



**Blue Cross of
California**

AdvantageCareSM



**The Blue Cross Senior
Classic F Plan with the
AdvantageCareSM Rider**

The Advantages Are Yours With AdvantageCare

The AdvantageCare Difference:

AdvantageCare is a rider to the Blue Cross Senior Classic F plan.

AdvantageCare is an affordable and valuable health plan that will help pay for a wide range of health services that Medicare doesn't cover. This includes hospital and physician charges, and unlike most other senior health plans, will even help pay for nursing facility, home health and home support services.

The AdvantageCare Plan is available to applicants age 65 to 75, who are enrolled in both Parts A and B of Medicare.

WHY YOU MAY NEED ADVANTAGECARE

Increased life expectancy brings with it a greater risk of a sudden, serious illness or accidents that may require special care beyond which you would receive in the hospital. Often the care required falls outside the coverage provided by Medicare and traditional health plans. Examples of this could include: recuperative care after a stroke, help with household chores, bathing, or dressing due to a short term disability.

The **AdvantageCare** Plan from Blue Cross of California was designed to help pay for most of the costs of care during your hospital stay and also help pay for your recovery in your home, or in a skilled nursing facility after your traditional health care insurance coverage stops.

Chronic Care Facts

- 1 in 2 women and 1 in 3 men will need nursing home care after the age of 65.*
- The average cost of nursing home care is \$168 per day or \$61,000 per year.**
- The average cost of at-home care in California may run over \$36,000. Assuming 2 visits a day by a home health aide.***

DOES MEDICARE PAY FOR CARE IN A NURSING HOME OR FOR CARE IN MY OWN HOME?

Usually no. Medicare generally covers only a small portion of these costs and typically for only short periods of time. Medicare pays few, if any of the expenses associated with receiving care in a nursing home or in your own home... where most people would prefer to receive care.

Medicare only covers the first 100 days of skilled care you might receive in a certified skilled nursing facility. After that you would be responsible for all costs.

Most people are forced to pay for the high cost of nursing home or home care from personal savings and assets. As a result, the financial burden rests on individuals and their families.

Oftentimes, this can financially destroy everything they've worked their entire lives to save.

* Source: California Partnership for Long Term Care 1998

** Source: Business Wire, 2002 (Study by Metlife Mature Market Institute)

*** Source: Kiplingers Retirement Report-Long Term Care 1998

THE ADVANTAGECARE PLAN FROM BLUE CROSS OF CALIFORNIA...

The **AdvantageCare** Plan from Blue Cross of California is a health plan designed to cover more of your healthcare needs than a traditional supplement plan. From hospital and physician charges to costs incurred for nursing home and/or home care services.

The AdvantageCare Plan combines the benefits of our most popular Medicare Supplement plan; the Blue Cross Senior Classic F plan, with our special AdvantageCare Rider. The rider is subject to additional underwriting requirements.

The Blue Cross Senior Classic F Plan benefits includes:

Freedom to use the doctor of your choice, including nearly 50,000 Prudent Buyer physicians and specialists.

Freedom to use the hospital of your choice, including more than 300 Participating hospitals.

Full conventional Medicare benefits at all providers, inside and outside California-anywhere in the United States.

- Pays all Medicare deductibles*
- Pays all Medicare Part B (doctor) Co-insurance amounts
- Pays any Medicare Part B Excess charges
- Medicare pays the first 20 days, we pay days 21 thru 100 of Skilled Nursing Facility Co-insurance amounts

Benefits for Foreign Travel Emergencies

Claim Free Processing for virtually all medical claims

Guaranteed Renewable coverage

* Pays the Part B \$131 deductible only when using a participating provider.

PLUS

The special AdvantageCare Rider provides additional benefits and coverage for*

Residential Facility and Nursing Home Care:

Skilled, Intermediate or Custodial Care Rehabilitation Services, Physical, Occupational, or Speech Therapy, Medical Social Services

Home Health Care:

Registered Nurse and/or Licensed Vocational Nurse, Certified Home Health Aide, Licensed Therapist for Physical Therapy, Occupational Therapy, Speech Therapy

Home Support Services:

Personal Care Services (bathing, dressing), Chore Services (shopping, cleaning, etc.), Transportation and Escort Services, Respite Care (Relief for Caregivers), Adult Day Care, Bill Paying Services, Minor Home Repair Services

* Subject to benefit limitations and conditions including meeting the appropriate elimination period and deductibles. Limited to services covered under the policy. See policy for additional services that may be covered.

A SUMMARY OF THE ADVANTAGECARE RIDER BENEFITS

The AdvantageCare Rider provides benefits for Nursing and Residential Care Facilities, Home Health and Home Support services not covered by Medicare.

Summary of Benefits

Rider Waiting Period.....	6 months
Nursing or Residential Care Facility Services*	
Facility Elimination Period	100 days**
Blue Cross Pays	100% of billed charges†
Home Healthcare and Home Support Services*	
Home Care Deductible.....	\$1,000***
Blue Cross Pays	100% of billed charges†
Combined Daily Benefit Amount Up To.....	\$100
Combined Maximum Lifetime Benefit	\$36,500

* Benefits paid only when services are approved as part of the Plan of Care coordinated through a Care Manager.

** Rider Waiting Period must also be met. Coordinated with Medicare covered benefits. Facility Elimination Period needs to be met once over the lifetime of the policy.

*** Rider Waiting Period must also be met. Deductible needs to be met once over the lifetime of the policy.

† Limited to Maximum Daily Benefit Amount.

HOW IS THE ADVANTAGECARE PLAN DIFFERENT FROM LONG TERM CARE INSURANCE?

Both types of plans are similar in that they both provide coverage and benefits for nursing home stays, and depending on the type of long term care plan, care in your home. Most Long Term Care (LTC) plans are purchased by individuals who want or need coverage for extended stays in a nursing home, assisted living facility, or for care at home (the average LTC policy purchased today is for 2 1/2 years of coverage or longer*).

AdvantageCare is an affordable and ideal plan to have to cover the costs of receiving care at home, in an assisted living facility or nursing home for shorter periods of time (a year or less). AdvantageCare provides up to a maximum \$100 daily benefit up to \$36,500 to cover part of the cost of care should you need it. The typical LTC plan can provide up to \$350 daily benefits and coverage beyond \$36,500 if you wish to have a greater level of coverage for a longer period of time.

*Source: HIAA

HOW THE ADVANTAGECARE PLAN WORKS

Step 1....

When you need AdvantageCare services, you must telephone Blue Cross Senior Services to initiate a Plan of Care.

When you call, a Blue Cross Customer Service Representative will ask you about your ability to perform certain daily activities such as: eating, bathing, dressing, toileting, etc. The Blue Cross representative will also ask you some questions regarding the type of services you are requesting. The answers to these questions will determine whether you qualify for Rider Benefits and if a Plan of Care is necessary.

Step 2...

If it is determined that a Plan of Care is necessary, your telephone assessment will be forwarded to a Care Manager who in coordination with you, your Physician and other professionals and family members, will authorize, coordinate, and monitor the care that you need. You or your caregiver must agree in writing with the Plan of Care before any benefits will be provided.

Step 3...

Blue Cross will review the Plan of Care and if approved, we will authorize the necessary Chronic Care Services described in the Plan of Care. Blue Cross reserves the right to perform a reassessment of the Plan of Care following your receipt of three (3) months of benefits.

If it is determined that a Plan of Care is not necessary, Blue Cross will provide you with information and refer you to agencies or providers who can provide the services that you have requested. Any associated costs for these services will be your responsibility.

Use the easy-to-read charts on the next pages to learn how we can help you cover the gaps in Medicare with:

*BLUE CROSS Senior Classic F Plan
with the AdvantageCare Rider*

Blue Cross Senior Classic F Plan Services:

In this benefit chart, we provide a summary of what Medicare pays, as well as what we pay.

Services	Benefit	Medicare Pays
Hospitalization Semiprivate room and board, general nursing and other hospital services and supplies, such as drugs, x-rays, lab tests and operating room.	First 60 days	All but the first \$992 (Part A deductible)
	61st thru 90th day	All but \$248 per day coinsurance
	91st thru 150th day*	All but \$496 per day lifetime reserve
	151st thru 515th day	Nothing
Skilled Nursing Facility Care (must be approved by Medicare) You must have been in a hospital for at least 3 days, enter a Medicare-approved facility generally within 30 days after hospital discharge, and meet other program requirements.	First 20 days	100% of approved amount
	21st thru 100th day	All but \$124 per day
Blood	Unlimited if medically necessary	All but first 3 pints per calendar year
Medical Expenses Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, and other services.	Medical services in or out of the hospital	80% of approved amount (50% of approved charges for most outpatient mental health services) after the \$131 Part B deductible
Excess Charges	Medical expenses in excess of Medicare's approved charges	Nothing
Blood	Unlimited if medically necessary	80% of approved amount (after \$131 deductible and starting with 4th pint)

<i>Blue Cross Senior Classic F Pays</i>	<i>You Pay</i>
Pays in full	Nothing
Pays in full	Nothing
Pays in full	Nothing
100% of medically necessary Part A eligible expenses up to 365 days per lifetime	Nothing
No benefit (Paid by Medicare)	Nothing
Pays in full	Nothing
First 3 pints of unreplaced blood	Nothing
Remainder of Medicare approved amount (Medicare coinsurance) 100% of the Medicare Part B deductible when using a Participating Provider	Nothing
100%	Nothing
First 3 pints of unreplaced blood and coinsurance amount	Nothing

* 60 lifetime reserve days may be used only once.

Blue Cross Senior Classic F Plan Services:

In this benefit chart, we provide a summary of what Medicare pays, as well as what we pay.

Services	Benefit	Medicare Pays
Foreign Travel Emergency	<p>Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA</p> <p>First \$250 each calendar year</p> <p>Remainder of charges</p>	<p>Nothing, except under limited circumstances in Canada and Mexico</p> <p>Nothing</p>

AdvantageCare Rider Services

In this benefit chart, we provide a summary of what Medicare pays, as well as what we pay.

Services	Benefit	Medicare Pays
Skilled Nursing Facility Care	Beyond first 100 days of Medicare-covered services and/or supplies	Nothing
Non-Skilled Nursing Facility Care	Non-skilled or custodial care in Skilled Nursing or Residential Facility	Nothing
Home Health Care	Licensed home health services not covered by Medicare	Nothing
Home Support Care	Home support and custodial care in the home	Nothing

Blue Cross Senior Classic F Pays

No benefit

80% to a lifetime maximum benefit of \$50,000

You Pay

The \$250 calendar year deductible, plus any charges above 80% of the billed charges for Medicare-eligible expenses, plus any amounts over the \$50,000 lifetime maximum benefit.

Blue Cross Pays

AdvantageCare Rider will cover 100% of covered charges (up to \$100 per day) for Skilled Nursing Facility Care*

You Pay

All costs incurred beyond the covered daily maximum.

AdvantageCare Rider will cover 100% of covered charges (up to \$100 per day) for Non-Skilled Nursing and Residential Facility Care*

All costs incurred beyond the covered daily maximum.

AdvantageCare Rider will cover 100% of covered charges (up to \$100 per day)*

All costs incurred beyond the covered daily maximum.

AdvantageCare Rider will cover 100% of covered charges (up to \$100 per day)*

All costs incurred beyond the covered daily maximum.

*Pays up to a lifetime maximum of \$36,500 after Rider Waiting Period and applicable Facility Elimination Period and/or Home Care Service deductible has been met.

POLICY EFFECTIVE DATE

- Policy effective dates are the 1st and 15th of the month. If you are replacing a health insurance policy that terminates on a date other than the 1st or 15th, your coverage will be effective the date your other plan ends.
- Your fully completed application must be received by the Blue Cross Senior Enrollment Department prior to your requested effective date. Applications received after your requested effective date will be processed for the next available effective date (the 1st or 15th of the month).
- Blue Cross of California reserves the right to reject your application. If your application is rejected, you will be notified in writing and any payment you made will be refunded.

MEMBER BILLING

- If your effective date of coverage is the 15th of the month, the first premium bill you receive will be for one-and-a-half (1 1/2) months. Thereafter, Blue Cross of California will bill you every two (2) months.
- If your effective date of coverage is the 1st of the month, Blue Cross of California will bill you bimonthly.

MONTHLY CHECKING ACCOUNT DEDUCTION

With the Blue Cross of California Monthly Checking Account Deduction Program, you can have your monthly Blue Cross dues withdrawn directly from your checking account on the sixth (6th) day of each month. When you receive your bank statement and cleared checks, your Blue Cross of

California monthly checking account deduction will be included. To find out more about this convenient service, contact your Blue Cross of California Authorized Agent, or call us toll-free at **1-800-333-3883**.

CONVENIENCE OF SUMMARY BILLING

Summary Billing offers you the convenience of consolidating your billing with any other Blue Cross of California Senior Plan Member, such as a spouse or relative. This means that we can combine separate billings onto a single statement, even if you and the other person(s) are enrolled in different Blue Cross of California Senior Plans.

The result is less paperwork for you because one statement, one check and one envelope does the job. Summary Billing is also available if you choose the monthly checking account deduction option.

GUARANTEED RENEWABLE

Blue Cross of California Medicare supplements are guaranteed renewable.

After the first one (1) month's payment, the term of this coverage is for two (2) months if you have chosen bimonthly coverage, or monthly if you have chosen monthly checking account deductions. It renews automatically, subject to the right of Blue Cross of California to change subscription charges. Any such changes would be made only upon 30 days written notice to all persons covered under the same plan as you.

We will not cancel your coverage, except for the reasons listed below:

- If we discover any concealment of material facts upon enrollment
- If you do not pay your subscription charges, your coverage will end automatically
- You cease to be covered under both Parts A and B of Medicare
- You enroll in a Medicare Coordinated Care Plan

Coordinated Care Plans (also sometimes referred to as Medicare-Risk Plans) are special Health Maintenance Organizations (HMOs) and Competitive Medical Plans (CMPs) that seniors eligible for Medicare may be able to join. They essentially combine Medicare

benefits with supplemental benefits. People who join must generally get all health care from providers affiliated with the plan, and they do not receive regular Medicare benefits for services obtained outside the plan.

Your coverage under the AdvantageCare Rider will end when the Maximum Lifetime Benefit of \$36,500 is reached. Your benefits under Blue Cross Classic Plan F will remain in effect as long as you continue to pay your Blue Cross Classic Plan F premium.

QUALITY ASSURANCE

In accordance with California law, Blue Cross continuously reviews the quality of care provided to you under this contract. Under Blue Cross' quality of care review system, Participating Providers are credentialed regularly, and the quality of the care they provide is reviewed on both a current and on-going basis. Because members may obtain care from any Nonparticipating Provider they

choose, Blue Cross is unable to review the credentials of such Nonparticipating Providers or to include them in on-going review programs. Nevertheless, Blue Cross reviews the services provided by all providers, both participating and nonparticipating retrospectively.

30-DAY RIGHT TO EXAMINE

If you're not satisfied with your coverage, for whatever reason, just send back your Policy within 30 days of receiving it. The insurance will be canceled and your premium will be promptly refunded — no questions asked. What could be safer than that?

MEDICARE CHANGES

Blue Cross of California will send an annual notice to you 30 days prior to the effective date of Medicare changes, which will describe these changes and the changes in your Medicare supplement coverage.

GUARANTEED ACCEPTANCE

You must already be enrolled in both Parts A and B of Medicare to apply for this plan. Acceptance of your application is guaranteed if you are 65 or older and apply within six (6) months of your initial enrollment in Part B of Medicare. Guaranteed acceptance applies only to the Medicare supplement coverage. The AdvantageCare Rider is available only for persons qualified under our guidelines.

COMPLETE ANSWERS ARE VERY IMPORTANT

When you fill out the application, be sure to answer truthfully and completely all questions about your medical and health history. The company may cancel your contract and refuse to pay any claims if you leave out or falsify important medical information; this would not apply if you are in your guaranteed acceptance period described above. Review the application carefully before you sign it. Be certain that all information has been properly recorded.

WHAT IS NOT COVERED

Some expenses the AdvantageCare Rider does not cover are: Any costs in excess of the maximum amounts stated in the benefits section of the brochure. Any services which are not authorized by Blue Cross of California as part of the Plan of Care for Nursing and Residential Care Facility or Home Support services.

Some expenses the **Blue Cross Senior Classic F** agreement does not cover are: the Part B deductible (if services received by a non-participating Prudent Buyer physician), dental care or dentures; routine checkups; foot care; eyeglasses (unless covered by Medicare).

Blue Cross Senior Classic F also does not cover: personal comfort items; services for which no charge is made; services rendered by relatives; any services or supplies not specifically listed as covered in your Agreement; services rendered during a hospital stay which began before coverage is in force or after coverage has been terminated; hearing aids; eyeglasses (unless covered by Medicare); eye examinations and

chiropractic care (unless covered by Medicare); any conditions covered under Workers' Compensation; any conditions covered by any Federal Government agency; conditions resulting from war, invasion or atomic explosion; custodial care and rest cures; routine physical examinations; inpatient admissions primarily for diagnostic studies when inpatient bed care is not medically necessary; acupuncture; cosmetic surgery or other services for beautification; services primarily for weight reduction as the main method of treatment and services not approved by Medicare unless specified elsewhere.

GRIEVANCE PROCEDURE

All complaints and disputes relating to coverage under this plan must be resolved in accordance with Blue Cross' grievance procedure. Grievances may be made by telephone or in writing.

All grievances received by Blue Cross will be acknowledged in writing, together with a description of how Blue Cross of California proposes to resolve the grievance. Grievances that cannot be resolved by this procedure shall be submitted to arbitration.

MEMBER GRIEVANCE PROCEDURE

We are certain that you will be completely satisfied with your Blue Cross of California plan, but if you should ever have a complaint or problem, please follow the Member Grievance Procedure:

Step 1.

Contact Blue Cross of California.
You can call us at **1-800-333-3883**.

You can write to us at

**P.O. Box 9053,
Oxnard, CA 93031-9053.**

Your grievance will be reviewed and you will receive a response within 30 days.

Step 2.

If you are not satisfied with the response, you can submit the grievance to binding arbitration.

Any dispute between the Member and Blue Cross regarding the decision of Blue Cross must be submitted to binding arbitration if the amount in dispute exceeds the jurisdictional limits of the small claims court. This arbitration is begun by the Member making written demand on Blue Cross.

This arbitration will be held before a designated neutral arbitrator appointed by the county medical association of the county in which the services were provided. If the county medical association declines or is unable to appoint an arbitrator, the arbitration will be conducted according to the rules of the American Arbitration Association.

Any dispute regarding a claim for damages within the jurisdictional limits of the small claims court will be resolved in such court.

ARBITRATION

Any dispute between you and Blue Cross of California must be resolved by binding arbitration if the amount in dispute exceeds the jurisdictional limit of the Small Claims Court, not by lawsuit or resort to court process, except as California law provides for judicial review of arbitration proceedings. Under this coverage, both you and we are giving up the right to have any dispute decided in a court of law before a jury. Notice of binding arbitration is in the Blue Cross of California Service Agreement.

The arbitration findings will be final and binding.

QUESTIONS?

After you receive your policy, please feel free to contact your Blue Cross of California Authorized Agent, or call us toll-free at **1-800-333-3883**.

You can write to us at:

**P.O. Box 9063,
Oxnard, CA 93031-9063.**

Consumers may call the State of California Department of Insurance Consumer Hotline for information about insurance coverage at **1-800-927-4357**.

Health Maintenance Organizations (HMO) require that a specific primary care physician (gatekeeper) authorize all medical services outside the scope of his or her office. A Preferred Provider Organization (PPO) allows members to choose their own physician and specialist. **Blue Cross Senior Classic F** provides members with a network of nearly 50,000 Prudent Buyer physicians statewide.



Visit our Web site
www.bluecrossca.com

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