

# SUMMARY OF BENEFITS AND DISCLOSURE FORM

Small Business Group  
HMO Standard 30 • Plan 884





## Delivering choices

When it comes to your health care, the best decisions are made with the best choices. Health Net of California, Inc. (Health Net) provides you with ways to help you receive the care you deserve. This Summary of Benefits and Disclosure Form (SB/DF) answers basic questions about this versatile plan. If you have further questions, just contact the Health Net Member Services Department at **1-800-361-3366**. Our friendly, knowledgeable representatives will be glad to help.

*Please examine your options carefully before declining this coverage. You should be aware that companies selling individual health insurance typically require a review of your medical history that could result in a higher premium or you could be denied coverage entirely.*

**This *Summary of benefits and disclosure form (SB/DF)* is only a summary of your health plan. Your *Evidence of Coverage (EOC)*, which you will receive after you enroll, contains the exact terms and conditions of your Health Net coverage. You have the right to view the EOC prior to enrollment. To obtain a copy of the EOC contact Member Services at 1-800-361-3366. You should also consult the *Group Hospital and Professional Service Agreement* (issued to your employer) to determine governing contractual provisions. It is important for you to carefully read this SB/DF and your EOC thoroughly once received, especially those sections that apply to those with special health care needs. This SB/DF includes a matrix of benefits in the section titled "Schedule of benefits and coverage."**



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# How the plan works

Please read the following information so you will know from whom health care may be obtained, or what physician group to use.

## Selection of physicians and physician groups

- When you enroll with Health Net, you choose a contracting physician group. From your physician group, you select one doctor to provide basic health care; this is your Primary Care Physician (PCP). (See your *Health Net HMO Directory of Participating Physician Groups and Primary Care Physicians (Health Net HMO Directory)* for detailed information about physicians and physician groups in the Health Net network.) The Health Net HMO Directory is also available on the Health Net website at [www.healthnet.com](http://www.healthnet.com).
- Whenever you or a covered family member needs health care, your PCP will provide the medically necessary treatment. Specialist care is also available through your Health Net plan, when authorized in advance through your PCP or physician group.
- You do not have to choose the same physician group or PCP for all members of your family. Physician groups, with names of physicians, are listed in the *Health Net HMO Directory*.

## How to choose a physician

Selecting a PCP is important to the quality of care you receive. To ensure you are comfortable with your choice, we suggest the following:

- Discuss any important health issues with your selected physician group;
- Do the same with the Health Net Coordinator at the physician group, and ask for referral specialist policies and hospitals used by the physician group; and
- Ensure that you and your family members have adequate access to medical care, by selecting a doctor located within 30 miles of your residence or work.

## Specialists and referral care

If you need medical care that your PCP cannot provide, your PCP may refer you to a specialist or other health care provider for that care. Your physician group must authorize all treatments recommended by such provider.

## HMO specialist access

Health Net offers Rapid Access<sup>®</sup>, a service that makes it easy for you to quickly connect with a specialist in Health Net's network. Ask your group or check your *Health Net HMO Directory* to see if your physician group allows "self-referrals" or "direct referrals" to specialists within the same group. Self-referral allows you to contact a specialist directly for consultation and evaluation. Direct referral allows your doctor to refer you directly to a specialist without the need for physician group authorization. Information about your physician group's referral policies is also available to you on our Internet web site, [www.healthnet.com](http://www.healthnet.com).

## How to enroll

Complete the enrollment form found in the enrollment packet and return the form to your employer. If a form is not included, your employer may require you to use an electronic enrollment form or an interactive voice response enrollment system. Please contact your employer for more information.

Some hospitals and other providers do not provide one or more of the following services that may be covered under your Evidence Of Coverage and that you or your family member might need:

- Family planning
- Contraceptive services; including emergency contraception
- Sterilization, including tubal ligation at the time of labor and delivery
- Infertility treatments
- Abortion

You should obtain more information before you enroll. Call your prospective doctor, medical group, independent practice association or clinic, or call Health Net Member Services Department at 1-800-361-3366 to ensure that you can obtain the health care services that you need.

This plan provides benefits required by the Newborns' and Mothers' Health Protection Act of 1996 and the Woman's Health and Cancer Right Act of 1998.

# Schedule of benefits and coverage

## Medical benefits

### Deductibles & plan maximums

<b>Deductible</b>	None
<b>Lifetime maximum</b>	None
<b>Calendar Year Out-of-Pocket Maximum (OOPM)</b>	
<p>Once your payments for covered services equals the amount shown below in any one calendar year, no additional copayments for covered services are required for the remainder of the calendar year. Once an individual member in a family satisfies the individual out-of-pocket-maximum, the remaining enrolled family members must continue to pay copayments for covered services until the total amount of copayments paid by the family reaches the family out-of-pocket-maximum, or each enrolled family member individually satisfies the individual out-of-pocket-maximum. Payments for any supplemental benefits or services not covered by this plan will not be applied to this calendar year out-of-pocket-maximum, unless otherwise noted. You will need to continue making payments for any additional benefits as described in the "Additional plan benefits information" section of this SB/DF.</p>	
One member	\$3,000
Family	\$6,000

### Type of service & what you pay for services (medical benefits)<sup>1</sup>

#### Professional services

Visit to physician	\$30
Visit to physician for treatment of severe mental illness or serious emotional disturbances of a child <sup>2***</sup>	\$30
Specialist consultations <sup>3</sup>	\$30
Physician visit to hospital or skilled nursing facility (excluding care for mental disorders)	Covered in full
Immunization for occupational purposes	\$30
Immunization for foreign travel	\$30
Allergy testing	\$30
Allergy serum	Covered in full
Allergy injections services	\$30
All other injections (except for infertility injection)	
Injectable drugs administered by a physician (per dose)	Covered in full
Self-injectable drugs	30%
Surgeon services <sup>4</sup>	Covered in full
Assistant surgeon services <sup>4</sup>	Covered in full
Administration of anesthetics	Covered in full
Laboratory procedures and diagnostic imaging (including x-ray) services	Covered in full
CT, SPECT, MRI, MUGA and PET	\$100
Rehabilitative therapy (includes physical, speech, occupational, cardiac rehabilitation and pulmonary rehabilitation therapy)	\$30

**Adult preventive care**

Periodic health evaluations, including well-woman exam (age 18 and older) <sup>3,5</sup>	\$30
Vision or hearing examinations	\$30
Immunizations (age 18 and older)	\$30

**Child preventive care**

Periodic health evaluations, including newborn, well-baby care, and immunizations (birth through 24 months) <sup>5</sup>	Covered in full
Periodic health evaluations including immunizations (age 2 through age 17) <sup>3,5</sup>	\$30
Vision or hearing examinations (birth through age 17)	\$30

**Family planning (professional services)<sup>6</sup>**

Prenatal and postnatal office visits	\$30
Normal delivery, cesarean section, newborn inpatient care	Covered in full
Treatment of complications of pregnancy, including medically necessary abortions	Covered in full
Elective abortions	\$150
Genetic testing of fetus	Covered in full
Circumcision of newborn males (birth through 30 days)	Covered in full
Injectable contraceptives (including but not limited to Depo Provera)	Covered in full
Infertility services and supplies (including injections related to covered infertility services)	50%

**Sterilization**

Vasectomy	Covered in full
Tubal Ligation	Covered in full

**Hospital services**

Semi-private hospital room or intensive care unit with ancillary services, including maternity care (unlimited days)	\$500 per day for a maximum of 3 days per confinement
Semi-private hospital room or intensive care unit with ancillary services for treatment of severe mental illness or serious emotional disturbances of a child (unlimited) <sup>2****</sup>	\$500 per day for a maximum of 3 days per confinement
Skilled nursing facility stay ( <i>limited to 100 days each calendar year</i> )	
Days 1-10	Covered in full
Days 11-100	\$25 per day
Hospitalization for infertility services	50%
Outpatient facility services (other than surgery)	30%
Outpatient surgery (surgery performed in a hospital or outpatient surgery center charges only) <sup>14</sup>	\$500

**Emergency health coverage**

Professional services in an emergency room or urgent care facility	Covered in full
Emergency room (facility charges) <sup>7</sup>	\$100
Urgent care center (facility charges) <sup>7</sup>	\$50
Ground ambulance	\$100

Air ambulance	\$100
<b>Other services</b>	
Medical social services	Covered in full
Patient education	Covered in full
Durable medical equipment (including nebulizers, face masks and tubing for the treatment of asthma)	50%
<i>Calendar year maximum payment by Health Net<sup>12</sup></i>	\$2000
Orthotics (such as bracing, supports and casts)	Covered in full
Diabetic equipment. See the "Prescription drug program" section of this SB/DF for diabetic supplies benefit information. <sup>8</sup>	20%
Diabetic footwear <sup>8</sup>	Covered in full
Prostheses <sup>8</sup>	50%
Podiatry services (determined medically necessary by the contracting physician Group)	\$30
Blood, blood plasma, blood derivatives and blood factors	Covered in full
Nuclear medicine	Covered in full
Organ and bone marrow transplants (nonexperimental and noninvestigational)	Covered in full
Chemotherapy	Covered in full
Renal dialysis	Covered in full
Home health services	\$30
<i>Calendar year maximum</i>	100 visits
Hospice services	Covered in full

## Additional plan benefit information (supplemental)

### Behavioral health services

*(Benefits are administered by Managed Health Network (MHN). Please refer to the "Behavioral health services" section of this SB/DF for the definitions, benefits and limitations.)*

#### **Nonsevere mental disorder benefits<sup>2\*\*\*</sup>**

Outpatient consultation (20-visit maximum each calendar year) <sup>2†</sup> :	
Individual session	\$35
Group session	\$17.50
Inpatient (30-day maximum each calendar year) <sup>2**</sup>	\$500 per day for a maximum of 3 days per confinement

#### **Detoxification benefits<sup>2\*\*\*</sup>**

Acute care detoxification <sup>2**</sup>	\$500 per day for a maximum of 3 days per confinement
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## Prescription drug coverage<sup>9</sup>

(Please refer to the "Prescription drug program" section of this SB/DF for the definitions, benefits and limitations.)

### Retail pharmacy (up to a 30-day supply)

Level I drugs listed on the Health Net Recommended Drug List (primarily generic)	\$15
Level II drugs listed on the Health Net Recommended Drug List (primarily brand name), peak flow meters, inhaler spacers and diabetic supplies (including insulin) <sup>10</sup>	\$30
Level III drugs listed on the Health Net Recommended Drug List (or drugs not listed on the Health Net Recommended Drug List) <sup>10</sup>	\$50
Appetite Suppressants	50%
Lancets	Covered in full
Smoking cessation drugs (covered up to a 12-week course of therapy per calendar year if you are currently enrolled in a comprehensive smoking cessation program) <sup>11</sup>	50%
Sexual dysfunction drugs, including injections (limited to quantities as specified in the Recommended Drug List) <sup>11</sup>	50%
Oral infertility drugs <sup>11</sup>	50%
Contraceptive devices (including diaphragms and cervical caps)	\$30

### Mail-order program (up to a 90-day supply of maintenance drugs)

Level I drugs listed on the Health Net Recommended Drug List (primarily generic)	\$30
Level II drugs listed on the Health Net Recommended Drug List (primarily brand name) and diabetic supplies (including insulin) <sup>10</sup>	\$60
Level III drugs listed on the Health Net Recommended Drug List (or drugs not listed on the Health Net Recommended Drug List) <sup>10</sup>	\$100
Lancets	Covered in full

Benefits of this plan provide coverage required by the Newborns' and Mothers' Health Protection Act of 1996 and the Women's Health and Cancer Right Act of 1998. Specifically, the Newborns' and Mothers' Health Protection Act requires group health plans to provide a minimum hospital stay for the mother and newborn child of 48 hours after a normal, vaginal delivery and 96 hours after delivery by cesarean section unless the attending physician, in consultation with the mother, determines a shorter hospital length of stay is adequate. If you are discharged earlier, your physician may decide, at his or her discretion, that you should be seen at home or in the office, within 48 hours of the discharge, by a licensed health care provider whose scope of practice includes postpartum care and newborn care. The Women's Health and Cancer Right Act of 1998 applies to medically necessary mastectomies and requires coverage for prosthetic devices and reconstructive surgery on either breast provided to restore and achieve symmetry.

## Endnotes

- <sup>1</sup> The percentages that appear in this chart are based on amounts agreed to in advance by Health Net and the member's physician group or other authorized health care provider.
- <sup>2</sup> Please refer to the "Behavioral health services" section of this SB/DF for the definitions of severe mental illness and serious emotional disturbances of a child. Benefits are administered through Managed Health Network (MHN).
- \* Applicable only for outpatient counseling defined as individual office visits and group therapy sessions. Group sessions are equal to half of an individual session and count towards the visit maximum.
- \*\*Inpatient admission means any admission to a hospital, day treatment program, residential treatment center or structured outpatient program. The copayment is applicable for each admission.
- \*\*\*The mental disorder copayments and day or visit limits will not apply for severe mental illness or serious emotional disturbances of a child as defined. Services for these conditions require whatever copayment would be required if the services were provided for a medical condition. Refer to the "Schedule of benefits and coverage" section of this SB/DF to determine the applicable copayment. All other mental disorders will be subject to the copayments shown under the heading "Nonsevere mental disorder benefits."
- <sup>3</sup> Self-referrals are allowed for obstetrics and gynecological services including preventive care, pregnancy and gynecological ailments. Copayment requirements may differ depending on the services provided.
- <sup>4</sup> Surgery includes surgical reconstruction of a breast incident to mastectomy, including surgery to restore symmetry; also includes prosthesis and treatment of physical complications at all stages of mastectomy, including lymphedema. While Health Net and your physician group will determine the most appropriate services, the length of hospital stay will be determined solely by your PCP.
- <sup>5</sup> For preventive health purposes, a periodic health evaluation and diagnostic preventive procedures are covered, based on recommendations published by the U.S. Preventive Services Task Force. In addition, a covered annual cervical cancer screening test includes a Pap test, a human papillomavirus (HPV) screening test that is approved by the federal Food and Drug Administration (FDA), and the option of any cervical cancer screening test approved by the FDA.
- <sup>6</sup> These copayments apply to professional services only. Services that are rendered in a hospital are also subject to the hospital services copayment. See "Hospital services" in this section to determine if any additional copayments may apply.
- <sup>7</sup> Copayments for emergency room or urgent care center visits will not apply if the member is admitted as an inpatient directly from the emergency room or urgent care center. A visit to one of the urgent care centers that is owned and operated by the member's physician group will be considered an office visit and the office visit copayment, if any, will apply.
- <sup>8</sup> Diabetic equipment covered under the medical benefit (through "Diabetic Equipment"), includes blood glucose monitors designed for the visually impaired, insulin pumps and related supplies, and corrective footwear. In addition, the following supplies are covered under the medical benefit as specified: visual aids (excluding eyewear) to assist the visually impaired with the proper dosing of insulin are provided through the prostheses benefit; Glucagon is provided through the self-injectable benefit. Self-management training, education and medical nutrition therapy will be covered only when provided by licensed health care professionals with expertise in the management or treatment of diabetes (provided through the patient education benefit). Diabetic equipment and supplies covered under the prescription drug benefit include insulin, specific brands of blood glucose monitors and testing strips, Ketone urine testing strips, lancets and lancet puncture devices, specific brands of pen delivery systems for the administration of insulin (including pen needles) and insulin syringes.
- <sup>9</sup> Copayments for outpatient prescription drugs (except copayments for peak flow meter and inhaler spacers used for the treatment of asthma, and diabetic supplies) do not apply to the out-of-pocket maximum.
- <sup>10</sup> Generic drugs will be dispensed when a generic drug equivalent is available. When a brand name drug is dispensed and a generic equivalent is commercially available, the member must pay the difference between the generic equivalent and the brand name drug plus the Level I drug copayment.
- However, if the prescription drug order states "dispense as written," "do not substitute" or words of similar meaning in the physician's handwriting, only Level II or Level III copayment, as appropriate, will be applicable.
- <sup>11</sup> Must be approved by Health Net and the member's physician group.
- <sup>12</sup> The calendar year maximum does not apply to orthotics or to nebulizers, face masks and tubing used for the treatment of asthma.
- <sup>13</sup> The prescription drug deductible does not apply to peak flow meters, inhaler spacers used for the treatment of asthma and diabetic supplies and equipment dispensed through a participating pharmacy.
- <sup>14</sup> Diagnostic endoscopic procedures, such as diagnostic colonoscopy, performed in an outpatient facility require the Copayment applicable for outpatient facility services. If, during the course of a diagnostic endoscopic procedure performed in a Hospital or Outpatient Surgical Center, a therapeutic (surgical) procedure is performed, then the Copayment applicable for outpatient surgery will be required instead of the Copayment for outpatient facility services.

# Limits of coverage

## What's not covered (exclusions and limitations)

- Artificial insemination for reasons not related to infertility;
- Chemical dependency, except for detoxification;
- Conception by medical procedures (IVF, GIFT and ZIFT);
- Corrective or support appliances or supplies except as provided for diabetic supplies;
- Cosmetic services and supplies;
- Custodial or live-in care;
- Dental services;
- Disposable supplies for home use;
- Experimental or investigational procedures, except as set out under the "Clinical trials" and "If you have a disagreement with our plan" sections of this SB/DF;
- Genetic testing is not covered except when determined by Health Net to be medically necessary. The prescribing physician must request prior authorization for coverage;
- Hearing aids;
- Non-eligible institutions. This plan only covers services or supplies provided by a legally operated hospital, Medicare-approved skilled nursing facility or other properly licensed facility as specified in the EOC. Any institution that is primarily a place for the aged, a nursing home or similar institution, regardless of how it is designated, is not an eligible institution. Services or supplies provided by such institutions are not covered;
- Orthoptics (eye exercises);
- Orthotic items for the foot, except when incorporated into a cast, splint, brace or strapping of the foot or when medically necessary for the treatment of diabetes, or as provided under the corrective footwear benefit;
- Outpatient prescription drugs (except as noted under "Prescription drug program");
- Personal or comfort items;
- Physician self-treatment;
- Physician treating immediate family members;
- Physician visit to member's home;
- Private rooms when hospitalized, unless medically necessary;
- Private-duty nursing;
- Refractive eye surgery unless medically necessary, recommended by the member's treating physician and authorized by Health Net;
- Reversal of surgical sterilization;
- Routine physical examinations for insurance, licensing, employment, school, camp or other nonpreventive purposes;
- Services and supplies not authorized by Health Net or the physician group according to Health Net's procedures;
- Services for a surrogate pregnancy are covered when the surrogate is a Health Net Member. However, when compensation is obtained for the surrogacy, Health Net shall have a lien on such compensation to recover its medical expense;
- Services received before effective date or after termination of coverage, except as specifically stated in the "Extension of Benefits" section of the member's EOC;
- Sex change services;
- Treatment of jaw joint disorders or surgical procedures to reduce or realign the jaw, unless medically necessary; and
- Treatment of obesity, weight reduction or weight management, except for treatment of morbid obesity.

**The above is a partial list of the principal exclusions and limitations applicable to the medical portion of your Health Net plan. The EOC, which you will receive if you enroll in this plan, will contain the full list.**

# Benefits and coverage

## What you pay for services

The comprehensive benefits of your Health Net plan are described in the "Schedule of benefits and coverage" section. Please take a moment to look it over.

## Coverage for newborns

Children born after your date of enrollment are automatically covered at birth. To continue coverage, the child must be enrolled through your employer before the 30<sup>th</sup> day of the child's life. If the child is not enrolled within 30 days of the child's birth:

- Coverage will end the 31st day after birth; and
- You will have to pay your physician group for all medical care provided after the 30th day of your baby's life.

## Emergencies

Health Net covers emergency and urgently needed care throughout the world. If you are injured, feel severe pain, begin active labor or experience an unexpected illness that a reasonable person with an average knowledge of health and medicine would believe requires immediate treatment to prevent serious threat to your health (including severe mental illness and serious emotional disturbances of a child), seek care where it is immediately available. Depending on your circumstances, you may seek this care by going to your physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification), or to the nearest emergency facility or by calling **911**.

You are encouraged to use appropriately the **911** emergency response system, in areas where the system is established and operating, when you have an emergency medical condition (including severe mental illness and serious emotional disturbances of a child) that requires an emergency response. All ambulance and ambulance transport services provided as a result of a **911** call will be covered, if the request is made for an emergency medical condition (including severe mental illness and serious emotional disturbances of a child).

An emergency means any otherwise covered service for an acute illness, a new injury or an unforeseen deterioration or complication of an existing illness, injury or condition already known to the person or, if a minor, to the minor's parent or guardian that a reasonable person with an average knowledge of health and medicine would believe requires immediate treatment (including severe mental illness and serious emotional disturbances of a child), and without immediate treatment, any of the following would occur: (a) his or her health would be put in serious danger (and in the case of a pregnant woman, would put the health of her unborn child in serious danger); (b) his or her bodily functions, organs or parts would become seriously damaged; or (c) his or her bodily organs or parts would seriously malfunction. Emergency care also includes treatment of severe pain or active labor. Active labor means labor at the time that either of the following would occur: (a) there is inadequate time to effect safe transfer to another hospital prior to delivery; or (b) a transfer poses a threat to the health and safety of the member or her unborn child.

All follow-up care (including severe mental illness and serious emotional disturbances of a child) after the urgency has passed and your condition is stable, must be provided or authorized by your physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification); otherwise, it will not be covered by Health Net.

## Medically necessary care

All services that are medically necessary will be covered by your Health Net plan (unless specifically excluded under the plan). All covered services or supplies are listed in your EOC; any other services or supplies are not covered.

## Second opinions

You have the right to request a second opinion when:

- Your PCP or a referral physician gives a diagnosis or recommends a treatment plan that you are not satisfied with;
- You are not satisfied with the result of treatment you have received;
- You are diagnosed with, or a treatment plan is recommended for, a condition that threatens loss of life, limb, or bodily function, or a substantial impairment, including but not limited to a serious chronic condition; or
- Your PCP or a referral physician is unable to diagnose your condition, or test results are conflicting.

To obtain a copy of Health Net's second opinion policy, contact the Health Net Member Services Department at **1-800-361-3366**.

## Clinical trials

Routine patient care costs for patients diagnosed with cancer who are accepted into phase I, II, III, or IV clinical trials are covered when medically necessary, recommended by the member's treating physician and authorized by Health Net. The physician must determine that participation has a meaningful potential benefit to the member and the trial has therapeutic intent. For further information, please refer to the EOC.

## Extension of benefits

If you or a covered family member is totally disabled when your employer ends its group services agreement with Health Net, we will cover the treatment for the disability until one of the following occurs:

- A maximum of 12 consecutive months elapses from the termination date;
- Available benefits are exhausted;
- The disability ends; or
- The member becomes enrolled in another plan that covers the disability.

If you are hospitalized on the date your coverage ends, you will be covered until the discharge date. If you are not hospitalized, your application for an extension of benefits for disability must be made to Health Net within 90 days after your employer ends its agreement with us. We will require medical proof of the total disability at specified intervals.

## Confidentiality and release of member information

Health Net knows that personal information in your medical records is private. Therefore, we protect your personal health information in all settings (including oral, written and electronic information). The only time we would release your confidential information without your authorization is for payment, treatment, health care operations (including, but not limited to utilization management, quality improvement, disease or case management programs) or when permitted or required to do so by law, such as for court order or subpoena. We will not release your confidential claims details to your employer or their agent. Often Health Net is required to comply with aggregated measurement and data reporting requirements. In those cases, we protect your privacy by not releasing any information that identifies our members.

## Privacy practices

Once you become a Health Net member, Health Net uses and discloses a member's protected health information for purposes of treatment, payment, health care operations, and where permitted or required by law. Health Net provides members with a Notice of Privacy Practices that describes how it uses and discloses protected health information; the individual's rights to access, to request amendments, restrictions, and an accounting of disclosures of protected health information; and the procedures for filing complaints. Health Net will provide you the opportunity to approve or refuse the release of your information for non-routine releases such as marketing. Health Net provides access to members to inspect or obtain a copy of the member's protected health information in designated record sets maintained by Health Net. Health Net protects oral, written and electronic information across the organization by using reasonable and appropriate security safeguards. These safeguards include limiting access to an individual's protected health information to only those who have a need to know in order to perform payment, treatment, health care operations or where permitted or required by law. Health Net releases protected health information to

plan sponsors for administration of self-funded plans but does not release protected health information to plan sponsors/employers for insured products unless the plan sponsor is performing a payment or health care operation function for the plan. Health Net's entire Notice of Privacy Practices can be found in your plan's EOC, at [www.healthnet.com](http://www.healthnet.com) under "Privacy" or you may contact the Member Services Department at 1-800-361-3366 to obtain a copy.

### **Technology assessment**

New technologies are those procedures, drugs or devices that have recently been developed for the treatment of specific diseases or conditions or are new applications of existing procedures, drugs or devices. New technologies are considered investigational or experimental during various stages of clinical study as safety and effectiveness are evaluated and the technology achieves acceptance into the medical standard of care. The technologies may continue to be considered investigational or experimental if clinical study has not shown safety or effectiveness or if they are not considered standard care by the appropriate medical specialty. Approved technologies are integrated into Health Net benefits.

Health Net determines whether new technologies should be considered medically appropriate or investigational or experimental, following extensive review of medical research by appropriately specialized physicians. Health Net requests review of new technologies by an independent, expert medical reviewer in order to determine medical appropriateness or investigational or experimental status of a technology or procedure.

The expert medical reviewer also advises Health Net when patients require quick determinations of coverage, when there is no guiding principle for certain technologies or when the complexity of a patient's medical condition requires expert evaluation.

## **Utilization management processes**

Utilization management is an important component of health care management. Through the processes of pre-authorization, concurrent and retrospective review and care management, we evaluate the services provided to our members to be sure they are medically necessary and appropriate for the setting and time. These processes help to maintain Health Net's high quality medical management standards.

### **Pre-Authorization**

Certain proposed services may require an assessment prior to approval. Evidence-based criteria are used to evaluate whether or not the procedure is medically necessary and planned for the appropriate setting (that is, inpatient, ambulatory surgery, etc.).

### **Concurrent Review**

This process continues to authorize inpatient and certain outpatient conditions on a concurrent basis while following a member's progress, such as during inpatient hospitalization or while receiving outpatient home care services.

### **Discharge Planning**

This component of the concurrent review process ensures that planning is done for a member's safe discharge in conjunction with the physician's discharge orders and to authorize post-hospital services when needed.

### **Retrospective Review**

This medical management process assesses the appropriateness of medical services on a case-by-case basis after the services have been provided. It is usually performed on cases where pre-authorization was required but not obtained.

### **Care or Case Management**

Nurse care managers provide assistance, education and guidance to members (and their families) through major acute and/or chronic long-term health problems. The care managers work closely with members, their physicians and community resources.

If you would like additional information regarding Health Net's utilization management process, please call the Health Net Member Services Department at **1-800-361-3366**.

## Payment of fees and charges

### Your coinsurance, copayment and deductibles

The comprehensive benefits of your Health Net plan are described in the "Schedule of benefits and coverage" section. Please take a moment to look it over.

### Prepayment fees

Your employer will pay Health Net your monthly premiums for you and all enrolled family members. Check with your employer regarding any share that you may be required to pay. If your share ever increases, your employer will inform you in advance.

### Other charges

You are responsible for payment of your share of the cost of services covered by this plan. Amounts paid by you are called copayments, which are described in the "Schedule of benefits and coverage" section of this SB/DF. Beyond these charges the remainder of the cost of covered services will be paid by Health Net.

When the total amount of copayments you pay equals the out-of-pocket-maximum shown in the "Schedule of benefits and coverage" section, you will not have to pay additional copayments for the rest of the year for most services provided or authorized by your physician group.

Certain copayments paid will not be applied to the out-of-pocket-maximum as shown in the "Schedule of benefits and coverage" section. Payment for services not covered by this plan will not be applied to the calendar year out-of-pocket maximum. Additionally, deductibles and copayments for any covered supplemental benefits purchased by your employer, such as prescription drugs or eyewear will also not be applied to the limit with the exception of copayments for inhaler spacers, peak flow meters used for the treatment of asthma, and diabetic supplies. For further information please refer to the EOC.

### Liability of subscriber or enrollee for payment

If you receive health care services from doctors without receiving required authorization from your PCP or physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification), you are responsible for payment of expenses for these services. Remember, services are only covered when provided or authorized by a PCP or physician group or the Behavioral Health Administrator, except for emergency or out-of-area urgent care. Consult the *Health Net HMO Directory* for a full listing of Health Net-contracted physicians.

### Reimbursement provisions

Payments that are owed by Health Net for services provided by or through your physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification) will never be your responsibility.

If you have out-of-pocket expenses for covered services, call the Health Net Member Services Department at **1-800-361-3366** for a claim form and instructions. You will be reimbursed for these expenses less any required copayment or deductible. (Remember, you do not need to submit claims for medical services provided by your PCP or physician group.)

If you receive emergency services not provided or directed by your physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification), you may have to pay at the time you receive service. To be reimbursed for these charges, you should obtain a complete statement of the services received and, if possible, a copy of the emergency room report.

Please contact the Health Net Member Services Department at **1-800-361-3366** to obtain claim forms, and to find out whether you should send the completed form to your physician group (medical) or the Behavioral Health Administrator (mental illness and detoxification) or directly to Health Net. Medical claims must be received by Health Net within one year of the date of service to be eligible for reimbursement.

If you need to file a claim for emergency medical services or for services authorized by your physician group or PCP with Health Net, please send a completed claim form within one year of the date of service to:

Health Net Commercial Claims  
P.O. Box 14702  
Lexington, KY 40512

If you need to file a claim for outpatient prescription drugs, please send a completed prescription drug claim form to:

Health Net  
C/O Caremark  
P.O. Box 52136  
Phoenix, AZ 85072

Please call Health Net Member Services at **1-800-361-3366** or visit our website at [www.healthnet.com](http://www.healthnet.com) to obtain a prescription drug claim form.

If you need to file a claim for mental disorders or detoxification emergency services or for services authorized by MHN, you must use the CMS (HCFA) - 1500 form. Please send the claim to MHN within one year of the date of service at the address listed on the claims form or to MHN at:

Managed Health Network  
P.O. Box 14621  
Lexington, KY 40512-4621

Please call MHN at **1-800-444-4281** to obtain a claim form.

Claims for covered expenses filed more than one year from the date of service will not be paid unless you can show that it was not reasonably possible to file your claim within that time limit and that you have filed as soon as was reasonably possible.

### **Provider referral and reimbursement disclosure**

If you are considering enrolling in our plan, you are entitled to ask if the plan has special financial arrangements with our physicians that can affect the use of referrals and other services you may need. Health Net uses financial incentives and various risk sharing arrangements when paying providers. To get this information, call the Health Net Member Services Department at **1-800-361-3366**, your physician group or your PCP and request information about our physician payment arrangements.

## **Facilities**

Health care services for you and eligible members of your family will be provided at:

- The facilities of the physician group you selected at enrollment; or
- A nearby Health Net-contracted hospital, if hospitalization is required.

Many Health Net contracting physician groups have either a physician on call 24 hours a day or an urgent care center available to offer access to care at all times.

The physician group you choose will also have a contractual relationship with local hospitals (for acute, subacute and transitional care) and skilled nursing facilities. These are listed in your *Health Net HMO Directory*.

### **Physician group transfers**

You may switch doctors within the same physician group at any time. You may also transfer to another physician group monthly. Simply contact Health Net by the 15<sup>th</sup> of the month to have your transfer effective by the 1<sup>st</sup> of the following month. If you call after the 15<sup>th</sup>, your transfer will be effective the 1<sup>st</sup> of the second following month.

Transfer requests will generally be honored unless you are confined to a hospital. (However, Health Net may approve transfers under this condition for certain unusual or serious circumstances. Please contact the Health Net Member Services Department at **1-800-361-3366**.)

## **Continuity of Care**

### **Transition of Care for New Enrollees**

You may request continued care from a provider who does not contract with Health Net if at the time of your enrollment with Health Net you were receiving care for the conditions listed below. Health Net may provide coverage for completion of services from a non-participating provider, subject to applicable copayments and any exclusions and limitations of your plan. You must request the coverage within 60 days of your group's effective date unless you can show that it was not reasonably possible to make the request within 60 days of the group's effective date and you make the request as soon as reasonably possible. The non-participating provider must be willing to accept the same contract terms applicable to providers currently contracted with Health Net, who are not capitated and who practice in the same or similar geographic region. If the provider does not accept such terms, Health Net is not obligated to provide coverage with that provider.

### **Continuity of Care Upon Termination of Provider Contract**

If Health Net's contract with a physician group or other provider is terminated, Health Net will transfer any affected members to another contracted physician group or provider to ensure that care continues. Health Net will provide a written notice to affected members at least 60-days prior to termination of a contract with a physician group or an acute care hospital to which members are assigned for services. For all other hospitals that terminate their contract with Health Net, a written notice will be provided to affected members within five days after the effective date of the contract termination.

Health Net may provide coverage for completion of services from a provider whose contract has been terminated, subject to applicable copayments and any other exclusions and limitations of your plan and if such provider is willing to accept the same contract terms applicable to the provider prior to the provider's contract termination. You must request continued care within 30 days of the provider's date of termination, unless you can show that it was not reasonably possible to make the request within 30 days of the provider's date of termination and you make the request as soon as it is reasonably possible.

You may request continued care from a provider whose contract is terminated if at the time of termination the member was receiving care from such a provider for the conditions listed below.

#### **The following conditions are eligible for continuation of care:**

- An acute condition;
- A serious chronic condition not to exceed twelve months;
- A pregnancy (including the duration of the pregnancy and immediate postpartum care);
- A newborn (up to 36 months of age, not to exceed twelve months);
- A terminal illness (through the duration of the terminal illness);
- A surgery or other procedure that has been authorized by Health Net (or by the Member's prior health plan for a new enrollee) as part of a documented course of treatment.

If you would like more information on how to request continued care or to request a copy of Health Net's continuity of care policy, please contact the Health Net Member Services Department at **1-800-361-3366**.

## **Renewing, continuing or ending coverage**

### **Renewal provisions**

The contract between Health Net and your employer is usually renewed annually. If your contract is amended or terminated, your employer will notify you in writing.

## Small employer Cal-COBRA coverage

When the group is a small employer (as defined in the EOC), state law provides that members who enroll in this plan and later lose eligibility may be entitled to continuation of group coverage. More information regarding eligibility for this coverage is provided in your *Evidence of Coverage*.

## Individual continuation of benefits

*Please examine your options carefully before declining coverage. You should be aware that companies selling individual health insurance typically require a review of your medical history that could result in a higher premium or your could be denied coverage entirely.*

If your employment with your current employer ends, you and your covered family members may qualify for continued group coverage under

- COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). For most groups with 20 or more employees, COBRA applies to employees and their eligible dependents, even if they live outside of California. Please check with your group to determine if you and your covered dependents are eligible.
- Cal-COBRA Continuation Coverage. If you began receiving federal COBRA coverage on or after January 1, 2003, have exhausted federal COBRA coverage and have had less than 36 months of COBRA coverage, you have the opportunity to continue group coverage under this plan through Cal-COBRA for up to 36 months from the date that federal COBRA coverage began.
- Additional COBRA-like Coverage ("Senior"-COBRA): California law provides that an employee and his or her spouse who elected COBRA or Cal-COBRA coverage following termination of employment may be entitled to additional COBRA-like coverage if the employee and spouse are eligible for Senior COBRA prior to January 1, 2005.

If the Subscriber was 60 years of age or older on the date of his or her termination of employment and had worked for the employer for the previous five years, the Subscriber and his or her spouse may be eligible for additional coverage when federal COBRA or Cal-COBRA coverage expires. Additionally, a former spouse of an employee or former employee whose coverage under COBRA or Cal-COBRA expires may be entitled to additional COBRA-like coverage.

You may request additional information from Health Net. If you wish to purchase this additional COBRA-like coverage, you must notify Health Net in writing of your wish to do so within 30 calendar days prior to the date continuation coverage under COBRA or Cal-COBRA is scheduled to end.

- USERRA Coverage: Under a federal law known as the Uniformed Services Employment and Reemployment Rights Act (USERRA), employers are required to provide employees who are absent from employment to serve in the uniformed services and their dependents who would lose their group health coverage the opportunity to elect continuation coverage for a period of up to 24 months. Please check with your group to determine if you are eligible.
- HIPAA Guaranteed Issue Coverage: The federal Health Insurance Portability and Accountability Act (HIPAA) makes it easier for people covered under existing group health plans to maintain coverage regardless of pre-existing conditions when they change jobs or are unemployed for brief periods of time. California law provides similar and additional protections. Applicants who meet the following requirements are eligible to enroll in a guaranteed issue individual health plan from any health plan that offers individual coverage, including Health Net's Guaranteed HMO Plans, without medical underwriting. A health plan cannot reject your application for guaranteed issue individual health coverage if you meet the following requirements, agree to pay the required premiums and live or work in the plan's service area. Specific Guaranteed Issue rates apply. Only eligible individuals qualify for guaranteed issuance. To be considered an eligible individual:
  1. The applicant must have a total of 18 months of coverage (including COBRA, if applicable) without a significant break (excluding any employer-imposed waiting periods) in coverage of more than 63 days.

2. The most recent coverage must have been under a group health plan. COBRA and Cal-COBRA coverage are considered group coverage.
3. The applicant must not be eligible for coverage under any group health plan, Medicare or Medicaid, and must not have other health insurance coverage.
4. The individual's most recent coverage could not have been terminated due to fraud or nonpayment of premiums.
5. If COBRA or Cal-COBRA coverage was available, it must have been elected and such coverage must have been exhausted.

For more information regarding guarantee issue coverage through Health Net please call the Individual Sales Department at **1-800-909-3447**. If you believe your rights under HIPAA have been violated, please contact the Department of Managed Health Care at **1-888-HMO-2219** or visit the Department's website at [www.hmohelp.ca.gov](http://www.hmohelp.ca.gov).

Also, if you become ineligible for group coverage, you may convert from group coverage to a type of individual coverage called conversion coverage. Application must be made within 63 days of the date group coverage ends. Please contact the Health Net Member Services Department for information about conversion plan coverage. Furthermore, you may be eligible for continued coverage for a disabling condition (for up to 12 months) if your employer terminates its agreement with Health Net. Please refer to the "Extension of benefits" section of this SB/DF for more information.

### Termination of benefits

Health Net can terminate your coverage when:

- The agreement between the employer covered under this plan and Health Net ends;
- The employer covered under this plan fails to pay subscription charges;
- You cease to either live or work within Health Net's service area; or
- You no longer work for the employer covered under this plan.

Also, coverage under this Health Net plan may be terminated upon the date the notice of termination is mailed for a member who:

- Threatens the safety of the health care provider, his or her office staff or Health Net personnel if such behavior does not arise from a diagnosed illness or condition; or
- Knowingly omits or misrepresents a meaningful fact on your enrollment form or fraudulently or deceptively uses services or facilities of Health Net, its contracting Physician Group or other contracting providers (or knowingly allow another person to do so), including altering a prescription.

In addition, coverage under this Health Net plan may be terminated upon 15 days prior written notice if you repeatedly or materially disrupt the operations of the physician group or Health Net to the extent that your behavior substantially impairs Health Net's ability to furnish or arrange services for you or other Health Net members, or the physician's office or contracting physician group's ability to provide services to other patients.

**Note:** If the person involved in any of the above activities is the enrolled employee, coverage under this plan will terminate as well for any covered dependents.

## If you have a disagreement with our plan

The California Department of Managed Health Care is responsible for regulating health care service plans.

If you have a grievance against Health Net, you should first telephone Health Net at **1-800-361-3366** and use the plan's grievance process before contacting the Department. Utilizing this grievance procedure does not prohibit any potential legal rights or remedies that may be available to you. If you need help with a grievance involving an emergency, or a grievance that has not been satisfactorily resolved by Health Net, or a grievance that has remained unresolved for more than 30 days, you may call the Department for assistance.

You may also be eligible for an independent medical review (IMR). If you are eligible for IMR, the IMR process will provide an impartial review of medical decisions made by a health plan related to the medical necessity of a proposed service or treatment, coverage decisions for treatments that are experimental or investigational in nature and payment disputes for emergency or urgent medical services. The Department also has a toll-free telephone number **(1-888-HMO-2219)** and a **TDD line (1-877-688-9891)** for the hearing and speech impaired. The Department's Internet Web site <http://www.hmohelp.ca.gov> has complaint forms, IMR application forms and instructions online.

### **Member grievance and appeals process**

If you are dissatisfied with the quality of care that you have received or feel that you have been incorrectly denied a service or claim, you may file a grievance or appeal.

To file a grievance or appeal you may call **1-800-361-3366** or submit a Member Grievance Form through the Health Net website at [www.healthnet.com](http://www.healthnet.com).

You may also write to:

Health Net of California  
P.O. Box 10348  
Van Nuys, CA 91410-0348

Please include all the information from your Health Net identification card as well as details of your concern or problem. Health Net will acknowledge your grievance or appeal within five calendar days, review the information and tell you of our decision in writing within 30 days of receiving the grievance. For conditions where there is an immediate and serious threat to your health, including severe pain or the potential loss of life, limb or major bodily function, Health Net will notify you of the status of your grievance no later than three days from the receipt of all the required information. For urgent grievances, Health Net will immediately notify you of the right to contact the Department of Managed Health Care. There is no requirement that you participate in Health Net's grievance process prior to applying to the Department of Managed Health Care for review of an urgent grievance.

In addition, you can request an independent medical review of disputed health care services from the Department of Managed Health Care if you believe that health care services eligible for coverage and payment under the plan was improperly denied, modified or delayed by Health Net or one of its contracting providers.

Also, if Health Net denies your appeal of a denial for lack of medical necessity, or denies or delays coverage for requested treatment involving experimental or investigational drugs, devices, procedures or therapies, you can request an independent medical review of Health Net's decision from the Department of Managed Health Care if you meet the eligibility criteria set out in the EOC.

### **Arbitration**

If you are not satisfied with the result of the grievance hearing and appeals process, you may submit the problem to binding arbitration. Health Net uses binding arbitration to settle disputes, including medical malpractice. When you enroll in Health Net, you agree to submit any disputes to arbitration, in lieu of a jury or court trial.

## **Additional plan benefit information**

The following plan benefits show benefits available with your plan. For a more complete description of copayments, and exclusions and limitations of service, please see your plan's EOC.

## **Behavioral health services**

Health Net contracts with Managed Health Network, a specialized health care service plan which provides behavioral health services through a personalized, confidential and affordable mental health and detoxification care program. Just call the toll-free number shown on your Health Net ID card before receiving care.

## Transition of Care for New Enrollees

If you are receiving ongoing care for an acute, serious, or chronic mental health condition from a provider not affiliated with the Behavioral Health Administrator when you enroll with Health Net, we may temporarily cover services provided by that provider, subject to applicable copayments and any other exclusions and limitations of this plan.

Your non-participating mental health professional must be willing to accept the Behavioral Health Administrator's standard mental health provider contract terms and conditions and be located in the plan's service area.

If you would like more information on how to request continued care, or to request a copy of our continuity of care policy, please call the Health Net Member Services Department at **1-800-361-3366**.

## Serious emotional disturbances of a child

Serious emotional disturbances of a child is when a child under the age of 18 has one or more mental disorders identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or a developmental disorder, that result in behavior inappropriate to the child's age according to expected developmental norms. In addition, the child must meet one or more of the following:

- As a result of the mental disorder, the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the community; and either (i) the child is at risk of removal from home or has already been removed from the home or (ii) the mental disorder and impairments have been present for more than six months or are likely to continue for more than one year;
- The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a mental disorder; or
- The child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code.

## Severe mental illness

Severe mental illness includes schizophrenia, schizoaffective disorder, bipolar disorder (manic-depressive illness), major depressive disorders, panic disorder, obsessive-compulsive disorders, pervasive developmental disorder (including Autistic Disorder, Rett's Disorder, Childhood Disintegrative Disorder, Asperger's Disorder and Pervasive Developmental Disorder not otherwise specified to include Atypical Autism, in accordance with the most recent edition the Diagnostic and Statistical Manual for Mental Disorders), autism, anorexia nervosa, and bulimia nervosa.

## Continuation of treatment

If you are in treatment for a mental health or detoxification problem, call the telephone number shown on your Health Net ID card to receive assistance in transferring your care to a network provider.

## What's covered

Please refer to the "Schedule of benefits and coverage" section of this SB/DF for the copayments.

## What's not covered (exclusions and limitations)

**Services or supplies excluded under behavioral health services may be covered under the medical benefits portion of your plan. Consult your plan's EOC for more information.**

In addition to the exclusion and limitations listed below, mental health and detoxification are subject to the plan's general exclusions and limitations.

- Congenital or organic disorders, including organic brain disease and mental retardation, except for some conditions when the level of severity meets the criteria of severe mental illness or serious emotional disturbances of a child as described in the EOC;
- Experimental or investigational therapies;

- Marriage counseling, except when rendered in connection with services provided for a treatable mental disorder;
- Nontreatable mental disorders;
- Private-duty nursing;
- Services related to educational and professional purposes;
- Smoking cessation, weight reduction, obesity, stammering, sleeping disorders or stuttering;
- State hospital treatment, except as the result of an emergency or urgently needed care;
- Stress, except when rendered in connection with services provided for a treatable mental disorder;
- Treatment of detoxification in newborns;
- Treatment, testing or screening of learning disabilities, except for some conditions when the level of severity meets the criteria of severe mental illness or serious emotional disturbances of a child as described in the EOC; and
- Care for mental health care as a condition of parole or probation, or court-ordered testing for mental disorders, except when such services are medically necessary and subject to the plan's day or visit limits.

**This is only a summary. Consult your plan's EOC to determine the exact terms and conditions of your coverage.**

## Prescription drug program

Health Net is contracted with many major pharmacy chains, supermarket based pharmacies and privately owned neighborhood pharmacies in California. For a complete and up-to-date list of participating pharmacies, please visit our website at [www.healthnet.com](http://www.healthnet.com) or call the Health Net Member Services Department at **1-800-361-3366**.

### Prescriptions By Mail Drug Program

If your prescription is for a maintenance medication (a drug that you will be taking for an extended period), you have the option of filling it through our convenient Prescriptions by Mail Drug Program. This program allows you to receive up to a 90-consecutive-calendar-day supply of maintenance medications. For complete information, call the Health Net Member Services Department at **1-800-361-3366**.

Note: Schedule II narcotic drugs are not covered through mail order. For further information, please refer to the EOC.

### The Health Net Recommended Drug List

#### Level I drugs (primarily generic) and Level II drugs (primarily brand name)

The Health Net Recommended Drug List (or the List) is the approved list of medications covered for illnesses and conditions. It was developed to identify the safest and most effective medications for Health Net members while attempting to maintain affordable pharmacy benefits.

We specifically suggest to all Health Net contracting PCPs and specialists that they refer to this List when choosing drugs for patients who are Health Net members. When your physician prescribes medications listed in the Recommended Drug List, it ensures that you are receiving a high quality prescription medication that is also of high value.

The Recommended Drug List is updated regularly, based on input from the Health Net Pharmacy and Therapeutics (P&T) Committee. The Committee members are actively practicing physicians of various medical specialties and clinical pharmacists. Voting members are recruited from contracting physician groups throughout California based on their experience, knowledge and expertise. In addition, the P&T Committee frequently consults with other medical experts to provide additional input to the Committee. Updates to the Recommended Drug List and drug usage guidelines are made as new clinical information and new drugs become available. In order to keep the List current, the P&T Committee evaluates clinical effectiveness, safety and overall value through:

- Medical and scientific publications;
- Relevant utilization experience; and
- Physician recommendations.

To obtain a copy of Health Net's most current Recommended Drug List, please visit our web site at [www.healthnet.com](http://www.healthnet.com) or call the Health Net Member Services Department at **1-800-361-3366**.

### **Level III drugs**

Level III drugs are prescription drugs that are listed as Level III or not listed on the Recommended Drug List and are not excluded from coverage.

### **What is "prior authorization?"**

Some prescription medications require prior authorization. This means that your doctor must contact Health Net in advance to provide the medical reason for prescribing the medication. Urgent requests from Physicians are handled in a timely fashion, not to exceed 72 hours, as appropriate and medically necessary, for the nature of the member's condition after Health Net's receipt of the information reasonably necessary and requested by Health Net to make the determination. Routine requests from physicians are processed in a timely fashion, not to exceed 5 days, as appropriate and medically necessary, for the nature of the member's condition after Health Net's receipt of the information reasonably necessary and requested by Health Net to make the determination. Upon receiving your physician's request for prior authorization, Health Net will evaluate the information submitted and make a determination based on established clinical criteria for the particular medication.

The criteria used for prior authorization are developed and based on input from the Health Net P&T Committee as well as physician specialist experts. Your physician may contact Health Net to obtain the usage guidelines for specific medications.

If authorization is denied by Health Net, you will receive written communication including the specific reason for denial. If you disagree with the decision, you may appeal the decision.

The appeal may be submitted in writing, by telephone or through e-mail. We must receive the appeal within 60 days of the date of the denial notice. Please refer to your Health Net EOC for details regarding your right to appeal.

To submit an appeal:

- Call the Health Net Member Services Department at **1-800-361-3366**;
- Visit [www.healthnet.com](http://www.healthnet.com) for information on e-mailing the Member Services Department; or
- Write to:

Health Net Member Services Department  
P.O. Box 10348  
Van Nuys, CA 91410-0348

### **What's covered**

Please refer to the "Schedule of benefits and coverage" section of this SB/DF for the copayments.

Outpatient prescription medication:

- Level I drugs listed on the Recommended Drug List (primarily generic);
- Level II drugs listed on the Recommended Drug List (primarily brand name) and diabetic supplies (including insulin); and
- Level III drugs listed on the Recommended Drug List (or drugs that are not listed on the Recommended Drug List).

**Note:**

- Prescription drug covered expenses are the lesser of Health Net's contracted pharmacy rate or the pharmacy's usual and customary charges for covered prescription drugs.
- If a pharmacy brand name prescription drug deductible (per member each calendar year) applies, you must pay this amount for prescription drug covered expenses before Health Net begins to pay. Diabetic supplies are not subject to the deductible. After the deductible is met the copayments or coinsurance amounts apply.
- Prescription drug refills are covered, up to a 30-consecutive-day supply per prescription at a Health Net contracted pharmacy for one copayment. A copayment is required for each prescription. In some cases, a 30-consecutive-calendar-day supply of medication may not be an appropriate drug treatment plan according to the Food and Drug Administration (FDA) or Health Net's usage guidelines. If this is the case, the amount of medication dispensed may be less than a 30-consecutive-calendar-day supply
- If the pharmacy's usual and customary charge is less than the applicable copayment, the member will only pay the pharmacy's usual and customary charge.
- Drugs with a percentage Copayment will have a Copayment maximum of \$100 for each prescription filled at a retail pharmacy and a Copayment maximum of \$300 for each prescription filled through the Mail Order program. Percentage Copayments will be based on Health Net's contracted pharmacy rate.
- Mail order drugs are covered up to a 90-consecutive-calendar-day supply. When the retail pharmacy copayment is a percentage, the mail order copayment is the same percentage of the cost to Health Net as the retail pharmacy copayment.
- Prescription drugs for the treatment of asthma are covered as stated in the Recommended Drug List. Inhaler spacers and peak flow meters under the pharmacy benefit are covered when medically necessary. Nebulizers (including face masks and tubing) are covered under "Durable Medical Equipment" and educational programs for the management of asthma are covered under "Patient Education" through the medical benefit. For information about copayments required for these benefits, please see the "Schedule of benefits and coverage" section of this SB/DF.
- Oral contraceptives and emergency contraceptives are covered. Vaginal contraceptives include diaphragms and cervical caps and are only covered when a member physician performs a fitting examination and prescribes the device. Such devices are only available through a prescription from a pharmacy and are limited to one fitting and prescription per calendar year, unless additional fittings or devices are medically necessary. For a complete list of contraceptive products covered by Health Net, please refer to the Recommended Drug List. Injectable contraceptives are covered when administered by a physician. Refer to your plan's EOC for more information on contraceptives covered under the medical benefit. If your physician determines that none of the methods specified as covered by the plan are medically appropriate, then the plan will provide coverage for another FDA approved prescription or contraceptive method as prescribed by your physician.
- Diabetic supplies (blood glucose testing strips, lancets, needles and syringes) are packaged in 50, 100 or 200 unit packages. Packages cannot be "broken" (that is, opened in order to dispense the product in quantities other than those packaged). When a prescription is dispensed, you will receive the size of package and/or number of packages required for you to test the number of times your physician has prescribed for up to a 30-day period. For more information about diabetic equipment and supplies, please see "Endnotes" in the "Schedule of benefits and coverage" section See diabetic equipment under the "Schedule of benefits and coverage" section of this SB/DF.

**What's not covered (exclusions and limitations)**

**Services or supplies excluded under pharmacy services may be covered under the medical benefits portion of your plan. Consult your plan's EOC for more information.**

In addition to the exclusion and limitations listed below, prescription drug benefits are subject to the plan's general exclusions and limitations.

- Allergy serum. Allergy serum is covered as a medical benefit. See "Allergy serum" benefit in the "Schedule of benefits and coverage" for details;
- Coverage for devices is limited to vaginal contraceptive devices, peak flow meters, spacer inhalers and diabetic supplies. No other devices are covered even if prescribed by a participating physician;
- Drugs that require a prescription in order to be dispensed for the relief of nicotine withdrawal symptoms are covered up to a twelve week course of therapy per calendar year if the member is concurrently enrolled in a comprehensive smoking cessation behavioral support program. The prescribing physician must request prior authorization for coverage. For information regarding smoking cessation behavioral support programs available through Health Net, contact Member Services at the telephone number on your Health Net ID card or visit the Health Net website at [www.healthnet.com](http://www.healthnet.com);
- Drugs prescribed for the treatment of obesity are covered when medically necessary for the treatment of morbid obesity. In such cases, the drugs will be subject to prior authorization from Health Net;
- Drugs or medicines administered by a physician or physician's staff member;
- Drugs prescribed for routine dental treatment;
- Drugs when prescribed to shorten the duration of the common cold;
- Drugs prescribed for sexual dysfunction when not medically necessary, including drugs that establish, maintain, or enhance sexual function or satisfaction;
- Experimental drugs (those that are labeled "Caution - Limited by Federal Law to investigational use only"). If you are denied coverage of a drug because the drug is investigational or experimental you will have a right to independent medical review. See "If you have a disagreement with our plan" section of this SB/DF for additional information;
- Hypodermic needles or syringes, except for insulin needles, syringes and specific brands of pen devices;
- Immunizing agents, injections (except for insulin), agents for surgical implantation, biological sera, blood, blood derivatives or blood plasma obtained through a prescription;
- Individual doses of medication dispensed in plastic, unit dose or foil packages unless medically necessary or only available in that form;
- Limits on quantity, dosage and treatment duration may apply to some drugs. Medications taken on an "as-needed" basis may have a copayment based on a specific quantity, standard package, vial, ampoule, tube, or other standard unit. In such a case, the amount of medication dispensed may be less than a 30-consecutive-calendar-day supply. If medically necessary, your physician may request a larger quantity from Health Net;
- Medical equipment and supplies (including insulin), that are available without a prescription are covered when prescribed by a physician for the management and treatment of diabetes. Any other nonprescription drug, medical equipment or supply that can be purchased without a prescription drug order is not covered even if a physician writes a prescription drug order for such drug, equipment or supply. However, if a higher dosage form of a prescription drug or over-the-counter (OTC) drug is only available by prescription, that higher dosage drug will be covered. If a drug that was previously available by prescription becomes available in an OTC form in the same prescription strength, then any prescription drugs that are similar agents and have comparable clinical effect(s) will only be covered when medically necessary and prior authorization is obtained from Health Net;
- Prescription drugs filled at pharmacies that are not in the Health Net pharmacy network or are not in California except in emergency or urgent care situations;
- Prescription drugs prescribed by a physician who is not a member physician or an authorized specialist are not covered, except when the physician's services have been authorized, or because of a medical emergency condition, illness or injury, for urgently needed care or as specifically stated;
- Replacement of lost, stolen or damaged medications;
- Supply amounts for prescriptions that exceed the FDA's or Health Net's indicated usage recommendation are not covered unless medically necessary and prior authorization is obtained from Health Net and;

- Drugs prescribed for a condition or treatment not covered by this plan are not covered. However, the plan does cover drugs for medical conditions that result from nonroutine complications of a noncovered service.

**This is only a summary. Consult your plan's EOC to determine the exact terms and conditions of your coverage.**



**For more information,  
please contact us at:**

Health Net  
Post Office Box 10348  
Van Nuys, California 91409-10348

Customer Contact Center

Small Business Group:

**1-800-361-3366**

(for companies with 2-50 employees)

1-800-331-1777 (Spanish)

1-877-891-9053 (Mandarin)

1-877-891-9050 (Cantonese)

1-877-339-8596 (Korean)

1-877-891-9051 (Tagalog)

1-877-339-8621 (Vietnamese)

Telecommunications Device

for the Hearing and Speech Impaired:

**1-800-995-0852**