2012 Summary of Important Changes for Contract Renewals for Kaiser Permanente Group HMO Plans

This summary does not apply to Added Choice out-of-network coverage, QUEST, Kaiser Permanente for Individuals and Families, federal, state, or Medicare members. Changes for Senior Advantage and Medicare Cost appear separately.

This summary does not fully describe your coverage. For details on your coverage, please refer to your employer’s applicable Face Sheet, Group Medical and Hospital Service Agreement, Benefit Schedule, and Riders if any (collectively known as “Service Agreement”). The Service Agreement is the legally binding document between Health Plan and its members. In the event of ambiguity, or a conflict between this summary and the Service Agreement, the Service Agreement shall control.

Your employer may have purchased benefits (referred to as “riders”) that override some of these changes. However, riders are not available for some of the changes described below. Please refer to your Benefit Summary to determine your specific benefit copayments.

Under the Patient Protection and Affordable Care Act (PPACA), your coverage may be considered a “grandfathered plan.” Some of the benefit changes below may not be applicable to a grandfathered plan.

BENEFIT AND CONTRACT CHANGES:
These changes become effective on your employer’s contract renewal date, unless specified otherwise below.

1. **Office visit copayment.** The office visit copayment (“copay”) will increase from $15 to $20 per visit.

2. **Outpatient surgery and procedures.** Outpatient surgery and procedures that are provided in a hospital-based setting or Ambulatory Surgery Center (ASC) will increase from $15 per visit to 10% of applicable charges.

3. **Hospital inpatient care.** Hospital inpatient care will increase from $75 per day to 10% of applicable charges. The hospital inpatient copay will be applied to all services or items provided during a hospital stay, including observation and maternity. (Previously, the hospital copay was not applied to observation or maternity.)

4. **Outpatient laboratory services.** Outpatient laboratory services will decrease from 10% of applicable charges to $10 per day, except that specialty laboratory services will increase from 10% of applicable charges to 20% of applicable charges.

5. **Outpatient imaging services.** Outpatient imaging services will decrease from 10% of applicable charges to $10 per day for general radiology and diagnostic mammography. Specialty imaging services will increase from 10% of applicable charges to 20% of applicable charges.

6. **Outpatient testing services.** Outpatient testing services will increase from 10% of applicable charges to 20% of applicable charges.

7. **Outpatient radiation therapy.** Outpatient radiation therapy will increase from $15 per visit to 20% of applicable charges.

8. **Administered drugs.** Prescribed drugs that require skilled administration by medical personnel will increase from no charge to $20 per dose.

9. **Skilled nursing care.** Up to 60 days of prescribed skilled nursing care will increase from no charge to 10% of applicable charges.
10. **Emergency department services.** Emergency services received within the service area will increase from $75 per visit to $100 per visit.

11. **Tobacco cessation drugs and products.** Tobacco cessation drugs and products are provided at no charge. (Previously, covered only by Drug Rider.)

12. **Tobacco cessation classes and counseling.** Tobacco cessation classes and counseling sessions are provided without charge. (Previously, not covered.)

13. **Home phototherapy equipment.** Home phototherapy equipment for newborns is provided without charge. (Previously, covered only by Durable Medical Equipment Rider.)

**BENEFIT AND CONTRACT CLARIFICATIONS:**
These clarifications are effective immediately, unless otherwise specified below.

1. **Compliance with laws.** Clarify that employer and Kaiser Permanente comply with all federal and state laws, including the Employee Retirement Income Security Act (ERISA), Hawaii Prepaid Health Care Act and PPACA.

2. **Confidentiality.** Clarify that employer and Kaiser Permanente comply with all federal and state laws regarding confidentiality of protected health information, including Health Insurance Portability and Accountability Act (HIPAA).

3. **Indemnification.** Clarify that employer and Kaiser Permanente indemnify and hold harmless the other from any and all liabilities, claims, demands, actions, losses, damages, costs and expenses arising out of or related to acts or omissions committed by the other.

4. **Civil union.** Expand the definition of Spouse to include a Subscriber’s partner in a legal civil union. Qualifying events such as marriage also include civil union. *(effective 1/1/2012)*

5. **Emergency department services.** Clarify that other medical services or items received during, or as a result of, an emergency visit are covered in accordance with its relevant benefit section.

6. **Urgent care services.** Clarify that urgent care services are covered when received within the service area and from Kaiser Physicians or at Kaiser-designated facilities. The within service area urgent care copay is equal to the office visit copay.