or Blue Cross about the authorization of additional services.

Rights and Obligations

No-Obligation Review Period
After you enroll in a plan offered by BC Life and Health Insurance Company (BCL&H), you will receive a Policy booklet that explains the exact terms and conditions of coverage, including the plan's exclusions and limitations. You have 10 full days to examine your plan's features. During that time, if you are not fully satisfied, you may decline by returning your Policy booklet along with a letter notifying us that you wish to discontinue coverage. Policy booklets are available for you to examine prior to enrolling. Ask your agent or BCL&H.

Guarding Your Privacy
Blue Cross is fully committed to protecting our members' privacy. Our complete **Notice of Privacy Practices** provides a comprehensive overview of the policies and practices we enforce to preserve our members' privacy rights and control use of their health care information, including: the right to authorize release of information; the right to limit access to medical information; protection of oral, written and electronic information; use of data; and information shared with employers. You may obtain our complete **Notice of Privacy Practices** from our Web site at www.bluecrossca.com. You may also call the Customer Service number listed on your member ID card or prospective members can call 1-800-333-0912.

Requirement for Binding Arbitration
If you are applying for coverage, please note that BCL&H requires binding arbitration to settle all disputes, including claims of medical malpractice. California Health and Safety Code Section 1363.1 and Insurance Code Section 10123.19 require specified disclosures in this regard, including the following notice: "It is understood that any dispute as to medical malpractice, that is as to whether any medical services rendered under this contract were unnecessary or unauthorized or were improperly, negligently or incompetently rendered, will be determined by submission to arbitration as provided by California law, and not by a lawsuit or resort to court process except as California law provides for judicial review of arbitration proceedings. Both parties to this contract, by entering into it, are giving up their constitutional right to have any such dispute decided in a court of law before a jury, and instead are accepting the use of arbitration." Both parties also agree to give up any right to pursue on a class basis any claim or controversy against the other.

Department of Insurance
If you believe that your claim under coverage provided by BCL&H was wrongful, in whole or in part, you may have the matter reviewed by the California Department of Insurance. You may request a review from the California Department of Insurance at the following address and telephone number: Department of Insurance, Consumer Affairs Bureau, 300 South Spring Street, South Tower, Los Angeles, California 90013, 1-800-927-HELP (4357).

You may also be eligible for an Independent Medical Review (IMR) of disputed health care services from the Department of Insurance (DOI) if you believe that BCL&H has improperly denied, modified, or delayed health care services. A disputed health care service is any health care service eligible for coverage and payment under your plan that has been denied, modified or delayed by BCL&H, in whole or in part because the service is not medically necessary.

The IMR process is in addition to any other procedures or remedies that may be available to you. If you need additional information about IMR or require help in completing the form you may call *(818) 234-3353 or you may write to BC Life at P.O. Box 4310, Woodland Hills, CA 91365.*

Your BCL&H Policy contains an arbitration clause. Disagreements between you and BCL&H which exceed small claims court jurisdictional limits will be resolved through arbitration. To initiate arbitration, a written request must be submitted to your dedicated processing unit who will provide you with information to initiate arbitration.

Third-Party Liability
BCL&H is entitled to reimbursement of benefits paid if you recover damages from a legally liable third party. Examples of third-party liability situations include car accidents and work-related injuries. For complete information on third-party liability, refer to the plan Policy booklet.

Incurred Medical Care Ratio
As required by law, we are advising you that Blue Cross of California and its affiliated companies' incurred medical care ratio for 2002 was 80.81 percent. This ratio was calculated after provider discounts were applied.

Enrollment Guidelines

TO ENROLL, YOU MUST BE
- Age 64 3/4 or younger
- A permanent legal resident of California, and
- A U.S. resident for at least the last 3 months

The RightPlan PPO 40 is designed and priced for an Individual policyholder. Only the named policyholder is eligible for benefits under this policy. Other persons, including, but not limited to, the policyholder's dependents, such as spouse, newborn, legal ward, natural and/or adopted child, are not eligible for coverage under the same policy as the policyholder. They may, however, apply separately for their own coverage by completing their own Enrollment Application. They may also use the FamilyElect option on the Enrollment Application.

Medical Underwriting Requirement
We believe that the cost of covering someone whose health can be predicted to require costly care should not be subsidized by someone with minimal health care needs. That's why Blue Cross offers various levels of coverage, ensuring an overall balance of risk. To determine individual medical risk factors, all enrollments are subject to medical underwriting. Depending on the results of the underwriting review, a number of things may happen:
- You may be offered coverage at the standard premium charge, or
- You may be offered the plan you selected at a higher rate, or
- You may not qualify for the plan(s) listed in this brochure

If you have a significant medical condition and do not qualify for the plan in this brochure or if you have discontinued group coverage, please contact your Blue Cross representative for information regarding other Individual coverage options.

Waiting Periods
For the RightPlan PPO 40 plans, there is a specific six-month waiting period for coverage of any condition, disease or ailment for which medical advice or treatment was recommended or received within six months preceding the effective date of coverage.

If you apply for coverage within 63 days of terminating your membership with another "creditable" health care plan, then you can use your prior coverage for credit toward the six-month waiting period. Blue Cross will credit the time you were enrolled on the previous plan. Consult with your Blue Cross agent or representative if you have a question about the underwriting process.

Terms of Coverage
Coverage remains in force as long as you pay the required premiums on time and for as long as you remain eligible for membership. Coverage will cease if you become ineligible because of:
- Residency requirements and/or
- Duplicate Individual coverage with Blue Cross

Blue Cross may change or terminate coverage for all covered persons with the same plan, rating area and deductible (if applicable), including changing rates, with 30 days prior written notice. Blue Cross does not change coverage or rates unless the change applies to all covered persons of the same class.