



INDIVIDUAL HEALTH PLANS

Plans effective July 1, 2004–June 30, 2005



IT'S UP TO YOU.

Thank you...

...for your interest in health care coverage offered by LifeWise for Oregon residents and their families.

LifeWise has been providing quality health care benefits since 1986, and today we proudly serve more than 150,000 Oregon-based members.

We are committed to offering our members choice and value. All of our benefit plans provide a wide range of coverage options and a statewide network of thousands of doctors and other health care professionals — plus the advantage of prompt, reliable, and local customer service.

The enclosed materials are intended to help you decide which of our plans is best for you. If you have any questions about benefits, eligibility or enrollment, contact your agent or call us directly at 1-800-290-1278. We look forward to providing you with the coverage you want for your health care needs.

The easiest and most efficient way to explore your options and to find out exactly what you need to submit a complete application is to visit our Web site at lifewisehealth.com. You can get a quote and actually complete the entire application on-line. At the end, it's just a click of the mouse to submit your LifeWise application.

In this brochure, you'll learn about...

- ...our benefit plans and supplemental options,
- ...cost-saving provider network,
- ...worldwide emergency coverage,
- ...services to help you,
- ...the enrollment process,
- ...benefit limitations and exclusions,
- ...a glossary of commonly used terms,
- ...disclosure information,
- ...and frequently asked questions.



MORE CHOICES IN HEALTH CARE COVERAGE FOR YOU OR YOUR ENTIRE FAMILY

AT LIFEWISE, we recognize how important health care coverage is to you, and how the right coverage can bring you greater peace of mind. That's why we offer you a variety of benefit plans and a range of coverage alternatives. You choose the amount of coverage that's right for you—and enjoy the assurance that your health care plan provides the protection you want.

When considering health care coverage, doesn't it make sense to choose a plan that fits your particular needs?

Delivering choice and value

When it comes to choice and value, you can be assured that's what LifeWise health care plans are all about.

Our wide array of competitively priced benefit plans makes it easier for you to find the coverage that fits your needs and your budget.

And, unlike some plans, we offer you the flexibility to use the doctors or health care facilities of your choice for most care. With LifeWise, there are no primary care gatekeepers—you enjoy the freedom to see specialists without referrals. In short, your health care is up to you.

For a cost-saving advantage however, we offer access to a statewide network of doctors, hospitals and other health care providers.

Provider networks minimize costs and paperwork

Most of our plans allow you to save money by using doctors and health care facilities that are part of our Preferred provider network. It's not hard to find LifeWise Preferred providers because our network is among the largest in the state with thousands of doctors and other health care professionals.

You can save money by using our network of Preferred providers that includes thousands of doctors and health care facilities across the state.

Providers in our network have agreed to bill us directly and to accept, as payment in full, fees that have been established as usual, customary and reasonable for covered services. When you use Preferred network providers, you enjoy:

- The plan's highest benefit level
- Lower out-of-pocket costs
- Less paperwork—no claim forms to fill out!

Good news if you're self-employed

The rates you pay for health care coverage may be tax deductible. You may be able to deduct 100% of your annual coverage rates as a gross income adjustment. You should consult your tax advisor to determine if you qualify for this deduction.

Most LifeWise benefit plans for individuals and families include valuable prescription drug benefits.

Choosing the plan that works for you

Our menu of Preferred Provider Organization (PPO), Traditional Indemnity and HSA-qualified benefit plans gives you the flexibility to choose the coverage and price level that meets your specific needs. You'll find that each plan type offers great coverage for a range of medical services and each are available in a choice of benefit levels.

For a quick summary that takes the guesswork out of deciding "Which Health Plan is Right For You? (and your family)", please refer to page 6.

PPO

LifeWise *Preferred*, *Plus*, *Value*, *Prime* and *HSA* PPO plans offer the highest level of benefits when you use Preferred providers for medically necessary covered services—which means less out-of-pocket expense for you. You have a choice of yearly deductible amounts for nearly every plan, which apply before benefits begin in most cases.

Our *Plus*, *Preferred* and *Prime* plans are designed with a separate prescription deductible and copay/coinsurance at no additional cost. The *Plus* plan has a separate \$200 prescription deductible, and the *Preferred* and *Prime* plans have a separate \$500 prescription deductible.

Traditional

For a few dollars more, our *Choice* and *HSA Choice* plans offer you the opportunity to use any eligible licensed provider, in most cases, without a change in benefit levels.

And, with our *Choice* plan, you can choose from a selection of yearly deductible amounts. The *Choice* plan has a separate \$500 deductible that applies to prescription services. Prescription services for the *HSA* plans are included in the plan deductible.

See pages 8-9 for a detailed comparison of our available benefit plans and supplemental benefit options.

HSA-qualified plans*

Invest in your future with our low-cost HSA-qualified plans. We now offer two plans that work in combination with Health Savings Accounts (HSAs), bringing you more opportunities to save and invest in your health care future.

The LifeWise HSA Choice and HSA PPO plans meet the necessary qualifications as high deductible HSA plans. They also offer three distinct advantages:

- A range of benefits to cover you in the event of major illness, giving you peace of mind for the future
- High deductibles that keep premiums lower than that of conventional health plans, saving you money
- The chance to contribute to an HSA, potentially growing your health care dollars through interest earnings or investments

What are Health Savings Accounts?

HSAs are special tax-deductible trusts or custodial accounts that work in conjunction with HSA-qualified plans. Much like an Individual Retirement Account, an HSA is established through annual contributions up to 100% of your plan's deductible amount – or up to the maximum contribution levels determined by the Internal Revenue Service each year. (Contribution limits are pro-rated for the number of months the plan is in force.)

You can use an HSA account to pay medical expenses, generate savings interest, or invest in mutual funds or other opportunities.

How does an HSA work with a LifeWise HSA-qualified plan?

You can use the tax-free money in your HSA to:

- Pay covered medical expenses before benefits begin, to help satisfy your deductible
- Pay your share of the cost (coinsurance) for medical expenses, after your deductible is met
- Pay for certain qualified medical expenses that may not be covered by your plan and enjoy the tax-saving advantage

Best of all, money that isn't withdrawn carries over from year to year and may continue to earn interest.



Federally insured HSA administration

For your convenience, we've partnered with *HSA Bank*[™], an FDIC-insured financial institution. HSA Bank will establish and administer your Health Savings Account, providing:

- Monthly statements showing account activity and quarterly investment statements
- Online and toll-free access to account information
- 24-hour automated telephone banking service
- Brokerage services for investment options
- An HSA account debit card or checks for quick, easy payment of qualifying healthcare services
- A dedicated toll-free number for LifeWise members: 1-888-585-3037

Note: To establish an account with HSA Bank, a set-up fee and a minimum deposit is required. HSA Bank also charges a monthly account fee. Other service fees may apply. These fees may be subject to change by HSA Bank. *HSA Bank*[™] is a tradename and trademark owned and used by State Bank of Howards Grove.

For more information

For a general overview of the benefits offered under all *HSA* plans, see the Overview of Coverage on pages 8-9. Call your agent or a LifeWise representative for questions about the plans or to receive an HSA Bank Health Savings Account Application and Eligibility Form.

*Subject to changes based on Federal Regulations

Which Health Plan is Right for You?

This summary will help you to decide which LifeWise plan may be right for you.

The PLUS Plan is:

- Ideal for people who want to be able to pay just a \$20 copay for doctor office visits – without being subject to the deductible.
- Designed to feature copayments for some of the most commonly used services (i.e. preventive care and office visits) – without being subject to the deductible. It allows freedom of physician choice because there are no primary care gatekeepers.
- A wonderful choice for members who want to seek services from our broad selection of doctors who are participating as Preferred Providers.

The PREFERRED Plan is:

- Great for people who are willing to meet a deductible requirement in order to maintain a lower premium, but still want low out-of-pocket costs should they need additional health care.
- Excellent coverage for women since annual exams require only a \$15 copay when services are provided by a Preferred Provider.
- A wonderful choice for members who want to seek services from our broad selection of doctors who are participating as Preferred Providers.

The PRIME Plan is:

- A plan that balances a lower premium with slightly higher out-of-pocket costs.
- Good catastrophic coverage that still offers comprehensive women's preventive care, for only a \$15 copay when services are provided by a Preferred Provider.
- Affordable plan for students and those between jobs.

The VALUE Plan is:

- Overall our lowest priced plan – perfect for those who are primarily concerned about price.
- Good catastrophic coverage that still offers comprehensive women's preventive care, for only a \$15 copay when services are provided by a Preferred Provider.
- Affordable plan for students and those between jobs.

The CHOICE Plan is:

- Appealing to those who travel frequently because it offers the highest level of coverage regardless of location.
- A good choice for those who are used to seeing specific doctors who are NOT Preferred Providers with LifeWise.
- The best plan for people who live in rural areas with limited access to Preferred Providers.

The HSA Choice and HSA PPO Plans are:

- Qualified as HSA high deductible health plans.
- Available to any individual who wants to set up a Health Savings Account for tax advantages.
- Two plans with similar benefits/features – who differ by deductible and coinsurance amounts.
- A nice fit for individuals who want a high deductible health plan (two plan options available) in the event of a major illness or injury, but who also seek the security of knowing that services are covered once the deductible has been met.

Worldwide emergency care for greater peace of mind

No matter where you travel, you can count on us to be there for you. All of our plans provide the assurance of worldwide coverage at the highest benefit level for emergency care. For further details, see the benefit booklet for the plan you choose.

Services at work for you

We believe that the process of using health care services should be as effortless as possible—and we're committed to helping you get the right care, at the right time, in the right setting. When it comes to high-cost complex health care, our LifeWise Care Management Services Team works with providers and you to:

- Help you find a provider to handle your health concerns
- Direct you to services that optimize your coverage
- Strive to make sure that all aspects of your treatment go as smoothly as possible

LifeWise eligibility information

Eligibility for LifeWise Individual benefit plans is based upon the following:

- Permanent Oregon residents age 64 or under
- Eligible family members—which includes you, your spouse, and unmarried children under age 23 who are primarily dependent on you for support
- Oregon Individual Standard Health Statement approval (the Statement questionnaire is included in the application for membership)



How to enroll

You have two options available when you enroll in a LifeWise benefit plan:

- You can go to our Web site at lifewisehealth.com, get a quote and complete the application on-line and then have it sent to us electronically, or you can
- Complete the application for membership included with this brochure and mail it to us in enclosed envelope.

If you choose to apply on-line, you will be guided, step-by-step through the application so nothing is missed prior to submitting the application electronically. If you prefer to fill-out the paper application, please remember the following:

1. Review the Overview of Coverage included in this brochure and the separate Monthly Rate information to select the plan and deductible that is best for you.
2. Complete the Application for Membership, **in blue or black ink**, including each family member you wish to enroll. You, and your legal spouse (if enrolling), must sign and date the application. Be sure to fill out the application completely in order to avoid any delay.
3. Return the application in the enclosed postage-paid envelope. Do not send payment with your application. Your application should be submitted at least 10 days prior to your requested effective date; otherwise, your coverage will be deferred to the following month if your application is approved.
4. Once your completed application is reviewed, you will be notified by mail if you have been accepted or denied coverage. If denied, we will inform you of the reasons and advise you of other alternatives.
5. Once accepted, you'll receive your policy and an identification card to present for medical services. You can begin to receive care any time after your approved effective date, even if you haven't received your ID card.

OVERVIEW OF COVERAGE (The deductibles, copays and coinsurance percentages below represent what you pay.)

LIFEWISE INDIVIDUAL PLANS	PLUS					PREFERRED					PRIME		
Lifetime Maximum	\$4,000,000					\$4,000,000					\$4,000,000		
Calendar Year Deductible – Individual: (Family is 3x the Individual, except HSA Plans)	\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$2,500	\$5,000	\$7,500
Out-of-Pocket Limit – Individual	\$2,500	\$3,000	\$4,500	\$7,000	\$9,500	\$3,000	\$3,500	\$5,000	\$7,500	\$10,000	\$6,000	\$8,500	\$11,000
PREVENTIVE CARE	Member Responsibility					Member Responsibility					Member Responsibility		
	Preferred		Non-Preferred			Preferred		Non-Preferred			Preferred		Non-Preferred
Routine Physical Exams	\$20 Copay†		Not Covered			20%		Not Covered			30%		Not Covered
Routine Immunizations/Vaccinations Well-Baby Care	\$20 Copay†		Not Covered			20%		Not Covered			30%		Not Covered
Women's Routine Mammograms	Covered in Full†		40%			Covered in Full†		40%			Covered in Full†		50%
Women's Annual Exams	\$15 Copay†		40%			\$15 Copay†		40%			\$15 Copay†		50%
PHYSICIAN PROVIDER SERVICES													
Office visits	\$20 Copay†		40%			20%		40%			30%		50%
Alternative Care (\$500 PCY Limit)	\$20 Copay†		Not Covered			20%		Not Covered			30%		Not Covered
HOSPITAL SERVICES													
Inpatient & Outpatient Surgery Room & Ancillary Charges Physician Services	20%		40%			20%		40%			30%		50%
MATERNITY													
All Pre/Post Office Visits & Doctor Delivery Hospital Charges	20%		40%			20%		40%			30%		50%
EMERGENCY SERVICES													
Urgent Care	\$20 Copay†		40%			20%		40%			30%		50%
Hospital Emergency Room ♦ Ambulance ((\$2,000 PCY Limit for Air & Ground))	20%		40%			20%		40%			30%		50%
OTHER FACILITIES & SERVICES													
Lab & X-ray Services Rehabilitation Services Medical Supplies & Devices Skilled Nursing Facility Home Health Care	20%		40%			20%		40%			30%		50%
Prescription Services (No Mail-Order Program)	\$200 Deductible; \$2,000 PCY Limit Tier 1: \$15 Copay; Tier 2: 30%; Tier 3: 50%					\$500 Deductible; \$2,000 PCY Limit Tier 1: \$15 Copay; Tier 2: 30%; Tier 3: 50%					\$500 Deductible; \$2,000 PCY Limit Tier 1: \$15 Copay; Tier 2: 30%; Tier 3: 50%		
Accident Benefit	First \$1,000 paid in full PCY; then paid as any other illness subject to deductible/coinsurance					First \$1,000 paid in full PCY; then paid as any other illness subject to deductible/coinsurance					First \$1,000 paid in full PCY; then paid as any other illness subject to deductible/coinsurance		
Supplemental Benefit Options													
Prescription Drug Buy-Up Option	Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible		Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible			Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible		Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible			Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible		Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible
Alcohol Dependency Treatment Option	Limited to \$4,500 in any 24 consecutive months		Limited to \$4,500 in any 24 consecutive months			Limited to \$4,500 in any 24 consecutive months		Limited to \$4,500 in any 24 consecutive months			Limited to \$4,500 in any 24 consecutive months		Limited to \$4,500 in any 24 consecutive months

† Deductible waived.

* Family deductible applies when an individual and a spouse or one (1) or more dependents are enrolled. Therefore, prior to benefits being paid, the entire family deductible must be met.

♦ \$100 copay applies, unless admitted to the hospital within 24 hours (Except HSA Choice & HSA PPO plans).

PCY = Per Calendar Year

VALUE					CHOICE					HSA CHOICE <i>HSA QUALIFIED</i>		HSA PPO <i>HSA QUALIFIED</i>		
\$4,000,000					\$4,000,000					\$4,000,000		\$4,000,000		
\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$500	\$1,000	\$2,500	\$5,000	\$7,500	\$2,000 \$4,000*	\$1,000 \$2,000*	\$2,500 \$5,000*		
\$4,000	\$4,500	\$6,000	\$8,500	\$11,000	\$2,500	\$3,000	\$4,500	\$7,000	\$9,500	Not Applicable	Individual: \$3,300/Family: \$6,050			
Member Responsibility					Member Responsibility					Member Responsibility		Member Responsibility		
Preferred		Non-Preferred			Any Provider					Any Provider		Preferred	Non-Preferred	
Not Covered					20%					Not Covered		20%†	Not Covered	
Covered in Full†		50%			Covered in Full†					Covered in Full		20%	40%	
\$15 Copay†		50%			\$15 Copay†					Covered in Full		20%	40%	
30%		50%			20%					Covered in Full		20%	40%	
Not Covered					20% (Services must be provided by a Preferred Provider)					Covered in Full (Services must be provided by a Preferred Provider)		20% (Services must be provided by a Preferred Provider)		Not Covered
30%		50%			20%					Covered in Full		20%	40%	
30%		50%			20%					Covered in Full		20%	40%	
30%		50%										20%	40%	
					20%					Covered in Full		20%		
30%		50%			20%					Covered in Full		20%	40%	
Not Covered					\$500 Deductible; \$2,000 PCY Limit Tier 1: \$15 Copay; Tier 2: 30%; Tier 3: 50%					Covered in Full		Covered as any other benefit, subject to medical deductible and then you pay 20%		
Paid as any other illness subject to deductible/coinsurance					First \$1,000 paid in full PCY; then paid as any other illness subject to deductible/coinsurance					Paid as any other illness subject to deductible		Paid as any other illness subject to deductible/coinsurance		
50% Coverage; No deductible; \$2,000 PCY Limit					Tier 1: \$10; Tier 2: \$30; Tier 3: 50%; No Deductible					Not Available		Not Available		
Limited to \$4,500 in any 24 consecutive months					Limited to \$4,500 in any 24 consecutive months					Limited to \$4,500 in any 24 consecutive months		Limited to \$4,500 in any 24 consecutive months		

Note: For PPO plans, member is responsible for non-preferred provider charges above the LifeWise negotiated amounts.



AutoPay (Automated Monthly Payment Option)

Simplify paying your monthly premiums by having payments made directly from your bank account to LifeWise. By automatically deducting your premium, AutoPay ensures timely payments, preventing a possible lapse in coverage or cancellation. Your payments are taken care of even if you're out of town.

You'll find that AutoPay is a great opportunity to save you both time and energy. There is no trip to the post office and no check to write. AutoPay also saves you the \$3 monthly check processing fee.

It's easy to enroll on our AutoPay payment plan. Just complete, sign and date the AutoPay Authorization Agreement included in the Application for Membership. Be sure to attach a voided check or deposit slip.

Once we receive your AutoPay Authorization Agreement and approve your Application for Membership, it may take two to three months to process this information through your bank. You will receive monthly billings in the mail during this time. Simply make your payments directly to LifeWise until AutoPay is effective. This will help prevent the possibility of cancellation due to non-payment.

Glossary of terms

Accident Injury—Physical harm caused by a sudden and unforeseen event at a specific time and place.

Calendar Year—The period of 12 consecutive months that starts each January 1 at 12:01 a.m. and ends on the next December 31 at midnight.

Coinsurance—The percentage of the covered service that you or LifeWise is responsible to pay.

Copayment—The dollar amount or percentage of the covered service that you are responsible for paying to a health care provider for a covered service.

Covered Service—A medically necessary service that is provided to you when you are covered for that benefit under a plan of a Maximum Allowable Amount/Usual, Customary and Reasonable (UCR) basis, up to any benefit maximums.

Family Deductible—The aggregate amount that a family is responsible to pay for covered services within a calendar year before certain benefits are provided by us with respect to that family.

Individual Deductible—The amount that a member is responsible to pay for covered services within a calendar year before certain benefits are provided by us with respect to that member.

Out-of-Pocket Limit—The amount of coinsurance and/or deductibles that a member must pay before we will pay a covered service at 100%. The Out-of-Pocket Limit does not include copayments, charges in excess of Maximum Allowable Amount/UCR, services in excess of any maximum benefit level and any services not covered by the plan.

Pre-Existing Condition—Any medical condition for which medical advice, diagnosis, care or treatment was recommended or received within six months prior to the effective date of coverage.

Preferred Provider—A health care provider that has a written contract with LifeWise.

Service Area—The state of Oregon.

BENEFIT LIMITATIONS & EXCLUSIONS

Benefit plans typically have exclusions and limitations—what the plans do not cover. Here are some of the general exclusions and limitations for plans described in this brochure. Upon enrollment, you will be given a policy with a complete description of your coverage.

Limitations

- Up to \$4,000,000 in lifetime benefits for each covered family member.
- Organ Transplants: \$250,000 lifetime maximum, subject to a 24-month exclusion period. All applicable plans have a preferred provider incentive level (not applicable on *HSA Choice* plan).
- Alternative Care is limited to \$500 per calendar year. A LifeWise preferred provider must provide services for all plans. Services include chiropractic, naturopathic, and acupuncture.
- Medical Supplies and Devices are limited to \$2,500 per calendar year.
- Mental Health benefits: All plans are limited to \$2500 per calendar year for both inpatient and outpatient services only.
- Home Health Care/Hospice: Limited to 130 visits or \$10,000 per calendar year, whichever comes first.
- Emergency Room has a \$100 copayment and does not apply to the Out-of-Pocket Limit Maximum (except *HSA Choice* and *HSA PPO* plans). Copayment is waived if admitted to the hospital within 24 hours.
- Inpatient Rehabilitation is limited to 60 days per calendar year.
- Outpatient Rehabilitation is limited to a benefit maximum of \$2,500 per calendar year.

Exclusions

- Treatment not medically necessary
- Hearing aids and eyeglasses
- Treatment for tobacco addiction
- Treatment for obesity or weight control (including surgery)
- Biofeedback
- Chemical dependency and related conditions
- Family planning services and supplies
- Cosmetic surgery
- Dental procedures
- Experimental or investigational procedures
- Treatment of an illness or injury for which a third party is responsible (i.e., motor vehicle accidents)
- Work-related conditions (except as outlined in your policy)
- Charges over Maximum Allowable Amount/Usual and Customary or Reasonable (UCR) for services and supplies
- Vision services or supplies
- Alcohol dependency treatment services (unless supplemental option is purchased separately)
- Infertility services
- Travel and occupational immunizations
- Temporomandibular joint (TMJ) related services and Orthognathic (jaw) surgery
- Drugs prescribed for mental health

FREQUENTLY ASKED QUESTIONS

BILLING AND RATES

Q. Can I have payments automatically taken from my checking account?

A. Yes. Just select the AutoPay option on your application and complete the AutoPay agreement. Monthly payments will be automatically withdrawn from your checking account. (Please refer to page 10 for more information.)

Q. Can I receive monthly billings instead?

A. Yes, you may select the monthly billing option and a bill will come to you each month for payment. With this billing option, there will be a monthly \$3 administrative fee added for each policy issued.

Q. Will my rate change?

A. All of the rates for our benefit plans for individuals and families are subject to change yearly on July 1, regardless of enrollment date or date of change to a current policy. We will notify you of rate changes, in advance.

COMPLETING AN APPLICATION

Q. Can I complete and submit my application electronically?

A. Yes. The easiest and most efficient way to explore your options and to find out exactly what you need to submit a complete application is to visit our Web site at lifewisehealth.com. You can get a quote and actually complete the entire application on-line. At the end, it's just a click of the mouse to submit your LifeWise application.

CHANGING PLANS

Q. Can I change my plan?

A. You have 10 days from the time you receive your policy to return it, should you wish to not accept the coverage as provided. If you do

accept the policy, you may change to another plan or deductible amount at another time by submitting a new application. The new application will be subject to the same approval process as your original application and may be accepted or rejected based on your health status while enrolled on your current LifeWise policy.

PRESCRIPTION BENEFITS

Q. Is the deductible for the prescription drug benefit that is included in the plans combined with the medical deductible?

A. No. The prescription deductible is separate from the medical deductible and is only applicable to the prescription drug benefit included in the plan. (There is no separate prescription deductible with an *HSA* plan.)

Q. Is there a prescription drug benefit available without a deductible and annual maximum?

A. Yes. The prescription buy-up option is available for an additional cost on some plans. The program is simple, does not require an annual deductible, and does not have a yearly maximum for covered drugs. (Please check to see if the plan you're selecting offers this option.)

Q. Are there any excluded categories of drugs?

A. Yes. Although our plans cover non-preferred brand-name drugs, our prescription benefit excludes drugs used to treat certain conditions. This includes drugs to treat mental or psychiatric conditions, drugs to treat obesity or control weight, drugs prescribed for cosmetic conditions, drugs to treat infertility or sexual dysfunction, and contraceptive drugs and devices. A complete description of covered benefits will be available upon enrollment.

MATERNITY BENEFITS

Q. What are the policy's benefits and limitations with respect to pregnancy?

A. Maternity benefits are only available after 12 continuous months of coverage with LifeWise. However, you will receive credit if you are eligible for creditable coverage from another carrier.

REPLACING COVERAGE

Q. If I replace my current policy with another and there is no lapse or gap in coverage, will my enrollment under the old policy count toward meeting any exclusion periods under the new policy, such as for pre-existing condition limitations?

A. LifeWise will reduce the duration of the pre-existing condition limitation without regard to the specific benefits covered during the prior period and the policy benefit exclusion periods if the excluded service was covered under the prior coverage. These exclusion periods will be reduced by the amount of prior creditable coverage if the creditable coverage is still in effect on the date of enrollment in this policy or the creditable coverage was continuous to a date not more than 63 days prior to the enrollment date of this policy. (Please see Benefit Limitations and Exclusions on page 10.)

Q. If I have an existing health condition when the LifeWise policy is issued, will that condition be covered as of the date of issuance?

A. The policy does have a six-month pre-existing condition limitation. However, you may be eligible for creditable coverage.

Q. Will you credit my deductible that I satisfied with my previous carrier to my new LifeWise plan?

A. LifeWise will credit deductible satisfied only under another LifeWise Individual policy. Deductible credit from other carriers will not be granted.

EMPLOYER PLANS

Q. Can my employer pay the premium for my policy?

A. No. This is an Individual plan and payments may not be made by an employer. In accordance with Oregon insurance regulations, should the employer pay any or all of the premium, the plan would need to qualify as a group plan and would need to meet several requirements that are not applicable to Individual plans. Therefore, we cannot issue an Individual policy in which:

- Any portion of the premium is paid by an employer; or
- Any employee is reimbursed, whether through wage adjustment or other method, by an employer for any portion which is designated for health insurance; or
- The health benefit is treated by an employer or any of the employees as part of a plan or program for the purposes of section 106, section 125 or section 162 of the Internal Revenue Code of 1986, as amended.

Additional information

Please read your policy carefully. This brochure and overview of coverage provide a very brief description of the important features of our plan policies. Please note that this brochure and overview of coverage are not intended to be a part of the policy. Only the language of the policy issued by us is final and binding.

Before you add new coverage to your current coverage, you should review both policies to ensure that you are not purchasing any unnecessary coverage.

If you have any questions that are not answered by this disclosure statement, be sure to ask your agent or a Customer Service Representative.

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

If you decline coverage under a group health benefit plan in order to retain or obtain coverage under an individual health benefit plan, you may be considered a late enrollee if you seek subsequent enrollment in a group.

Be sure to fill out all portions of your application completely and truthfully. If misstatements are made or information about your health is omitted from the application, the insurer may void the contract or deny your claims.

TO LEARN MORE

If you need more information about LifeWise Individual health plans, or help in completing the enrollment form, please ask your agent, or contact us directly at: 1-800-290-1278

Or visit us at: www.lifewisehealth.com, where you can get a quote and actually complete the entire application on-line.

Please remember that this brochure is only a general outline of the important features of our benefit plans for individuals and families in Oregon. The full terms and conditions of these plans are provided in the policy at the time of purchase.

LifeWise Health Plan of Oregon

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