

PacificSource Elect



Health Plans for Oregon
Individuals & Families



PacificSource
HEALTH PLANS

Discover the Source.



Why choose PacificSource?

PacificSource is a not-for-profit health plan formed in 1933 in Eugene, Oregon. We now serve all of Oregon, and we put our decades of experience to work providing our customers with affordable coverage and the best possible service.

Experience

PacificSource has a long, stable history in Oregon—we've been serving customers like you for over 70 years. We currently insure over 145,000 members and process more than \$27 million in claims each month from our Springfield, Oregon headquarters. We contract with over 9,000 physicians, hospitals, medical facilities, and other healthcare providers to bring quality medical services to our customers.

Customer Service

To know us is to love us—that's what our customers tell us through our ongoing customer surveys. PacificSource has a customer satisfaction rating of 94 percent—a figure that's virtually unheard of in our industry. Our members appreciate our personal service and commitment to quality healthcare.

As a PacificSource member, you'll enjoy:

- Phone contact with a live representative, not voicemail
- Average on-hold time of less than 20 seconds
- Toll-free phone numbers
- Fast, accurate claims payment

In everything we do, we will always maintain the friendly, personal manner that lets you know serving you is our pleasure.



PacificSource
HEALTH PLANS

Discover the Source.

PacificSource Elect has a plan that's right for you.

PacificSource offers an array of health plans to meet the needs of Oregon individuals and families. Choosing the right plan is easy if you know what features are important to you.

All Elect plans cover treatment for illness and injury, maternity care, and prescription drugs. Coverage levels differ from plan to plan, and some plans also cover preventive care and alternative practitioner services. All plans have a lifetime maximum benefit of \$2 million per person. Our Elect plans are not HMO plans, so you don't have to choose a primary care physician or seek referrals for specialist care.

The list below highlights a few key features of our Elect plan designs. For more details, please see the Benefit Comparison on the following pages.

Elect Plus

"Plus" is our most comprehensive individual policy, featuring:

- First-dollar preventive care, illness, accident, and prescription drug coverage
- \$25 copayments for preventive care services and physician office visits
- Chiropractic, acupuncture, and naturopathic care benefits
- Annual deductibles from \$500 to \$5,000

Elect FlexPerks

"FlexPerks" is our line of HSA-qualified high deductible health plans. These plans feature:

- First-dollar accident benefit
- Preventive care and prescription drug coverage subject to the deductible
- Annual deductibles from \$1,000 to \$5,000
- \$1,000 and \$2,600 deductibles are indexed to federal HSA limits and may change from time to time, based on future changes to the Consumer Price Index
- HSA banking arrangement available through HSA Bank

Elect Value

"Value" is a low-cost catastrophic coverage policy, offering:

- Annual deductibles of \$5,000, \$7,500, or \$10,000
- Most in-network services covered at 70% after the deductible
- In-network prescription drug coverage at 50% after the deductible

FHIAP Eligibility

The following Elect plan designs are eligible for the Family Health Insurance Assistance Program (FHIAP):

- Elect Plus (\$500 or \$1,000 deductibles only)
- Elect FlexPerks (\$1,000 deductible only)

Value-added services provided at no cost with your policy:

Prescription discount program.

Offers discounts on prescriptions not covered by your health plan (smoking cessation aids, fertility drugs, etc.).

ASH affinity program.

Provides discounts on chiropractic care, acupuncture, dietetic counseling, massage therapy, and wellness products, plus the lowest available membership rates at thousands of fitness clubs.

Baby Benefits prenatal care program.

Helps ensure a healthy pregnancy.

PacificSource InTouch member Web site.

Provides online access to your claims, deductibles, enrollment history, expenses to date, and other account information.

Summary of Benefits for PacificSource Elect Plans

Elect Plus

Maximum Lifetime Benefit	\$2 million
Annual Deductible & Out-of-Pocket Limit	<i>Deductible (per person/family) OOP Limit (per person)</i> \$500/\$1,500 \$5,000 \$1,000/\$3,000 \$5,000 \$2,500/\$7,500 \$5,000 \$5,000/\$15,000 \$10,000

Accident Benefit First \$500 of covered expenses for care within 90 days of accident covered at 100%; deductible waived

	Participating Providers	Nonparticipating Providers
PREVENTIVE CARE		
Well Baby Care	100% after \$25 copay●■	60% after \$25 copay●■
Routine Physicals	100% after \$25 copay●■	60% after \$25 copay●■
Routine Gynecological Exams	100% after \$25 copay●	60% after \$25 copay●
Immunizations	80%●■	60%●■
PROFESSIONAL SERVICES		
Office and Home Visits	100% after \$25 copay●	60% after \$25 copay●
Urgent Care Center Visits	80%	60%
Surgery	80%	60%
Chiropractic Manipulation	100% after \$25 copay●	60% after \$25 copay●
Acupuncture & Naturopathic Care	80%	60%
MATERNITY CARE (after 12 months under coverage)		
Practitioner Services	80%	60%
Hospital Stay	80%	60%
HOSPITAL SERVICES		
Inpatient Room and Board	80%	60%
Inpatient Rehabilitative Care	80%	60%
Skilled Nursing Facility Care	80%	60%
OUTPATIENT SERVICES		
Outpatient Hospital/Facility	80%	60%
Diagnostic & Therapeutic Radiology and Lab	80%	60%
CT Scans and MRIs	80%	60%
Emergency Room Visits	80%	60%
OTHER COVERED SERVICES		
Prescription Drugs	50%●	Not covered
Physical Therapy	80%	60%
Allergy Injections	80%	60%
Ambulance Service	80%	60%
Durable Medical Equipment/Prosthetics	80%	50%
Home Health, Hospice, and Respite Care	80%	60%
Inpatient Mental Health Services	50%	50%
Transplant Services	80%	Lesser of 50% of billed amount or \$100,000

- Not subject to the annual deductible
- Subject to a combined maximum benefit of \$250 in any 24-month period
- ◆ Payment to providers is based on the PacificSource fee allowance. While participating providers accept the fee allowance as payment in full, nonparticipating providers may not. Services of nonparticipating providers could result in out-of-pocket expense in addition to the percentage indicated.

Summary of Benefits for PacificSource Elect Plans

Elect FlexPerks

Maximum Lifetime Benefit	\$2 million
Annual Deductible & Out-of-Pocket Limit	<i>Deductible (individual/family) OOP Limit (individual/family)</i> \$1,000/\$2,000 \$3,000/\$6,000 \$1,500/\$3,000 \$5,000/\$10,000 \$2,000/\$4,000 \$5,000/\$10,000 \$2,600/\$5,150 \$5,000/\$10,000 \$5,000/\$10,000 \$5,000/\$10,000
Accident Benefit	First \$500 of covered expenses for care within 90 days of accident covered at 100%; deductible waived

	Participating Providers	Nonparticipating Providers
PREVENTIVE CARE		
Well Baby Care	80%◆■	50%■
Routine Physicals	80%◆■	50%■
Routine Gynecological Exams	80%◆	50%
Immunizations	80%◆■	50%■
PROFESSIONAL SERVICES		
Office and Home Visits	80%◆	50%
Urgent Care Center Visits	80%◆	50%
Surgery	80%◆	50%
Chiropractic Manipulation	Not covered	Not covered
Acupuncture & Naturopathic Care	Not covered	Not covered
MATERNITY CARE (after 12 months under coverage)		
Practitioner Services	80%◆	50%
Hospital Stay	80%◆	50%
HOSPITAL SERVICES		
Inpatient Room and Board	80%◆	50%
Inpatient Rehabilitative Care	80%◆	50%
Skilled Nursing Facility Care	80%◆	50%
OUTPATIENT SERVICES		
Outpatient Hospital/Facility	80%◆	50%
Diagnostic & Therapeutic Radiology and Lab	80%◆	50%
CT Scans and MRIs	80%◆	50%
Emergency Room Visits	80%◆	50%
OTHER COVERED SERVICES		
Prescription Drugs	80%◆	Not covered
Physical Therapy	80%◆	50%
Allergy Injections	80%◆	50%
Ambulance Service	80%◆	50%
Durable Medical Equipment/Prosthetics	80%◆	50%
Home Health, Hospice, and Respite Care	80%◆	50%
Inpatient Mental Health Services	80%◆	50%
Transplant Services	80%◆	Lesser of 50% of billed amount or \$100,000

- Subject to a combined maximum benefit of \$250 in any 24-month period
- ◆ Covered at 100% under the Elect FP 5000 plan (after \$5,000 deductible)
- Payment to providers is based on the PacificSource fee allowance. While participating providers accept the fee allowance as payment in full, nonparticipating providers may not. Services of nonparticipating providers could result in out-of-pocket expense in addition to the percentage indicated.

Summary of Benefits for PacificSource Elect Plans

	Elect Value	
Maximum Lifetime Benefit	\$2 million	
Annual Deductible & Out-of-Pocket Limit	<i>Deductible (per person/family) OOP Limit (per person)</i> \$5,000/\$15,000 \$10,000 \$7,500/\$22,500 \$12,500 \$10,000/\$30,000 \$15,000	
Accident Benefit	Not applicable	
	Participating Providers	Nonparticipating Providers
PREVENTIVE CARE		
Well Baby Care	Not covered	Not covered
Routine Physicals	Not covered	Not covered
Routine Gynecological Exams	70%	50%
Immunizations	Not covered	Not covered
PROFESSIONAL SERVICES		
Office and Home Visits	70%	50%
Urgent Care Center Visits	70%	50%
Surgery	70%	50%
Chiropractic Manipulation	Not covered	Not covered
Acupuncture & Naturopathic Care	Not covered	Not covered
MATERNITY CARE (after 12 months under coverage)		
Practitioner Services	70%	50%
Hospital Stay	70%	50%
HOSPITAL SERVICES		
Inpatient Room and Board	70%	50%
Inpatient Rehabilitative Care	70%	50%
Skilled Nursing Facility Care	70%	50%
OUTPATIENT SERVICES		
Outpatient Hospital/Facility	70%	50%
Diagnostic & Therapeutic Radiology and Lab	70%	50%
CT Scans and MRIs	70%	50%
Emergency Room Visits	70%	50%
OTHER COVERED SERVICES		
Prescription Drugs	50%	Not covered
Physical Therapy	70%	50%
Allergy Injections	70%	50%
Ambulance Service	70%	50%
Durable Medical Equipment/Prosthetics	70%	50%
Home Health, Hospice, and Respite Care	70%	50%
Inpatient Mental Health Services	70%	50%
Transplant Services	70%	Lesser of 50% of billed amount or \$100,000

Payment to providers is based on the PacificSource fee allowance. While participating providers accept the fee allowance as payment in full, nonparticipating providers may not. Services of nonparticipating providers could result in out-of-pocket expense in addition to the percentage indicated.

Disclosure Statement

The following answers questions consumers often ask about health insurance coverage. It highlights important issues that frequently affect consumers. It is intended for your use whether you are purchasing health insurance for the first time or replacing or adding to existing coverage.

We hope this information helps you with your insurance purchase. However, please note that it is not intended to be part of the policy, and only the language of the actual policy is final and binding.

Frequently Asked Questions

Am I eligible to apply for this policy?

You may apply for a PacificSource Elect policy if you are an Oregon resident and you are not covered by Medicare. Your legal spouse and unmarried dependent children under age 19 (or 23 for full-time students) may also apply for coverage on your policy.

When will my coverage begin?

After you return your policy application to PacificSource, your application is reviewed and underwritten. We will then offer you coverage or decline coverage based on health. If we offer you coverage, your policy can become effective on either the 1st or the 15th of that month. Coverage cannot begin retroactively to a date before we received your application.

How much is the monthly premium?

A premium schedule for our Elect plans is included in this packet. Rates are based on the age of the oldest family member on your policy. When a birthday pushes you or your spouse into a higher age bracket, your premium will be adjusted on the first day of that month. If you add or subtract family members from your coverage, the premium will be adjusted on the effective date of the change.

PacificSource reviews its Elect premium rates annually. If a rate adjustment is needed, we will notify you 30 days in advance.

Can my employer pay my premium?

Oregon law prohibits small employers from paying premium for individual policies.

Will you send me a bill for my premium?

No premium is due until after you are offered coverage. We will bill you for your first month's premium. After that, premium is due on the first of each month. We will send you a supply of premium payment coupons to enclose with your monthly premium payments, but we do not bill monthly.

As a convenience, we also accept premium by electronic funds transfer (EFT). If you sign up for this free service, we will automatically deduct your monthly premium payment from your checking or savings account. This popular service eliminates the chore and expense of mailing us a check each month. To sign up for EFT payment, return the EFT Authorization with your policy application and attach a voided check or deposit slip. Please note that automatic payments cannot begin until your policy has been in effect for at least one month, so you must make the first payment by check.

Does PacificSource have a list of doctors or hospitals that are considered "preferred" or "participating"?

Yes. PacificSource has a participating provider network throughout Oregon, southwest Washington, and western Idaho. For specific information, please refer to a Participating Provider Directory or use the electronic directory on our Web site: www.pacificsource.com.

Can I use doctors or hospitals that aren't on the list?

Yes, but you will save money by using PacificSource participating providers. They are reimbursed at a higher percentage than nonparticipating providers. Participating providers accept benefits paid under the policy as full payment, and will not bill you for the balance (other than for deductibles, coinsurance, or copayments). The example at the left shows how payment could be made to providers for a covered service billed at \$120.

What if I need medical care while I'm traveling?

PacificSource has a network of participating providers throughout Oregon, southwest Washington, and western Idaho. We also contract with The First Health Network, a nationwide healthcare provider network, for participating providers outside that area. If you need medical care while traveling outside our service area, you can use First Health providers to take advantage of your plan's higher participating provider benefits. First Health's toll-free phone number will be printed on your PacificSource ID card.

Does the policy contain benefits or limitations for pregnancy?

The PacificSource Elect policy does cover maternity care, but only after you have been covered under the policy for 12 months. If you

Provider Payment Example

The following shows how payment might be made for a covered service billed at \$120. This example is based on the Elect Plus plan, and assumes the deductible has been satisfied.

	Participating Provider	Nonpar Provider
Provider's usual charge	\$120	\$120
Provider discount	\$.20	- 0 -
PacificSource fee allowance	\$100	\$100
Benefit Percent (from Benefit Comparison)80%60%
PacificSource's payment	\$.80	\$.60
Your amount of fee allowance	\$.20	\$.40
Charges above fee allowance	- 0 -	\$.20
Your total payment	\$.20	\$.60

Disclosure Statement and Frequently Asked Questions (continued)

transfer to this policy directly from another policy, you can receive credit for your time under the previous policy (please see the next question).

If I replace my current policy with this one without a break in coverage, will my time under the previous policy count toward the exclusion periods under this policy?

If this policy replaces other comprehensive health coverage, you will receive credit toward any exclusion periods for the amount of time you were covered under the previous policy. You must have remained covered under the prior plan to within 63 days of the new policy's effective date to receive credit. The credit will then apply to this policy's exclusion periods for pre-existing conditions, maternity care, specified conditions, and transplantation.

To receive prior coverage credit, you need to supply PacificSource with a Certificate of Creditable Coverage. If a Certificate is not available, you may provide the dates of your prior coverage, the policy or group number, the policyholder's name (the employer, if it is group coverage), and names of all family members covered under the prior policy. We will then verify that information before granting credit.

If I have an existing health condition when this policy is issued, will that condition be covered on the policy's effective date?

No, pre-existing conditions are excluded from coverage for six months after the effective date of the policy. Sterilization, tonsillectomies, adenoidectomies, allergy and asthma treatment, otitis media, and elective surgeries are also excluded from coverage during the first six months. However, if this policy replaces other health coverage, you can receive credit toward the exclusion periods (see the previous question).

Will my medical expenses during the current policy year be credited toward this policy's deductible?

You will receive deductible credit only if your current policy is also with PacificSource and there is no break in coverage. Deductible credit is not given for expenses incurred under another insurer's policy, or expenses you paid yourself if you did not have previous coverage.

Will this policy cover me if I injure myself on the job?

The policy excludes coverage for job-related injuries, unless your policy includes an occupational coverage endorsement. If you are self-employed and are not covered by workers' compensation, you may be eligible for on-the-job health coverage at no extra cost. To apply for this endorsement, complete and return the enclosed Occupational Coverage Request with your policy application. If we agree to issue the endorsement, there will be no additional charge for the coverage.

Does the prescription drug benefit cover oral contraceptives and medications to treat mental health conditions?

No, oral contraceptives and medications used primarily to treat mental health conditions are excluded from coverage. The policy covers medically necessary prescription drugs to treat illness or injury.

Does the policy cover treatment for alcoholism and chemical dependency?

The policy excludes coverage for alcoholism and chemical dependency treatment. However, for an additional monthly premium, we offer an endorsement that covers treatment for alcoholism. Applications for the alcoholism endorsement are available from PacificSource, and coverage is subject to underwriting approval.

Does the policy cover counseling and other treatment for mental illness?

Inpatient treatment for mental health conditions is a covered expense. Outpatient counseling is not covered under the policy.

Does this policy contain any dollar limitations on specific benefits?

Yes. A list of specific dollar limitations and per-visit maximums is shown below.

Specific Benefit Limitations

Ambulance service - ground, 300 miles per year; air, \$6,000 per year

Cardiac rehabilitation (phase II) - lifetime maximum of \$1,000

Chiropractic manipulation (covered under Elect Plus only) - 12 visits per year

Dietary/nutritional counseling for anorexia or bulimia - lifetime maximum of 5 visits

Durable medical equipment - lifetime maximum of \$7,500

Flu vaccine (covered under Elect Plus and FlexPerks only) - \$20 per year

Hospice or respite care - lifetime maximum of \$10,000

Mental health treatment (inpatient) - lifetime maximum of \$1,000

Naturopathic and acupuncture care (covered under Elect Plus only) - combined maximum of \$1,000 per year

Physical therapy - 20 visits per year

Prescription drug expense does not accumulate toward the out-of-pocket limit on the Elect Plus and Elect Value plans.

Pulmonary rehabilitation - lifetime maximum of \$1,000

Routine physical exams, well baby care, and immunizations - combined maximum of \$250 in any 24-month period

Speech therapy - \$1,000 per year

Transplants - lifetime maximum of \$500,000

Transplants, travel/housing for recipient - \$5,000 per transplant

Transplants, nonparticipating providers - \$100,000

Disclosure Statement and Frequently Asked Questions (continued)

If coverage under this policy duplicates coverage under another policy, will this policy pay if my other policy also pays?

The PacificSource policy will not pay for covered expenses to the extent you have other coverage for them. However, if your benefits under this policy are denied or reduced because of duplicate coverage, the amount PacificSource saves on those claims will be used to pay up to 100% of covered expenses you incur during the same calendar year while this policy is in effect.

What if I'm considering replacing my current coverage, or adding to it?

Before replacing your current coverage, you should review both policies to see if replacement is in your best interest. The new coverage may differ from your current policy. You should understand any differences and know whether they are temporary or permanent. Before adding new coverage to your current coverage, you should review both policies to make sure you are not buying unnecessary coverage.

If you have any questions about your current policy, contact the agent or representative who sold the policy to you.

What if I still have questions?

If you have any questions that are not answered by this brochure, please be sure to ask your agent or a PacificSource individual sales representative. It's important that you fully understand the policy.

If you decide to apply for coverage with PacificSource...

Fill out your application carefully. Be sure to fill out all sections of the application completely and truthfully. If misstatements are made or information about your health is omitted, PacificSource may void the policy or

deny your claims. If your age is misstated, your benefits may be reduced.

Read your policy! If you purchase the PacificSource policy, read it carefully as soon as you receive it. Because it is an individual policy, you will have an opportunity to send it back and receive a premium refund.

The Oregon Insurance Division requires that we provide the following information.

This outline of coverage provides a very brief description of the important features of the policy. Please note that this outline is not intended to be part of the insurance contract. Only the actual policy provisions are final and binding. The policy itself sets forth in detail your rights and obligations as well as those of the insurance company. **PLEASE READ THE POLICY CAREFULLY!**

Individuals who decline coverage under a group health plan to retain or obtain coverage under an individual health plan will be considered late enrollees if they seek enrollment in the group plan at a later date. Late enrollees may be excluded from group plan coverage for up to 12 months, or subjected to a 12-month pre-existing conditions provision.

Major medical expense coverage: Policies of this category are designated to provide, to persons insured, coverage for major hospital, medical, and surgical expenses incurred as a result of a covered accident or illness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, surgical services, anesthesia services, in-hospital medical services, and out-of-hospital care, subject to any deductibles, copayments, coinsurance, or other limitations that may be set forth in the policy.

Benefits: Please refer to the Benefit Comparison.



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PO Box 7068 • Eugene, Oregon 97401-0068
Individual Sales: (541) 684-5585 or toll-free (877) 657-9797