

Isn't it time someone created
a healthier health plan?

We thought so. So we did.



Lumenos[®] Health
Savings Account Plan
for Individuals and Families

The person most responsible for your health? You. The plan most supportive of your health? Lumenos HSA, a consumer-driven health plan offered by BC Life & Health Insurance Company.

Think of “health plan” and what comes to mind? Most likely, coverage that just helps pay the cost of medical care when you’re sick or injured.

We’re out to change your thinking.

With our Lumenos Health Savings Account (HSA Compatible) Plan—an innovative consumer-driven health plan for individuals and families from Blue Cross—protection against high medical expenses is only part of the story.



What makes the Lumenos HSA Plan different? Plan features specially designed to improve and maintain your health and give you enhanced control over your health care dollars. Take a look:

- **Preventive care covered—period.** When you use our network providers, nationally recommended preventive care services are paid for by Blue Cross, at zero cost to you.
- **A Health Savings Account that empowers you.** You'll have the ability to better manage and control your health care dollars.
- **Exclusive health tools and personalized services.** You'll have access to a wealth of ways to improve and maintain your health—all at no charge, including:
 - An online Health Assessment designed to help you measure your overall health.
 - A Personal Health Coach Program, Smoking Cessation Program, and Weight Management Program.
 - 24-Hour Nurse Advice Line when you need a quick answer to a routine health question or advice on a medical issue.
 - An online health site with tools and information, including network provider listings, hospital quality ratings, prescription drug costs, wellness articles, and much more.
- **Built-in value through Blue Cross discounts.** You choose your own doctor and you never need referrals—but when you use our network providers, you can save money because you'll receive Blue Cross' negotiated discounts on services and prescriptions.
- **Flexibility.** Choices and options are available to help tailor your Lumenos HSA Plan to your needs and budget—and you control a portion of your health care dollars for even more flexibility.
- **Improve your health and your financial health.** Your Health Savings Account qualifies for tax advantages designed to help reduce your out-of-pocket health expenses.

Now when you think of “health plan,” think Lumenos HSA. Because a health plan you can feel good about is one that helps you feel good.

How the Lumenos HSA Plan works

Preventive Care

Preventive care to maintain your health.

- 100% coverage for nationally recommended preventive care services with no deduction from your Health Savings Account and no out-of-pocket costs when you use network providers.

Health Savings Account

Health Savings Account to pay for medical care and prescriptions.

- Contributions are tax-deductible and withdrawals are tax-free when used to pay for eligible medical expenses.
- The account balance earns interest and you have the opportunity to invest for the future.
- Unused dollars rollover from year to year so your account can keep growing to help meet future health care costs.
- The money you spend from your Health Savings Account on covered expenses applies to your plan deductible, which must be satisfied before traditional coverage begins.

Out of Pocket "Bridge" to Traditional Health Coverage

Then, use Traditional Health Coverage, if needed.

- If there is no money in your Health Savings Account, you must pay any remaining deductible out-of-pocket. This payment is called a "bridge" amount because it bridges the HSA and traditional health coverage components of the plan.
- Then, the plan pays the majority of the cost for additional covered services. You are responsible for any applicable coinsurance amounts.
- Once the out-of-pocket maximum is reached (which includes the plan deductible and any coinsurance payments), the plan pays 100% of covered expenses.

Traditional Health Coverage

A closer look at our Lumenos HSA Plan

Once you're approved for health benefits coverage under the Lumenos HSA Plan, a separate Health Savings Account will be set up for you with Mellon Trust of New England (or you can choose another financial institution).

You can make tax-deductible contributions (within certain IRS limits) to your Health Savings Account, and withdraw the money tax-free to pay for eligible medical expenses.

The tax advantages help to lower your out-of-pocket costs, and the money you use from the account applies to your "Bridge" responsibility (the amount you must pay out-of-pocket before traditional health coverage kicks in).

There are other advantages: The money in the account is yours to keep—it's never forfeited, even if you leave the plan. If you don't spend all the money in a given year, the amount rolls over, so your account keeps growing.

Health Savings Accounts: 3-Way Tax Savings

If you open a Health Savings Account with your Lumenos HSA plan, you can save on taxes in three ways:

- First, the contributions you make to your account are tax-deductible (within certain IRS limits), which can reduce your overall taxes.
- Second, the money in your account can earn tax-free interest and you even have the opportunity to invest for the future.
- Third, withdrawals to pay for eligible medical expenses are tax-free.

You can also use the money in your Health Savings Account to pay for medical expenses that aren't covered by the health plan, like contact lenses, over-the-counter medications, or orthodontic braces (however, these amounts won't apply to your deductible).

Your Health Savings Account with Mellon Bank

Blue cross makes it easy to get your account started. We've partnered with Mellon Trust of New England to make establishing and managing your Health Savings Account simple—we'll even set up the account for you once you're approved for coverage. Or, if you would rather use another financial institution, that's fine too.

The Lumenos HSA Plan includes servicing for your Health Savings Account through Mellon Trust of New England. While you are not required to use Mellon Bank for your Health Savings Account, the features and services provided by Mellon were designed to meet all of your needs.

Key Features

The Mellon Health Savings Account provides many useful tools and services:

- a single customer service contact for the health plan and the Health Savings Account
- a single online health site to access your plan benefit information and account details
- competitive interest rates and investment options for the funds in your Health Savings Account

Interest and Investments

You will earn interest on your Health Savings Account funds and will also have the opportunity to invest your funds once your account balance reaches \$3000. Investment options include seven mutual funds from the Dreyfus family of mutual funds. Once you are ready to invest, you can request a prospectus for each fund for more details.

Debit Cards and Checkbooks

Use your MasterCard® debit card or your Health Savings Account checkbook to pay your health care provider directly for eligible medical expenses, or to access cash from your account.

Deposits to your account

Contribute to your Health Savings Account by sending a check and deposit slip to the address printed on your checkbook. You can also set up an electronic funds transfer between your bank and Mellon for regular account contributions.

Account Activity Statements

Each month, you will receive a monthly statement from Mellon that shows all of your account activity. You will also receive a 1099 form and a 5498 form near tax time so you can file your taxes.

Welcome Kit

Once you're approved for the Lumenos HSA Plan, your Health Savings Account with Mellon will automatically be established—a separate application for your account is not required (unless you choose a different financial institution). Soon after you're approved for the plan, you will receive a Welcome Kit from Mellon with all of the banking documentation and instructions for using your Health Savings Account.

Mellon Health Savings Account Fee and Rate Schedule

The following administrative and banking fees apply to the Health Savings Account with Mellon Trust:

Administrative fees

- One time account set-up fee \$15

Banking fees

- Monthly account fee \$2.95
- Debit card transactions no charge
- Check writing no charge
- ATM transactions \$1
- Card replacement fee \$5
- Check reorder \$10
- Non-sufficient funds \$25
- Stop check service \$25
- Duplicate check \$5

You will receive a Health Savings Account Deposit Agreement and Disclosures and Fee Sheet in your Mellon Welcome Kit after you're approved for the Lumenos HSA Plan. Please refer to those documents for the complete terms and conditions related to your account.



To open a Health Savings Account, you must meet certain IRS eligibility requirements:

- You must be covered by an HSA-compatible plan (such as the Lumenos® HSA plan).
- You cannot be covered by any other medical plan that is not an HSA-compatible health plan.
- You must not be enrolled in Medicare.
- You must not be claimed as a dependent on another individual's tax return.
- You must be a U.S. resident, and not a resident of Puerto Rico or American Samoa.
- If you are a veteran, you may not have received veteran's benefits within the last three months.
- You may not be active military.



Still more Lumenos HSA Plan benefits

Save on prescription drugs—including mail order

Prescription medications—even through mail order—are covered when the traditional health plan coverage kicks in (less any applicable coinsurance payments). But that doesn't mean you have to wait to save money:

- Thanks to our buying power, Blue Cross is able to negotiate significant discounts on all types of prescription medicines. Just show your Blue Cross ID card at pharmacies in our network—that's over 95% of pharmacies nationwide. Your card lets them know your prescription should receive the Blue Cross discount rate.
- The cost of the prescription can be paid first from your Health Savings Account, if you have one. If you don't have money in your account, you still benefit from Blue Cross's discount rate.
- To further lower your cost, visit www.bluecrossca.com (it's easy to register once you're approved in the plan) to learn about generics or other low-cost alternatives that could save you money.
- You can also potentially save on prescriptions by ordering a 60- or 90-day supply through mail order. Once you're approved in the plan, you can download a mail order form from www.bluecrossca.com.

Get plenty of support

Once you're approved for your Lumenos HSA plan, you'll have access to a wealth of online content designed to help keep you healthy and save money. Some of the tools and information available to you and your eligible dependents include:

- **Health Assessment:** Designed to help measure your current overall health. The information you provide is secure and strictly confidential.
- **Personal Health Coach:** A one-on-one support program intended to help you proactively manage your health. Available if you qualify.
- **Smoking Cessation Program:** A proven program to manage withdrawal symptoms, identify triggers and learn new behaviors and skills to remain tobacco free. Participation is open to you and eligible dependents age 18 or older, and includes counseling support and tools, including nicotine replacement therapy coverage.
- **Weight Management Program:** A personalized phone program designed to help you adopt lifestyle changes necessary to lose weight and maintain weight loss. A team of counselors (a registered dietitian and health educator) with expertise in weight management will advise you on healthy eating, physical activity and exercise, stress management, and more. You and eligible dependents age 18 and older with a Body Mass Index (BMI) of 25 or higher are eligible for this program.

There's much more. If you don't have Internet access, you can also call our friendly Blue Cross customer service advocates for help in getting the information you need.





Lumenos HSA plan options

Preventive care

- 100% coverage
- No out-of-pocket costs
- No deduction from Health Savings Account

Health Savings Account

Each plan year, you may contribute money to your HSA up to the maximum contribution limit set by the U.S. Treasury and the IRS.

- Unused dollars are saved and rollover each year
- HSA dollars earn interest and can be invested

*The contribution limits set by the U.S. Treasury and the IRS may be increased for inflation annually. Consumers over age 50 may make additional "catch-up" contributions. Consult your tax advisor for details.

Traditional Health Coverage

Choose from the following plans:

Plans with 100% coinsurance - After deductible is met, plan pays 100% in-network services, and 70% for out-of-network services

Lumenos Plans for Individuals

- HSA 1500: \$1500 annual deductible with \$1500 annual out-of-pocket limit for in-network services
- HSA 2500: \$2500 annual deductible with \$2500 annual out-of-pocket limit for in-network services
- HSA 3000: \$3000 annual deductible with \$3000 annual out-of-pocket limit for in-network services
- HSA 5000: \$5000 annual deductible with \$5000 annual out-of-pocket limit for in-network services

Lumenos Plans for Families

- HSA 1500: \$3000 annual deductible with \$3000 annual out-of-pocket limit for in-network services
- HSA 2500: \$5000 annual deductible with \$5000 annual out-of-pocket limit for in-network services
- HSA 3000: \$6000 annual deductible with \$6000 annual out-of-pocket limit for in-network services
- HSA 5000: \$10000 annual deductible with \$10000 annual out-of-pocket limit for in-network services

- The plan's annual deductible must be satisfied before traditional health coverage begins. The money you pay from your Health Savings Account for covered medical expenses applies to your deductible.
- If there is no money in your Health Savings Account, or if you choose not to use the account to pay for covered services, you will pay any remaining deductible out-of-pocket as a "Bridge" to the traditional health coverage.
- When traditional health coverage begins, the plan pays the majority of covered expenses, and you pay a limited coinsurance amount.
- The plan pays 100% of covered expenses after you reach the annual out-of-pocket maximum, including the deductible and coinsurance payments.

How could the Lumenos HSA plan work for you?

Let's look at one example of how the Lumenos HSA plan can help individuals and their families. You can view more examples at bluecrossca.com.



STEVE ADAMS

Steve is a healthy 35-year-old who loves skiing and the outdoors. Being healthy is important to him, but he never really thinks about it. Unfortunately, he took a nasty spill on the slopes and had to have knee surgery later in the year. Since his expenses were higher than usual, Steve had some out-of-pocket expenses in his first year. His second year was more typical and he was able to begin to build savings in his HSA for the future.

Services used by Steve:

- Online Health Assessment
- Online physician directory and profiles
- 24-Hour Nurse Advice Line

Services to help Steve stay healthy:

- Online fitness program

STEVE ADAMS' HSA PLAN

Steve contributes \$1,500 to his HSA each year. His plan's deductible is \$2,000. If he chooses to use his HSA to pay for covered services, this will reduce the out-of-pocket amount (the Bridge) needed to meet his deductible before the Traditional Health Coverage begins.

Year 1		Year 2			
HSA:	\$1,500 contribution	\$1,500	HSA Balance: \$0 from Year 1, plus \$1,500 Contribution for Year 2	\$1,500	
Total Expenses:		\$4,650	Total Expenses:		\$500
	Preventive care services	\$250	Preventive care services	\$200	
	Arthroscopic Knee Surgery	\$4,200	Office visits	\$100	
	Prescription drugs	\$200	Prescription drugs	\$200	
Paid by preventive care benefit - no deduction from HSA		\$250	Paid by preventive care benefit - no deduction from HSA		\$200
Expense balance remaining		\$4,400	Amount paid from HSA (Steve's choice)		\$300
Amount paid from HSA (Steve's choice)		\$1,500			
Steve pays remainder of Bridge amount needed to meet annual deductible (\$2,000 - \$1,500 = \$500)		\$500			
Expense balance remaining		\$2,400			
Amount paid by Traditional Health Coverage (90% x \$2,400 = \$2,160)		\$2,160			
Steve pays coinsurance under Traditional Health Coverage (10% x \$2,400 = \$240)		\$240			
Total Amount HSA and Plan Pays		\$3,910	HSA Rollover to Year 3		\$1,200
Total Amount Steve Adams Pays		\$740	Since Steve did not spend all of his HSA dollars, he did not need to pay any additional amounts out-of-pocket this year.		
HSA Rollover to Year 2		\$0			

This is an example. Your actual experience will vary. All expenses assume the use of in-network providers.





Get plenty of online support and helpful tools

Once you're approved in the plan, simply register at www.bluecrossca.com for instant access to a wealth of online content designed to help keep you healthy and save money. If you don't have Internet access, you can call our friendly Blue Cross customer service advocates for help in getting the information you need.

Our award-winning, online health site gives you access to tools to help you manage your health. You can learn more about your Lumenos plan, look up providers, manage your health online, track your health spending and savings and even customize your own home page on the site:


Learn more about your Lumenos plan: View The Lumenos Plan page for a quick explanation of how the plan works, and more.

Look up a provider: Use our online ProviderFinder to locate and learn about doctors, specialists, hospitals and other providers near you, search for providers by location or specialty, view hospital quality ratings and check cost estimates for medical services and prescription drugs.

Manage your health online: Use health tools on the My Health page to learn how to stay healthy, deal with an illness, or prepare for a surgical procedure, including questions to ask your doctor.

Track your health spending and savings: Use the My Account page to help you keep track of your health care dollars, claims and benefits.

Set up your own personal home page: Use the My Page feature to set up quick access to the site's health tools, including links to your account and up-to-date news on health-related topics.



Need another reason to choose the Lumenos HSA Plan?

How about how easy it is to apply.

Our Lumenos HSA Plan offers a wealth of benefits, including:

- 100% preventive care coverage
- A Health Savings Account to better manage and control your health care dollars
- Traditional health coverage to protect against high medical expenses
- Tax advantages on your health care savings
- Exclusive access to online tools, information, and personalized services to help improve and maintain your health

To all these benefits, add one more: it's easy to get started.

Whether you're looking for individual or family coverage, the application can be filled out and submitted easily and securely online and, in most cases, the approval process takes only a day or two.

Talk to your agent or financial advisor today for more information and complete details. A healthier future is just ahead.





This is an example. Your actual experience will vary. All expenses assume the use of in-network providers.
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