

**Town of Shrewsbury
Health Insurance Program (HIP)
FY 2015 & FY 2016**

The Current Situation

- Shrewsbury has been a member of the West Suburban Health Group (WSHG) since July 1, 2005, involving the Towns of Wellesley, Sherborn, Ashland, Westwood, Needham, Natick, Wayland, Dedham, Walpole, Dover, Wrentham, Holliston along with the Dover-Sherborn RSD and South Middlesex RSD and the Education Cooperative.
- The active program covers active employees and non-Medicare eligible retirees and involves 3,350 individuals and 4,401 families; the WSHG retiree program covers 4,386 retirees. A total of 22,656 members are covered collectively.
- All of the (13) plans offered by the WSHG are self-insured except for the Fallon Senior, BC/BS Managed Blue and the two Tufts Senior Plans.
- Our current stop loss is \$300,000 per claim. In FY 2015 this limit is increasing to \$800,000 since we are now self-insuring the interim \$500,000 via a shared risk pool with the Cape Cod (39 members) and Minuteman-Nashoba (17 members) JPG's.
- For FY 2015 we are planning on a funding pool of \$118,446,962 for 3,350 individual plans and 4,401 family plans. Assuming 18,754 members are in the self-insured active portion that works out \$6,316 per person.

Family Size	Estimated Cost
1	\$6,316
2	\$12,632
3	\$18,948
4	\$25,264
5	\$31,580

- So if you are a member with a spouse and two children, \$25,264 is being paid into the pool collectively to provide your family health care for the year. Your contribution on a Fallon Select Family Plan based on the FY 2015 Rate Saver program is \$4,805.

- The self-insurance premium works on the following illustrative basis (Fallon Select):

Item	Family	Individual
GBS Management Fee	\$6.38	\$2.43
Reinsurance Premium	\$32.33	\$11.11
Fallon Administrative Fee	\$116.58	\$43.01
Anticipated Claims	\$1,355.93	\$500.33
	\$1,511.22	\$556.88

- The WSHG has a current fund balance of \$16,302,973 reduced from its high of \$20,927,486 on June 30, 2012 which was planned. We expect a fund balance of around \$13 Million on June 30, 2014.
- The FY 2015 rates project a loss of an additional \$2,012,177.
- All the active plans with the exception of Fallon are seeing large loses so far in FY 2014 (through 12/31) HP(-6.6%), BC (-5.4%) & Tufts (-7.6%). The Fallon program is in the best shape of all of the plans (-1.7% through 12/31). We make up 719 of the 1,133 Fallon subscribers (63.5%).
- Reason for the losses:
 - Rates were set to use fund balance
 - Utilization
 - High costs from providers
 - Large claims (4 claims in FY 2013 \$1,999,077; an additional 34 claims \$7,197,833)

Fiscal Year 2015 Rate Setting

- After considering all factors, the WSHG Board adopted the following rate increases:

Plan	Adopted Increases	Carrier Proposed	GBS Proposed
Harvard-Pilgrim PPO	8.0%	8.0%	8.0%
Harvard-Pilgrim HMO	5.8%	7.6%	11.9%
Blue Cross	17.8%	26.9%	19.8%
Tufts	13.8%	19.2%	15.8%
Fallon	1.6%	3.3%	5.7%

- The recent rate history for Fallon has been:

Fiscal Year	Increase
FY 2011	7.0%
FY 2012	7.0%
FY 2013	0.0%
FY 2014	4.0%
FY 2015	1.6%

So What is the Problem?

- Despite relatively good renewals and the best efforts of all, the Town’s Health Insurance Program (HIP) continues to consume too much of our available revenue stream requiring alternate approaches.

Fiscal Year	Health Insurance Expended*	% of Operating Budget	Pensions Expended*	% of Operating Budget	Total Operating Budget Expended	Average Single Family Tax Bill	Town's Levy Limit
2000	\$1,879,964	3.83%	\$1,557,742	3.17%	\$49,095,222	\$2,389	\$29,312,849
2001	\$2,573,606	4.87%	\$1,630,742	3.09%	\$52,845,414	\$2,587	\$31,465,027
2002	\$2,991,004	5.22%	\$1,240,656	2.17%	\$57,270,569	\$2,880	\$33,131,548
2003	\$3,836,906	6.02%	\$1,240,656	1.95%	\$63,786,242	\$3,015	\$34,764,572
2004	\$4,483,109	6.49%	\$1,774,518	2.57%	\$69,044,570	\$3,240	\$36,196,865
2005	\$5,529,698	7.61%	\$1,321,034	1.82%	\$72,702,955	\$3,374	\$37,653,331
2006	\$5,376,598	7.04%	\$1,879,499	2.46%	\$76,333,166	\$3,536	\$39,143,375
2007	\$5,684,151	7.10%	\$1,031,719	1.29%	\$80,004,162	\$3,598	\$41,119,263
2008	\$6,734,763	7.90%	\$2,552,769	2.99%	\$85,235,536	\$3,656	\$42,708,480
2009	\$6,282,138	7.43%	\$2,629,497	3.11%	\$84,497,290	\$3,824	\$44,301,335
2010	\$6,973,058	8.16%	\$2,629,497	3.08%	\$85,434,288	\$3,893	\$45,822,874
2011	\$6,787,930	7.70%	\$2,690,637	3.05%	\$88,112,675	\$3,955	\$47,484,083
2012	\$7,569,126	8.34%	\$3,204,390	3.53%	\$90,717,812	\$4,139	\$49,274,592
2013	\$7,523,526	7.87%	\$3,321,963	3.48%	\$95,564,151	\$4,322	\$51,112,196
Increase	\$5,643,562		\$1,764,221		\$39,017,453	\$1,566	\$18,171,234
% Increase	300.20%		113.26%		94.65%	80.91%	74.37%

The increase in health insurance spending consumed 31.06% of the increase in the tax levy
The increase in pension spending consumed 9.71% of the increase in the tax levy

* Excludes SELCO 40.77%

- This most recent renewal process placed against the backdrop of the Group Insurance Commission (GIC) puts into question the long term economic viability of the WSHG.

Threats to Viability	Opportunities for Viability
<p>The GIC is scheduled to provide its members renewals of +2%, +2%, 0%, -2%, -2% over a five year period.</p>	<p>The GIC option is clouded by the possibility that the 2%, 2%, 0%, -2%, -2% schedule is not met or is met only through underfunding. The first causality is that Fallon has just announced it is withdrawing its Select plan (fully insured) from the GIC. Vote of the GIC scheduled for March 5th.</p>
<p>Communities of the WSHG exposed to Blue Cross & Tufts are going to come under heavy pressure by their respective Boards, Committees and Town Meeting Members to do something about the FY 2015 increases not happening again in FY 2016.</p>	<p>Our loss pool moderates and the fund balance are not put under great pressure.</p>
<p>The Blue Cross & Tufts risk pool may migrate to HP or worse from our perspective towards Fallon.</p>	<p>WSHG has adopted Employer Group Waiver Plans (EGWP) plans.</p>
<p>The WSHG's fund balance is under great pressure and could be used up in two years' time particularly if we got the Harvard-Pilgrim (53% of the total pool) renewal wrong. The fund balance has been used in recent years to moderate increases.</p>	
<p>GIC may adopt Employer Group Waiver Plans (EGWP).</p>	

The Proposed Health Insurance Program (HIP) for FY 2015:

- That we continue the excellent work that began back in January of 2000 which has resulted in the current "health" of our HIP.
- That recognition be made once again of the excellent effort and sacrifice that has been made by employees and retirees as the HIP has evolved greatly since January of 2000.
- HIP Modifications that have strengthen the HIP benefit and/or moderated costs:
 - Elimination of the equal dollar contribution method (FY 2006)
 - Joining of the WSHG (FY 2006)
 - Adoption of Rate Saver Plans (FY 2009 – FY 2011)
 - Modification of Fallon contribution ratios (FY 2013)
 - Adoption of EQWP plans (FY 2014)
- The specifics:
 1. Effective July 1, 2014, all active employees and non-Medicare eligible retirees are moved to the Benchmark Plans.
 2. The Harvard PPO and Tufts POS plans remain but with an 8% increase in premiums.
 3. Contribution ratios for the Fallon Senior and Tufts Medicare Preferred move to 70%/30% from 75%/25% on January 1, 2015.
 4. This program remains in effect for a two year period (FY 2015 & FY 2016) with no changes except for premium (and resulting contribution) adjustments and plan design

changes requested by the carriers. Note the Fallon dental element of their plan design may be lost in FY 2016.

Benchmark Plans

- Meet the definition established by the Municipal Health Insurance Reform Act.
- Primary impact is upfront deductible of \$250/individual & \$750/family, some higher and/or new co-pays with an out of pocket maximum of \$2,000/individual and \$4,000/family.
- The Town under this proposal is **not** adopting Section 21 of Chapter 32B.
- The Town under this proposal is **not** proposing going to the Group Insurance Commission (GIC).

What are the Financial Risks of the Deductibles and the New Co-Pays?

- Minuteman-Noshoba Health Group adopted the Benchmark Program on June 1, 2012 and for the period of 6/1/2012 to 5/31/2013 saw the following for the Fallon plan:

Plan	No. of Subscribers	Deductible Average	Out of Pocket Average	# Who Met Full Deductible	Met Out of Pocket Max \$2k/\$4k
Individual	302	\$140.51	\$330.18	160	4
Family	413	\$498.63	\$996.07	279	0

- Fallon and Harvard-Pilgrim have committed to providing informational sessions to assist subscribers identify strategies to limit exposure to deductibles and new or expanded co-pays.
- The Flexible Spending Account (FSA) program is in place to allow for these expenses to be funded pre-tax to partial offset the expenses to be incurred.

What is the Benefit of this new HIP Proposal?

- We maintain local control over the program.
- The program we are all familiar with remains very much intact.
- The program keeps pace in a moderated manner with changes taking place in the general HIP marketplace much like what occurred when we moved from the Legacy Plans to Rate-Saver Plans.
- The gap between what the WSHG program costs versus the GIC is moderated to a defensible amount.
- \$265,000 is freed up to be applied to our current budget difficulties.

What Happens Next?

- Seeking reaction from the Insurance Advisory Committee (IAC).
- I have advised all Unions of this contemplated change.
- I will meet with employee groups to answer questions and gain reaction.
- Timetable is to get the matter of the FY 2015 HIP resolved by the end of March.

- Materials that have been provided to the IAC can be viewed on the Town's website at Home/Departments/Treasurer/Health Insurance (<http://www.shrewsbury-ma.gov/department/division.php?fDD=27-427>)

Employee/Retiree Contribution
Comparison of FY 2015 Proposed HIP With FY 2014 and With Status Quo Renewal With Shift

Plan	Type	FY 2014 Current	FY 2015			FY 2015			Annual Difference Proposed to Status Quo
			Benchmark Proposed With Shift*	Difference	Annual	Status Quo With Shift*	Difference	Annual	
Harvard Pilgrim PPO	Family	\$1,943.00	\$2,098.44	\$155.44	\$1,865.28	\$2,098.44	\$155.44	\$1,865.28	\$0.00
	Individual	\$875.00	\$945.00	\$70.00	\$840.00	\$945.00	\$70.00	\$840.00	\$0.00
Tufts POS	Family	\$1,943.00	\$2,098.44	\$155.44	\$1,865.28	\$2,098.44	\$155.44	\$1,865.28	\$0.00
	Individual	\$875.00	\$945.00	\$70.00	\$840.00	\$945.00	\$70.00	\$840.00	\$0.00
Blue Choice Rate Saver EPO	Family	\$674.00	\$765.60	\$91.60	\$1,099.20	\$793.60	\$119.60	\$1,435.20	(\$336.00)
	Individual	\$251.20	\$285.60	\$34.40	\$412.80	\$296.00	\$44.80	\$537.60	(\$124.80)
Tufts Navigator Rate Saver EPO	Family	\$675.20	\$741.60	\$66.40	\$796.80	\$768.80	\$93.60	\$1,123.20	(\$326.40)
	Individual	\$258.00	\$283.20	\$25.20	\$302.40	\$293.60	\$35.60	\$427.20	(\$124.80)
HPHC Rate Saver EPO	Family	\$636.00	\$649.20	\$13.20	\$158.40	\$672.80	\$36.80	\$441.60	(\$283.20)
	Individual	\$244.00	\$248.80	\$4.80	\$57.60	\$258.00	\$14.00	\$168.00	(\$110.40)
Fallon Select Rate Saver EPO	Family	\$394.20	\$386.64	(\$7.56)	(\$90.72)	\$400.41	\$6.21	\$74.52	(\$165.24)
	Individual	\$146.34	\$143.64	(\$2.70)	(\$32.40)	\$148.50	\$2.16	\$25.92	(\$58.32)
Fallon Direct Rate Saver EPO	Family	\$298.54	\$292.82	(\$5.72)	(\$68.64)	\$303.16	\$4.62	\$55.44	(\$124.08)
	Individual	\$111.10	\$108.90	(\$2.20)	(\$26.40)	\$112.86	\$1.76	\$21.12	(\$47.52)
Harvard Pilgrim Medicare Enhance	Retiree	\$164.17	\$164.17	\$0.00	\$0.00	\$164.17	\$0.00	\$0.00	\$0.00
BC/BS Medex II	Retiree	\$155.82	\$155.82	\$0.00	\$0.00	\$155.82	\$0.00	\$0.00	\$0.00
Tufts Medicare Prime Suplmt Plus	Retiree	\$160.00	\$160.00	\$0.00	\$0.00	\$160.00	\$0.00	\$0.00	\$0.00
BC/BS Managed Blue for Seniors	Retiree	\$106.87	\$106.87	\$0.00	\$0.00	\$106.87	\$0.00	\$0.00	\$0.00
Fallon Senior*	Retiree	\$69.50	\$83.40	\$13.90	\$166.80	\$83.40	\$13.90	\$166.80	\$0.00
Tufts Medicare Preferred*	Retiree	\$63.00	\$75.60	\$12.60	\$151.20	\$75.60	\$12.60	\$151.20	\$0.00

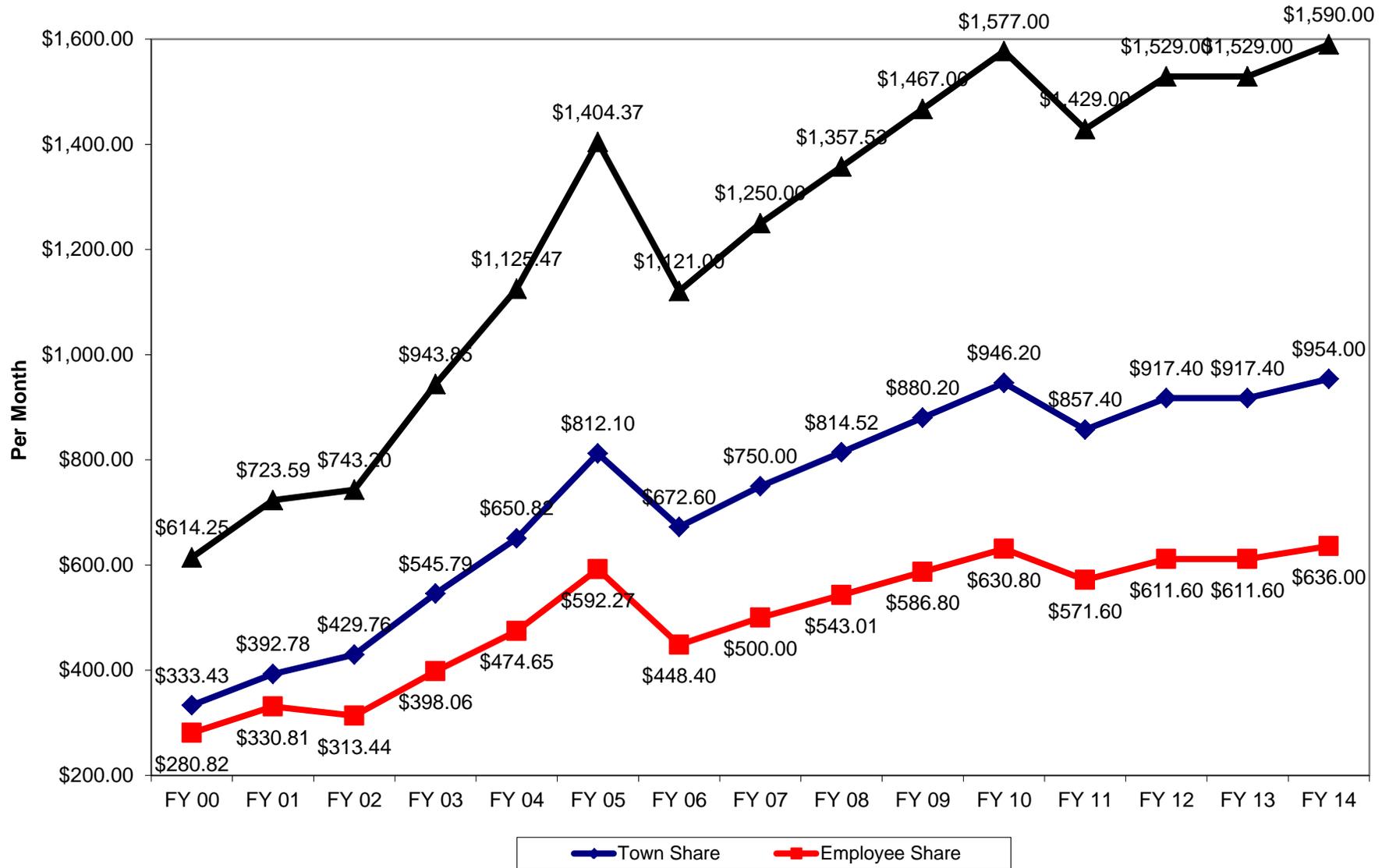
Employee/Retiree Contribution
Comparison of Proposed FY 2015 HIP With FY 2014 and GIC (FY 214 Rates)

Plan	Type	FY 2014 Current	GIC Option			FY 2015		
			FY 2014 Current	Difference	Annual	Benchmark Proposed With Shift*	Difference	Annual
Harvard Pilgrim PPO	Family	\$1,943.00	\$1,074.75	(\$868.25)	(\$10,419.00)	\$2,098.44	\$155.44	\$1,865.28
	Individual	\$875.00	\$460.47	(\$414.53)	(\$4,974.36)	\$945.00	\$70.00	\$840.00
Tufts POS	Family	\$1,943.00				\$2,098.44	\$155.44	\$1,865.28
	Individual	\$875.00				\$945.00	\$70.00	\$840.00
Blue Choice Rate Saver EPO	Family	\$674.00				\$765.60	\$91.60	\$1,099.20
	Individual	\$251.20				\$285.60	\$34.40	\$412.80
Tufts Navigator Rate Saver EPO	Family	\$675.20	\$608.47	(\$66.73)	(\$800.74)	\$741.60	\$66.40	\$796.80
	Individual	\$258.00	\$250.87	(\$7.13)	(\$85.58)	\$283.20	\$25.20	\$302.40
HPHC Rate Saver EPO	Family	\$636.00	\$531.52	(\$104.48)	(\$1,253.71)	\$649.20	\$13.20	\$158.40
	Individual	\$244.00	\$217.84	(\$26.16)	(\$313.97)	\$248.80	\$4.80	\$57.60
Fallon Select Rate Saver EPO	Family	\$394.20	\$384.56	(\$9.64)	(\$115.73)	\$386.64	(\$7.56)	(\$90.72)
	Individual	\$146.34	\$160.23	\$13.89	\$166.70	\$143.64	(\$2.70)	(\$32.40)
Fallon Direct Rate Saver EPO	Family	\$298.54	\$249.10	(\$49.44)	(\$593.31)	\$292.82	(\$5.72)	(\$68.64)
	Individual	\$111.10	\$103.79	(\$7.31)	(\$87.70)	\$108.90	(\$2.20)	(\$26.40)
Harvard Pilgrim Medicare Enhance	Retiree	\$164.17	\$197.60	\$33.43	\$401.10	\$164.17	\$0.00	\$0.00
BC/BS Medex II	Retiree	\$155.82				\$155.82	\$0.00	\$0.00
Tufts Medicare Prime Suplmt Plus	Retiree	\$160.00	\$192.96	\$32.96	\$395.52	\$160.00	\$0.00	\$0.00
BC/BS Managed Blue for Seniors	Retiree	\$106.87				\$106.87	\$0.00	\$0.00
Fallon Senior*	Retiree	\$69.50	\$87.32	\$17.82	\$213.89	\$83.40	\$13.90	\$166.80
Tufts Medicare Preferred*	Retiree	\$63.00	\$80.05	\$17.05	\$204.59	\$75.60	\$12.60	\$151.20

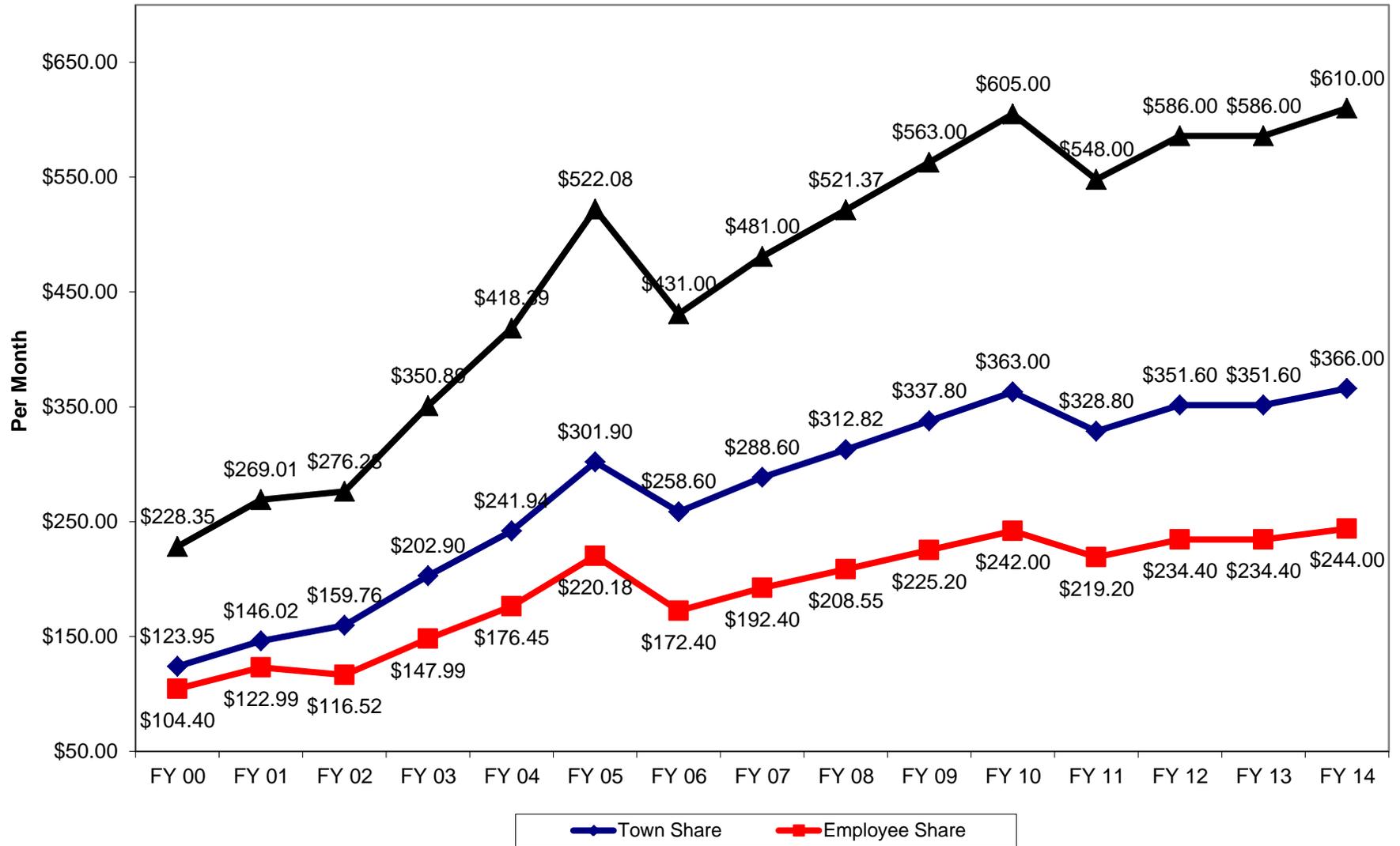
Comparisons of Various Options
Fiscal Year 2015 HIP

Option	Employer Cost	Employee/ Retiree Cost	Total Cost	Employer Change Over FY 2014 Status Quo HIP	Employee/ Retiree Change Over FY 2014	Plan Design Changes
Current FY 2014 HIP	\$8,758,047.78	\$3,663,791.22	\$12,421,839.00	N/A	N/A	N/A
Proposed	\$8,637,087.30	\$3,665,651.70	\$12,302,739.00	(\$120,960.48)	\$1,860.48	Yes
Status Quo - Shift	\$8,913,502.86	\$3,772,684.14	\$12,686,187.00	\$155,455.08	\$108,892.92	No
Status Quo - No Shift	\$8,936,628.06	\$3,749,558.94	\$12,686,187.00	\$178,580.28	\$85,767.72	No
GIC (FY 2014 Rates)	\$8,493,958.62	\$3,634,744.38	\$12,128,703.00	(\$264,089.16)	(\$29,046.84)	Yes
Variance Proposed to GIC	\$143,128.68	\$30,907.32	\$174,036.00	\$143,128.68	\$30,907.32	
Variance Status Quo (No Shift) to GIC	\$419,544.24	\$137,939.76	\$557,484.00	\$419,544.24	\$137,939.76	
Variance Status Quo (Shift) to GIC	\$442,669.44	\$114,814.56	\$557,484.00	\$442,669.44	\$114,814.56	

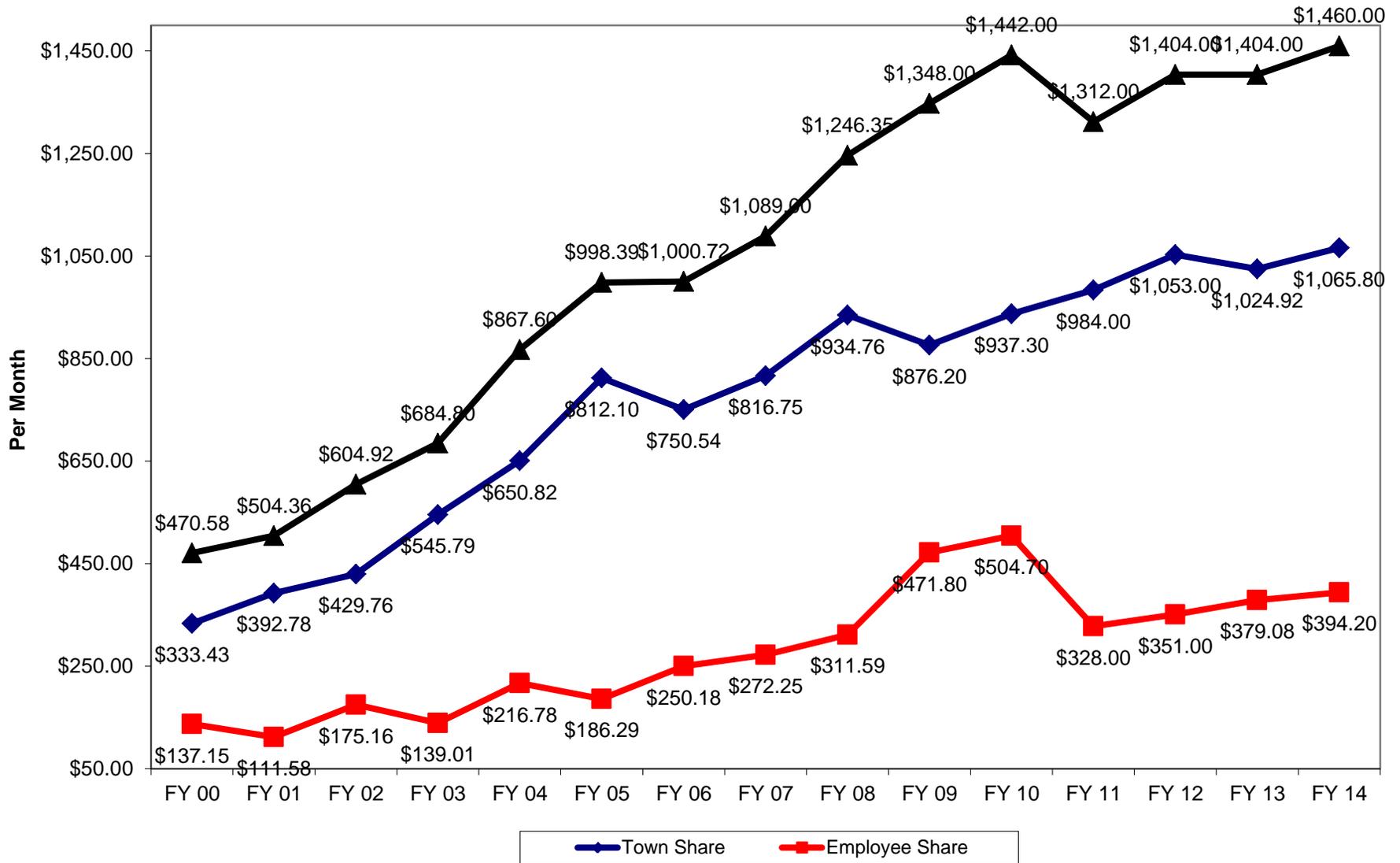
Harvard Pilgrim Plan (Various) - Family



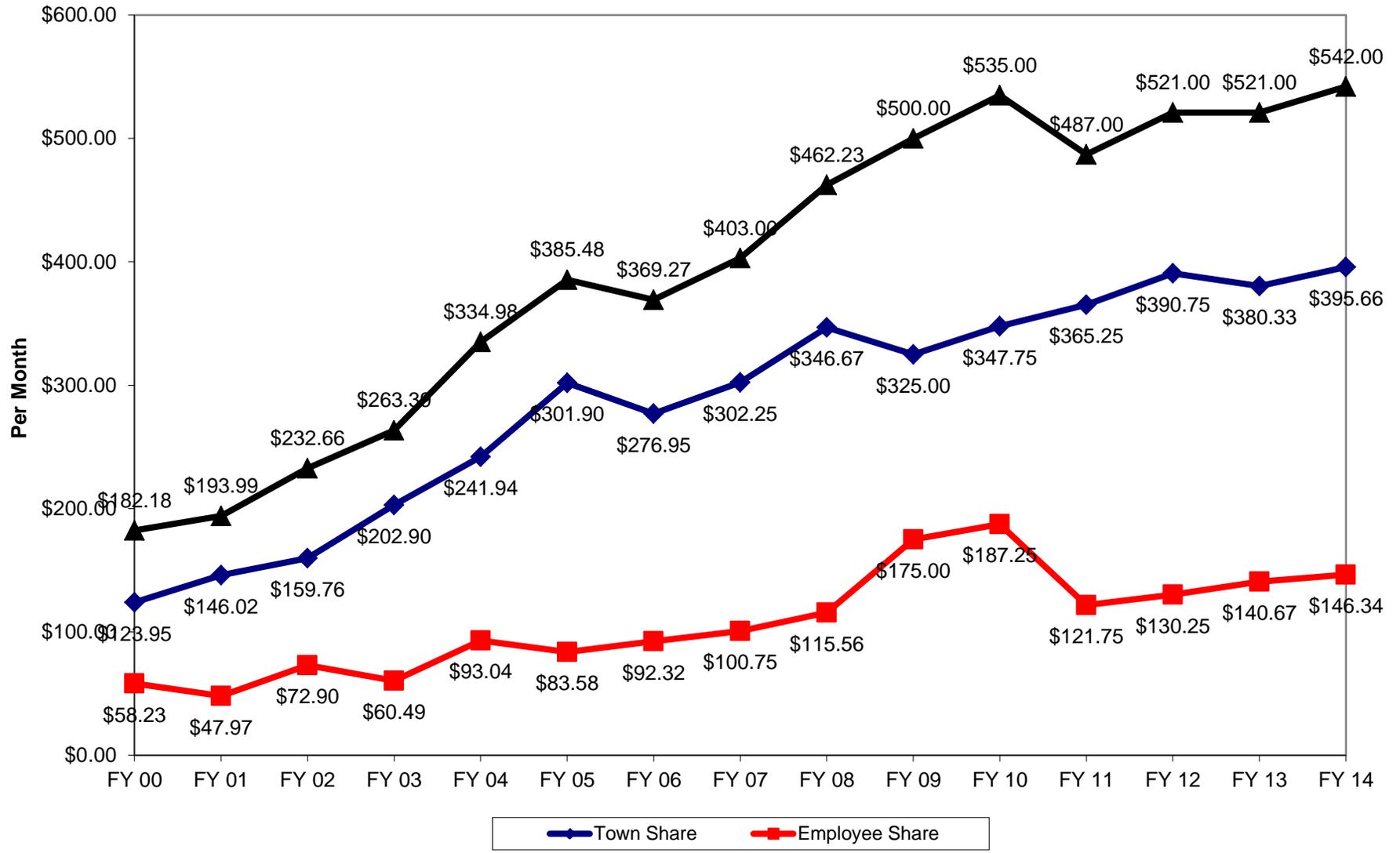
Harvard Pilgrim Plan (Various) - Individual



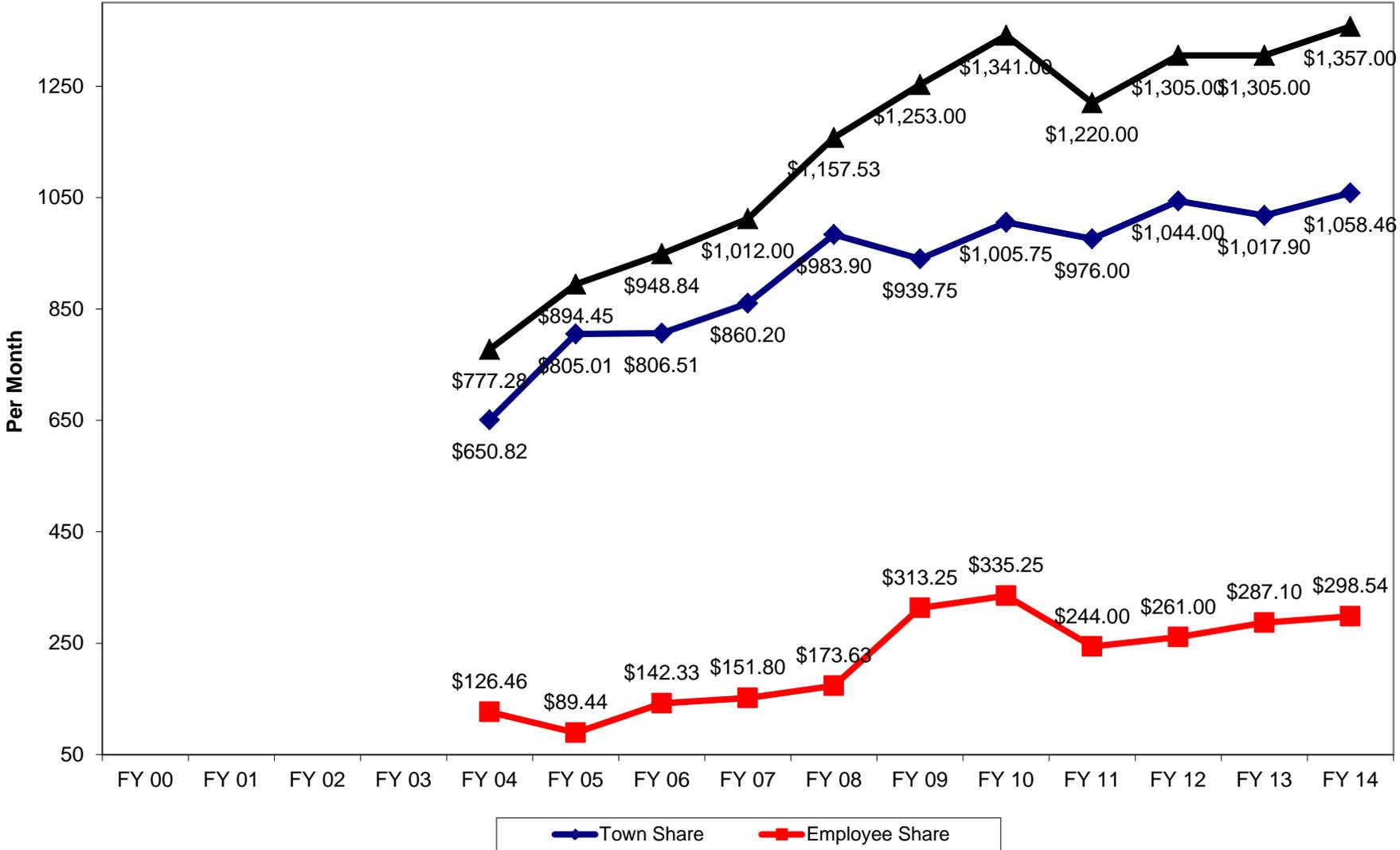
Fallon Select (Various) - Family



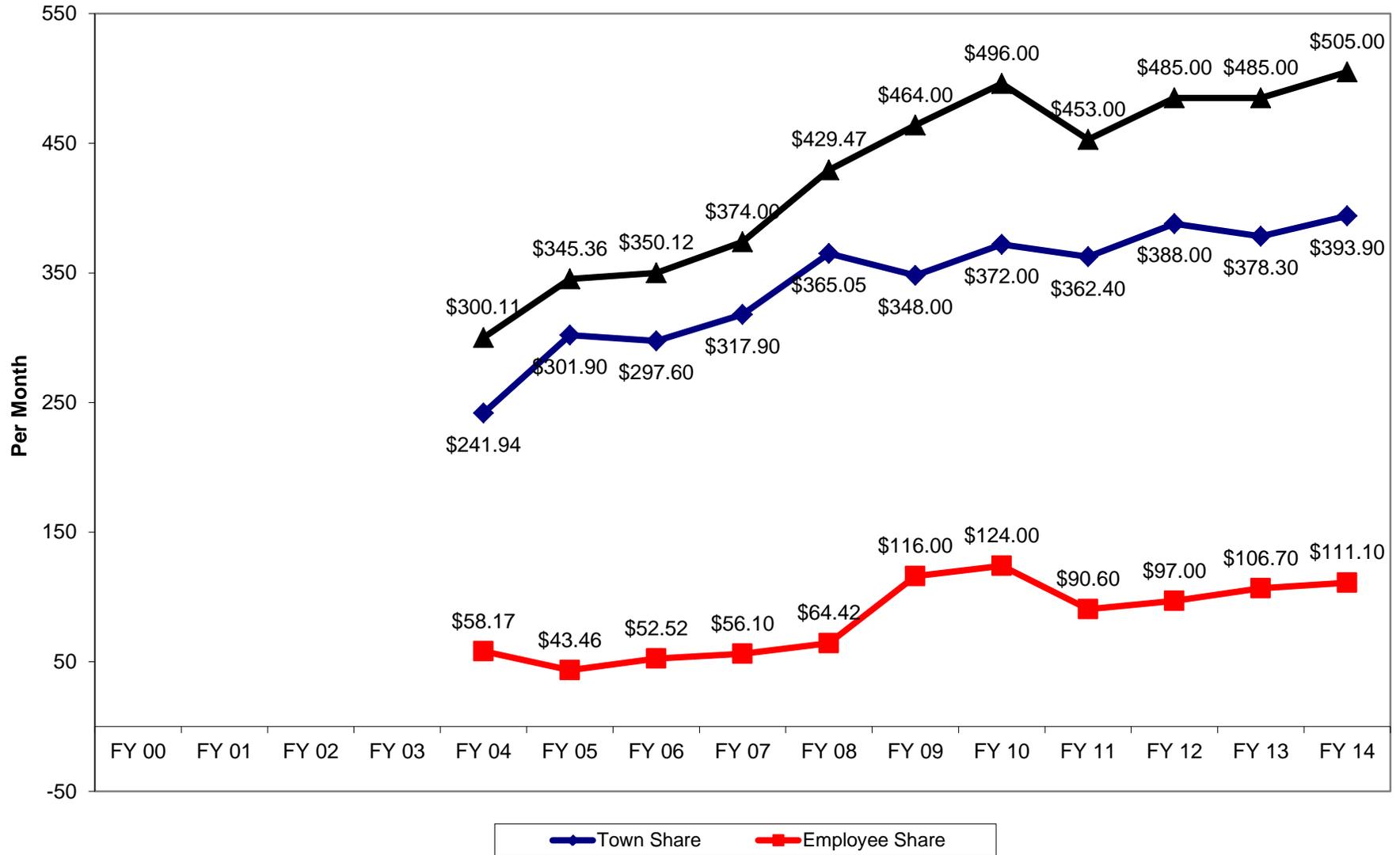
Fallon Select (Various) - Individual



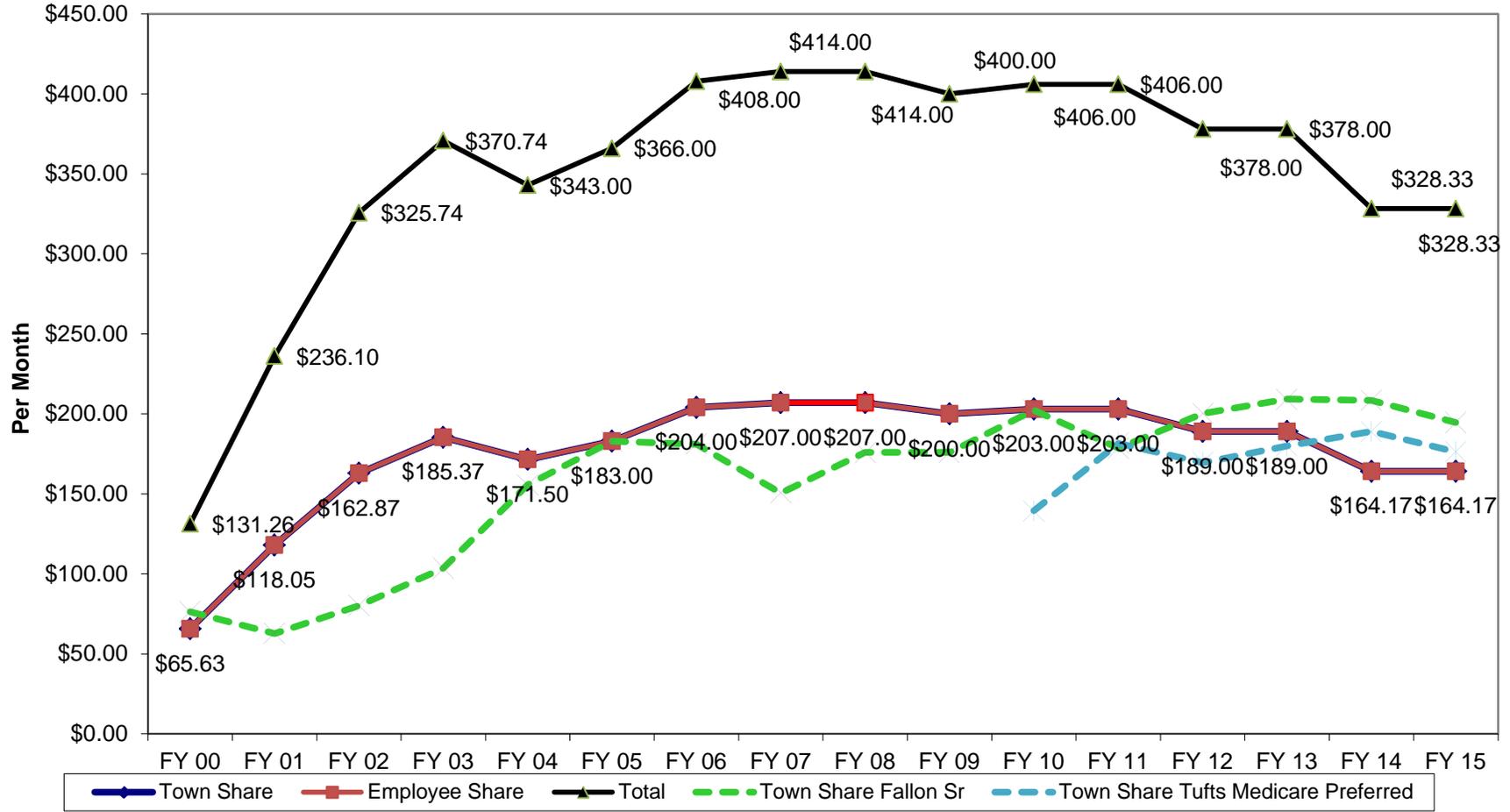
Fallon Direct (Various) - Family



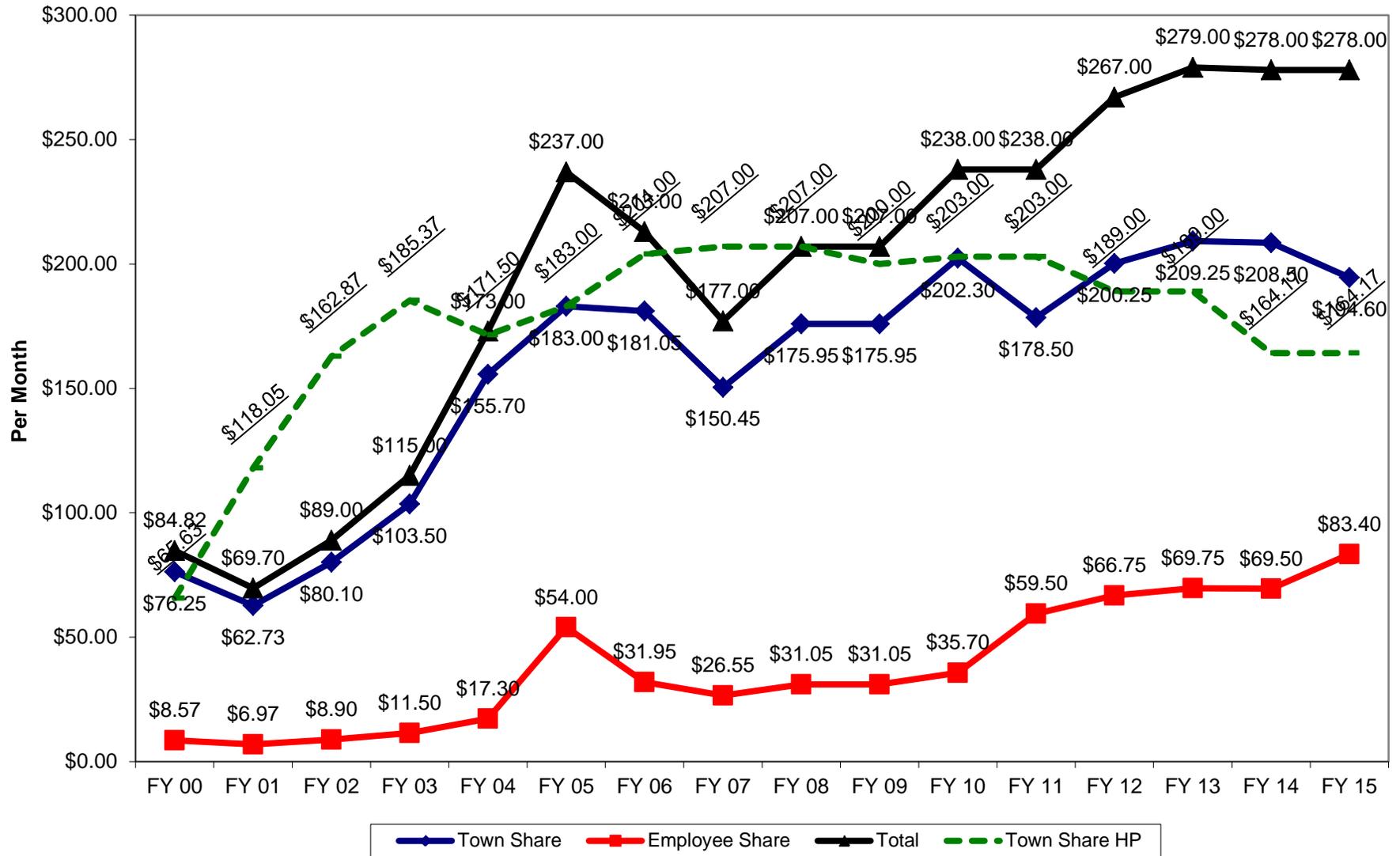
Fallon Direct (Various) - Individual



Harvard-Pilgrim Medicare Enhanced



Fallon Senior



This chart shows you what services are subject to the deductible, what services are not, and for what services you will only have to pay a copayment.

You pay until you reach your deductible amount, then no charge:

- Diagnostic services (lab tests, X-rays, EKGs, etc.)

Subject to a copayment, then you pay until you reach your deductible amount:

- Emergency room visit (copayment waived if you are admitted to the hospital)
- Inpatient hospital stays
- Same-day surgery
- Imaging (CAT, PET, MRI scans; Nuclear cardiology)
- Skilled nursing

You don't pay a deductible, covered in full* with no copayment:

- Annual wellness visits with your PCP
- Annual vision exams
- Preventive screenings, including:
 - Cholesterol screenings
 - Hepatitis C screenings
 - HIV testing
 - Hypertension screenings
 - Immunizations
 - Lead testing
 - Mammograms
 - Pap tests
 - Routine urinalysis

You don't pay a deductible, copayment only:

- Office visits for illness or injury with a PCP or specialist
- Chiropractic care
- Short-term rehabilitation services
- Speech therapy

Remember, this is a snapshot of how your deductible plan works. For complete plan details, please refer to the Fallon Community Health Plan *Member Handbook* and Schedule of Benefits. If you have any questions about your health insurance plan, please call us.



1-800-868-5200 (TTY users, please call TRS Relay 711)

Monday through Friday, 8 a.m. to 6 p.m.

fchp.org

Benchmark vs. Rate Saver comparison

Prepared for the Town of Shrewsbury – February 2014

See table below for similarities and differences between Rate Saver and Benchmark plan options within the Direct Care and Select Care networks offered by Fallon Health. Direct Care members enjoy a \$500/\$250 It Fits! reimbursement, while Select Care members get a \$400/\$200 reimbursement.

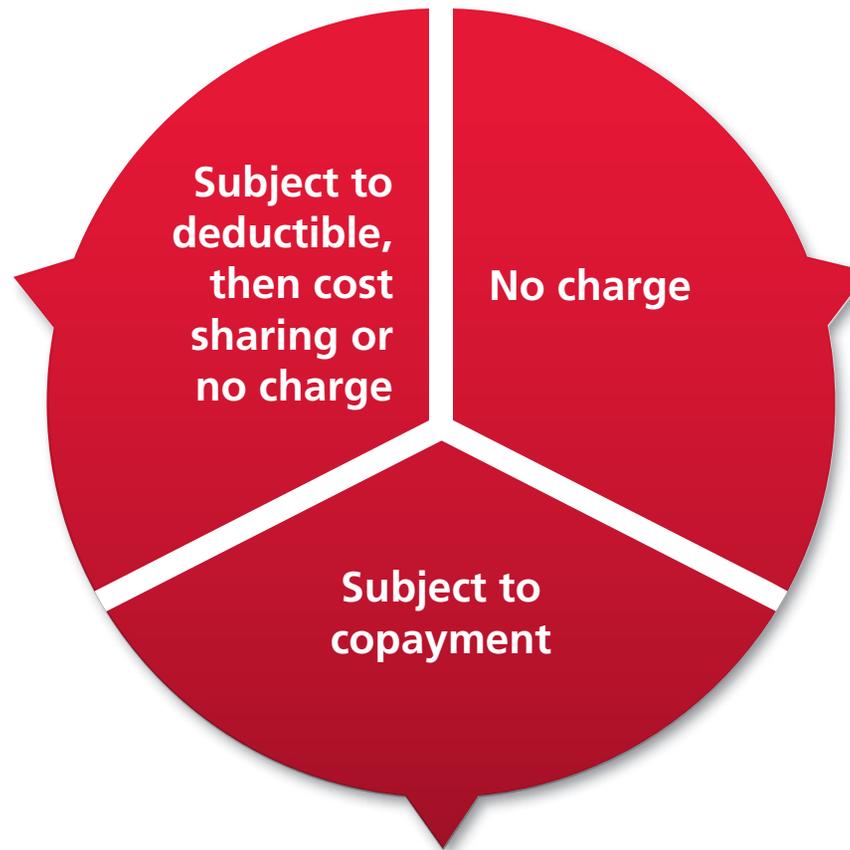
	Rate Saver <i>(Select Care and Direct Care)</i>	Benchmark <i>(Select Care and Direct Care)</i>
Deductible The amount of allowed charges you pay per benefit year before payment is made by Fallon for certain covered services.	Not applicable	\$250 individual/\$750 family
Benefits	Copayments	
Routine physical exams	\$0 per visit	\$0 per visit
PCP office visits	\$20 per visit	\$20 per visit
Specialist office visits	\$35 per visit	\$35 per visit
Routine eye exams <i>(one every 12 months)</i>	\$0 per visit	\$0 per visit
Short-term rehabilitative services <i>(60 visits per illness or injury)</i>	\$20 per visit	\$20 per visit
Preventive services	Covered in full	Covered in full
Diagnostic services	Covered in full	Covered in full after deductible
Imaging (CAT, PET, MRI)	Covered in full	\$100 copayment then deductible
Chiropractic care <i>(12 visits per calendar year)</i>	\$20 per visit	\$20 per visit
Retail prescription drugs <i>(including oral contraceptives, insulin and insulin syringes)</i>	\$10/\$25/\$45 (30-day supply)	\$10/\$25/ \$50 (30-day supply)
Mail order prescription drugs	\$20/\$50/\$90 (90-day supply)	\$20/\$50/ \$110 (90-day supply)
Emergency room	\$75 per visit (waived if admitted)	\$100 copayment then deductible
Inpatient room and board	\$250 copayment	\$300 copayment then deductible
Inpatient care services and maternity care	\$250 copayment	\$300 copayment then deductible
Same-day surgery	\$125 per surgery	\$150 per surgery then deductible
Out-of-pocket max <i>(Individual/Family)</i>	\$1,000 individual/\$2,000 family	\$2,000 individual/\$4,000 family
It Fits! reimbursement	\$200 individual/\$400 family (Select Care) \$250/\$500 (Direct Care)	\$200 individual/\$400 family (Select Care) \$250/\$500 (Direct Care)

Direct Care is a limited provider network. This plan provides access to a network that is smaller than Select Care. In this plan, members have access to network benefits only from the providers in Direct Care. Please consult the Direct Care provider directory—a paper copy can be requested by calling our Customer Service Department at 1-800-868-5200—or visit the provider search tool at fallonhealth.org to determine which providers are included in Direct Care.

The Harvard Pilgrim Best Buy HMO – Massachusetts

These are partial lists of covered services. Refer to the *Schedule of Benefits* for details and a complete list of benefits. The *Schedule of Benefits* governs in any case in which the information in this document is different.

- Diagnostic procedures, including lab tests, MRIs and X-rays
- Treatments and procedures, including surgical procedures, allergy treatments and dialysis
- Therapeutic procedures, such as occupational therapy, speech therapy and physical therapy
- Cardiac rehabilitation
- All inpatient hospital services, including inpatient maternity
- Inpatient mental health, drug and alcohol rehabilitation, and detoxification
- Hospital outpatient department services and day surgery
- Home health care services
- Skilled nursing care
- Ambulance transport
- Emergency services



- Exams for illness or injuries
- Routine eye exams
- Routine hearing exams
- Consultations with specialists
- Outpatient behavioral health services
- Outpatient substance abuse services

- Preventive tests and services, including:
 - Adult annual visits
 - Well child visits
 - Annual gynecological visits
 - Routine pre-natal and post-partum visits
 - Cervical cancer screening, including Pap smears
 - Immunizations, including flu shots (for children and adults as appropriate)
 - Colorectal cancer screening, including colonoscopy, sigmoidoscopy and fecal occult blood test
 - Cholesterol screening (for adults only) and total cholesterol tests
 - Diabetes screenings
 - Blood pressure screening (adults, without known hypertension)
 - Breast cancer screening, including mammograms and counseling for genetic susceptibility
- Blood glucose monitors, insulin pumps and infusion devices
- Routine nursery charges
- Fetal ultrasounds

Please note: Services you receive during different kinds of visits and exams may be subject to the deductible.

This product is offered in Massachusetts to members who purchase coverage themselves and to members enrolled through Massachusetts-based employers.

Four Facts: The Harvard Pilgrim Best Buy HMO – Massachusetts

1 Your plan includes a deductible.

- A **deductible** is an amount you must pay annually for certain covered services. Once you have paid the deductible you may be covered for these services for the rest of the year; with some plans you may have to pay cost sharing (e.g., copayments or coinsurance) for certain services after you meet the deductible. See the *Schedule of Benefits* for details.
- Under an individual membership, a member is responsible for paying the individual deductible each year.
- Under a family membership, there is usually both an individual deductible and a family deductible. The family deductible is met when the combined deductible payments of any covered family members add up to the family deductible amount. The most each member can contribute toward the yearly family deductible is equal to the individual deductible amount.

2 For services that do not apply to the deductible, there is either a copayment or no charge.

- The chart on the other side of this page provides an overview of the services that require a copayment, those for which there is no charge, and those that are subject to the deductible.
- Office visits or hospital visits may include some services that are not subject to the deductible and others that are subject to the deductible.
- Some plans have two levels of copayments for office visits. What you pay depends on the type of provider you visit, the service you receive or the location of the service. See the *Schedule of Benefits* for details.
- Copayments do not count toward your deductible.

3 Emergency room services are subject to the deductible and then a copayment.

- After the deductible has been met, you will be responsible for the emergency room copayment.
- However, if you are admitted directly to the hospital from the emergency room, you do not have to pay the emergency room copayment.

4 Harvard Pilgrim will send you an Activity Summary for services you receive.

- The Activity Summary is not a bill. It lists the services you received, any payments Harvard Pilgrim made to the provider for your care, and any amounts you may owe the provider.
- Your provider will bill you separately. Compare the provider's bill with your Harvard Pilgrim statement to verify the services you received and any amounts you may have paid or still may owe to the provider.
- Contact a Member Services representative with questions about your statements or your annual deductible balance.

If you have any questions about your Best Buy HMO coverage, please call the Member Services department at (888) 333-4742. For TTY service, call (800) 637-8257.

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