



**Kaiser Foundation Health Plan, Inc.
Southern California Region**

A nonprofit corporation and a Medicare Advantage Organization

Kaiser Permanente Senior Advantage (MSP) with Part D Evidence of Coverage for UNIVERSITY OF SAN DIEGO

Purchaser ID: 104229 Contract: 1 Version: 42 EOC Number: 3

For Senior Advantage Members when Medicare is secondary by law

January 1, 2006 through December 31, 2006

Pending federal government approval

Member Service Call Center
Weekdays 7 a.m.-7 p.m.; weekends 7 a.m.-3 p.m.
(except holidays)
1-800-443-0815
1-800-777-1370 (TTY for the hearing/speech impaired)
kaiserpermanente.org

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Benefit Highlights

Annual Out-of-Pocket Maximum for certain Services	
For any one Member	\$1,500 per calendar year
For an entire Family Unit of two or more Members	\$3,000 per calendar year
Note: Not all Services apply to this maximum, as explained in the "Benefits, Copayments, and Coinsurance" section.	
Deductible or Lifetime Maximum	None
Professional Services (Plan Provider office visits)	You Pay
Primary and specialty care visits (includes routine and urgent care appointments)	No charge
Routine preventive physical exams	No charge
Well-child preventive care visits (0-23 months)	No charge
Family planning visits	No charge
Scheduled prenatal care and first postpartum visit	No charge
Eye exams and glaucoma screening	No charge
Hearing tests	No charge
Physical, occupational, and speech therapy visits	No charge
Outpatient Services	You Pay
Outpatient surgery	No charge
Allergy injection visits	No charge
Allergy testing visits	No charge
Immunizations	No charge
X-rays, annual mammograms, and lab tests	No charge
Manual manipulation of the spine	No charge
Health education	No charge
Hospitalization Services	You Pay
Room and board, surgery, anesthesia, X-rays, lab tests, and drugs	No charge
Emergency Health Coverage	You Pay
Emergency Department and Out-of-Area Urgent Care visits	No charge
Ambulance Services	You Pay
Ambulance Services	No charge
Prescription Drug Coverage	You Pay
Outpatient drugs covered by Medicare Part D, in accord with our Medicare Part D drug formulary	No charge for up to a 100 day supply
We also cover a limited number of other items described under "Outpatient Prescription Drugs and Supplies" in the "Benefits, Copayments, and Coinsurance" section.	
Durable Medical Equipment	You Pay
Covered durable medical equipment for home use in accord with our DME formulary	No charge
Mental Health Services	You Pay
Inpatient psychiatric care: first 190 days per lifetime as covered by Medicare. Thereafter, up to 45 days per calendar year	No charge
Outpatient visits (individual and group therapy visits)	No charge
Chemical Dependency Services	You Pay
Inpatient detoxification	No charge
Outpatient individual therapy visits	No charge
Outpatient group therapy visits	No charge

Chemical Dependency Services	You Pay
Transitional residential recovery Services (up to 60 days per calendar year, not to exceed 120 days in any five-year period)	No charge
Home Health Services	You Pay
Home health care (part-time, intermittent)	No charge
Other	You Pay
Eyewear purchased from Plan Optical Sales Offices every 24 months	\$350 Allowance
Hearing aid(s) every 36 months	\$2,500 Allowance per aid
Skilled Nursing Facility care	No charge
Hospice care	No charge

This is a summary of the most frequently asked-about benefits. This chart does not explain benefits, exclusions, or limitations, and it does not list all benefits, Copayments, and Coinsurance. For a complete explanation, please refer to the "Benefits, Copayments, and Coinsurance" and "Exclusions, Limitations, and Reductions" sections.

Introduction

Kaiser Foundation Health Plan, Inc., has a contract with the Centers for Medicare & Medicaid Services (CMS) as a Medicare Advantage Organization, which is renewed annually. This contract provides Medicare Services through "Kaiser Permanente Senior Advantage" (Senior Advantage), except for hospice care for Members with Medicare Part A and qualifying clinical trials, which are covered directly by Medicare. Senior Advantage is for Members entitled to Medicare, providing the advantages of combined Medicare and Health Plan benefits. Enrollment in Senior Advantage with Part D means that you are automatically enrolled in Medicare Part D.

This *Evidence of Coverage (EOC)* describes the Senior Advantage health care coverage (when Medicare is secondary coverage under federal law) provided under the *Group Agreement (Agreement)* between Kaiser Foundation Health Plan, Inc., and your Group. For benefits provided under any other Health Plan program, refer to that plan's evidence of coverage. In this *EOC*, Kaiser Foundation Health Plan, Inc., is sometimes referred to as "Health Plan," "we," or "us." Members are sometimes referred to as "you." Some capitalized terms have special meaning in this *EOC*; please see the "Definitions" section for terms you should know.

Please read the following information so that you will know from whom or what group of providers you may get health care. It is important to familiarize yourself with your coverage by reading this *EOC* completely, so that you can take full advantage of your Health Plan benefits. Also, if you have special health care needs, please carefully read the sections that apply to you.

Term of this EOC

This *EOC* is for the period January 1, 2006, through December 31, 2006, unless amended. Your Group's benefits administrator can tell you whether this *EOC* is still in effect and give you a current one if this *EOC* has expired or been amended.

About Kaiser Permanente

Kaiser Permanente provides Services directly to our Members through an integrated medical care program. Health Plan, Plan Hospitals, and the Medical Group work together to provide our Members with quality care. Our medical care program gives you access to all of the covered Services you may need, such as routine care with your own personal Plan Physician, hospital care,

laboratory and pharmacy Services, and other benefits described in the "Benefits, Copayments, and Coinsurance" section. Plus, our preventive care programs and health education classes offer you great ways to protect and improve your health.

We provide covered Services to Members using Plan Providers located in our Service Area, which is described in the "Definitions" section. You must receive all covered care from Plan Providers inside our Service Area, except as described in the following sections about:

- Emergency ambulance Services, described under "Ambulance Services" in the "Benefits, Copayments, and Coinsurance" section
- Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care, in the "Emergency, Urgent, and Routine Care" section
- Getting a referral, in the "How to Obtain Services" section
- Out-of-area dialysis care, described under "Dialysis Care" in the "Benefits, Copayments, and Coinsurance" section
- Prescriptions from Non-Plan Pharmacies described under "Outpatient Prescription Drugs and Supplies" in the "Benefits, Copayments, and Coinsurance" section
- Visiting other Regions, in the "How to Obtain Services" section

Note: Most of the covered Services you receive under this *EOC* will be provided to you at no charge because you are covered by your Group as primary coverage and by Medicare as secondary coverage (see the "Benefits, Copayments, and Coinsurance" section).

Definitions

When capitalized and used in any part of this *EOC*, these terms have the following meanings:

Allowance: A credit that you can use toward the purchase price of an item. If the price of the item(s) you select exceeds the allowance, you will pay the difference.

Charges: Charges means the following:

- For Services provided by the Medical Group or Kaiser Foundation Hospitals, the charges in Health Plan's schedule of Medical Group and Kaiser Foundation Hospitals charges for Services provided to Members



- For Services for which a provider (other than the Medical Group or Kaiser Foundation Hospitals) is compensated on a capitation basis, the charges in the schedule of charges that Kaiser Permanente negotiates with the capitated provider
- For items obtained at a pharmacy owned and operated by Kaiser Permanente, the amount the pharmacy would charge a Member for the item if a Member's benefit plan did not cover the item (this amount is an estimate of: the cost of acquiring, storing, and dispensing drugs, the direct and indirect costs of providing Kaiser Permanente pharmacy Services to Members, and the pharmacy program's contribution to the net revenue requirements of Health Plan)
- For all other Services, the payments that Kaiser Permanente makes for the Services or, if Kaiser Permanente subtracts your cost-sharing from its payment, the amount Kaiser Permanente would have paid if it did not subtract cost-sharing (cost-sharing is the amount you are required to pay for covered Services, for example, Copayments)

Clinically Stable: You are considered Clinically Stable when your treating physician believes, within a reasonable medical probability and in accordance with recognized medical standards, that you are safe for discharge or transfer and that your condition is not expected to get materially worse during or as a result of the discharge or transfer.

CMS: The Centers for Medicare & Medicaid Services is the federal agency that administers the Medicare program.

Coinsurance: A percentage of Charges that you must pay when you receive a covered Service as described in the "Benefits, Copayments, and Coinsurance" section.

Copayment: A specific dollar amount that you must pay when you receive a covered Service as described in the "Benefits, Copayments, and Coinsurance" section. Note: The dollar amount of the Copayment can be \$0 (no charge).

Deductible: The amount you must pay in a calendar year for certain Services before we will cover those Services at the Copayment or Coinsurance in that calendar year.

Dependent: A Member who meets the eligibility requirements as a Dependent (for Dependent eligibility requirements, see "Who Is Eligible" in the "Dues, Eligibility, and Enrollment" section).

Dues: Periodic membership charges paid by your Group.

Emergency Care: Emergency Care is:

- Evaluation by a physician (or other appropriate personnel under the supervision of a physician to the

extent provided by law) to determine whether you have an Emergency Medical Condition

- Medically Necessary Services required to make you Clinically Stable within the capabilities of the facility
- Emergency ambulance Services covered under "Ambulance Services" in the "Benefits, Copayments, and Coinsurance" section

Emergency Medical Condition: An Emergency Medical Condition is:

- A medical or psychiatric condition that manifests itself by acute symptoms of sufficient severity (including severe pain) such that you could reasonably expect the absence of immediate medical attention to result in any of the following:
 - ◆ serious jeopardy to your health
 - ◆ serious impairment to your bodily functions
 - ◆ serious dysfunction of any bodily organ or part
- "Active labor," which means a labor when there is inadequate time for safe transfer to a Plan Hospital (or designated hospital) before delivery or if transfer poses a threat to the health and safety of the Member or unborn child

Family Unit: A Subscriber and all of his or her Dependents.

Health Plan: Kaiser Foundation Health Plan, Inc., a California nonprofit corporation. This *EOC* sometimes refers to Health Plan as "we" or "us."

Kaiser Permanente: Kaiser Foundation Hospitals (a California nonprofit corporation), Health Plan, and the Medical Group.

Medical Group: The Southern California Permanente Medical Group, a for-profit professional partnership.

Medically Necessary: A Service is Medically Necessary if it is medically appropriate and required to prevent, diagnose, or treat your condition or clinical symptoms in accord with generally accepted professional standards of practice that are consistent with a standard of care in the medical community.

Medicare: A federal health insurance program for people age 65 and older, certain disabled people, and those with end-stage renal disease (ESRD). In this *EOC*, Members who are "eligible for" Medicare Part A or B are those who would qualify for Medicare Part A or B coverage if they applied for it. Members who are "entitled to" or "have" Medicare Part A, B, or D are those who have been granted Medicare Part A, B, or D coverage.

Medicare Advantage Organization: A public or private entity organized and licensed by a state as a risk-bearing entity that has a contract with CMS to provide Services

covered by Medicare. Kaiser Foundation Health Plan, Inc., is a Medicare Advantage Organization.

Medicare Advantage Plan: Health care coverage offered by a Medicare Advantage Organization.

Member: A person who is eligible and enrolled under this *EOC*, and for whom we have received applicable Dues. This *EOC* sometimes refers to a Member as "you."

Non-Plan Hospital: A hospital other than a Plan Hospital.

Non-Plan Pharmacy: A pharmacy other than a Plan Pharmacy. These pharmacies are also called "out-of-network pharmacies."

Non-Plan Physician: A physician other than a Plan Physician.

Non-Plan Provider: A provider other than a Plan Provider.

Out-of-Area Urgent Care: An urgent care need requires prompt medical attention, but is not an Emergency Medical Condition. Out-of-Area Urgent Care is Medically Necessary Services to prevent serious deterioration of your health resulting from an unforeseen illness or an unforeseen injury if all of the following are true:

- You are temporarily outside our Service Area
- You reasonably believed that your health would seriously deteriorate if you delayed treatment until you returned to our Service Area

Plan: Kaiser Permanente.

Plan Facility: Any facility listed in the "Plan Facilities" section or in a Kaiser Permanente guidebook (*Your Guidebook*) for our Service Area, except that Plan Facilities are subject to change at any time without notice. For the current locations of Plan Facilities, please call our Member Service Call Center.

Plan Hospital: Any hospital listed in the "Plan Facilities" section or in a Kaiser Permanente guidebook (*Your Guidebook*) for our Service Area, except that Plan Hospitals are subject to change at any time without notice. For the current locations of Plan Hospitals, please call our Member Service Call Center.

Plan Medical Office: Any medical office listed in the "Plan Facilities" section or in a Kaiser Permanente guidebook (*Your Guidebook*) for our Service Area, except that Plan Medical Offices are subject to change at any time without notice. For the current locations of Plan Medical Offices, please call our Member Service Call Center.

Plan Pharmacy: A pharmacy owned and operated by Kaiser Permanente or another pharmacy that we designate. Please refer to *Your Guidebook* for a list of

Plan Pharmacies in your area, except that Plan Pharmacies are subject to change at any time without notice. For the current locations of Plan Pharmacies, please call our Member Service Call Center.

Plan Physician: Any licensed physician who is a partner or employee of the Medical Group, or any licensed physician who contracts to provide Services to Members (but not including physicians who contract only to provide referral Services).

Plan Provider: A Plan Hospital, a Plan Physician, the Medical Group, a Plan Pharmacy, or any other health care provider that we designate as a Plan Provider.

Post-stabilization Care: Post-stabilization Care is Medically Necessary Services you receive after your treating physician determines that your Emergency Medical Condition is Clinically Stable.

Region: A Kaiser Foundation Health Plan organization or allied plan that conducts a direct-service health care program. For information about Region locations in the District of Columbia and parts of Northern California, Colorado, Georgia, Hawaii, Idaho, Maryland, Ohio, Oregon, Virginia, and Washington, please call our Member Service Call Center.

Service Area: Orange County is entirely inside our Service Area. Portions of the following counties, as indicated by the ZIP codes below, are also inside our Service Area:

- Kern: 93203, 93205-06, 93215-16, 93220, 93222, 93224-26, 93238, 93240-41, 93243, 93250-52, 93263, 93268, 93276, 93280, 93285, 93287, 93301-09, 93311-14, 93380-90, 93501-02, 93504-05, 93518, 93531, 93536, 93560-61, 93581
- Los Angeles: 90001-84, 90086-89, 90091, 90093-97, 90099, 90101-03, 90174, 90185, 90189, 90201-02, 90209-13, 90220-24, 90230-33, 90239-42, 90245, 90247-51, 90254-55, 90260-67, 90270, 90272, 90274-75, 90277-78, 90280, 90290-96, 90301-13, 90397-98, 90401-11, 90501-10, 90601-10, 90612, 90623, 90630-31, 90637-40, 90650-52, 90659-62, 90665, 90670-71, 90701-03, 90706-07, 90710-17, 90723, 90731-34, 90744-49, 90755, 90801-10, 90813-15, 90822, 90831-35, 90840, 90842, 90844-48, 90853, 90888, 90899, 91001, 91003, 91006-07, 91009-12, 91016-17, 91020-21, 91023-25, 91030-31, 91040-43, 91046, 91066, 91077, 91101-10, 91114-18, 91121, 91123-26, 91129, 91131, 91175, 91182, 91184-89, 91191, 91201-10, 91214, 91221-22, 91224-26, 91301-13, 91316, 91321-22, 91324-31, 91333-35, 91337, 91340-46, 91350-57, 91361-65, 91367, 91371-72, 91376, 91380-88, 91390, 91392-96, 91399, 91401-13, 91416, 91423, 91426, 91436, 91470, 91482, 91495-97, 91499, 91501-08, 91510, 91521-23, 91526, 91601-12, 91614-18, 91702,

91706, 91709, 91711, 91714-16, 91722-24, 91731-35, 91740-41, 91744-50, 91754-56, 91759, 91765-73, 91775-76, 91778, 91780, 91788-93, 91795, 91797, 91799, 91801-04, 91841, 91896, 91899, 93243, 93510, 93532, 93534-36, 93539, 93543-44, 93550-53, 93560, 93563, 93584, 93586, 93590-91, 93599

- Riverside: 91752, 92201-03*, 92210-11*, 92220, 92223, 92230*, 92234-36*, 92240-41*, 92247-48*, 92253-55*, 92258*, 92260-64*, 92270*, 92274*, 92276*, 92282*, 92292*, 92320, 92324, 92373, 92399, 92501-09, 92513-19, 92521-22, 92530-32, 92543-46, 92548, 92551-57, 92562-64, 92567, 92570-72, 92581-87, 92595-96, 92599, 92860, 92877-83
- San Bernardino: 91701, 91708-10, 91729-30, 91737, 91739, 91743, 91758, 91761-64, 91766, 91784-86, 91792, 91798, 92305, 92307-08, 92313-18, 92321-22, 92324-26, 92329, 92333-37, 92339-41, 92344-46, 92350, 92352, 92354, 92357-59, 92369, 92371-78, 92382, 92385-86, 92391-95, 92397, 92399, 92401-08, 92410-15, 92418, 92423-24, 92427, 92880
- San Diego: 91901-03, 91908-17, 91921, 91931-33, 91935, 91941-47, 91950-51, 91962-63, 91976-80, 91987, 91990, 92007-11, 92013-14, 92018-27, 92029-30, 92033, 92037-40, 92046, 92049, 92051-52, 92054-58, 92064-65, 92067-69, 92071-72, 92074-75, 92078-79, 92081-85, 92090-93, 92096, 92101-24, 92126-40, 92142-43, 92145, 92147, 92149-50, 92152-55, 92158-79, 92182, 92184, 92186-87, 92190-99
- Ventura: 90265, 91304, 91307, 91311, 91319-20, 91358-62, 91377, 93010-12, 93015-16, 93020-21, 93040, 93062-66, 93093-94, 93099, 93252

*Subscribers residing in Coachella Valley ZIP codes are required to select a primary care Plan Physician (Affiliated Physician). Please refer to "Special note about Coachella Valley" under "Your Primary Care Plan Physician" in the "How to Obtain Services" section for details.

Note: Subject to approval by the Centers for Medicare & Medicaid Services (CMS), we may reduce our Service Area effective any January 1 by giving prior written notice to your Group. We may expand our Service Area at any time by giving written notice to your Group. ZIP codes are subject to change by the U.S. Postal Service.

Services: Health care services or items.

Skilled Nursing Facility: A facility that provides inpatient skilled nursing care, rehabilitation services, or other related health services and is licensed by the state of California and approved by Health Plan. The facility's primary business must be the provision of 24-hour-a-day

licensed skilled nursing care. The term "Skilled Nursing Facility" does not include convalescent nursing homes, rest facilities, or facilities for the aged, if those facilities furnish primarily custodial care, including training in routines of daily living. A "Skilled Nursing Facility" may also be a unit or section within another facility (for example, a Plan Hospital) as long as it continues to meet this definition.

Spouse: Your legal husband or wife. For the purposes of this *EOC*, the term "Spouse" includes your registered domestic partner who meets all the requirements of Section 297 of the California Family Code, or your domestic partner in accord with your Group's requirements, if any, that we approve in writing.

Subscriber: A Member who is eligible for membership on his or her own behalf and not by virtue of Dependent status and who meets the eligibility requirements as a Subscriber (for Subscriber eligibility requirements, see "Who Is Eligible" in the "Dues, Eligibility, and Enrollment" section).

Dues, Eligibility, and Enrollment

Dues

Your Group is responsible for paying Dues. If you are responsible for any contribution to the Dues, your Group will tell you the amount and how to pay your Group (through payroll deduction, for example). In addition to any amount you must pay your Group, you must also continue to pay Medicare your monthly Medicare Part B premium.

Extra help with drug plan expenses

If you have limited income and resources, you may qualify for extra help to pay a portion of the following:

- Your Group's monthly Dues for Medicare Part D prescription coverage
- Your covered prescription drug expenses (for example, Copayments and Coinsurance)

The amount of extra help that you get will depend on your income and resources. To qualify, your annual income must be below \$14,355 (or \$19,245 if you are married). In addition, your resources (including your savings and stocks, but not your home or car) must not exceed \$11,500 (or \$23,000 if you are married). You automatically qualify for extra help and do not have to apply for it if any of the following are true:

- You have full Medi-Cal coverage
- You get Supplemental Security Income

- Medi-Cal helps pay for your Medicare premium because you belong to a Medicare Savings Program, such as the Qualified Medicare Beneficiary, Specified Low-Income Medicare Beneficiary program, or the Qualified Individual program

For more information on who can get extra help with prescription drug expenses and how to apply, please call the Social Security Administration at 1-800-772-1213, or visit www.socialsecurity.gov on the Web. TTY/TDD users should call 1-800-325-0778. In addition, you can look at the 2006 Medicare & You Handbook, visit www.medicare.gov on the Web, or call 1-800-MEDICARE (1-800-633-4227). TTY/TDD users should call 1-877-486-2048.

Note: The income and resource amounts shown above are for 2005 and Medicare may change them at any time, without notice. Also, if you live in Alaska or Hawaii, or pay more than half of the living expenses of any dependent family member, income limits are higher. Please call our Member Service Call Center to find out what the income limits are.

Who Is Eligible

To enroll and to continue enrollment, you must meet all of the eligibility requirements described in this "Who Is Eligible" section.

Group eligibility requirements

You must meet your Group's eligibility requirements that we have approved. Your Group is required to inform Subscribers of its eligibility requirements, such as the minimum number of hours that employees must work. Please note that your Group might not allow enrollment to some persons who meet the requirements described under "Additional eligibility requirements."

Medicare eligibility requirements

- You must be entitled to benefits under Medicare Part B
- You may enroll in Senior Advantage regardless of health status, except that you may not enroll if you have end-stage renal disease. This restriction does not apply to you if you are currently a Health Plan Member in the Northern California or Southern California Region and you developed end-stage renal disease while a Member
- Your Group's health care plan must be primary and Medicare coverage must be secondary under federal law

- Non-Members may not be able to enroll if Senior Advantage has reached a capacity limit that the Centers for Medicare & Medicaid Services has approved. This limitation does not apply to existing Members who are eligible for Medicare (for example, when you turn age 65)

Note: You may not be enrolled in two Medicare-contracting plans at the same time. If you enroll in Senior Advantage, CMS will automatically disenroll you from any other Medicare-contracting plan, including a Medicare Prescription Drug Plan.

Service Area eligibility requirements

The Subscriber must live in our Service Area. However, if you were enrolled in Senior Advantage on December 31, 1998 and lived outside our Service Area, you may continue your membership unless you move and are still outside our Service Area. The "Definitions" section describes our Service Area and how it may change.

Moving outside our Service Area. If you permanently move outside our Service Area, or you are temporarily absent from our Service Area for a period of more than six months, you must notify us and you cannot continue your Senior Advantage membership under this *EOC*. Send your notice to Kaiser Permanente, California Service Center, P.O. Box 232407, San Diego, CA 92193. It is in your best interest to notify us as soon as possible because until your Senior Advantage coverage is officially terminated by CMS, you will not be covered by us or Medicare for any care received from Non-Plan Providers, except as described in the following sections about:

- Emergency ambulance Services, described under "Ambulance Services" in the "Benefits, Copayments, and Coinsurance" section
- Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care, in the "Emergency, Urgent, and Routine Care" section
- Getting a referral, in the "How to Obtain Services" section
- Out-of-area dialysis care, described under "Dialysis Care" in the "Benefits, Copayments, and Coinsurance" section
- Prescriptions from Non-Plan Pharmacies, described under "Outpatient Prescription Drugs and Supplies" in the "Benefits, Copayments, and Coinsurance" section
- Visiting other Regions, in the "How to Obtain Services" section

If you move to the service area of another Region, please contact your Group's benefits administrator to learn about your Group health care options. You may be able to enroll in the new service area if there is an agreement between your Group and that Region, but the coverage, dues, and eligibility requirements might not be the same. For information about Region locations and telephone numbers in the District of Columbia and parts of Northern California, Colorado, Georgia, Hawaii, Idaho, Maryland, Ohio, Oregon, Virginia, and Washington, please call our Member Service Call Center.

Additional eligibility requirements

You may be eligible to enroll as a Subscriber if you are:

- An employee of your Group
- A proprietor or partner of your Group
- Otherwise entitled to coverage under a trust agreement or employment contract (unless the IRS considers you self-employed)

If you are a Subscriber, the following persons may be eligible to enroll as your Dependents:

- Your Spouse. For the purposes of this *EOC*, the term "Spouse" includes your registered domestic partner who meets all the requirements of Section 297 of the California Family Code, or your domestic partner in accord with your Group's requirements, if any, that we approve in writing
- Your or your Spouse's unmarried children (including adopted children or children placed with you for adoption) who are under age 19, or under age 25 if a student as defined by your Group
- Other unmarried dependent persons (but not including foster children) who meet all of the following requirements:
 - ◆ they are under age 19, or under age 25 if a student as defined by your Group
 - ◆ they receive all of their support and maintenance from you or your Spouse
 - ◆ they permanently reside with you (the Subscriber)
 - ◆ you or your Spouse is the court-appointed guardian (or was before the person reached age 18) or the person's parent is an enrolled Dependent under your family coverage
- Dependents who meet the Dependent eligibility requirements, except for the age limit, may be eligible if they meet all the following requirements:
 - ◆ they are incapable of self-sustaining employment because of mental retardation or physical handicap that occurred prior to reaching the age limit for Dependents

- ◆ they receive substantially all of their support and maintenance from you or your Spouse
- ◆ you give us proof of their incapacity and dependency within 31 days after we request it

Any of your Dependents who are not entitled to Medicare, as described above, may enroll in another Kaiser Permanente plan offered by your Group. Please contact your Group for details.

Persons barred from enrolling

- You cannot enroll if you have had your entitlement to receive Services through Health Plan terminated for failure to pay individual (nongroup) plan dues, unless we agree to allow you to enroll after you pay all amounts owed by you and your dependents

When You Can Enroll and When Coverage Begins

Your Group is required to inform you when you are eligible to enroll and your effective date of coverage. If you are eligible to enroll as described under "Who Is Eligible" in this "Dues, Eligibility, and Enrollment" section, you may enroll yourself and any eligible Dependents by submitting a Health Plan-approved enrollment application and a Senior Advantage Election Form (one form completed and signed by each Medicare beneficiary) to your Group within 30 days.

If you are already a Health Plan Member who lives in the Senior Advantage Service Area, we will mail you information about joining Senior Advantage and an Election Form shortly before you reach age 65.

Effective date of Senior Advantage coverage

After we receive your completed Senior Advantage Election Form, we will submit your enrollment to CMS and send you a notice indicating the effective date of your Senior Advantage coverage. Your effective date will depend on whether you are first becoming entitled to Medicare Part B, or if you are already entitled to it.

If you will soon become entitled to Medicare Part B, your election will be effective on the first day of the month in which you are entitled to Medicare Part B. If you are already entitled to Medicare Part B, we will notify you of your effective date. Your effective date will generally be determined by the date we receive your completed Election Form and the effective date of your Group coverage. There are other factors used to determine your effective date, for more information please call our Member Service Call Center.

Once CMS confirms your enrollment, we will send you written notification. If CMS does not confirm your enrollment in Medicare before your effective date, you still must receive your care from us, beginning on your effective date, just as if your enrollment had been confirmed. If CMS tells us that you are not entitled to Medicare Part B, we will notify you and request that you contact the Social Security Administration to clarify your Medicare status. If, after contacting the Social Security Administration, it is confirmed that you are still not entitled to Medicare Part B, you will be billed for any Services we have provided you unless you are an existing Member under another Kaiser Permanente plan (for example, Kaiser Permanente Traditional Plan). Members will be responsible for any amounts owed under their other plan and should contact their Group's benefits administrator for details.

Group open enrollment

You may enroll as a Subscriber (along with any eligible Dependents), and existing Subscribers may add eligible Dependents, by submitting a Health Plan-approved enrollment application and a Senior Advantage Election Form (one for each Medicare beneficiary) to your Group during the open enrollment period. Your Group will let you know when the open enrollment period begins and ends and the effective date of coverage.

Medigap

If you have a Medicare supplement (Medigap) policy, you may consider canceling it after we send you written confirmation of your enrollment in Senior Advantage. However, if your Senior Advantage membership is later terminated, you may not be able to re-enroll in your Medigap policy. If you choose to keep your Medigap policy, it will not reimburse you for the Services we cover. Also, if your Medigap policy covers prescription drugs, you must tell your Medigap insurer that you are enrolled in Senior Advantage with Part D and they will remove the prescription drug coverage from your Medigap policy. Please contact your Medigap insurer for information about how enrollment in Senior Advantage with Part D affects your Medigap coverage. For additional information regarding guaranteed Medigap policies, call the Health Insurance Counseling and Advocacy Program (HICAP) at 1-800-434-0222 (TTY 1-800-722-3140).

How to Obtain Services

As a Member, you are selecting our medical care program to provide your health care. You must receive

all covered care from Plan Providers inside our Service Area, except as described in the following sections about:

- Emergency ambulance Services, described under "Ambulance Services" in the "Benefits, Copayments, and Coinsurance" section
- Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care, in the "Emergency, Urgent, and Routine Care" section
- Getting a referral, in this section
- Out-of-area dialysis care, described under "Dialysis Care" in the "Benefits, Copayments, and Coinsurance" section
- Prescriptions from Non-Plan Pharmacies described under "Outpatient Prescription Drugs and Supplies" in the "Benefits, Copayments, and Coinsurance" section
- Visiting other Regions, in this section

Our medical care program gives you access to all of the covered Services you may need, such as routine care with your own personal Plan Physician, hospital care, laboratory and pharmacy Services, and other benefits described in the "Benefits, Copayments, and Coinsurance" section.

Your Primary Care Plan Physician

Your primary care Plan Physician plays an important role in coordinating your medical care needs, including hospital stays and referrals to specialists. We encourage you to choose a primary care Plan Physician. You may select a primary care Plan Physician from any of our available Plan Physicians who practice in these specialties: internal medicine, family medicine, and pediatrics. Also, women can select any available primary care Plan Physician from obstetrics/gynecology. You can change your primary care Plan Physician for any reason. To learn how to select a primary care Plan Physician, please call our Member Service Call Center. You can find a directory of our Plan Physicians on our Web site at kaiserpermanente.org.

Special note about Coachella Valley

Subscribers residing in Coachella Valley are required to select a primary care Plan Physician (Affiliated Physician) for themselves and each covered Dependent. In this area, Plan Providers (except for Plan Pharmacies that are owned and operated by Kaiser Permanente) are referred to as "Affiliated Providers," for example, "Affiliated Physicians" and "Affiliated Hospitals." Please refer to our Service Area description in the "Definitions" section for the ZIP codes that are in this area.

Your primary care Affiliated Physician will provide or arrange your care in this area, including Services from other Affiliated Providers, such as specialty Affiliated Physicians. **For Affiliated Provider Services to be covered, your primary care Affiliated Physician must prescribe the care or authorize the referral**, except that women can get annual mammograms and visits to their obstetrics/gynecology Affiliated Physician without a referral from a primary care Affiliated Physician. Also, you may receive care from Plan Providers outside Coachella Valley without a referral from your primary care Affiliated Physician. Some care requires a referral from a primary care Plan Physician, but the Plan Physician does not have to be an Affiliated Physician; for more details, see "Referrals to Plan Providers" under "Getting a Referral" in this "How to Obtain Services" section.

We will send the Subscriber in your Family Unit a letter explaining how to select a primary care Affiliated Physician. If you don't select a primary care Affiliated Physician, we will assign one. Dependents may select a different primary care Affiliated Physician from the Subscriber's by calling our Member Service Call Center. You may change your primary care Affiliated Physician once a month. If you need care before we have confirmed your primary care Affiliated Physician, please call our Member Service Call Center for assistance. For a list of Affiliated Providers, please refer to *Your Guidebook*.

Getting a Referral

Referrals to Plan Providers

Primary care Plan Physicians provide primary medical care, including pediatric care and obstetrics/gynecology care. Plan specialists provide specialty care in areas such as surgery, orthopedics, cardiology, oncology, urology, and dermatology. A Plan Physician will refer you to a Plan specialist when appropriate. You don't need a referral to receive primary care from Plan Physicians in the following areas: internal medicine, obstetrics/gynecology, family planning, family medicine, pediatrics, optometry, psychiatry, and chemical dependency. Please check *Your Guidebook* to see if your facility has other departments that don't require a referral. Also, please refer to "Special note about Coachella Valley" under "Your Primary Care Plan Physician" in this "How to Obtain Services" section for additional requirements that apply when a Subscriber lives in this area.

Medical Group authorization procedure for certain referrals

The following Services require prior authorization by the Medical Group for the Services to be covered:

- **Services not available from Plan Providers.** If your Plan Physician decides that you require covered Services not available from Plan Providers, he or she will recommend to the Medical Group that you be referred to a Non-Plan Provider inside or outside our Service Area. The appropriate Medical Group designee will authorize the Services if he or she determines that they are Medically Necessary and are not available from a Plan Provider. Referrals to Non-Plan Physicians will be for a specific treatment plan, which may include a standing referral if ongoing care is prescribed. Please ask your Plan Physician what Services have been authorized
- **Bariatric surgery.** If your Plan Physician makes a written referral for bariatric surgery, the Medical Group's regional bariatric medical director or his or her designee will authorize the Service if he or she determines that it is Medically Necessary. The Medical Group's criteria for determining whether bariatric surgery is Medically Necessary are described in the Medical Group's bariatric surgery referral criteria, which are available upon request
- **Durable medical equipment (DME).** If your Plan Physician prescribes DME, he or she will submit a written referral to the Plan Hospital's DME coordinator, who will authorize the DME if he or she determines that your DME coverage includes the item and that the item is listed on our formulary for your condition. If the item doesn't appear to meet our DME formulary guidelines, then the DME coordinator will contact the Plan Physician for additional information. If the DME request still doesn't appear to meet our DME formulary guidelines, it will be submitted to the Medical Group's designee Plan Physician, who will authorize the item if he or she determines that it is Medically Necessary. For more information about our DME formulary, please refer to "Durable Medical Equipment for Home Use" in the "Benefits, Copayments, and Coinsurance" section
- **Ostomy and urological supplies.** If your Plan Physician prescribes ostomy or urological supplies, he or she will submit a written referral to the Plan Hospital's designated coordinator, who will authorize the item if he or she determines that it is covered and the item is listed on our soft goods formulary for your condition. If the item doesn't appear to meet our soft goods formulary guidelines, then the coordinator will contact the Plan Physician for additional information. If the request still doesn't appear to meet our soft goods formulary guidelines, it will be submitted to the Medical Group's designee Plan Physician, who

will authorize the item if he or she determines that it is Medically Necessary. For more information about our soft goods formulary, please refer to "Ostomy and Urological Supplies" in the "Benefits, Copayments, and Coinsurance" section

- **Transplants.** If your Plan Physician makes a written referral for a transplant, the Medical Group's regional transplant advisory committee or board (if one exists) will authorize the Services if it determines that they are Medically Necessary. In cases where no transplant committee or board exists, the Medical Group will refer you to physician(s) at a transplant center, and the Medical Group will authorize the Services if the transplant center's physician(s) determine that they are Medically Necessary. Note: A Plan Physician may provide or authorize a corneal transplant without using this Medical Group transplant authorization procedure

Decisions regarding requests for authorization will be made only by licensed physicians or other appropriately licensed medical professionals.

Medical Group's decision time frames. The applicable Medical Group designee will make the authorization decision within the time frame appropriate for your condition, but no later than five business days after receiving all the information (including additional examination and test results) reasonably necessary to make the decision, except that decisions about urgent Services will be made no later than 72 hours after receipt of the information reasonably necessary to make the decision. If the Medical Group needs more time to make the decision because it doesn't have information reasonably necessary to make the decision, or because it has requested consultation by a particular specialist, you and your treating physician will be informed about the additional information, tests, or specialist that is needed, and the date that the Medical Group expects to make a decision.

Your treating physician will be informed of the decision within 24 hours after the decision is made. If the Services are authorized, your physician will be informed of the scope of the authorized Services. If the Medical Group does not authorize all of the Services, you will be sent a written decision and explanation within two business days after the decision is made. The letter will include information about your appeal rights, which are described in the "Dispute Resolution" section. Any written criteria that the Medical Group uses to make the decision to authorize, modify, delay, or deny the request for authorization will be made available to you upon request.

Copayments and Coinsurance. The Copayments and Coinsurance for these referral Services are the same as those required for Services provided by a Plan Provider as described in the "Benefits, Copayments, and Coinsurance" section.

More information. This description is only a brief summary of the authorization procedure. The policies and procedures (including a description of the authorization procedure or information about the authorization procedure applicable to some Plan Providers other than Kaiser Foundation Hospitals and the Medical Group) are available upon request from our Member Service Call Center. Please refer to "Emergency, Post-stabilization, and Urgent Care" in the "Emergency, Urgent, and Routine Care" section for authorization requirements that apply to Post-stabilization Care. Also, please refer to "Special note about Coachella Valley" under "Your Primary Care Plan Physician" in this "How to Obtain Services" section for the authorization requirements that apply when a Subscriber lives in Coachella Valley.

Second Opinions

If you request a second opinion, it will be provided to you by an appropriately qualified medical professional. This is a physician who is acting within his or her scope of practice and who possesses a clinical background related to the illness or condition associated with the request for a second medical opinion. You can either ask your Plan Physician to help you arrange for a second medical opinion, or you can make an appointment with another Plan Physician. If the Medical Group determines that there isn't a Plan Physician who is an appropriately qualified medical professional for your condition, the Medical Group will authorize a referral to a Non-Plan Provider for a Medically Necessary second opinion.

Here are some examples of when a second opinion is Medically Necessary:

- Your Plan Physician has recommended a procedure and you are unsure about whether the procedure is reasonable or necessary
- You question a diagnosis or plan of care for a condition that threatens substantial impairment or loss of life, limb, or bodily functions
- The clinical indications are not clear or are complex and confusing
- A diagnosis is in doubt due to conflicting test results
- The Plan Physician is unable to diagnose the condition

- The treatment plan in progress is not improving your medical condition within an appropriate period of time, given the diagnosis and plan of care
- You have concerns about the diagnosis or plan of care

Copayments and Coinsurance. The Copayments and Coinsurance for these referral Services are the same as those required for Services provided by a Plan Provider as described in the "Benefits, Copayments, and Coinsurance" section.

Contracts with Plan Providers

Health Plan and Plan Providers are independent contractors. Plan Providers are paid in a number of ways, such as salary, capitation, per diem rates, case rates, fee for service, and incentive payments. To learn more about how Plan Physicians are paid to provide or arrange medical and hospital care for Members, please ask your Plan Physician or call our Member Service Call Center.

Our contracts with Plan Providers provide that you are not liable for any amounts we owe. However, you may be liable for the cost of noncovered Services you obtain from Plan Providers or Non-Plan Providers.

Termination of a Plan Provider's contract and completion of Services

If our contract with any Plan Provider terminates while you are under the care of that provider, we will retain financial responsibility for covered care you receive from that provider until we make arrangements for the Services to be provided by another Plan Provider and notify you of the arrangements.

In addition, if you are undergoing treatment for specific conditions from a Plan Physician (or certain other providers) when the contract with him or her ends (for reasons other than medical disciplinary cause, criminal activity, or the provider's voluntary termination), you may be eligible to continue receiving covered care from the terminated provider for your condition. The conditions that are subject to this continuation of care provision are:

- Certain conditions that are either acute, or serious and chronic. We may cover these Services for up to 90 days, or longer if necessary for a safe transfer of care to a Plan Physician or other contracting provider as determined by the Medical Group
- A high-risk pregnancy or a pregnancy in its second or third trimester. We may cover these Services through postpartum care related to the delivery, or longer if Medically Necessary for a safe transfer of care to a Plan Physician as determined by the Medical Group

The Services must be otherwise covered under this *EOC*. Also, the terminated provider must agree in writing to our contractual terms and conditions and comply with them for Services to be covered by us. The Copayments and Coinsurance for the Services of a terminated provider are the same as those required for Services provided by a Plan Provider as described in the "Benefits, Copayments, and Coinsurance" section. For more information about this provision, or to make a request, please call our Member Service Call Center.

Visiting other Regions

If you visit the service area of another Region temporarily (not more than 90 days), you can receive visiting member care from designated providers in that area. Visiting member care is described in our visiting member brochure. Visiting member care and your out-of-pocket costs may differ from the covered Services, Copayments, and Coinsurance described in this *EOC*.

The 90-day limit on visiting member care does not apply to a Dependent child who attends an accredited college or accredited vocational school. The service areas and facilities where you may obtain visiting member care may change at any time without notice.

Please call our Member Service Call Center for more information about visiting member care, including facility locations in the service area of another Region, and to request a copy of the visiting member brochure.

Your Identification Card

Each Member's Health Plan ID card has a medical record number on it, which you will need when you call for advice, make an appointment, or go to a provider for covered care. Your medical record number is used to identify your medical records and membership information. Your medical record number should never change. Please let us know if we ever inadvertently issue you more than one medical record number, or if you need to replace your ID card, by calling our Member Service Call Center.

Your ID card is for identification only. To receive covered Services, you must be a current Member. Anyone who is not a Member will be billed as a non-Member for any Services he or she receives. If you let someone else use your ID card, we may keep your ID card and terminate your membership as described under "Termination for Cause" in the "Termination of Membership" section.

Getting Assistance

We want you to be satisfied with the health care you receive from Kaiser Permanente. If you have any questions or concerns, please discuss them with your primary care Plan Physician or with other Plan Providers who are treating you. They are committed to your satisfaction and want to help you with your questions.

Most Plan Facilities have an office staffed with representatives who can provide assistance if you need help obtaining Services. At different locations, these offices may be called Member Services, Patient Assistance, or Customer Service. In addition, our Member Service Call Center representatives are available to assist you weekdays from 7 a.m. to 7 p.m. and weekends from 7 a.m. to 3 p.m. (except holidays) at 1-800-443-0815 or 1-800-777-1370 (TTY for the hearing/speech impaired). For your convenience, you can also contact us through our Web site at kaiserpermanente.org.

Member Services representatives at our Plan Facilities and Member Service Call Center can answer any questions you have about your benefits, available Services, and the facilities where you can receive care. For example, they can explain your Health Plan benefits, how to make your first medical appointment, what to do if you move, what to do if you need care while you are traveling, and how to replace your ID card. These representatives can also help you if you need to file a claim as described in the "Requests for Payment or Services" section or with any issues as described in the "Dispute Resolution" section.

Plan Facilities

At most of our Plan Facilities, you can usually receive all the covered Services you need, including specialty care, pharmacy, and lab work. You are not restricted to a particular Plan Facility, and we encourage you to use the facility that will be most convenient for you.

Plan Hospitals and Plan Medical Offices

The following is a list of Plan Hospitals and most Plan Medical Offices in our Service Area. Additional Plan Medical Offices are listed in *Your Guidebook* and on our Web site at kaiserpermanente.org. This list is subject to change at any time without notice. If there is a change to this list of Plan Facilities, we will update this list in any Plan evidence of coverage issued after that date. If you

have any questions about the current locations of Plan Facilities, please call our Member Service Call Center.

Plan Hospitals and Medical Centers (Plan Hospitals and Medical Offices)

- All Plan Hospitals provide inpatient Services and are open 24 hours a day, seven days a week
- Emergency Care is available from Plan Hospital Emergency Departments as described in *Your Guidebook* (please refer to *Your Guidebook* for Emergency Department locations in your area)
- Same-day urgent care appointments are available at many locations
- Many Plan Medical Offices have evening and weekend appointments
- Many Plan Facilities have a Member Services Department (refer to *Your Guidebook* for locations in your area)
- Most Plan Medical Offices include pharmacy Services (refer to *Kaiser Permanente Medicare Part D Pharmacy Directory* for pharmacy locations)

City	Street address
Anaheim	Medical Centers:
	441 North Lakeview Avenue
	3033 West Orange Avenue (west Anaheim)
Bakersfield	Additional Plan Medical Offices:
	411 North Lakeview Avenue
	1188 North Euclid Street
	Plan Hospitals:
	300 Old River Road (Mercy Southwest Hospital)
	420 34th Street (Memorial Hospital)
	2215 Truxtun Avenue (Mercy Hospital)
	Plan Medical Offices:
	1200 Discovery Drive
	3501 Stockdale Highway
3700 Mall View Road	
8800 Ming Avenue	
Baldwin Park	Medical Center: 1011 Baldwin Park Boulevard
Bellflower	Medical Center: 9400 East Rosecrans Avenue
Escondido	Plan Hospital: 555 East Valley Parkway (Palomar)
	Plan Medical Office: 732 North Broadway Street
Fontana	Medical Center: 9961 Sierra Avenue
Harbor City	Medical Center: 25825 South Vermont Avenue

City	Street address
Irvine	Plan Hospital: 16200 Sand Canyon Avenue (Irvine Regional Hospital) Plan Medical Office: 6 Willard Street
Lancaster	Plan Hospitals: 1600 West Avenue J (Antelope Valley Hospital) 43830 North 10th Street West (Lancaster Community Hospital) Plan Medical Office: 43112 North 15th Street West
Los Angeles	Medical Centers: 1526 North Edgemont Street 6041 Cadillac Avenue (West Los Angeles) Additional Plan Medical Offices: 5119 East Pomona Boulevard 12001 West Washington Boulevard (Culver Marina Medical Offices)
Panorama City	Medical Center: 13652 Cantara Street
Riverside	Medical Center: 10800 Magnolia Avenue
San Diego	Medical Center: 4647 Zion Avenue Additional Plan Medical Offices: 3250 Fordham Street 4405 Vandever Avenue 4650 Palm Avenue 7060 Clairemont Mesa Boulevard 11939 Rancho Bernardo Road
Woodland Hills	Medical Center: 5601 De Soto Avenue

Plan Medical Offices in other cities

City	Street address
Aliso Viejo	24502 Pacific Park Drive
Bonita	3955 Bonita Road
Brea	1900 East Lambert Road
Carlsbad	6860 Avenida Encinas
Chino	11911 Central Avenue
Claremont	250 West San Jose Street
Colton	789 South Cooley Drive
Corona	2055 Kellogg Avenue
Cudahy	7825 Atlantic Avenue
Culver City	5620 Mesmer Avenue
Downey	9449 East Imperial Highway
El Cajon	250 Travelodge Drive 1630 East Main Street
Garden Grove	12100 Euclid Street
Gardena	15446 South Western Avenue

City	Street address
Glendale	444 West Glenoaks Boulevard
Huntington Beach	18081 Beach Boulevard
Inglewood	110 North La Brea Avenue
La Mesa	3875 Avocado Boulevard 8080 Parkway Drive
La Palma	5 Centerpointe Drive
Long Beach	3900 East Pacific Coast Highway
Mission Viejo	23781 Maquina Avenue
Montebello	1550 Town Center Drive
Moreno Valley	12815 Heacock Street
Ontario	1025 West "I" Street
Palmdale	4502 East Avenue S
Pasadena	450 North Lake Avenue
Rancho Cucamonga	10850 Arrow Route
Redlands	25828 Redlands Boulevard
San Bernardino	1717 Date Place
San Dimas	1255 West Arrow Highway
San Juan Capistrano	30400 Camino Capistrano
San Marcos	400 Craven Road
Santa Ana	1900 East 4th Street 3401 South Harbor Boulevard
Santa Clarita	27107 Tourney Road
Simi Valley	3900 Alamo Street
Thousand Oaks	365 East Hillcrest Drive 145 Hodencamp Road
Torrance	20790 Madrona Avenue
Victorville	14011 Park Avenue
Vista	780 Shadowridge Drive
West Covina	1249 Sunset Avenue
Whittier	12470 Whittier Boulevard
Wildomar	36450 Inland Valley Drive
Yorba Linda	22550 East Savi Ranch Parkway

Affiliated Plan Hospitals

- Coachella Valley**
- Desert Regional Medical Center at 1150 North Indian Canyon Drive, Palm Springs
 - Eisenhower Medical Center at 39000 Bob Hope Drive, Rancho Mirage
 - Hi-Desert Medical Center at 6601 White Feather Road, Joshua Tree
 - John F. Kennedy Memorial Hospital at 47111 Monroe Street, Indio

For information about receiving care in Coachella Valley, see "Special note about Coachella Valley" under "Your Primary Care Plan Physician" in the "How to Obtain Services" section. Also, please refer to *Your Guidebook* for other Plan Providers in Coachella Valley, including Affiliated Plan Physicians and Affiliated Pharmacies.

Your Guidebook

Plan Medical Offices and Plan Hospitals for your area are listed in greater detail in *Your Guidebook to Kaiser Permanente Services (Your Guidebook)*. *Your Guidebook* describes the types of covered Services that are available from each Plan Facility in your area, because some facilities provide only specific types of covered Services. It includes additional facilities that are not listed in this "Plan Facilities" section. Also, it explains how to use our Services and make appointments, and includes a detailed telephone directory for appointments and advice. *Your Guidebook* provides other important information, such as preventive care guidelines and your Member rights and responsibilities. *Your Guidebook* is subject to change and periodically updated. We mail it annually and you can get a copy by calling our Member Service Call Center or by visiting our Web site at kaiserpermanente.org.

Note: State law requires evidence of coverage documents to include the following notice: "Some hospitals and other providers do not provide one or more of the following services that may be covered under your plan contract 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; or abortion. You should obtain more information before you enroll. Call your prospective doctor, medical group, independent practice association, or clinic, or call the Kaiser Permanente Member Service Call Center, to ensure that you can obtain the health care services that you need."

Please be aware that if a Service is covered but not available at a particular Plan Facility, we will make it available to you at another facility.

Pharmacy Directory

The *Kaiser Permanente Medicare Part D Pharmacy Directory* lists the locations of Plan Pharmacies, which are also called "network pharmacies." The pharmacy directory provides additional information about obtaining prescription drugs. It is subject to change and periodically updated. We mail it annually and you can

get a copy by calling our Member Service Call Center or by visiting our Web site at kaiserpermanente.org.

Emergency, Urgent, and Routine Care

This section explains how to obtain covered Emergency Care, Post-stabilization Care, urgent care, and routine care. It also describes how our advice nurses can help assess nonemergency medical symptoms.

The care discussed in this section is not covered unless it meets the coverage requirements stated in the "Benefits, Copayments, and Coinsurance" section (subject to the "Exclusions, Limitations, and Reductions" section).

Emergency, Post-stabilization, and Urgent Care

Emergency Care

If you have an Emergency Medical Condition, call 911 or go to the nearest hospital. When you have an Emergency Medical Condition, we cover Emergency Care from Plan Providers and Non-Plan Providers anywhere in the world. Please call us at 1-800-225-8883 any time you are admitted to a Non-Plan Hospital.

An Emergency Medical Condition is:

- A medical or psychiatric condition that manifests itself by acute symptoms of sufficient severity (including severe pain) such that you could reasonably expect the absence of immediate medical attention to result in any of the following:
 - ◆ serious jeopardy to your health
 - ◆ serious impairment to your bodily functions
 - ◆ serious dysfunction of any bodily organ or part
- "Active labor," which means a labor when there is inadequate time for safe transfer to a Plan Hospital (or designated hospital) before delivery or if transfer poses a threat to the health and safety of the Member or unborn child

Note: Emergency Care is available at Plan Hospital Emergency Departments listed in *Your Guidebook*. For ease and continuity of care, we encourage you to go to a Plan Hospital Emergency Department, but only if it is reasonable to do so, considering your condition or symptoms. Please refer to *Your Guidebook* for Plan Hospital Emergency Department locations in your area.

Post-stabilization Care. Post-stabilization Care is the Services you receive after your treating physician



determines that your Emergency Medical Condition is Clinically Stable.

We cover Post-stabilization Care if one of the following is true:

- We provide or authorize the care
- The care was Medically Necessary to maintain stabilization and it was administered within one hour following a request for authorization and we have not yet responded
- The Non-Plan Provider and we do not agree about your care and a Plan Physician is not available for consultation
- In the rare circumstance that we are unavailable or cannot be contacted

Covered Post-stabilization Care is effective until one of the following events occurs:

- You are discharged from the Non-Plan Hospital
- We assume responsibility for your care
- The Non-Plan Provider and we agree to other arrangements

To request authorization to receive Post-stabilization Care from a Non-Plan Provider, the Non-Plan Provider must call us at **1-800-225-8883** (or the notification telephone number on your ID card) *before* you receive the care. After we are notified, we will discuss your condition with the Non-Plan Provider. If we decide that your Post-stabilization Care would be covered if you received it from a Plan Provider, we will authorize your care from the Non-Plan Provider or arrange to have a Plan Provider (or other designated provider) provide the care with the treating physician's concurrence. If we decide to have a Plan Hospital, licensed skilled nursing facility, or designated Non-Plan Provider provide your care, we may authorize special transportation services that are medically required to get you to the provider. This may include transportation that is otherwise not covered.

Be sure to ask the Non-Plan Provider to tell you what care (including any transportation) we have authorized since we do not cover unauthorized Post-stabilization Care or related transportation provided by Non-Plan Providers, except as otherwise described in this section. Also, you will only be held financially liable if you are notified by the Non-Plan Provider or us about your potential liability.

Urgent care

When you are sick or injured, you may have an urgent care need. An urgent care need is one that requires prompt medical attention, but is not an Emergency

Medical Condition. If you think you may need urgent care, call the appropriate appointment or advice nurse telephone number at a Plan Facility. Please refer to *Your Guidebook* for advice nurse and Plan Facility telephone numbers.

Also, in the event of unusual circumstances that delay or render impractical the provision of Services under this *EOC* (such as major disaster, epidemic, war, riot, and civil insurrection), we cover urgent care inside our Service Area from a Non-Plan Provider.

Out-of-Area Urgent Care. If you have an urgent care need due to an unforeseen illness or unforeseen injury, we cover Medically Necessary Services to prevent serious deterioration of your health if all of the following are true:

- You receive the Services from Non-Plan Providers while you are temporarily outside our Service Area
- You reasonably believed that your health would seriously deteriorate if you delayed treatment until you returned to our Service Area

Follow-up care

We do not cover follow-up care provided by Non-Plan Providers unless it is covered Emergency Care, Post-stabilization Care, or Out-of-Area Urgent Care described in this "Emergency, Urgent, and Routine Care" section.

Payment and reimbursement

If you receive Emergency Care, Post-stabilization Care, or Out-of-Area Urgent Care from a Non-Plan Provider outside the United States and its territories, you must pay the provider unless the provider agrees to bill us. To request payment or reimbursement, you must file a claim as described under "Emergency Care, Post-stabilization Care, Out-of-Area Urgent Care, and out-of-area dialysis care from Non-Plan Providers" under "Requests for Payment" in the "Requests for Payment or Services" section.

Copayments and Coinsurance. The Copayments or Coinsurance for Emergency Care, Post-stabilization Care, Out-of-Area Urgent Care, and out-of-area dialysis care are the same as those required for Services provided by a Plan Provider as described in the "Benefits, Copayments, and Coinsurance" section. We will reduce any payment we make to you or the Non-Plan Provider by applicable Copayments and Coinsurance.

Also, if Medicare is secondary payer by law, we will reduce our payment by any amounts paid or payable (or that in the absence of this plan would have been payable) for the Services under any insurance policy, or any other

contract or coverage, or any government program except Medicaid.

Routine Care

If you need to make a routine care appointment, please refer to *Your Guidebook* for appointment telephone numbers, or go to kaiserpermanente.org to request an appointment online. Routine appointments are for medical needs that aren't urgent (such as routine checkups and school physicals). Try to make your routine care appointments as far in advance as possible.

Our Advice Nurses

We know that sometimes it's difficult to know what type of care you need. That's why we have telephone advice nurses available to assist you. Our advice nurses are registered nurses (RNs) specially trained to help assess medical symptoms and provide advice over the phone, when medically appropriate. Whether you are calling for advice or to make an appointment, you can speak to an advice nurse. They can often answer questions about a minor concern or advise you about what to do next, including making a same-day urgent care appointment for you if it's medically appropriate. To reach an advice nurse, please refer to *Your Guidebook* for the telephone numbers.

Benefits, Copayments, and Coinsurance

The Services described in this "Benefits, Copayments, and Coinsurance" section are covered only if all of the following conditions are satisfied:

- The Services are Medically Necessary
- The Services are provided, prescribed, authorized, or directed by a Plan Physician except where specifically noted to the contrary in the following sections about:
 - ◆ emergency ambulance Services, described under "Ambulance Services," in this "Benefits, Copayments, and Coinsurance" section
 - ◆ Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care, in the "Emergency, Urgent, and Routine Care" section
 - ◆ out-of-area dialysis care, described under "Dialysis Care" in this "Benefits, Copayments, and Coinsurance" section
 - ◆ visiting other Regions, in the "How to Obtain Services" section

- You receive the Services from Plan Providers inside our Service Area, except where specifically noted to the contrary in the following sections about:
 - ◆ emergency ambulance Services, described under "Ambulance Services" in this "Benefits, Copayments, and Coinsurance" section
 - ◆ Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care, in the "Emergency, Urgent, and Routine Care" section
 - ◆ getting a referral, in the "How to Obtain Services" section
 - ◆ out-of-area dialysis care, described under "Dialysis Care" in this "Benefits, Copayments, and Coinsurance" section
 - ◆ prescriptions from Non-Plan Pharmacies described under "Outpatient Prescription Drugs and Supplies" in this "Benefits, Copayments, and Coinsurance" section
 - ◆ visiting other Regions, in the "How to Obtain Services" section

Exclusions and limitations that apply only to a particular benefit are described in this "Benefits, Copayments, and Coinsurance" section. Exclusions, limitations, and reductions that apply to all benefits are described in the "Exclusions, Limitations, and Reductions" section. Also, please refer to:

- The "Emergency, Urgent, and Routine Care" section for information about how to obtain covered Emergency Care, Post-stabilization Care, urgent care, and routine care
- *Your Guidebook* for the types of covered Services that are available from each Plan Facility in your area, because some facilities provide only specific types of covered Services

Copayments and Coinsurance

The Copayment or Coinsurance you must pay for each covered Service is described in this "Benefits, Copayments, and Coinsurance" section. Copayments or Coinsurance are due when you receive the Service. For items ordered in advance, you pay the Copayment or Coinsurance in effect on the order date (although we will not cover the item unless you still have coverage for it on the date you receive it) and you may be required to pay the Copayment or Coinsurance before the item is ordered.

Note: If we bill you for a Copayment, we will add **\$13.50** to the Copayment and send you a bill for the entire amount.

Changes to national coverage rules

The Medicare program can change its national coverage rules at any time. These changes could affect your benefits. In some cases, if your benefits increase, Original Medicare will pay for the benefit for a limited time. In those cases, you may have to pay Original Medicare Coinsurance for the Services. Once the Services become part of your regular Senior Advantage benefits (usually at the beginning of the next calendar year), the Services will be subject to all applicable Senior Advantage Copayments and Coinsurance rather than Original Medicare coinsurance.

Annual Out-of-Pocket Maximum

There is a limit to the total amount of Copayments and Coinsurance you must pay under this *EOC* in a calendar year for all of the covered Services listed below that you receive in the same calendar year. The limit is **\$1,500** for any one Member or **\$3,000** for an entire Family Unit of two or more Members.

Payments that count toward the maximum

The Copayments and Coinsurance you pay for the following Services apply toward the annual out-of-pocket maximum:

- Ambulance Services
- Emergency Department and Out-of-Area Urgent Care visits
- Home health care
- Hospice care
- Hospital care, including mental health inpatient care
- Imaging, laboratory, and special procedures
- Office visits (including professional Services such as dialysis treatment, health education, and physical, occupational, and speech therapy)
- Outpatient surgery
- Skilled Nursing Facility care

Keeping track of the maximum

When you pay a Copayment or Coinsurance for these Services, ask for and keep the receipt. When the receipts add up to the annual out-of-pocket maximum, please call our Member Service Call Center to find out where to turn in your receipts. When you turn them in, we will give you a document stating that you don't have to pay any more Copayments or Coinsurance for these Services through the end of the calendar year.

Special Note about Clinical Trials

Original Medicare will pay for certain Services related to qualifying clinical trials that we do not cover. You

should continue to come to Plan Providers for all covered Services that are not part of the clinical trial. Medicare will pay for many, but not all, Services associated with qualifying clinical trials. You should ask the clinical trial provider if the clinical trial qualifies for Medicare payments and what Medicare coinsurance and other out-of-pocket expenses you will have to pay for related Services. Original Medicare does not require that you get a referral from a Plan Physician to join a qualifying clinical trial. However, you should tell us before you join a clinical trial outside of Kaiser Permanente so we can keep track of your Services. For more information on Medicare payments for clinical trials and which trials qualify, please call Medicare directly at 1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048) 24 hours a day, seven days a week.

Outpatient Care

We cover the following outpatient care for preventive medicine, diagnosis, and treatment subject to the Copayment or Coinsurance indicated:

- Primary and specialty care visits: **no charge**
- Routine preventive physical exams, including well-woman visits and a physical exam within 6 months after becoming entitled to Medicare Part B: **no charge**
- Hearing tests to determine the need for hearing correction: **no charge**
- Glaucoma screenings in accord with Medicare guidelines and refraction exams to determine the need for vision correction and to provide a prescription for eyeglass lenses: **no charge**
- Family planning visits for counseling, or to obtain emergency contraceptive pills, injectable contraceptives, internally implanted time-release contraceptives, or intrauterine devices (IUDs): **no charge**
- Outpatient surgery, other outpatient procedures, and anesthesia: **no charge**
- Voluntary termination of pregnancy: **no charge**
- Manual manipulation of the spine to correct subluxation, as covered by Medicare, is provided by a participating chiropractor of the American Specialty Health Plans of California, Inc. (ASH Plans): **no charge**. (A referral by a Plan Physician is not required. For the list of participating ASH Plans providers, please refer to your ASH Plans provider directory. To request an ASH Plans provider directory, please call our Member Service Call Center)

- Emergency Department and Out-of-Area Urgent Care visits: **no charge**. Please refer to the "Emergency, Urgent, and Routine Care" section for information about Emergency Care and urgent care
- House calls inside our Service Area when care can best be provided in your home as determined by a Plan Physician: **no charge**
- Blood, blood products, and their administration: **no charge**
- Administered drugs — If administration or observation by medical personnel is required, we cover at **no charge** drugs, injectables, radioactive materials used for therapeutic purposes, and allergy test and treatment materials if they are administered to you in a Plan Medical Office or during home visits
- Vaccines (immunizations) approved for use by the federal Food and Drug Administration (FDA) and administered to you in a Plan Medical Office unless they are covered by Medicare Part B or D: **no charge**
- Preventive health screenings, such as screening and tests for colorectal cancer in accord with Medicare guidelines: **no charge**

Note: Vaccines covered by Medicare Part B or D are not covered under this "Outpatient Care" section (instead, refer to the "Outpatient Prescription Drugs and Supplies" section).

The following types of outpatient Services are covered only as described under these headings in this "Benefits, Copayments, and Coinsurance" section:

- Chemical Dependency Services
- Dental Services for Radiation Treatment and Dental Anesthesia
- Dialysis Care
- Durable Medical Equipment for Home Use
- Health Education
- Hearing Services
- Home Health Care
- Hospice Care
- Infertility Services
- Mental Health Services
- Ostomy and Urological Supplies
- Outpatient Imaging, Laboratory, and Special Procedures
- Outpatient Prescription Drugs and Supplies
- Physical, Occupational, and Speech Therapy and Multidisciplinary Rehabilitation Services

- Prosthetic and Orthotic Devices
- Reconstructive Surgery
- Transplant Services
- Vision Services

Special note about colon cancer screening

For Members age 50 and over, who are not at high risk of developing colon cancer, Medicare covers colonoscopy every 10 years or no sooner than four years after a sigmoidoscopy. You should consult with your Plan Physician to determine what is appropriate for you.

If you get a flexible sigmoidoscopy, you have a choice of having it performed by Plan Providers designated under Original Medicare or Senior Advantage guidelines. Under Original Medicare guidelines, a Plan Physician, Plan Physician assistant, Plan nurse practitioner, or Plan certified nurse specialist may perform the sigmoidoscopy. Under Senior Advantage guidelines, one of these Plan Providers or a Plan registered nurse may perform it. If you are going to get a flexible sigmoidoscopy, please let us know if you have a preference regarding which of these guidelines to use.

Hospital Inpatient Care

We cover the following inpatient Services at **no charge** in a Plan Hospital, when the Services are generally and customarily provided by acute care general hospitals in our Service Area:

- Room and board, including a private room if Medically Necessary
- Specialized care and critical care units
- General and special nursing care
- Operating and recovery rooms
- Services of Plan Physicians and surgeons, including consultation and treatment by specialists
- Anesthesia
- Drugs
- Radioactive materials used for therapeutic purposes
- Durable medical equipment and medical supplies
- Imaging, laboratory, and special procedures
- Blood, blood products, and their administration
- Obstetrical care and delivery (including cesarean section). Note: If you are discharged within 48 hours after delivery (or within 96 hours if delivery is by cesarean section), your Plan Physician may order a follow-up visit for you and your newborn to take place within 48 hours after discharge

- Respiratory therapy
- Medical social services and discharge planning

The following types of inpatient Services are covered only as described under the following headings in this "Benefits, Copayments, and Coinsurance" section:

- Chemical Dependency Services
- Dental Services for Radiation Treatment and Dental Anesthesia
- Dialysis Care
- Hospice Care
- Infertility Services
- Mental Health Services
- Physical, Occupational, and Speech Therapy and Multidisciplinary Rehabilitation Services
- Prosthetic and Orthotic Devices
- Reconstructive Surgery
- Religious Nonmedical Health Care Institution Services
- Skilled Nursing Facility Care
- Transplant Services

Ambulance Services

Emergency

When you have an Emergency Medical Condition, we cover emergency Services of a licensed ambulance anywhere in the world at **no charge**. We cover emergency ambulance Services that are not ordered by us only if one of the following is true:

- Your treating physician determines that you must be transported to another facility when you are not Clinically Stable because the care you need is not available at the treating facility
- You are not already being treated, and you reasonably believe that your condition requires ambulance transportation

Nonemergency

Inside our Service Area, we cover nonemergency ambulance Services in accord with Medicare guidelines at **no charge** if a Plan Physician determines that your condition requires the use of Services that only a licensed ambulance can provide and that the use of other means of transportation would endanger your health. These Services are covered only when the vehicle transports you to or from covered Services in accord with Medicare guidelines.

Ambulance Services exclusion

- Transportation by car, taxi, bus, gurney van, wheelchair van, and any other type of transportation (other than a licensed ambulance), even if it is the only way to travel to a Plan Provider

Chemical Dependency Services

Inpatient detoxification

We cover hospitalization at **no charge** in a Plan Hospital only for medical management of withdrawal symptoms, including room and board, Plan Physician Services, drugs, dependency recovery Services, education, and counseling.

Outpatient

We cover the following Services for treatment of chemical dependency at **no charge** for individual therapy visits and **no charge** for group therapy visits:

- Day treatment programs
- Intensive outpatient programs
- Counseling (both individual and group visits) for chemical dependency
- Medical treatment for withdrawal symptoms
- Methadone maintenance treatment for pregnant Members during pregnancy and for two months after delivery at a licensed treatment center approved by the Medical Group. We do not cover methadone maintenance treatment in any other circumstances

Transitional residential recovery Services

We cover up to 60 days per calendar year of chemical dependency treatment in a nonmedical transitional residential recovery setting approved in writing by the Medical Group. We cover these Services at **no charge**. We do not cover more than 120 days of covered care in any five consecutive calendar year period. These settings provide counseling and support services in a structured environment.

Chemical dependency Services exclusion

- Services in a specialized facility for alcoholism, drug abuse, or drug addiction except as otherwise described in this "Chemical Dependency Services" section

Dental Services for Radiation Treatment and Dental Anesthesia

Dental Services for radiation treatment

We cover services covered by Medicare, including dental evaluation, X-rays, fluoride treatment, and extractions necessary to prepare your jaw for radiation therapy of

cancer in your head or neck at **no charge** if a Plan Physician provides the Services or if the Medical Group authorizes a referral to a dentist (as described in "Medical Group authorization procedure for certain referrals" under "Getting a Referral" in the "How to Obtain Services" section).

Dental anesthesia

For dental procedures at a Plan Facility, we provide general anesthesia and the facility's Services associated with the anesthesia if all of the following are true:

- You are under age 7, or you are developmentally disabled, or your health is compromised
- Your clinical status or underlying medical condition requires that the dental procedure be provided in a hospital or outpatient surgery center
- The dental procedure would not ordinarily require general anesthesia

We do not cover any other Services related to the dental procedure, such as the dentist's Services.

For covered dental anesthesia Services, you will pay the Copayments or Coinsurance that you would pay for hospital inpatient care or outpatient surgery, depending on the setting.

Dialysis Care

If the following criteria are met, we cover dialysis Services related to acute renal failure and end-stage renal disease:

- You satisfy all medical criteria developed by the Medical Group
- The facility is certified by Medicare
- A Plan Physician provides a written referral for your dialysis treatment except for out-of-area dialysis care

We also cover peritoneal home dialysis (including equipment, training, and medical supplies).

Out-of-area dialysis care

We cover dialysis for Members with end-stage renal disease that is needed while you are traveling temporarily outside our Service Area if the facility is certified by Medicare. There is no limit to the number of covered routine dialysis days. Although it is not required, we ask that you contact us before you leave our Service Area so we can coordinate your care when you are temporarily outside our Service Area. Please refer to your end-stage renal disease patient material for more information.

Note: The procedure for obtaining reimbursement for out-of-area dialysis care is described in the "Requests for Payment or Services" section.

You pay the following for these covered Services related to dialysis:

- Inpatient dialysis care: **no charge**
- One routine office visit per month with the multidisciplinary nephrology team: **no charge**
- All other office visits: **no charge**
- Hemodialysis treatment: **no charge**

Note: Laboratory Services are not covered under this "Dialysis Care" section (instead, refer to the "Outpatient Imaging, Laboratory, and Special Procedures" section).

Durable Medical Equipment for Home Use

Durable medical equipment for use in your home is an item that is intended for repeated use, primarily and customarily used to serve a medical purpose, generally not useful to a person who is not ill or injured, and appropriate for use in the home.

Inside our Service Area, we cover DME items in accord with our DME formulary and Medicare guidelines for use in your home (or another location used as your home as defined by Medicare inside our Service Area). Coverage is limited to the standard item of equipment that adequately meets your medical needs. Covered DME is provided at **no charge**.

We decide whether to rent or purchase the equipment, and we select the vendor. We will repair or replace the equipment, unless the repair or replacement is due to misuse.

Outside the Service Area

For Members enrolled in Senior Advantage on December 31, 1998 who lived outside our Service Area and continue to live at the same address, we do not cover most DME for use in your home. However, our DME formulary guidelines allow certain DME items (such as crutches and canes) for use in your home to be picked up from Plan Facilities even if you live outside our Service Area. To find out whether we will cover a particular DME item if you live outside our Service Area, please call our Member Service Call Center.

About our DME formulary

Our DME formulary includes the list of durable medical equipment that is covered by Medicare or has been approved by our DME Formulary Review Committee for

our Members. The DME formulary was developed by a multidisciplinary clinical and operational workgroup with review and input from Plan Physicians and medical professionals with DME expertise (for example, physical, respiratory, and enterostomal therapists and home health). A multidisciplinary DME Formulary Review Committee is responsible for reviewing and revising the DME formulary. Our DME formulary is periodically updated to keep pace with changes in medical technology, Medicare guidelines, and clinical practice. To find out whether a particular DME item is included in our DME formulary, please call our Member Service Call Center.

Our formulary guidelines allow you to obtain nonformulary DME items (those not listed on our DME formulary for your condition) if they would otherwise be covered and the Medical Group determines that they are Medically Necessary as described in "Medical Group authorization procedure for certain referrals" under "Getting a Referral" in the "How to Obtain Services" section.

Note: This "Durable Medical Equipment for Home Use" section applies to the following diabetes blood testing supplies and equipment and insulin-administration devices:

- Blood glucose monitors and their supplies (such as blood glucose monitor test strips, lancets, and lancet devices)
- Insulin pumps and supplies to operate the pump

Insulin-administration devices are not covered under this "Durable Medical Equipment for Home Use" section (instead, refer to the "Outpatient Prescription Drugs and Supplies" section).

Durable medical equipment for home use exclusions

- Comfort, convenience, or luxury equipment or features
- Exercise or hygiene equipment
- Dental appliances
- Nonmedical items, such as sauna baths or elevators
- Modifications to your home or car
- Devices for testing blood or other body substances (except diabetes blood glucose monitors and their supplies)
- Electronic monitors of the heart or lungs except infant apnea monitors

Health Education

We cover a variety of health education programs to help you take an active role in protecting and improving your health, including programs for smoking cessation, stress management, and chronic conditions (such as diabetes and asthma). We cover individual office visits at **no charge**. We provide all other covered Services at **no charge**. You can also participate in programs and classes that we don't cover, which may require that you pay a fee.

For more information about our health education programs, please contact your local Health Education Department or call our Member Service Call Center, or go to kaiserpermanente.org. *Your Guidebook* also includes information about our health education programs.

Note: In accord with Medicare guidelines, any diabetes self-management training courses accredited by the American Diabetes Association may be available to you if you receive a referral from a Plan Physician.

Hearing Services

We cover the following:

- Hearing tests to determine the appropriate hearing aid: **no charge**
- A **\$2,500 Allowance** for each ear toward the price of a hearing aid every 36 months when prescribed by a Plan Physician or Plan audiologist. We will cover hearing aids for both ears only if both aids are required to provide significant improvement that is not obtainable with only one hearing aid. We will not provide the Allowance if we have covered a hearing aid for that ear within the previous 36 months. Also, the Allowance can only be used at the initial point of sale. If you do not use all of your Allowance at the initial point of sale, you cannot use it later
- Visits to verify that the hearing aid conforms to the prescription: **no charge**
- Visits for fitting, counseling, adjustment, cleaning, and inspection after the warranty is exhausted: **no charge**

We select the provider or vendor that will furnish the covered hearing aid. Coverage is limited to the types and models of hearing aids furnished by the provider or vendor.

Note: Hearing tests to determine the need for hearing correction are not covered under this "Hearing Services" section (instead, refer to the "Outpatient Care" section).

Hearing Services exclusions

- Internally implanted hearing aids
- Replacement parts and batteries, repair of hearing aids, and replacement of lost or broken hearing aids (the manufacturer warranty may cover some of these)

Home Health Care

Home health care means Services provided in the home by nurses, medical social workers, home health aides, and physical, occupational, and speech therapists. We cover part-time or intermittent home health care in accord with Medicare guidelines at **no charge** only if all of the following are true:

- You are substantially confined to your home
- Your condition requires the Services of a nurse, physical therapist, or speech therapist
- A Plan Physician determines that it is feasible to maintain effective supervision and control of your care in your home and that the Services can be safely and effectively provided in your home
- The Services are provided inside our Service Area
- The Services are covered by Medicare, such as part-time or intermittent skilled nursing care and part-time or intermittent Services of a home health aide

The following types of Services are covered in the home only as described under these headings in this "Benefits, Copayments, and Coinsurance" section:

- Dialysis Care
- Durable Medical Equipment for Home Use
- Ostomy and Urological Supplies
- Outpatient Prescription Drugs and Supplies
- Physical, Occupational, and Speech Therapy and Multidisciplinary Rehabilitation Services
- Prosthetic and Orthotic Devices

Home health care exclusions

- Care of a type that an unlicensed family member or other layperson could provide safely and effectively in the home setting after receiving appropriate training. This care is excluded even if we would cover the care if it were provided by a qualified medical professional in a hospital or a skilled nursing facility
- Care in the home if the home is not a safe and effective treatment setting

Hospice Care

Hospice care is a specialized form of interdisciplinary health care designed to provide palliative care and to

alleviate the physical, emotional, and spiritual discomforts of a Member experiencing the last phases of life due to a terminal illness. It also provides support to the primary caregiver and the Member's family. A Member who chooses hospice care is choosing to receive palliative care for pain and other symptoms associated with the terminal illness, but not to receive care to try to cure the terminal illness. You may change your decision to receive hospice care benefits at any time.

We cover the hospice Services listed below at **no charge** only if all of the following requirements are met:

- You are not entitled to Medicare Part A
- A Plan Physician has diagnosed you with a terminal illness and determines that your life expectancy is 12 months or less
- The Services are provided inside our Service Area
- The Services are provided by a licensed hospice agency approved by the Medical Group
- The Services are necessary for the palliation and management of your terminal illness and related conditions

If all of the above requirements are met, we cover the following hospice Services, which are available on a 24-hour basis if necessary for your hospice care:

- Plan Physician Services
- Skilled nursing care, including assessment, evaluation, and case management of nursing needs, treatment for pain and symptom control, provision of emotional support to you and your family, and instruction to caregivers
- Physical, occupational, or speech therapy for purposes of symptom control or to enable you to maintain activities of daily living
- Respiratory therapy
- Medical social services
- Home health aide and homemaker services
- Palliative drugs prescribed for pain control and symptom management of the terminal illness for up to a 100 day supply in accord with our drug formulary guidelines. You must obtain these drugs from Plan Pharmacies. Certain drugs are limited to a maximum 30 day supply in any 30 day period (please call our Member Service Call Center for the current list of these drugs)
- Durable medical equipment
- Respite care when necessary to relieve your caregivers. Respite care is occasional short-term inpatient care limited to no more than five consecutive days at a time
- Counseling and bereavement services
- Dietary counseling

- The following care during periods of crisis when you need continuous care to achieve palliation or management of acute medical symptoms:
 - ◆ nursing care on a continuous basis for as much as 24 hours a day as necessary to maintain you at home
 - ◆ short-term inpatient care required at a level that cannot be provided at home

Hospice care exclusion

- Care in the home if the home is not a safe and effective treatment setting

Special note for Members with Medicare Part A

Medicare covers hospice care directly for Members with Medicare Part A. Although we do not cover hospice care, if your Plan Physician determines you are eligible for and you wish to elect hospice care, we will assist you in identifying Medicare-certified hospices, including any Kaiser Permanente hospice, in your area. The hospice will bill Medicare directly for the care ordered by the hospice team. In addition, the hospice may charge you **5 percent** of the reasonable cost of outpatient drugs or biologicals for pain relief and symptom management (up to a maximum of **\$5** for each prescription). The hospice may also charge you approximately **\$5** for each day of inpatient respite care. Note: If you elect hospice care, you are not entitled to any other benefits for the terminal illness under this *EOC* or Medicare. However, we will continue to cover the Services described in this *EOC* that are not related to the terminal illness. You may change your decision to receive hospice care at any time.

Note: We do cover hospice consultation services for terminally ill Members with Medicare Part A who have not yet elected the hospice benefit.

Infertility Services

We cover the following Services related to involuntary infertility at **no charge**:

- Services for diagnosis and treatment of involuntary infertility
- Artificial insemination (except for donor semen or eggs, and Services related to their procurement and storage)

Note: Outpatient drugs, supplies, and supplements are not covered under this "Infertility Services" section (instead, refer to the "Outpatient Prescription Drugs and Supplies" section).

Infertility Services exclusion

- Services to reverse voluntary, surgically induced infertility

Mental Health Services

We cover mental health Services as specified below, except that any inpatient day limits specified in this section under "Inpatient psychiatric care" do not apply to the following conditions:

- These severe mental illnesses: schizophrenia, schizoaffective disorder, bipolar disorder (manic-depressive illness), major depressive disorders, panic disorder, obsessive-compulsive disorder, pervasive developmental disorder or autism, anorexia nervosa, and bulimia nervosa
- A Serious Emotional Disturbance (SED) of a child under age 18, which means mental disorders as identified in the most recent edition of the *Diagnostic and Statistical Manual of Mental Disorders*, other than a primary substance use disorder or developmental disorder, that results in behavior inappropriate to the child's age according to expected developmental norms, if the child also meets at least one of the following three criteria:
 - ◆ 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 (a) the child is at risk of removal from the home or has already been removed from the home, or (b) the mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment
 - ◆ the child displays psychotic features, or risk of suicide or violence due to a mental disorder
 - ◆ the child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the California Government Code

For all other mental health conditions, we cover mental health Services in accord with Medicare guidelines and coverage is limited to treatment for psychiatric conditions that are amenable to active treatment, and for which active treatment provides a reasonable prospect of improvement or maintenance at a functional level.

Outpatient mental health Services

We cover at **no charge**:

- Individual and group therapy visits for diagnostic evaluation and psychiatric treatment
- Psychological testing

- Visits for the purpose of monitoring drug therapy

Inpatient psychiatric care

We cover up to 190 days per lifetime for acute psychiatric conditions in a Medicare-certified psychiatric hospital at **no charge**. The number of covered lifetime hospitalization days is reduced by the number of inpatient days for mental health treatment previously covered by Medicare in a psychiatric hospital. After you exhaust these lifetime days, we cover up to 45 days per calendar year.

Hospital alternative Services

We cover treatment in a structured multidisciplinary program as an alternative to inpatient psychiatric care at **no charge**. Hospital alternative Services include partial hospitalization and treatment in an intensive outpatient psychiatric treatment program.

Note: Outpatient drugs, supplies, and supplements are not covered under this "Mental Health Services" section (instead, refer to the "Outpatient Prescription Drugs and Supplies" section).

Ostomy and Urological Supplies

Inside our Service Area, we cover ostomy and urological supplies prescribed in accord with our soft goods formulary and Medicare guidelines at **no charge**. We select the vendor, and coverage is limited to the standard supply that adequately meets your medical needs.

About our soft goods formulary

Our soft goods formulary includes the list of ostomy and urological supplies that are covered by Medicare or have been approved by our Soft Goods Formulary Review Committee for our Members. Our Soft Goods Formulary Review Committee is responsible for reviewing and revising the soft goods formulary. Our soft goods formulary is periodically updated to keep pace with changes in medical technology, Medicare guidelines, and clinical practice. To find out whether a particular ostomy or urological supply is included in our soft goods formulary, please call our Member Service Call Center.

Our formulary guidelines allow you to obtain nonformulary ostomy and urological supplies (those not listed on our soft goods formulary for your condition) if they would otherwise be covered and the Medical Group determines that they are Medically Necessary as described in "Medical Group authorization procedure for certain referrals" under "Getting a Referral" in the "How to Obtain Services" section.

Ostomy and urological supplies exclusion

- Comfort, convenience, or luxury equipment or features

Outpatient Imaging, Laboratory, and Special Procedures

We cover the following Services at the Copayment or Coinsurance indicated only when prescribed as part of care covered under other parts of this "Benefits, Copayments, and Coinsurance" section:

- Diagnostic and therapeutic imaging, such as X-rays, mammograms, ultrasound, magnetic resonance imaging (MRI), computed tomography (CT), and positron emission tomography (PET): **no charge**
- Nuclear medicine: **no charge**
- Laboratory tests (including screening tests for diabetes, cardiovascular disease, and cervical cancer, and tests for specific genetic disorders for which genetic counseling is available): **no charge**
- Special procedures: **no charge**
- Radiation therapy: **no charge**
- Ultraviolet light treatments: **no charge**
- Annual mammograms for women age 40 and over (no referral required): **no charge**

Note: Services related to diagnosis and treatment of infertility are not covered under this "Outpatient Imaging, Laboratory, and Special Procedures" section (instead, refer to the "Infertility Services" section).

Outpatient Prescription Drugs and Supplies

We cover outpatient drugs and supplies as specified in this "Outpatient Prescription Drugs and Supplies" section if all of the following are true:

- The item is prescribed by a Plan Physician (or by a dentist unless a Plan Physician determines that the item is not Medically Necessary)
- The item meets the requirements of our applicable drug formulary guidelines
- You obtain the item from a Plan Pharmacy or our mail order program, except as otherwise described under "Certain items from Non-Plan Pharmacies" in this "Outpatient Prescription Drugs and Supplies" section. Please refer to *Your Guidebook* or our *Kaiser Permanente Medicare Part D Pharmacy Directory* for the locations of Plan Pharmacies in your area. Plan Pharmacies can change without notice and if a pharmacy is no longer a Plan Pharmacy, you must obtain covered items from another Plan Pharmacy,

except as otherwise described under "Certain items from Non-Plan Pharmacies" in this "Outpatient Prescription Drugs and Supplies" section

Obtaining refills

You may be able to order refills through our Web site at kaiserpermanente.org. A Plan Pharmacy, our *Kaiser Permanente Medicare Part D Pharmacy Directory*, or *Your Guidebook* can give you more information about obtaining refills. For example, a few Plan Pharmacies don't dispense covered refills. Also, most refills are available through our mail order program. Plan Pharmacies or our *Kaiser Permanente Medicare Part D Pharmacy Directory* can give you details about how to order refills by mail. Most drugs can be mailed, but there are some restrictions. Please check with your local pharmacy if you have a question about whether or not your prescription can be mailed. Items available through our mail order program are subject to change at any time without notice.

Certain items from Non-Plan Pharmacies

You must obtain covered items from Plan Pharmacies or through our mail order program except in the following situations:

- If the item is part of covered Emergency Care, Post-stabilization Care, or Out-of-Area Urgent Care, described in the "Emergency, Urgent, and Routine Care" section (applies to all covered items)
- If you are traveling outside our Service Area but in the United States (including U.S. territories) and become ill or run out of your drugs (applies only to drugs covered by Medicare Part D)
- If you are unable to obtain a Medicare Part D drug in a timely manner inside our Service Area because there is no Plan Pharmacy within a reasonable driving distance that provides 24 hour service
- If you are unable to obtain a Medicare Part D drug in a timely manner because the drug is not regularly stocked at any accessible Plan Pharmacy or our mail order program. In this situation, you must confirm with a Plan Pharmacy that the Medicare Part D drug is not available at any nearby Plan Pharmacy or from our mail order program

The Non-Plan Pharmacy may require you to pay its full price for the items. To request reimbursement from us, you will need to file a claim as described under "Medicare Part D drugs" in the "Requests for Payment or Services" section.

If we send you a payment, we will deduct the applicable Copayment or Coinsurance, which is the same as that required for the item if it were obtained at a Plan

Pharmacy. In addition, you may be responsible for paying the difference between Plan Pharmacy Charges for the item and the price that the Non-Plan Pharmacy charged you.

Medicare Part D drugs

Medicare Part D covers most outpatient prescription drugs if they are sold in the United States and approved for sale by the federal Food and Drug Administration. We cover Medicare Part D drugs in accord with our Medicare Part D formulary guidelines and insulin administration devices (needles, syringes, alcohol swabs, and gauze) at **no charge** for up to a 100 day supply. Please refer to "Medicare Part D formulary" in this "Outpatient Prescription Drugs and Supplies" section for more information about this formulary.

Keeping track of Medicare Part D drugs. Each month you use your Medicare Part D drug coverage, we will send you an "Explanation of Benefits." You can also ask our Member Service Call Center for this information. Your Explanation of Benefits will contain the following information:

- A list of covered Medicare Part D drugs you received during the month
- General information about your Medicare Part D coverage

Medicare Part D drug formulary

Our Medicare Part D drug formulary lists drugs that we cover under Medicare Part D. We will mail you our Medicare Part D drug formulary annually and upon request. To get a current copy, please visit our website at members.kp.org or call our Member Service Call Center.

Our Medicare Part D drug formulary is a list of drugs that we select in consultation with a team of health care practitioners, and that includes Medicare Part D drug therapies believed to be a necessary part of a quality treatment program. The drugs on our Medicare Part D drug formulary have been approved by our Pharmacy and Therapeutics Committee for our Members. Our Pharmacy and Therapeutics Committee, which is primarily comprised of Plan Physicians, selects drugs for the drug formulary based on a number of factors, including safety and effectiveness as determined from a review of medical literature. The Pharmacy and Therapeutics Committee meets quarterly to consider additions and deletions based on new information or drugs that become available. Subject to all of the provisions of this "Outpatient Prescription Drug and Supplies" section, we will generally cover the drugs listed on our formulary if the drug is Medically Necessary, it is prescribed by a Plan Physician, and the

prescription is either (a) filled at a Plan Pharmacy or through our mail order program, or (b) covered at a Non-Plan Pharmacy as described under "Certain items from Non-Plan Pharmacies." The presence of a drug on our drug formulary does not necessarily mean that your Plan Physician will prescribe it for a particular medical condition.

Our Medicare Part D drug formulary will change periodically and if you are affected by one of the following formulary changes, we may notify you in writing at least 60 days before the change becomes effective:

- A drug is removed from our formulary
- The amount of the drug that a Plan Pharmacy will dispense is restricted
- Step therapy restrictions are added

If we do not notify you in writing before one of these changes takes effect, we will notify you when you request a prescribed refill from a Plan Pharmacy and the Plan Pharmacy will provide you no more than a one-time, 60 day supply of the drug. However, if the federal Food and Drug Administration deems a drug on our drug formulary to be unsafe or the drug's manufacturer removes the drug from the market, we will remove the drug from our drug formulary immediately. We will notify you if you are affected by this change and you will not be able to get the one-time, 60 day supply of the drug.

Drugs not on the formulary. If you want us to cover a Medicare Part D drug that is not on our Medicare Part D drug formulary, you have the following options:

- If your Plan Physician determines that it is Medically Necessary for you to receive the drug instead of the formulary alternative, we will cover the drug on a formulary exception basis if it is otherwise a covered Medicare Part D drug
- If your Plan Physician determines that it is not Medically Necessary for you to receive the drug instead of the formulary alternative, you may appeal your Plan Physician's decision as described in the "Dispute Resolution" section. If you do not appeal the decision or your appeal is denied, you may purchase the drug if you get a prescription

If you are not sure whether a drug is on our formulary, you can contact our Member Service Call Center for assistance.

Medicare Part D exclusions. By law, certain types of drugs are not covered by Medicare Part D. The following

are examples of drugs that Medicare Part D does not cover:

- Drugs for which the law does not require a prescription (over the counter drugs)
- Drugs when used for anorexia, weight loss, or weight gain
- Drugs when used to promote fertility
- Drugs when used for cosmetic purposes or hair growth
- Drugs when used for the symptomatic relief of cough or colds
- Prescription vitamin and mineral products, except prenatal vitamins and fluoride preparations
- Outpatient drugs for which the manufacturer seeks to require that associated tests or monitoring services be purchased exclusively from the manufacturer as a condition of sale
- Barbiturates (for example, phenobarbital)
- Benzodiazepines (for example, Valium)

Other prescription drug coverage

As required by CMS, we will send you a survey to find out what other drug coverage you may have in addition to the coverage you get under this EOC. The information you provide will help us determine how much you have paid for your Medicare Part D drugs under other coverage. In addition, if you lose or get additional prescription drug coverage, please call our Member Service Call Center to update your membership records.

Senior Advantage and Medi-Cal. We cover drugs covered by Medicare Part D. If you also have Medi-Cal coverage, Medicare Part D drugs will be covered under this EOC, instead of your Medi-Cal coverage. Medi-Cal may cover drugs that are not covered by Medicare Part D, as described in the Medi-Cal plan document.

Drug discount cards. If you have a Medicare-approved drug discount card, you will be not be able to use any credit towards your prescription drug purchases starting with the effective date of your enrollment in Senior Advantage with Part D or May 16, 2006, whichever comes first. If you have a drug discount card that is not Medicare-approved, please contact your drug card issuer to find out what coverage is available to you.

Outpatient drugs covered by Medicare Part B

In addition to Medicare Part D drugs, we also cover the limited number of outpatient prescription drugs that are covered by Medicare Part B in accord with our drug formulary applicable to non-Medicare Part D items at **no charge** for up to a 100 day supply (except that certain



self-administered IV drugs are provided up to a 30 day supply). The following are examples of the types of drugs that Medicare Part B covers:

- Avonex
- Certain inhaled and infused drugs you take using covered durable medical equipment
- Certain oral anti-cancer drugs that are also available in an injectable form, and anti-nausea drugs for cancer patients
- Certain drugs for home dialysis such as heparin, the antidote for heparin, topical anesthetics, and epoetin alfa
- Clotting factors if you have hemophilia
- Immunosuppressive drugs, if you have had an organ transplant that was covered by Medicare

Other outpatient drugs and supplies

Drugs. We cover the following drugs at **no charge** for up to a 100 day supply in accord with our drug formulary applicable to non-Medicare Part D items, except that continuity drugs are provided at **50 percent Coinsurance** for up to a 30 day supply in a 30 day period:

- Barbiturates
- Benzodiazepines
- Drugs for the treatment of infertility

Supplies. We cover the following supplies at **no charge** in accord with our drug formulary applicable to non-Medicare Part D items:

- Supplies and equipment required for the administration of certain self-administered IV drugs, fluids, additives, and nutrients that require specific types of parenteral-infusion
- Diaphragms and cervical caps

Drug utilization review

Plan Providers conduct drug utilization reviews on a regular basis. These reviews are especially important for Members who have more than one Plan Physician who prescribes their medications. If a drug utilization review identifies a concern, your Plan Physician will be contacted as appropriate.

Medication therapy management programs

We offer medication therapy management programs at **no charge** for Members with certain chronic diseases who are taking at least two Medicare Part D drugs and who have high drug costs. Plan Providers developed these programs to monitor these Members' complex medication needs and help identify potential adjustments.

We will contact you if you qualify for one of our medication therapy management programs.

ID card at Plan Pharmacies

You must present your Health Plan ID card when obtaining covered items from Plan Pharmacies that are not owned and operated by Kaiser Permanente. If you do not have your ID card, the pharmacy may require you to pay Charges for your covered items, and you will have to file a claim for reimbursement as described under "Medicare Part D drugs" in the "Requests for Payment or Services" section.

Notes:

- If Charges for a covered item are less than the Copayment, you will pay the lesser amount
- Durable medical equipment used to administer drugs, such as diabetes insulin pumps (and their supplies), are not covered under this "Outpatient Prescription Drugs and Supplies" section (instead, refer to the "Durable Medical Equipment for Home Use" section)
- Except for vaccines covered by Medicare Part B or D, drugs administered to you in a Plan Medical Office or during home visits are not covered under this "Outpatient Prescriptions Drugs and Supplies" section (instead, refer to the "Outpatient Care" section)
- Drugs covered during a covered stay in a Plan Hospital or Skilled Nursing Facility are not covered under this "Outpatient Prescriptions Drugs and Supplies" section (instead, refer to the "Hospital Inpatient Care" and "Skilled Nursing Facility Care" sections)

Outpatient prescription drugs and supplies limitations

Day supply limit. Plan Physicians determine the amount of a drug or other item that is Medically Necessary for a particular day supply for you. Upon payment of the Copayment or Coinsurance listed in this "Outpatient Prescription Drugs and Supplies" section, you will receive the supply prescribed up to a 100 day supply in a 100 day period. However, the Plan Pharmacy may reduce the day supply dispensed if the Plan Pharmacy determines that the drug is in limited supply in the market. Plan Pharmacies may also limit the quantity dispensed as described under "Utilization management." If you wish to receive more than the covered day supply limit, then the additional amount is not covered and you must pay Charges for any prescribed quantities that exceed the day supply limit.

Utilization management. For certain items, we have additional coverage requirements and limits that help promote effective drug use and help us control drug plan

costs. Examples of these utilization management tools are:

- **Quantity limits:** The pharmacy may reduce the day supply dispensed at the Copayment or Coinsurance to a 30 day supply maximum in any 30 day period for specific drugs. Your Plan Pharmacy can tell you if a drug you take is one of these drugs. In addition, we cover episodic drugs prescribed for the treatment of sexual dysfunction up to a maximum of 8 doses in any 30 day period, 16 doses in any 60 day period, or 27 doses in any 100 day period
- **Generic substitution:** When there is a generic version of a brand name drug available, Plan Pharmacies will automatically give you the generic version, unless your Plan Physician has specifically requested a formulary exception because it is Medically Necessary for you to receive the brand name drug instead of the formulary alternative

Outpatient prescription drugs and supplies exclusions

- Any requested packaging (such as dose packaging) other than the dispensing pharmacy’s standard packaging
- Compounded products unless the active ingredient in the compounded product is listed on our Medicare Part D formulary
- Drugs when prescribed to shorten the duration of the common cold

Physical, Occupational, and Speech Therapy and Multidisciplinary Rehabilitation Services

Physical, occupational, and speech therapy

In accord with Medicare guidelines, we cover initial and subsequent courses of physical, occupational, and speech therapy in a Plan Facility or Skilled Nursing Facility, or as part of home health care, if in the judgment of a Plan Physician:

- Significant improvement is expected within a reasonable and generally predictable period, or
- The therapy is necessary to establish a maintenance program required in connection with certain medical conditions

You pay the following for these covered Services:

- Inpatient Services: **no charge**
- Outpatient visits: **no charge**

Limitations

- Occupational therapy is limited to treatment to achieve and maintain improved self-care and other customary activities of daily living

Multidisciplinary rehabilitation

If, in the judgment of a Plan Physician, continuing significant improvement in function is achievable within a reasonable and generally predictable period, we will cover treatment in accord with Medicare guidelines in an organized, multidisciplinary rehabilitation program in a Plan Facility or Skilled Nursing Facility.

You pay the following for these covered Services:

- Inpatient: **no charge**
- Outpatient: **no charge**

Prosthetic and Orthotic Devices

We cover the devices listed below if they are in general use, intended for repeated use, primarily and customarily used for medical purposes, and generally not useful to a person who is not ill or injured. Also, coverage is limited to the standard device that adequately meets your medical needs.

We select the provider or vendor that will furnish the covered device. Coverage includes fitting and adjustment of these devices, their repair or replacement, and Services to determine whether you need a prosthetic or orthotic device. If we do not cover the device, we will try to help you find facilities where you may obtain what you need at a reasonable price.

Internally implanted devices

We cover at **no charge** internal devices implanted during covered surgery, such as pacemakers and hip joints, that are approved by the federal Food and Drug Administration for general use and are covered by Medicare.

External devices

We cover the following external prosthetics and orthotics at **no charge**:

- Prosthetic devices and installation accessories to restore a method of speaking following the removal of all or part of the larynx including electronic voice-producing machines covered by Medicare
- Prostheses needed after a Medically Necessary mastectomy, including custom-made prostheses when Medically Necessary
- Prosthetics and orthotics that are covered by Medicare, including therapeutic footwear for severe



diabetes-related foot disease in accord with Medicare guidelines

- Podiatric devices (including footwear) to prevent or treat diabetes-related complications when prescribed by a Plan podiatrist, physiatrist, or orthopedist
- Compression burn garments and lymphedema wraps and garments
- Enteral formula for Members who require tube feeding in accord with Medicare guidelines
- Other covered prosthetic and orthotic devices:
 - ◆ prosthetic devices required to replace all or part of an organ or extremity, but only if they also replace the function of the organ or extremity
 - ◆ rigid and semi-rigid orthotic devices required to support or correct a defective body part
 - ◆ covered special footwear for foot disfigurement due to disease, injury, or developmental disability

Note: Eyeglasses and contact lenses are not covered under this "Prosthetic and Orthotic Devices" section (instead, refer to the "Vision Services" section). Hearing aids are not covered under this "Prosthetic and Orthotic Devices" section (instead, refer to the "Hearing Services" section).

Prosthetic and orthotic devices exclusions

- Dental appliances
- Except as otherwise described above in this "Prosthetic and Orthotic Devices" section, nonrigid supplies, such as elastic stockings and wigs
- Comfort, convenience, or luxury equipment or features
- Electronic voice-producing machines except as covered by Medicare
- Shoes or arch supports, even if custom-made, except footwear described above in this "Prosthetic and Orthotic Devices" section for diabetes-related complications and foot disfigurement

Reconstructive Surgery

We cover reconstructive surgery to correct or repair abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, if a Plan Physician determines that it is necessary to improve function, or create a normal appearance, to the extent possible.

Also, following Medically Necessary removal of all or part of a breast, we cover reconstruction of the breast, surgery and reconstruction of the other breast to produce a symmetrical appearance, and treatment of physical complications, including lymphedemas.

You pay the following for covered reconstructive surgery Services:

- Office visits: **no charge**
- Outpatient surgery and anesthesia: **no charge**
- Hospital inpatient care (including room and board and Plan Physician Services): **no charge**

Note: Prosthetics and orthotics are not covered under this "Reconstructive Surgery" section (instead, refer to the "Prosthetic and Orthotic Devices" section).

Reconstructive surgery exclusions

- Surgery that, in the judgment of a Plan Physician specializing in reconstructive surgery, offers only a minimal improvement in appearance
- Surgery that is performed to alter or reshape normal structures of the body in order to improve appearance

Religious Nonmedical Health Care Institution Services

Certain Services in a Medicare-certified Religious Nonmedical Health Care Institution (RNHCI) are covered in accord with Medicare guidelines at the Copayments and Coinsurance you would pay if the Services were not related to an RNHCI. Religious aspects of care provided in an RNHCI are not covered. If you want to receive care in an RNHCI, please call our Member Service Call Center to learn about the requirements you must satisfy.

Skilled Nursing Facility Care

Inside our Service Area, we cover at **no charge** skilled inpatient Services in a licensed Skilled Nursing Facility and in accord with Medicare guidelines. The skilled inpatient Services must be customarily provided by a Skilled Nursing Facility, and above the level of custodial or intermediate care.

We cover the following Services:

- Physician and nursing Services
- Room and board
- Drugs prescribed by a Plan Physician as part of your plan of care in the Skilled Nursing Facility in accord with our drug formulary guidelines if they are administered to you in the Skilled Nursing Facility by medical personnel
- Durable medical equipment in accord with our DME formulary and Medicare guidelines if Skilled Nursing Facilities ordinarily furnish the equipment

- Imaging and laboratory Services that Skilled Nursing Facilities ordinarily provide
- Medical social services
- Blood, blood products, and their administration
- Medical supplies
- Services covered under "Physical, Occupational, and Speech Therapy and Multidisciplinary Rehabilitation Services"
- Respiratory therapy

Note: Outpatient imaging, laboratory, and special procedures are not covered under this section (instead, refer to the "Outpatient Imaging, Laboratory, and Special Procedures" section).

Non-Plan skilled nursing facility care

We cover Services in a Non-Plan skilled nursing facility if all of the following are true:

- The skilled nursing facility is inside our Service Area
- The skilled nursing facility agrees to accept substantially similar payment from us under the same terms and conditions that apply to similar Plan Skilled Nursing Facilities
- We would cover the Services if you received them in a Plan Skilled Nursing Facility
- The skilled nursing facility was your (or your spouse's) residence immediately before you needed skilled nursing care

Transplant Services

We cover transplants of organs, tissue, or bone marrow in accord with Medicare guidelines and if the Medical Group provides a written referral for care to a transplant facility as described in "Medical Group authorization procedure for certain referrals" under "Getting a Referral" in the "How to Obtain Services" section.

After the referral to a transplant facility, the following applies:

- If either the Medical Group or the referral facility determines that you do not satisfy its respective criteria for a transplant, we will only cover Services you receive before that determination is made
- Health Plan, Plan Hospitals, the Medical Group, and Plan Physicians are not responsible for finding, furnishing, or ensuring the availability of an organ, tissue, or bone marrow donor
- In accord with our guidelines for Services for living transplant donors, we provide certain donation-related Services for a donor, or an individual identified by the Medical Group as a potential donor, whether or

not the donor is a Member. These Services must be directly related to a covered transplant for you, which may include certain Services for harvesting the organ, tissue, or bone marrow and for treatment of complications. Our guidelines for donor Services are available by calling our Member Service Call Center

For covered transplant Services, you will pay the Copayments and Coinsurance you would pay if the Services were not related to a transplant. We provide or pay for donation-related Services for actual or potential donors (whether or not they are Members) in accord with our guidelines for donor Services at **no charge**.

Vision Services

We cover the Services listed below at Plan Medical Offices or Plan Optical Sales Offices when prescribed by a Plan Physician or Plan optometrist.

Optical Services

Eyeglasses and contact lenses. We provide a **\$350 Allowance** toward the price of eyeglass lenses, frames, and contact lenses, fitting, and dispensing every 24 months when prescribed by a Plan Physician or Plan optometrist. We will not provide the Allowance if we have covered lenses or frames within the previous 24 months. Also, the Allowance can only be used at the initial point of sale. If you do not use all of your Allowance at the initial point of sale, you cannot use it later.

If you have a change in prescription of at least .50 diopter in one or both eyes within 12 months of initial point of sale, we will provide an Allowance toward the price of a replacement eyeglass lens (or contact lens, fitting, and dispensing). The Allowance for these replacement lenses is **\$60** for single-vision eyeglass lenses or contact lenses, fitting, and dispensing and **\$90** for multifocal eyeglass lenses.

Special contact lenses. We cover the following special contact lenses when prescribed by a Plan Physician or Plan optometrist:

- Up to two Medically Necessary contact lenses per eye every 12 months to treat aniridia (missing iris): **no charge**
- Up to a total of six Medically Necessary aphakic contact lenses per calendar year, under this or any other evidence of coverage, to treat aphakia (absence of the crystalline lens of the eye) for children from birth through age 9: **no charge**
- If contact lenses will provide a significant improvement in your vision not obtainable with

eyeglass lenses, we cover either one pair of contact lenses or an initial supply of disposable contact lenses every 24 months at **no charge**. When we cover these special contact lenses, you cannot use the Allowance mentioned under "Eyeglasses and contact lenses" for another 24 months. However, if the combination of special contact lenses and eyeglasses will provide a significant improvement in your vision not obtainable with special contact lenses alone, you can use that Allowance toward the purchase of the eyeglasses if we have not covered lenses or frames within the previous 24 months. If you have a change in prescription of at least .50 diopter in one or both eyes, we will cover special contact lens replacements, including fitting and dispensing

Eyeglasses and contact lenses following cataract surgery. In accord with Medicare guidelines, we provide a **\$150 Allowance** after each cataract surgery. The Allowance is to help you pay for eyeglass lenses, frames, and contact lenses (including fitting and dispensing). It can be used only at the initial point of sale. If you do not use all of your Allowance at the initial point of sale, you cannot use it later. Also, the Allowance for each cataract surgery must be used before a subsequent cataract surgery. There is only one Allowance of \$150 following any cataract surgery.

Note: Refraction exams to determine the need for vision correction and to provide a prescription for eyeglass lenses and glaucoma screenings are not covered under this "Vision Services" section (instead, refer to the "Outpatient Care" section).

Vision Services exclusions

- Industrial frames
- Lenses and sunglasses without refractive value except for:
 - ◆ a balance lens if only one eye needs correction
 - ◆ Medically Necessary lenses to treat macular degeneration or retinitis pigmentosa
- Replacement of lost, broken, or damaged lenses or frames
- Lens adornment, such as engraving, faceting, or jewelry
- Low-vision devices
- Non-prescription products, such as eyeglass holders, eyeglass cases, and repair kits

Exclusions, Limitations, and Reductions

Exclusions

The Services listed in this "Exclusions" section are excluded from coverage. These exclusions apply to all Services that would otherwise be covered under this *EOC*. Additional exclusions that apply only to a particular Service are listed in the description of that Service in the "Benefits, Copayments, and Coinsurance" section.

Certain exams and Services

Physical examinations and other Services (a) required for obtaining or maintaining employment or participation in employee programs, (b) required for insurance or licensing, or (c) on court order or required for parole or probation. This exclusion does not apply if a Plan Physician determines that the Services are Medically Necessary.

Chiropractic Services

Chiropractic Services and the Services of a chiropractor except for manual manipulation of the spine as described under "Outpatient Care" in the "Benefits, Copayments, and Coinsurance" section.

Conception by artificial means

Except for artificial insemination covered under "Infertility Services" in the "Benefits, Copayments, and Coinsurance" section, all other Services related to conception by artificial means, such as ovum transplants, gamete intrafallopian transfer (GIFT), donor semen or eggs (and Services related to their procurement and storage), in vitro fertilization (IVF), and zygote intrafallopian transfer (ZIFT).

Cosmetic Services

Services that are intended primarily to improve your appearance, except for Services covered under "Reconstructive Surgery" and prostheses needed after a mastectomy covered under "Prosthetic and Orthotic Devices" in the "Benefits, Copayments, and Coinsurance" section.

Custodial care

Custodial care means assistance with activities of daily living (for example: walking, getting in and out of bed, bathing, dressing, feeding, toileting, and taking medicine), or care that can be performed safely and effectively by people who, in order to provide the care, do not require medical licenses or certificates or the presence of a supervising licensed nurse.

This exclusion does not apply to Services covered under "Hospice Care" in the "Benefits, Copayments, and Coinsurance" section.

Dental care

Dental care and dental X-rays, such as dental Services following accidental injury to teeth, dental appliances, dental implants, orthodontia, and dental Services resulting from medical treatment such as surgery on the jawbone and radiation treatment, except for Services covered by Medicare or under "Dental Services for Radiation Treatment and Dental Anesthesia" in the "Benefits, Copayments, and Coinsurance" section.

Experimental or investigational Services

A Service is experimental or investigational if we, in consultation with the Medical Group, determine that one of the following is true:

- Generally accepted medical standards do not recognize it as safe and effective for treating the condition in question (even if it has been authorized by law for use in testing or other studies on human patients)
- It requires government approval that has not been obtained when the Service is to be provided

Eye surgery

Services related to eye surgery or orthokeratologic Services for the purpose of correcting refractive defects such as myopia, hyperopia, or astigmatism.

Hair loss or growth treatment

Services for the promotion, prevention, or other treatment of hair loss or hair growth.

Intermediate care

Care in a licensed intermediate care facility. This exclusion does not apply to Services covered under "Hospice Care" in the "Benefits, Copayments, and Coinsurance" section.

Routine foot care Services

Routine foot care, except for Medically Necessary Services covered by Medicare.

Services related to a noncovered Service

When a Service is not covered, all Services related to the noncovered Service are excluded, except for Services we would otherwise cover to treat complications of the noncovered Service.

Sexual reassignment surgery

Surrogacy

Services for anyone in connection with a surrogacy arrangement, except for otherwise-covered Services provided to a Member who is a surrogate. A surrogacy arrangement is one in which a woman (the surrogate) agrees to become pregnant and to surrender the baby to another person or persons who intend to raise the child. Please refer to "Surrogacy arrangements" under "Reductions" in this "Exclusions, Limitations, and Reductions" section for information about your obligations to us in connection with a surrogacy arrangement, including your obligation to reimburse us for any Services we cover.

Travel and lodging expenses

Travel and lodging expenses, except that in some situations if the Medical Group refers you to a Non-Plan Provider as described in "Medical Group authorization procedure for certain referrals" under "Getting a Referral" in the "How to Obtain Services" section, we may pay certain expenses that we preauthorize in accord with our travel and lodging guidelines. Our travel and lodging guidelines are available from our Member Service Call Center.

Limitations

We will do our best to provide or arrange for our Members' health care needs in the event of unusual circumstances that delay or render impractical the provision of Services under this *EOC*, such as major disaster, epidemic, war, riot, civil insurrection, disability of a large share of personnel at a Plan Facility, complete or partial destruction of facilities, and labor disputes. Under these extreme circumstances, if you have an Emergency Medical Condition, go to the nearest hospital as described under "Emergency, Post-stabilization, and Urgent Care" in the "Emergency, Urgent, and Routine Care" section, and we will provide coverage and reimbursement as described in that section.

Reductions

Employer responsibility

For any Services that the law requires an employer to provide, we will not pay the employer, and when we cover any such Services we may recover the value of the Services from the employer.

Government agency responsibility

For any Services that the law requires be provided only by or received only from a government agency, we will



not pay the government agency, and when we cover any such Services we may recover the value of the Services from the government agency.

Injuries or illnesses alleged to be caused by third parties

You must pay us Charges for covered Services you receive for an injury or illness that is alleged to be caused by a third party's act or omission, except that you do not have to pay us more than you receive from or on behalf of the third party.

To the extent permitted by law, we have the option of becoming subrogated to all claims, causes of action, and other rights you may have against a third party or an insurer, government program, or other source of coverage for monetary damages, compensation, or indemnification on account of the injury or illness allegedly caused by the third party. We will be so subrogated as of the time we mail or deliver a written notice of our exercise of this option to you or your attorney, but we will be subrogated only to the extent of the total of Charges for the relevant Services.

To secure our rights, we will have a lien on the proceeds of any judgment or settlement you obtain against a third party. The proceeds of any judgment or settlement that you or we obtain shall first be applied to satisfy our lien, regardless of whether the total amount of the recovery is less than the actual losses and damages you incurred.

Within 30 days after submitting or filing a claim or legal action against a third party, you must send written notice of the claim or legal action to:

Kaiser Permanente
Special Recovery Unit - 8553
Parsons East, Second Floor
P.O. Box 7017
Pasadena, CA 91109-9977

In order for us to determine the existence of any rights we may have and to satisfy those rights, you must complete and send us all consents, releases, authorizations, assignments, and other documents, including lien forms directing your attorney, the third party, and the third party's liability insurer to pay us directly. You must not take any action prejudicial to our rights.

If your estate, parent, guardian, or conservator asserts a claim against a third party based on your injury or illness, your estate, parent, guardian, or conservator and any settlement or judgment recovered by the estate, parent, guardian, or conservator shall be subject to our

liens and other rights to the same extent as if you had asserted the claim against the third party. We may assign our rights to enforce our liens and other rights.

Medicare law may apply with respect to Services covered by Medicare.

Some providers have contracted with Kaiser Permanente to provide certain Services to Members at rates that are typically less than the fees that the providers ordinarily charge to the general public ("General Fees"). However, these contracts may allow the providers to recover all or a portion of the difference between the fees paid by Kaiser Permanente and their General Fees by means of a lien claim under California Civil Code Sections 3045.1-3045.6 against a judgment or settlement that you receive from or on behalf of a third party. For Services the provider furnished, our recovery and the provider's recovery together will not exceed the provider's General Fees.

Medicare as secondary payer

Auto and liability insurance. When Medicare by law is the secondary payer, federal law authorizes health plans to seek reimbursement from the medical expense provisions of any motor vehicle insurance covering you, and any liability insurance that provides payment for injuries or illness to you. We will reduce your benefits under this *EOC* by all amounts paid or payable under your other health plan or insurance policy. You must complete and submit to us all consents, releases, assignments, and other documents necessary for us to obtain or assure such payment. If you fail to do so, then we may, at our discretion, require you to pay for the Services.

Coordination of benefits (COB). In certain cases, this *EOC* is subject to coordination of benefits. COB applies when you have health benefits coverage through more than one health care plan and one of them is Group coverage that is subject to Medicare secondary payer law. If federal law requires that a Group's coverage be primary and Medicare coverage be secondary, we or the other health care plan will coordinate benefits with the plan whose Group coverage is primary by law. We will ask if you have other coverage. If you have other health care plan coverage, you must help us obtain payment from them by providing the information we request. The following are situations when Medicare is secondary for the purposes of COB:

- If you are age 65 or older and have group health care coverage through an employer with 20 or more employees, either through your or your Spouse's current employment (this applies to most employers with 20 or more employees)

- If you are under age 65 and entitled to Medicare due to disability and have coverage under a large employer group health plan (100 or more employees), either through your own employment or the employment of a family member
- If you become eligible for, or entitled to, Medicare based on end-stage renal disease (ESRD) and are covered by an employer group health plan, you will be subject to a 30-month benefit coordination period, during which time Medicare is secondary payer, if:
(1) ESRD is the sole basis for your Medicare eligibility or entitlement, (2) you also become eligible for or entitled to Medicare based on age or disability during the first 30 months of your ESRD-based eligibility or entitlement, or (3) you are entitled to Medicare based on age or disability and are subject to Medicare secondary payer provisions (refer to the first two bullets above)

Medicare benefits

As a Senior Advantage Member, you receive all Medicare-covered benefits through us (except for hospice care for Members with Medicare Part A and qualifying clinical trials, which are covered directly by Medicare) and these benefits are not duplicated.

Surrogacy arrangements

You must pay us Charges for covered Services you receive related to conception, pregnancy, or delivery in connection with a surrogacy arrangement ("Surrogacy Health Services"). Your obligation to pay us for Surrogacy Health Services is limited to the compensation you are entitled to receive under the surrogacy arrangement. A surrogacy arrangement is one in which a woman agrees to become pregnant and to surrender the baby to another person or persons who intend to raise the child.

By accepting Surrogacy Health Services, you automatically assign to us your right to receive payments that are payable to you or your chosen payee under the surrogacy arrangement, regardless of whether those payments are characterized as being for medical expenses. To secure our rights, we will also have a lien on those payments. Those payments shall first be applied to satisfy our lien. The assignment and our lien will not exceed the total amount of your obligation to us under the preceding paragraph.

Within 30 days after entering into a surrogacy arrangement, you must send written notice of the arrangement, including the names and addresses of the other parties to the arrangement, and a copy of any contracts or other documents explaining the arrangement, to:

Kaiser Permanente
Special Recovery Unit
Parsons East, Second Floor
P.O. Box 7017
Pasadena, CA 91109-9977
Attention: Third Party Liability Supervisor

You must complete and send us all consents, releases, authorizations, lien forms, and other documents that are reasonably necessary for us to determine the existence of any rights we may have under this "Surrogacy arrangements" section and to satisfy those rights. You must not take any action prejudicial to our rights.

If your estate, parent, guardian, or conservator asserts a claim against a third party based on the surrogacy arrangement, your estate, parent, guardian, or conservator and any settlement or judgment recovered by the estate, parent, guardian, or conservator shall be subject to our liens and other rights to the same extent as if you had asserted the claim against the third party. We may assign our rights to enforce our liens and other rights.

U.S. Department of Veterans Affairs

For any Services for conditions arising from military service that the law requires the Department of Veterans Affairs to provide, we will not pay the Department of Veterans Affairs, and when we cover any such Services we may recover the value of the Services from the Department of Veterans Affairs.

Workers' compensation or employer's liability benefits

You may be eligible for payments or other benefits, including amounts received as a settlement (collectively referred to as "Financial Benefit"), under workers' compensation or employer's liability law. We will provide covered Services even if it is unclear whether you are entitled to a Financial Benefit, but we may recover the value of any covered Services from the following sources:

- From any source providing a Financial Benefit or from whom a Financial Benefit is due
- From you, to the extent that a Financial Benefit is provided or payable or would have been required to be provided or payable if you had diligently sought to establish your rights to the Financial Benefit under any workers' compensation or employer's liability law

Requests for Payment or Services

Requests for Payment

Emergency Care, Post-stabilization Care, Out-of-Area Urgent Care, and out-of-area dialysis care from Non-Plan Providers

If you receive Emergency Care, Post-stabilization Care, Out-of-Area Urgent Care, and out-of-area dialysis care from a Non-Plan Provider (as described in the "Emergency, Urgent, and Routine Care" section about Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care and in the "Benefits, Copayments, and Coinsurance" section about out-of-area dialysis care), ask the Non-Plan Provider to submit a claim to us within 60 days or as soon as possible, but no later than 15 months after receiving care (or up to 27 months according to Medicare rules, in some cases). If the provider refuses to bill you, send us the unpaid bill with a claim form (see "How to file a claim" in this "Requests for Payment" section for instructions on submitting claim forms).

We will notify you of our decision within 30 days after we receive the request for payment. However, if we need more information, we can take up to 30 more days. If we do not approve your request for payment, we will tell you the reasons and how you can appeal our decision. If you have not received an answer from us within 60 days after we receive your request for payment, you may assume our decision is negative and you may appeal our decision as described in the "Dispute Resolution" section.

How to file a claim

To file a claim, this is what you need to do:

- As soon as possible, request our claim form by calling our Member Service Call Center at 1-800-443-0815 or 1-800-390-3510 (*TTY 1-800-777-1370*). One of our representatives will be happy to assist you if you need help completing our claim form
- If you have paid for Services, you must send us our completed claim form for reimbursement. Please attach any bills and receipts from the Non-Plan Provider
- You must complete any forms and send us any information that we request to process your claim, such as claim forms, consents for the release of medical records, assignments, and claims for any other benefits to which you may be entitled. For example, we may require documents such as travel documents or original travel tickets to validate your claim

- The completed claim form must be mailed to the following address as soon as possible, but no later than 15 months after you received the care (or up to 27 months in some cases, in accord with Medicare rules. Please do not send any bills or claims to Medicare. Any additional information we request should also be mailed to this address:

Kaiser Foundation Health Plan, Inc.
Claims Department
P.O. Box 7004
Downey, CA 90242-7004

Medicare Part D drugs

To request payment after you get a Medicare Part D drug from a Non-Plan Provider (as described under "Outpatient Prescription Drugs and Supplies" in the "Benefits, Copayments, and Coinsurance" section), you must file a claim as described under "How to file a claim" in this "Request for Payment" section.

If you pay for a Medicare Part D drug at a Plan Pharmacy and you disagree with the amount that you were required to pay, you may request reimbursement by contacting your local Member Services Department at a Plan Facility or by calling our Member Service Call Center.

In both cases, we will make a decision within 72 hours after we receive your request for payment. If we approve your request, we will pay your claim within 30 days after we receive it. If we totally or partially deny your request, we will notify you in writing of the reasons for denial and of your right to appeal our decision. If we haven't made a decision within 72 hours, we will forward your request to the CMS contractor for a decision about your request. The CMS contractor will make its decision within 72 hours after it receives your request from us.

Other Services

To request payment for any other Services that you believe should be covered, other than the Services described above, you or your Non-Plan Provider must submit a written request to your local Member Services Department at a Plan Facility. Please attach any bills and receipts if you have paid any bills.

We will notify you of our decision within 30 days after we receive your request. However, if we need more information, we can take up to 30 more days. If we do not approve your request for payment, we will tell you the reasons and how you can appeal our decision. If you have not received an answer from us within 60 days of your request for payment, you may assume our decision is negative and you may appeal our decision as described in the "Dispute Resolution" section.

Note: Medicare prohibits us from paying for Services provided by Non-Plan Providers that have been sanctioned or debarred by Medicare, or that have opted out of Medicare.

Requests for Services

Standard decision

You may request that we cover Services you have not received by writing to your local Member Services Department at a Plan Facility, and if your request is related to a Medicare Part D drug, you may also make a request by calling our Member Services Call Center. The following are examples of situations when you might want to ask us to cover Services you have not received:

- Your Plan Provider determines the Services you want are not Medically Necessary and you disagree with his or her determination (including reducing or stopping Services)
- You believe that a Medicare Part D drug should be covered in greater quantities or for a lower out-of-pocket cost to you
- You disagree with our determination that a drug you want is not covered by Medicare Part D
- You want us to cover the Services of a Non-Plan Provider

We will respond to your request for Services within 14 days (or 72 hours for requests related to a Medicare Part D drug). If we deny your request, we will send you a notice that explains the reason for the denial and provides information about your appeal rights as described in the "Dispute Resolution" section.

Except for requests related to a Medicare Part D drug, we may take up to an additional 14 days to make our decision if it is in your best interest, or if you request us to do so. For example, our decision may take longer if we have to wait for medical information from a Non-Plan Provider. If we extend the time frame, we will send you written notice. If you disagree with our decision to extend the time frame, you may file a grievance as described under "Grievances" in the "Dispute Resolution" section.

Expedited decision

You may ask that we make an expedited decision about your request for Services you have not received. Expedited requests may be made orally or in writing. We will make an expedited decision within 72 hours (or 24 hours for requests related to a Medicare Part D drug) if we find, or if your physician states, that your health or ability to regain maximum function could be seriously

harmful by waiting for a standard decision. Except for requests related to a Medicare Part D drug, we may take up to an additional 14 days to make a decision if it is in your best interest, or if you request us to do so. For example, our decision may take longer if we have to wait for medical information from a Non-Plan Provider. If we extend the time frame, we will send you written notice. If you disagree with our decision to extend the time frame, you may file a grievance as described in the "Dispute Resolution" section.

You or your physician may request an expedited decision by calling our Expedited Review Unit at 1-888-987-7247 or by sending your written request to Kaiser Foundation Health Plan, Inc., Expedited Review Unit, P.O. Box 12983, Oakland, CA 94604-2983, Attention: Medicare Expedited Review. You may also fax your request to our Expedited Review Unit at 1-888-987-2252, or deliver your request in person to your local Member Services Department at a Plan Facility. Specifically state that you want an "expedited decision" or that you believe that your health could be seriously harmed by waiting for a standard decision. If we deny your request for an expedited decision, we will give you prompt oral notice and provide written notice within 72 hours. The notice will include information about your grievance rights as described in the "Dispute Resolution" section. Also, we will automatically transfer your request for a standard decision review.

Dispute Resolution

We are committed to providing you with quality care and with a timely response to your concerns. You can discuss your concerns with our Member Services representatives at most Plan Facilities, or you can call our Member Service Call Center. The following procedures for resolving disputes are discussed in detail below:

- **Standard Medicare appeal procedure.** To appeal denied claims for payment or denied requests for Services when an expedited Medicare appeal is not required
- **Expedited Medicare appeal procedure.** To appeal discontinuation of Services, or denied requests for Services when your health or ability to function could be seriously harmed by waiting for a standard Medicare appeal
- **Immediate Quality Improvement Organization (QIO) review.** To appeal denial of continued coverage of a stay in a hospital when we have determined that hospitalization is no longer Medically Necessary

- **Quality Improvement Organization complaint procedure.** To report concerns about the quality of care you receive
- **Grievances.** To report any quality of care concerns and to seek resolution of an issue that is not subject to the Standard or Expedited Medicare appeal procedure
- **Binding arbitration.** To resolve claims arising from your membership except as otherwise indicated under "Binding Arbitration" in this "Dispute Resolution" section

Special note about hospice care

For Members entitled to Medicare Part A, Medicare covers hospice care directly and it is not covered under this *EOC*. Therefore, any disputes related to the coverage of hospice care for Members entitled to Medicare Part A must be resolved directly with Medicare and not through any dispute resolution procedure discussed in this section.

Standard Medicare Appeal Procedure

We will use this appeal procedure if you appeal a denied request for payment or Services, unless the Expedited Medicare Appeal Procedure applies.

If we deny one of the following types of requests, we will tell you the specific reasons for the denial in a written denial notice:

- Requests for payment
- Request for Services, including the following requests for:
 - ◆ a Medicare Part D at a reduced cost to you or in greater quantities,
 - ◆ coverage of a drug under Medicare Part D because you disagree with our determination that a drug is not covered by Medicare Part D

If you disagree with our decision, you have the right to appeal it within 60 days from the date of our denial notice (unless you show good cause for a delay past 60 days). You must file your appeal in writing with us at the address shown on your denial notice. You have the right to submit new information to support your appeal in person or in writing.

For denied requests for payment, we will make a decision about your appeal within 60 days (or 7 days for requests for payment for a Medicare Part D drug) after we receive your appeal. For denied requests for Services that you believe are covered under this *EOC*, we will make a decision about your appeal within 30 days (or 7

days if your appeal is related to a Medicare Part D drug) after we receive your appeal. If it is in your best interest, or if you request, we may extend the time frame to make our decision for an additional 14 days beyond the 30 day period except that we may not extend the time frame for appeals related to a Medicare Part D drug. If we extend the time frame, we will send you written notice. If you disagree with our decision to extend the time frame, you may file a grievance as described under "Grievances" in this "Dispute Resolution" section.

Decisions in your favor

If our decision is fully in your favor for your request for payment, we will pay for the Services no later than 60 days (or 30 days for payment for a Medicare Part D drug) after we receive your appeal.

If our decision is fully in your favor for your request for Services, we will authorize or provide the Services as quickly as your health condition requires, but no later than 30 days (or 7 days for requests related to a Medicare Part D drug) after we receive your appeal.

Denied appeals other than Part D drugs

If our decision is not fully in your favor, we will send your appeal to the CMS contractor for a decision within 60 days after we receive your appeal requesting payment and 30 days after we receive your appeal requesting Services (or 44 days as applicable). The CMS contractor will then make its decision about your appeal within 60 days for claims for payment and 30 days for requests for Services.

Denied appeals for Medicare Part D drugs

If we deny your appeal related to a Medicare Part D drug, we will not automatically send your appeal to the CMS contractor. If you want the CMS contractor to make a decision about your denied appeal, you must send your written request to the CMS contractor within 60 days after we notified you that we denied your appeal, which will include the contractor's address. The CMS contractor will make its decision with 7 days after it receives your request.

CMS contractor decisions

The CMS contractor will advise you of its decision and the reason for its decision. If the CMS contractor's decision is in your favor for your request for payment, we will pay for the Services within 30 days after we receive its decision. If the CMS contractor's decision is in your favor for your request for Services, we will do one of the following:

- Authorize the Services as quickly as your health condition requires, but no later than 72 hours after we receive notice of the CMS contractor's decision

- Provide those Services as quickly as your health condition requires, but no later than 14 days (or 72 hours for requests related to a Medicare Part D drug) after we receive notice of the CMS contractor's decision

If the CMS contractor's decision is not fully in your favor, you may request a hearing before an administrative law judge as described under "If You Disagree with the CMS Contractor's Decision" in this "Dispute Resolution" section.

Expedited Medicare Appeal Procedure

You may ask that we expedite your appeal and make a decision within 72 hours instead of the standard Medicare appeal procedure decision time frame. This expedited appeal procedure applies to denied requests for Services that you believe we should provide, arrange, or continue, when your health or ability to regain maximum function could be seriously harmed by waiting for the standard decision. This appeal procedure does not apply to denied claims for payment.

You must submit your appeal within 60 days of the date on our denial notice. You or your physician may request an expedited Medicare appeal by calling our Expedited Review Unit at 1-888-987-7247, or by writing to Kaiser Foundation Health Plan, Inc., Expedited Review Unit, P.O. Box 12983, Oakland, CA 94604-2983, Attention: Medicare Expedited Review. You may also fax your request to our Expedited Review Unit at 1-888-987-2252, or deliver your request in person to your local Member Services Department at a Plan Facility. Specifically state that you want an "expedited decision" about your appeal or that you believe that your health could be seriously harmed by waiting for a standard Medicare appeal decision.

We will make an expedited decision within 72 hours after we receive your appeal, if we find, or if your physician states, that your health or ability to regain maximum function would be seriously harmed by waiting for the standard Medicare appeal procedure decision. If it is in your best interest, we may extend the time frame to make our decision for an additional 14 days beyond the 72-hour period except that we may not extend the time frame for requests related to a Medicare Part D drug. For example, you may need time to provide us with additional information, we may need to have additional diagnostic tests completed, or we may have to wait for medical information from a Non-Plan Provider.

If we deny your request for an expedited Medicare appeal because we do not find that your health or ability

to regain maximum function would be seriously harmed by waiting for the standard Medicare appeal procedure decision, we will automatically review your appeal under the standard Medicare appeal procedure. You do not need to submit a separate appeal. If you disagree with our decision not to expedite your appeal, you may file a grievance as described in the "Grievances" section.

Decisions in your favor

If our expedited decision is fully in your favor for the Services you requested, we will notify you either orally or in writing, and we will authorize or provide those Services to you as quickly as your health condition requires, but no later than 72 hours after we receive your appeal.

Denied appeals other than Part D drugs

If our expedited decision is not fully in your favor, we will send your appeal to the CMS contractor for a decision within 24 hours of our decision unless your request is related to a Medicare Part D drug. The CMS contractor will then make its decision about your appeal within 72 hours after the contractor receives your appeal from us, and will notify you of its decision. The CMS contractor may extend the time frame to make its decision for an additional 14 days beyond the 72 hours if it needs additional information and the extension is in your best interest.

Denied appeals for Medicare Part D drugs

If we deny your appeal related to a Medicare Part D drug, we will not automatically send your appeal to the CMS contractor. If you want the CMS contractor to make a decision about your denied appeal, you must send your written request to the CMS contractor within 60 days after the date of our denial notice, which will include the contractor's address. The CMS contractor will make its decision with 72 hours after it receives your request.

CMS contractor decisions

The CMS contractor will advise you of its decision and the reason for its decision. If the CMS contractor's decision is in your favor for the Services you requested, we will authorize or provide those Services as quickly as your health condition requires, but no later than 72 hours (or 24 hours if the request is for a Medicare Part D drug) after we receive notice of the CMS contractor's decision.

If the CMS contractor's decision is not fully in your favor, you may request a hearing before an administrative law judge as described under "If You Disagree with the CMS Contractor's Decision" in this "Dispute Resolution" section.

Supporting Documents

You are not required to send additional information to support your appeal. We are responsible for gathering all necessary information, but it may be helpful to you to include additional information to clarify or support your position. For example, you may want to include supporting information with your appeal, such as medical records or physician opinions. We will obtain medical records from Plan Providers on your behalf. If you have received Services from a Non-Plan Provider, you may need to contact the Non-Plan Provider to obtain your medical records. You may need to send or fax a written request. Ask the Non-Plan Provider to send or fax the records directly to us, if possible. We will provide an opportunity for you to provide additional information in person or in writing.

You may submit any new evidence to support your appeal of denied requests for Services by mail, fax, or phone (or in person) at the numbers or addresses listed above for expedited Medicare appeal and standard Medicare appeal.

If you decide to appeal and want help, you may have a doctor, friend, lawyer, or someone else help you. There are several groups that can help you at the following numbers:

- Health Insurance Counseling and Advocacy Program at 1-800-434-0222 (TTY 1-800-722-3140)
- Medicare Rights Center at 1-888-HMO-9050
- State Ombudsman (for skilled nursing facility issues) at 1-800-231-4024
- Area Agency on Aging at 1-800-510-2020 (varies by county, check your phone book) or call Eldercare Locator at 1-800-677-1116

For information about who may file an appeal, please refer to "Who May File" below.

If You Disagree with the CMS Contractor's Decision

Within 60 days of the date of the denial notice from the CMS contractor, you may request that your appeal be reviewed by an administrative law judge by writing to the address listed in the CMS contractor's denial notice. The administrative law judge may extend the 60 day requirement for good cause. A hearing can be held if the administrative law judge determines that the amount in controversy is \$110 or more. An adverse decision by the administrative law judge may be reviewed by the Medicare Appeals Council of the Department of Health

and Human Services, either by its own action or as the result of a request from you or us. If the amount involved is \$1,090 or more, you or we may request that a federal district court review the Medicare Appeals Council's decision. The party requesting judicial review must notify the other parties involved. An initial, revised, or appeal determination made by us, the CMS contractor, an administrative law judge, or the Medicare Appeals Council may be reopened within 12 months for any case, within four years for just cause, or at any time for fraud cases or clerical correction.

Immediate Quality Improvement Organization (QIO) Review

A QIO is a group of doctors paid by the federal government to review the medical necessity, appropriateness, and quality of care furnished to Medicare beneficiaries. You may request an immediate Quality Improvement Organization (QIO) review if either of the following are true:

- You believe you are being asked to leave the hospital too soon and we deny coverage of your continued stay in the hospital because hospitalization is no longer Medically Necessary
- You disagree with our decision to terminate coverage of your Skilled Nursing Facility care, home health care, or Comprehensive Outpatient Rehabilitation Facility (CORF) Services because the Services are no longer Medically Necessary

The deadline for requesting QIO review is noon the day before coverage of Services is to terminate. If you miss the deadline for requesting QIO review or you disagree with the QIO's decision, you may request an Expedited Medicare Appeal, as described in this "Dispute Resolution" section, of our decision to terminate Services. However, if any appeal decision is not in your favor, you will be financially responsible for the cost of Services you receive after coverage for the Services is terminated.

Hospital discharges

When you are admitted to any hospital, you will be given a document entitled "An Important Message from Medicare." The document describes your rights while you are a hospital patient. Those rights include: (1) the right to receive all hospital care that is necessary for the proper diagnosis and treatment of your illness or injury and the right to have your discharge date determined solely by your medical need and not by any method of payment, (2) the right to be fully informed about decisions affecting the coverage and payment of your hospital stay and for any post-hospital Services, and (3)

the right to request a review by a QIO if we determine that your hospital stay is no longer Medically Necessary and you disagree.

When we inform you that you are being discharged, we will provide you a written "Notice of Discharge and Medicare Appeal Rights" that describes in detail the procedures available to you to request a QIO review.

Requesting QIO review. When you receive the "Notice of Discharge and Medicare Appeal Rights," if you believe that you are being asked to leave the hospital too soon, you may request an immediate QIO review by phone or in writing. If you request a QIO review by noon of the first business day after you receive the "Notice of Discharge and Medicare Appeal Rights," you will not be financially responsible for the cost of your hospitalization until the QIO makes a decision. The QIO will respond to your request for QIO review of the "Notice of Discharge and Medicare Appeal Rights" by phone or in writing. The QIO will ask you for your views about your case before making a decision.

If the QIO agrees with the "Notice of Discharge and Medicare Appeal Rights," you will be financially responsible for all costs of hospitalization beginning at noon of the day after you receive the QIO decision. If you do not agree with the QIO decision, you may appeal by requesting an Expedited Medicare Appeal as described in this "Dispute Resolution" section.

Skilled Nursing Facility, home health, or CORF care

If you are receiving Skilled Nursing Facility, home health care, or comprehensive outpatient rehabilitation facility (CORF) care and we decide to terminate our coverage of that care, you will get a written notice either from us or your provider at least 2 days before the termination date of coverage. The notice will state the termination date when coverage of the Services will end and inform you that you may be financially responsible for the cost of Services you receive after the termination date. The notice will also describe the procedures available to you to request a QIO review if you disagree with our decision to end Services because you believe that the Services are still Medically Necessary.

Requesting QIO review. When you receive the notice, if you believe that Skilled Nursing Facility, home health, or CORF coverage should not be terminated, you may request an immediate QIO review by phone or in writing. You must request a QIO review no later than noon of the day before the termination date when coverage for the Services is to end. The QIO will make a decision about your request within one day after it receives the

information it needs to make a decision. The QIO will ask you your views about your case before making a decision. If you do not agree with the QIO decision, you may appeal by requesting an Expedited Medicare Appeal as described in this "Dispute Resolution" section.

If the QIO decides that our decision to terminate coverage was medically appropriate, you will be responsible for paying the Services after the termination date provided on the notice you got from us or your provider (Note: Original Medicare will not pay for these Services). If the QIO agrees with you, then we will continue to cover the Services for as long as Medically Necessary.

Quality Improvement Organization Complaint Procedure

You may file a complaint with the local Quality Improvement Organization if you are concerned about the quality of care you have received. If you are concerned about quality related to a Medicare Part D drug (for example, if you believe your Plan pharmacist provided you an incorrect dose of a drug) you may file a complaint with the Quality Improvement Organization, in addition to, or instead of, filing a grievance with us. To file a complaint with the local Quality Improvement Organization, you should write to Lumetra, One Sansome St., Suite 600, San Francisco, CA 94104-4448 (fax number 1-415-677-2185), or call 1-800-841-1602 (TTY 1-800-881-5980). Quality Improvement Organizations are groups of doctors and health professionals who monitor the quality of care provided to Medicare beneficiaries. The Quality Improvement Organization review process is designed to help stop any improper practices.

Grievances

You can file a grievance for any issue that is not subject to a Medicare appeal procedure described above. Your grievance must explain your issue, such as why you believe a decision was wrong or why you are dissatisfied with the Services you received. You may submit a grievance orally or in writing as follows:

- To a Member Services representative at your local Member Services Department at a Plan Facility (please refer to *Your Guidebook* for locations), or by calling our Member Service Call Center
- Through our Web site at kaiserpermanente.org

We will send you a confirmation letter within five days after we receive your grievance. We will send you our

written decision within 30 days after we receive your grievance. We may extend our decision for up to 14 days if it is in your best interest, or if you request an extension. If we deny your grievance in whole or in part, our written decision will explain why we denied it and additional dispute resolution options. Note: The references to written communication in this paragraph do not apply if you submit your grievance orally and do not request a written response. Instead, we will notify you of our decision orally.

Expedited grievance

You may make an oral or written request that we expedite your grievance if we:

- Deny your request to expedite a decision related to a Service that you have not yet received, as described under "Expedited decision" in the "Requests for Payment or Services" section
- Deny your request to expedite your Medicare appeal described under "Expedited Medicare Appeal Procedure" in this "Dispute Resolution" section
- Decide to extend the time we need to make a standard or expedited decision described under "Standard decision" or "Expedited decision" in the "Requests for Payment or Services" section or under "Standard Medicare Appeal Procedure" or "Expedited Medicare Appeal Procedure" in this "Dispute Resolution" section

If you request an expedited grievance, we will respond to your request within 24 hours.

Who May File

The following persons may file a grievance or appeal:

- You may file for yourself
- You may appoint someone as your authorized representative by completing our authorization form. Authorization forms are available from your local Member Services Department at a Plan Facility or by calling our Member Service Call Center. Your completed authorization form must accompany the request
- You may file for your Dependent children, except that they must appoint you as their authorized representative if they have the legal right to control release of information that is relevant to the request
- You may file for your ward if you are a court-appointed guardian
- You may file for your conservatee if you are a court-appointed conservator

- You may file for your principal if you are an agent under a health care proxy, to the extent provided under state law
- Your physician may request an expedited appeal as described under "Expedited Medicare Appeal Procedure" above
- A Non-Plan Provider may file a standard appeal of a denied claim if he or she completes a waiver of liability statement that says he or she will not bill you regardless of the outcome of the appeal

Binding Arbitration

For all claims subject to this "Binding Arbitration" section, both Claimants and Respondents give up the right to a jury or court trial and accept the use of binding arbitration. Insofar as this "Binding Arbitration" section applies to claims asserted by Kaiser Permanente Parties, it shall apply retroactively to all unresolved claims that accrued before the effective date of this *EOC*. Such retroactive application shall be binding only on the Kaiser Permanente Parties.

Scope of Arbitration

Any dispute shall be submitted to binding arbitration if all of the following requirements are met:

- The claim arises from or is related to an alleged violation of any duty incident to or arising out of or relating to this *EOC* or a Member Party's relationship to Kaiser Foundation Health Plan, Inc. (Health Plan), including any claim for medical or hospital malpractice, for premises liability, or relating to the coverage for, or delivery of, Services, irrespective of the legal theories upon which the claim is asserted
- The claim is asserted by one or more Member Parties against one or more Kaiser Permanente Parties or by one or more Kaiser Permanente Parties against one or more Member Parties
- The claim is *not* within the jurisdiction of the Small Claims Court
- If your Group must comply with the Employee Retirement Income Security Act (ERISA) requirements, the claim is *not* a benefit-related request that constitutes a "benefit claim" in Section 502(a)(1)(B) of ERISA. Note: Benefit claims under this Section of ERISA are excluded from this binding arbitration requirement only until such time as the United States Department of Labor regulation prohibiting mandatory binding arbitration of this category of claim (29 CFR 2560.503-1(c)(4)) is modified, amended, repealed, superseded, or otherwise found to be invalid. If this occurs, these claims will automatically become subject to mandatory binding arbitration without further notice

- The claim is *not* subject to a Medicare appeal procedure

As referred to in this "Binding Arbitration" section, "Member Parties" include:

- A Member
- A Member's heir or personal representative
- Any person claiming that a duty to him or her arises from a Member's relationship to one or more Kaiser Permanente Parties

"Kaiser Permanente Parties" include:

- Kaiser Foundation Health Plan, Inc. (Health Plan)
- Kaiser Foundation Hospitals (KFH)
- The Permanente Medical Group, Inc. (TPMG)
- Southern California Permanente Medical Group (SCPMG)
- The Permanente Federation, LLC
- The Permanente Company, LLC
- Any KFH, TPMG, or SCPMG physician
- Any individual or organization whose contract with any of the organizations identified above requires arbitration of claims brought by one or more Member Parties
- Any employee or agent of any of the foregoing

"Claimant" refers to a Member Party or a Kaiser Permanente Party who asserts a claim as described above. "Respondent" refers to a Member Party or a Kaiser Permanente Party against whom a claim is asserted.

Initiating Arbitration

Claimants shall initiate arbitration by serving a Demand for Arbitration. The Demand for Arbitration shall include the basis of the claim against the Respondents; the amount of damages the Claimants seek in the arbitration; the names, addresses, and telephone numbers of the Claimants and their attorney, if any; and the names of all Respondents. Claimants shall include all claims against Respondents that are based on the same incident, transaction, or related circumstances in the Demand for Arbitration.

Serving Demand for Arbitration

Health Plan, KFH, TPMG, SCPMG, The Permanente Federation, LLC, and The Permanente Company, LLC shall be served with a Demand for Arbitration by mailing the Demand for Arbitration addressed to that Respondent in care of:

Kaiser Foundation Health Plan, Inc.
Legal Department
393 East Walnut Street
Pasadena, CA 91188

Service on that Respondent shall be deemed completed when received. All other Respondents, including individuals, must be served as required by the California Code of Civil Procedure for a civil action.

Filing Fee

The Claimants shall pay a single, nonrefundable, filing fee of \$150 per arbitration payable to "Arbitration Account" regardless of the number of claims asserted in the Demand for Arbitration or the number of Claimants or Respondents named in the Demand for Arbitration.

Any Claimant who claims extreme hardship may request that the Independent Administrator waive the filing fee and the Neutral Arbitrator's fees and expenses. A Claimant who seeks such waivers shall complete the Fee Waiver Form and submit it to the Independent Administrator and simultaneously serve it upon the Respondents. The Fee Waiver Form sets forth the criteria for waiving fees and is available by calling our Member Service Call Center.

Number of Arbitrators

The number of Arbitrators may affect the Claimant's responsibility for paying the Neutral Arbitrator's fees and expenses.

If the Demand for Arbitration seeks total damages of \$200,000 or less, the dispute shall be heard and determined by one Neutral Arbitrator, unless the parties otherwise agree in writing that the arbitration shall be heard by two Party Arbitrators and one Neutral Arbitrator. The Neutral Arbitrator shall not have authority to award monetary damages that are greater than \$200,000.

If the Demand for Arbitration seeks total damages of more than \$200,000, the dispute shall be heard and determined by one Neutral Arbitrator and two Party Arbitrators, one jointly appointed by all Claimants and one jointly appointed by all Respondents. Parties who are entitled to select a Party Arbitrator may agree to waive this right. If all parties agree, these arbitrations will be heard by a Single Neutral Arbitrator.

Payment of Arbitrators' Fees and Expenses

Health Plan will pay the fees and expenses of the Neutral Arbitrator under certain conditions as set forth in the *Rules for Kaiser Permanente Member Arbitrations Overseen by the Office of the Independent Administrator* (Rules of Procedure). In all other arbitrations, the fees and expenses of the Neutral Arbitrator shall be paid one-half by the Claimants and one-half by the Respondents.

If the parties select Party Arbitrators, Claimants shall be responsible for paying the fees and expenses of their Party Arbitrator and Respondents shall be responsible for paying the fees and expenses of their Party Arbitrator.

Costs

Except for the aforementioned fees and expenses of the Neutral Arbitrator, and except as otherwise mandated by laws that apply to arbitrations under this "Binding Arbitration" section, each party shall bear the party's own attorneys' fees, witness fees, and other expenses incurred in prosecuting or defending against a claim regardless of the nature of the claim or outcome of the arbitration.

Rules of Procedure

Arbitrations shall be conducted according to Rules of Procedure developed by the Independent Administrator in consultation with Kaiser Permanente and the Arbitration Oversight Board. Copies of the Rules of Procedure may be obtained from our Member Service Call Center.

General Provisions

A claim shall be waived and forever barred if (1) on the date the Demand for Arbitration of the claim is served, the claim, if asserted in a civil action, would be barred as to the Respondents served by the applicable statute of limitations, (2) Claimants fail to pursue the arbitration claim in accord with the Rules of Procedure with reasonable diligence, or (3) the arbitration hearing is not commenced within five years after the earlier of (i) the date the Demand for Arbitration was served in accord with the procedures prescribed herein, or (ii) the date of filing of a civil action based upon the same incident, transaction, or related circumstances involved in the claim. A claim may be dismissed on other grounds by the Neutral Arbitrator based on a showing of a good cause. If a party fails to attend the arbitration hearing after being given due notice thereof, the Neutral Arbitrator may proceed to determine the controversy in the party's absence.

The California Medical Injury Compensation Reform Act of 1975 (including any amendments thereto), including sections establishing the right to introduce evidence of any insurance or disability benefit payment

to the patient, the limitation on recovery for noneconomic losses, and the right to have an award for future damages conformed to periodic payments, shall apply to any claims for professional negligence or any other claims as permitted by law.

Arbitrations shall be governed by this "Binding Arbitration" section, Section 2 of the Federal Arbitration Act, and the California Code of Civil Procedure provisions relating to arbitration that are in effect at the time the statute is applied, together with the Rules of Procedure, to the extent not inconsistent with this section.

Termination of Membership

Your Group is required to inform the Subscriber of the date your membership terminates. Your membership termination date is the first day you are not covered (for example, if your termination date is January 1, 2006, your last minute of coverage was at 11:59 p.m. on December 31, 2005). When a Subscriber's membership ends, the memberships of any Dependents end at the same time. You will be billed as a non-Member for any Services you receive after your membership terminates. Health Plan and Plan Providers have no further liability or responsibility under this *EOC* after your membership terminates, except:

- As provided under "Payments after Termination" in this "Termination of Membership" section
- If you are receiving covered Services as an acute care hospital inpatient on the termination date, we will continue to cover those hospital Services (but not physician Services or any other Services) until you are discharged

Note: Until your membership terminates, you remain a Senior Advantage Member and must continue to receive your medical care from us, except as described in the "Emergency, Urgent, and Routine Care" section about Emergency Care, Post-stabilization Care, and Out-of-Area Urgent Care and in the "Benefits, Copayments, and Coinsurance" section about out-of-area dialysis care.

Termination Due to Loss of Eligibility

If you meet the eligibility requirements described under "Who Is Eligible" in the "Dues, Eligibility, and Enrollment" section on the first day of a month, but later in that month you no longer meet those eligibility requirements, your membership will end at 11:59 p.m. on the last day of that month. For example, if you become ineligible on December 5, 2005, your termination date is

January 1, 2006, and your last minute of coverage is at 11:59 p.m. on December 31, 2005.

Also, we will terminate your Senior Advantage membership on the last day of the month if you:

- Are temporarily absent from our Service Area for more than six months
- Permanently move outside our Service Area
- No longer meet the requirement that you be entitled to Medicare Part B. Your Senior Advantage membership termination will be effective the first day of the month following the month when Medicare Part B ends

In addition, we will terminate your membership under this *EOC* when Medicare coverage becomes primary, for example, when you retire. If you continue to meet the eligibility requirements of our regular Senior Advantage plan (which does not require that Medicare be secondary coverage), you will be able to continue your Senior Advantage membership with different Dues, benefits, and Copayments either through your Group (if available) or as discussed under "Conversion to an Individual Plan" below.

Note: If you lose eligibility for Senior Advantage due to these circumstances, you may be eligible to transfer your membership to another Kaiser Permanente plan offered by your Group. Please contact your Group's benefits administrator for information.

Termination of Agreement

If your Group's *Agreement* with us terminates for any reason, your membership ends on the same date. Your Group is required to notify Subscribers in writing if its *Agreement* with us terminates.

Disenrolling from Senior Advantage

You may terminate (disenroll from) your Senior Advantage membership at any time. However, before you request disenrollment, please check with your Group's benefits administrator to determine if you are able to continue your Group membership.

If you request disenrollment during your Group's open enrollment, your disenrollment effective date is determined by the date your written request is received by us and the date your Group coverage ends. The effective date will not be earlier than the first day of the month following after we receive your written request,

and no later than three months after we receive your request.

If you request disenrollment at a time other than your Group's open enrollment, your disenrollment effective date will be the first day of the month following our receipt of your disenrollment request.

You may request disenrollment by calling 1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048) or sending written notice to the following address:

Kaiser Permanente Senior Advantage
California Service Center
P.O. Box 232407
San Diego, CA 92193-2407

Note: If you enroll in another Medicare-contracting plan (for example, a Medicare Advantage Organization's plan or a Medicare Prescription Drug Plan), CMS will automatically terminate your Senior Advantage membership when your enrollment in the other organization becomes effective. If that happens, CMS will let us know, so you will need to send us a disenrollment request.

Termination of Contract with CMS

If our contract with CMS to offer Senior Advantage terminates, your membership will terminate on the same date. We will send you advance written notice and advise you of your health care options. Also, you may be eligible to transfer your membership to another Kaiser Permanente plan offered by your Group.

Termination for Cause

We may terminate your membership by sending you advance written notice if you commit one of the following acts:

- You are disruptive and your continued enrollment seriously impairs our ability to arrange or provide health care for you or for other Members. Any such termination requires CMS approval
- You commit theft from Health Plan, from a Plan Provider, or at a Plan Facility
- You knowingly misrepresent membership status, misuse (or let someone else use) a Member ID card, or commit fraud in connection with your obtaining membership

If we terminate your membership for cause, you will not be allowed to enroll in Health Plan in the future until you



have completed a Member Orientation and have signed a statement promising future compliance. We may report fraud and other illegal acts to the authorities for prosecution.

Termination for Nonpayment

If your Group fails to pay us the appropriate Dues for your Family Unit, we may terminate the memberships of everyone in your Family Unit.

Termination of a Product or all Products

We may terminate a particular product or all products offered in a small or large group market as permitted by law. If we discontinue offering a particular product in a market, we will terminate just the particular product upon 90 days prior written notice to you. If we discontinue offering all products to groups in a small or large group market, as applicable, we may terminate your Group's *Agreement* upon 180 days prior written notice to you.

Certificates of Creditable Coverage

The Health Insurance Portability and Accountability Act (HIPAA) requires employers or health plans to issue "Certificates of Creditable Coverage" to terminated group Members. The certificate documents health care membership and is used to prove prior creditable coverage when a terminated Member seeks new coverage. When your membership terminates, or at any time upon request, we will mail the certificate to you (the Subscriber) unless your Group has an agreement with us to mail the certificates. If you have any questions, please contact your Group's benefits administrator.

Payments after Termination

If we terminate your membership for cause or for nonpayment, we will:

- Refund any amounts we owe your Group for Dues paid for the period after the termination date
- Pay you any amounts we have determined that we owe you for claims during your membership in accord with "Requests for Payment" in the "Requests for Payment or Services" section. Any amounts you owe Health Plan, Kaiser Foundation Hospitals, or the Medical Group will be deducted from any payment we make to you

Review of Membership Termination

If you believe that we terminated your membership because of your ill health or your need for care, you may file a grievance as described in the "Dispute Resolution" section.

Continuation of Membership

If your membership under this *EOC* ends, you may be eligible to maintain Health Plan membership without a break in coverage under this *EOC* (group coverage) or you may be eligible to convert to an individual (nongroup) plan.

COBRA – Continuation of Group Coverage

You may be able to continue your coverage under this *EOC* for a limited time after you would otherwise lose eligibility, if required by the federal COBRA law. COBRA applies to most employees (and most of their covered family Dependents) of most employers with 20 or more employees.

You must submit a COBRA election form to your Group within the COBRA election period. Please ask your Group's benefits administrator for the details about COBRA continuation coverage, such as how to elect coverage and how much you must pay your Group.

As described in "Conversion to an Individual Plan" in this "Continuation of Membership" section, you may be able to convert to an individual (nongroup) plan if you don't apply for COBRA coverage, or if you enroll in COBRA and your COBRA coverage ends.

Conversion to an Individual Plan

After your Group notifies us to terminate your membership, we will send a termination letter to the Subscriber's address of record. The letter will include information about options that may be available to you to remain a Health Plan member through one of our Individual Plans. Individual–Conversion Plan coverage begins when your Group coverage ends. The dues and coverage under our Individual–Conversion Plans are different from those under this *EOC*.

How to convert

If you no longer qualify as a Member described under "Who Is Eligible" in the "Dues, Eligibility, and

Enrollment" section, we will automatically convert your Group membership to our *Senior Advantage Individual Plan Agreement* if you still meet the eligibility requirements for Senior Advantage and have not disenrolled. The dues and coverage under our individual plan will differ from those under this *EOC*.

If you are no longer eligible for Senior Advantage and Group coverage, you may be eligible to convert to our non-Medicare individual plan, called "Kaiser Permanente Individual–Conversion Plan." You may be eligible to enroll in our Individual–Conversion Plan if we receive your enrollment application within 63 days of the date of our termination letter or of your membership termination date (whichever date is later). You are not eligible to convert if your membership ends because we terminated your membership under "Termination for Cause" in the "Termination of Membership" section.

For information about converting your membership or about other individual plans, call our Member Service Call Center.

Coverage for a Disabling Condition

If you became totally disabled after December 31, 1977, while you were a Member under your Group's *Agreement* with us and while the Subscriber was employed by your Group, and your Group's *Agreement* with us terminates, coverage for your disabling condition will continue until any one of the following events occurs:

- 12 months have elapsed
- You are no longer disabled
- Your Group's *Agreement* with us is replaced by another group health plan without limitation as to the disabling condition

Your coverage will be subject to the terms of this *EOC* including Copayments and Coinsurance.

For Subscribers and adult Dependents, "totally disabled" means that, in the judgment of a Medical Group physician, an illness or injury is expected to result in death or has lasted or is expected to last for a continuous period of at least 12 months, and makes the person unable to engage in any employment or occupation, even with training, education, and experience.

For Dependent children, "totally disabled" means that, in the judgment of a Medical Group physician, an illness or injury is expected to result in death or has lasted or is expected to last for a continuous period of at least 12

months and the illness or injury makes the child unable to substantially engage in any of the normal activities of children in good health of like age.

To request continuation of coverage for your disabling condition, you must call our Member Service Call Center, within 30 days of the date your Group's *Agreement* with us terminates.

Miscellaneous Provisions

Administration of Agreement

We may adopt reasonable policies, procedures, and interpretations to promote orderly and efficient administration of your Group's *Agreement*, including this *EOC*.

Advance directives

The California Health Care Decision Law offers several ways for you to control the kind of health care you will receive if you become very ill or unconscious, including the following:

- A *Power of Attorney for Health Care* lets you name someone to make health care decisions for you when you cannot speak for yourself. It also lets you write down your own views on life support and other treatments
- *Individual health care instructions* let you express your wishes about receiving life support and other treatment. You can express these wishes to your doctor and have them documented in your medical chart, or you can put them in writing and have that included in your medical chart

To learn more about advance directives, including how to obtain forms and instructions, contact your local Member Services Department at a Plan Facility. You can also refer to *Your Guidebook* for more information about advance directives.

Agreement binding on Members

By electing coverage or accepting benefits under this *EOC*, all Members legally capable of contracting, and the legal representatives of all Members incapable of contracting, agree to all provisions of this *EOC*.

Amendment of Agreement

Your Group's *Agreement* with us will change periodically. If these changes affect this *EOC*, your Group is required to inform you in accord with applicable law and your Group's *Agreement*.

Applications and statements

You must complete any applications, forms, or statements that we request in our normal course of business or as specified in this *EOC*.

Assignment

You may not assign this *EOC* or any of the rights, interests, claims for money due, benefits, or obligations hereunder without our prior written consent.

Attorneys' fees and expenses

In any dispute between a Member and Health Plan or Plan Providers, each party will bear its own attorneys' fees and other expenses.

Governing law

Except as preempted by federal law, this *EOC* will be governed in accord with California law and any provision that is required to be in this *EOC* by state or federal law shall bind Members and Health Plan whether or not set forth in this *EOC*.

Group and Members not our agents

Neither your Group nor any Member is the agent or representative of Health Plan.

Health Insurance Counseling and Advocacy Program (HICAP)

For additional information concerning benefits, contact the Health Insurance Counseling and Advocacy Program (HICAP) or your agent. HICAP provides health insurance counseling for California senior citizens. Call the HICAP telephone number, 1-800-434-0222 (*TTY 1-800-722-3140*), for a referral to your local HICAP office. HICAP is a free service provided by the state of California.

Named fiduciary

Under your Group's *Agreement*, we have assumed the role of a "named fiduciary," a party responsible for determining whether you are entitled to benefits under this *EOC*. Also, as a named fiduciary, we have the discretionary authority to review and evaluate claims that arise under this *EOC*. We conduct this evaluation independently by interpreting the provisions of this *EOC*.

No waiver

Our failure to enforce any provision of this *EOC* will not constitute a waiver of that or any other provision, or impair our right thereafter to require your strict performance of any provision.

Nondiscrimination

We do not discriminate in our employment practices or in the delivery of Services on the basis of age, race, color, national origin, cultural background, religion, sex, sexual orientation, or physical or mental disability.

Notices

Our notices to you will be sent to the most recent address we have for the Subscriber. The Subscriber is responsible for notifying us of any change in address. Subscribers who move should call our Member Service Call Center, and Social Security at 1-800-772-1213 as soon as possible to report the address change. If a Member does not reside with the Subscriber, he or she should contact our Member Service Call Center to discuss alternate delivery options.

Note: When we tell your Group about changes to this *EOC* or provide your Group other information that affects you, your Group is required to notify the Subscriber within 30 days (or five days if we terminate your Group's *Agreement*) after receiving the information from us.

Other formats for Members with disabilities

You can request a copy of this *EOC* in an alternate format (Braille, audio, electronic text file, or large print) by calling our Member Service Call Center.

Overpayment recovery

We may recover any overpayment we make for Services from anyone who receives such an overpayment or from any person or organization obligated to pay for the Services.

Privacy practices

Kaiser Permanente will protect the privacy of your Protected Health Information (PHI). We also require contracting providers to protect your PHI. PHI is health information that includes your name, Social Security number, or other information that reveals who you are. You may generally see and receive copies of your PHI, correct or update your PHI, and ask us for an accounting of certain disclosures of your PHI.

We may use or disclose your PHI for treatment, payment, and health care operations purposes, including health research and measuring the quality of care and Services. We are sometimes required by law to give PHI to government agencies or in judicial actions. In addition, Member-identifiable medical information is shared with employers only with your authorization or as otherwise permitted by law. We will not use or disclose your PHI for any other purpose without your (or your representative's) written authorization, except as

described in our *Notice of Privacy Practices* (see below).
Giving us authorization is at your discretion.

This is only a brief summary of some of our key privacy practices. Our *Notice of Privacy Practices* describing our policies and procedures for preserving the confidentiality of medical records and other PHI is available and will be furnished to you upon request. To request a copy, please call our Member Service Call Center. You can also find the notice at your local Plan Facility or on our Web site at *kaiserpermanente.org*.

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