

PacifiCare®

□ PacifiCare SignatureFreedomSM
for Individuals



PacifiCare SignatureFreedomSM a fully insured self directed health plan for those who want real freedom of choice.

PacifiCare SignatureFreedomSM Self Directed Health Plan (SDHP) is a simple plan design, similar to a traditional PPO – participants pay an annual deductible before the plan covers their health care expenses. The key difference is that covered persons receive a Self Directed Account (SDA), which provides first-dollar coverage for a select set of services.

PacifiCare SignatureFreedomSM Plan Design Sample*

Self Directed Account (SDA)

\$250/Calendar Quarter Individual only	\$500/Calendar Quarter Family
---	----------------------------------

Individual-Paid Deductible

\$3,000 Individual only	\$6,000 Family
----------------------------	-------------------

PPO Benefits

In-Network Coinsurance 70%	Out-of-Network Coinsurance 50%
-------------------------------	-----------------------------------

100% Coverage after Coinsurance Maximum
(except for outpatient prescription drugs which require a Copayment or Coinsurance)

PacifiCare SignatureFreedom plans are underwritten by PacifiCare Life Assurance Company.

Choice with added security. Perfect for today's health care consumer.

If a participant depletes his or her SDA, the PacifiCare SignatureFreedom plan defaults to a high-deductible PPO plan. A portion of the yearly deductible for their PPO plan may have already been satisfied through their SDA.

If a participant requires services that are not covered by the SDA (such as inpatient surgery or emergency room services), he or she will need to meet the applicable PPO deductible.

Once the remaining portion of the deductible not covered by the SDA is satisfied, a participant can take advantage of the coverage afforded by the PPO portion of the plan. Even if the PPO deductible has been met, there may be funds available in their SDA for SDA-eligible coinsurance expenses.

The Self Directed Account gives today's health care consumers real freedom.

With PacifiCare SignatureFreedom, plan participants can go to any provider for services covered by the SDA. If they choose a provider from PacifiCare's extensive plan provider network, they often pay lower, PacifiCare-negotiated rates.

Here are just a few of the services included (and not limited) to the SDA:

- Physician office visits
- Covered diagnostic X-ray and lab services
- Preventive care for children with immunizations (through age 18)
- Mammography screening
- Breast and pelvic exams
- Prostate cancer screening
- Periodic health evaluations

Services not covered by the SDA include (and are not limited to) such expenses as hospitalization and outpatient surgery, prescription drug benefits, emergency room services, and nontraditional medical expenses including acupuncture and infertility services.

Unused portions of the SDA can be rolled over, quarter after quarter.

The SDA's rollover feature allows covered persons to "save" the unused SDA balance by rolling it over to the next quarter. And they can continue to roll over the remaining balance, quarter after quarter. This allows them to save funds for health care expenses while encouraging them to make smarter choices about their care. The unused SDA balance is forfeited only if the policy is terminated.



*This is merely a summary, and the *Certificates* and *Schedule of Benefits* need to be referenced for specific details of conditions, limitations and exclusions. Premium will vary depending on the level of benefits chosen.

Questions & Answers about the PacifiCare SignatureFreedomSM Plan*

What is the Self Directed Account (SDA)?

The SDA can be used to pay for specified eligible medical plan expenses from the beginning of your coverage. The SDA is available to satisfy part of the annual PPO deductible. The amount of the SDA is disclosed in the *Schedule of Benefits*.

What are the PPO benefits under the PacifiCare SignatureFreedom plan?

PacifiCare PPO benefits work just like those of any other PPO plan. The covered person can see any physician or specialist but may enjoy greater benefits by seeing participating providers who have contracted with PacifiCare to provide services at prenegotiated rates.

What will the covered person have to pay for?

Here are a few scenarios where a covered person will pay for services:

1. *The covered person has used all the funds available in the SDA (the balance of the SDA is zero) and has not met the plan year deductible.* In this scenario, the covered person would be responsible for paying the difference between the amount of the annual deductible and the amount already satisfied by the SDA. The annual deductible must be met before the covered person can use PPO benefits.
2. *The SDA balance is zero and the covered person has met the plan year deductible.* In this scenario, the covered person would be responsible for paying his or her share of the coinsurance as specified in the PacifiCare PPO *Schedule of Benefits*.
3. *The SDA has not been used and the covered person has not met the plan year deductible, and the covered person is hospitalized for surgery.* In this scenario, the covered person would pay up to the annual deductible amount because hospitalization is not covered by the SDA. The plan then begins paying a percentage of the covered expense under the PacifiCare PPO benefits. The funds in the SDA are still available to the insured for eligible expenses.
4. *The SDA has not been used and the covered person has not met the plan year deductible, and the covered person is visiting his or her physician for a routine check-up.* In this scenario, the covered person would not be responsible for paying as long as the cost of the office visit does not exceed the amount of the SDA balance. The cost of the visit will be deducted from the SDA.

How does the SignatureFreedom plan pay claims for health care services?

Once the covered person has received health care from a participating or non-participating provider, the health care provider bills the plan for the cost of services. Once the bill is received by the plan and the SDA is reviewed, the claim will be paid as follows:

1. *If the service is covered by the SDA and the covered person has enough funds in the SDA to cover the bill,* it is paid in full by the SDA for in-network services and 100% of usual and customary/limited fee schedule for out-of-network services. The covered person will owe nothing for in-network services; they are responsible for amounts above usual and customary/limited fee schedule.
2. *If the service is covered by the SDA but the covered person doesn't have enough funds in the SDA to cover the bill,* the plan pays up to the amount left in the SDA. At this point, the covered person is responsible for the rest of the health care expenses until his or her portion of the annual deductible is met.
3. *If the service is not covered by the SDA,* the covered person is responsible for the health care expenses until he or she satisfies the annual deductible.

Once the PPO annual deductible has been satisfied, the bill will be paid at the PPO coinsurance level.

1. *If the covered person still has funds available in their SDA after the annual deductible has been met,* the SDA will pay the covered person's share of the coinsurance for the specified eligible medical expenses until the SDA is exhausted.
2. *If the covered person does not have funds available in the SDA,* he or she pays a share of the PacifiCare PPO coinsurance up to the annual coinsurance maximum.

Will a member ever have to pay out-of-pocket for services that are applicable to the SDA?

It is possible that a provider may require a participant to pay out-of-pocket for services that qualify for SDA funds. If this occurs, the participant should save his or her receipt and contact customer service for reimbursement.

**P.O. Box 69312
Harrisburg, PA 17106-9312**

**Customer Service
1-866-867-0700
1-866-867-0701 (TDHI)**

Visit our Web site @ www.pacificare.com