



**HOMETOWN HEALTH PLAN, INC.  
SMALL GROUP HMO PLAN  
2018 EVIDENCE OF COVERAGE**

This Evidence of Coverage (EOC) describes your health insurance provided by Hometown Health Plan, Inc. (Hometown Health), a Health Maintenance Organization (HMO) licensed by the State of Nevada to provide or arrange for the provision of health care services on behalf of its members. It includes benefits, exclusions, limitations, and applicable administrative policies, rights, responsibilities, and procedures for your health insurance Policy. Refer to your Schedule of Benefits for Policy-specific Cost Sharing information not described within this EOC. In case of conflicts between this EOC and your Schedule of Benefits, this EOC shall be the document that determines the benefits or interpretation of those documents.

Network. This Policy is a closed network HMO plan that provides access to the Hometown Premier Network. *This Policy does not allow Members to seek services out of the Hometown Premier Network.* There is no coverage for services outside the *Hometown Premier Network* unless the services are rendered as part of an Emergency room visit, an Urgent Care Center visit received Out-of-Area, or they have been previously approved by Hometown Health to be paid at the HMO Benefit Level. *Additionally, you must receive a referral from your Hometown Premier Primary Care Physician prior to receiving services from a Specialty Care Physician.*

Prescription Drug Coverage. Members must utilize the HometownRx Premier Pharmacy Network. *This Policy does not cover drugs which are purchased from pharmacies that are not part of the HometownRx Premier Pharmacy Network.* Members must work with their doctors to select drugs that are included in the HometownRx Standard Prescription Drug List. *This Policy does not cover drugs which are not included in the HometownRx Standard Prescription Drug List.*

Pediatric Coverage. This Policy provides pediatric vision coverage and may provide pediatric dental coverage (see your Schedule of Benefits for specific benefits) for those members under the age of 19, with corresponding vision and dental networks of Preferred Providers. Lists of Preferred Providers for each for these networks and the medical and pharmacy networks are available at [hometownhealth.com](http://hometownhealth.com).

Geographic Service Area. This Policy is available only to employees (and their eligible dependents) who live in Nevada and whose employer's primary business location is located in Carson City, Douglas County, Storey County or Washoe County. Additional eligibility requirements are detailed in this EOC.

Minimum Essential Coverage. This Benefit Plan is considered Minimum Essential Coverage as defined by the ACA, 26 U.S.C. § 5000A(f) and its implementing regulations. Subscribers enrolled in this plan will receive an IRS Form 1095-B from Hometown Health. Form 1095-B is used to report certain information to the IRS and to taxpayers about individuals who are covered

by Minimum Essential Coverage and therefore are not liable for the individual shared responsibility payment for the months during which they are enrolled in this plan.

Dependent Eligibility. Please contact your employer to determine who in your family may be eligible for coverage under this plan. Your employer may choose to offer coverage to any of the following groups as selected in the Group Subscription Agreement:

1. Employees only
2. Employees and children;
3. Employees, spouses and children; or
4. Employees, spouses, domestic partners and children.

If your employer chooses to limit coverage of dependents, any provisions in this EOC that discusses eligibility and coverage of dependents is limited to those categories of dependents (if any) that are eligible for coverage, with the exception of eligible children who are always covered within the first 31 days following birth, adoption or placement for adoption as described in Chapter VIII – Eligibility and Enrollment, Section A.

Ongoing Regulation. This EOC complies with the requirements of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010, together referred to as the Affordable Care Act (ACA), the Mental Health Parity and Addiction Equity Act of 2008 and all other applicable state and federal insurance laws (including Nevada's telehealth law), regulations and guidance effective on the date of publication of this Schedule of Benefits and the EOC it supports. These laws, regulations and supporting guidance may change. We will provide coverage under this Policy in accordance with these laws, regulations and guidance as they are issued.

Your Documents. Copies of your EOC, Schedule of Benefits, attachments, Preferred Provider lists and other associated documents are available online at [hometownhealth.com](http://hometownhealth.com). We will provide you with paper copies of these documents without charge upon your request to our customer services department.

**HOMETOWN HEALTH**

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CONTACT INFORMATION

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ATTN: CUSTOMER SERVICE  
10315 PROFESSIONAL CIRCLE  
RENO, NEVADA 89521

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MAIN  
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TOLL FREE  
(800)336-0123

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FAX (ATTENTION: CUSTOMER SERVICE)  
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TTY (SPECIAL EQUIPMENT REQUIRED)  
711

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[CUSTOMER SERVICE@HOMETOWNHEALTH.COM](mailto:CUSTOMER_SERVICE@HOMETOWNHEALTH.COM)  
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**TABLE OF CONTENTS**

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I.	DEFINITIONS .....	6
A.	GENERAL DEFINITIONS.....	6
B.	PHARMACY BENEFIT DEFINITIONS .....	13
II.	NOTICE OF NONDISCRIMINATION .....	15
III.	NOTICE OF PRIVACY PRACTICES.....	16
IV.	SCHEDULE OF BENEFITS .....	24
A.	PROFESSIONAL SERVICES .....	24
B.	HOSPITAL, SKILLED NURSING CARE, AND SERVICES IN AN OUTPATIENT SURGICAL CENTER .....	39
C.	EMERGENCY SERVICES.....	41
D.	URGENT CARE SERVICES.....	43
E.	OTHER SERVICES AND SUPPLIES .....	44
F.	CONTINUED COVERAGE FOLLOWING TERMINATION OF A PROVIDER CONTRACT.....	47
G.	COVERED SERVICES UNDER THE PHARMACY BENEFIT .....	48
H.	COVERED SERVICES UNDER THE PEDIATRIC VISION BENEFIT .....	53
I.	COVERED SERVICES UNDER THE PEDIATRIC DENTAL BENEFITS (IF OFFERED).....	53
V.	EXCLUSIONS AND LIMITATIONS.....	55
A.	MEDICAL AND GENERAL EXCLUSIONS .....	55
B.	PHARMACY BENEFIT EXCLUSIONS .....	61
C.	PEDIATRIC VISION PLAN EXCLUSIONS .....	64
D.	PEDIATRIC DENTAL BENEFIT EXCLUSIONS (IF OFFERED)- .....	64
E.	OVERALL LIMITATIONS .....	66
VI.	UTILIZATION MANAGEMENT PROGRAM .....	67
VII.	RELATIONSHIP OF PARTIES .....	71
VIII.	ELIGIBILITY AND ENROLLMENT.....	72
A.	WHO IS ELIGIBLE FOR COVERAGE? .....	72
B.	WHEN CAN YOU ENROLL OR CHANGE COVERAGE?.....	75
C.	HOW DO YOU ENROLL IN COVERAGE?.....	77
D.	OTHER IMPORTANT INFORMATION .....	78
IX.	INSURANCE PREMIUMS .....	80
X.	TERMINATION.....	82
XI.	CONTINUATION OF COVERAGE .....	85

**HOMETOWN HEALTH**

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XII. SUBROGATION / RIGHT TO REIMBURSEMENT..... 90

XIII. COORDINATION OF BENEFITS ..... 95

XIV. MEDICARE COORDINATION OF BENEFITS ..... 99

XV. DOUBLE COVERAGE ..... 100

XVI. MEMBER CLAIMS AND APPEAL PROCEDURES ..... 101

XVII. GENERAL PROVISIONS..... 111

## I. DEFINITIONS

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The following definitions apply to all provisions of this EOC and to the applicable Schedule of Benefits.

### A. GENERAL DEFINITIONS

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**Acute** – A short Illness or Injury, generally of a sudden onset and/or infrequent occurrence, in which Illness or Injury is not always present. An Acute condition may become Chronic.

**Allowed Amount** – The contracted amount for a given service or, if there is not a contracted amount and the service is still covered by this Benefit Plan, the lesser of the Usual and Customary amount or the amount Medicare would pay for the service.

**Benefit Plan** – The specific health insurance Policy outlined in this EOC and your Schedule of Benefits.

**Benefit Summary Table** – A table found in the Schedule of Benefits that includes the specific level of Cost Sharing for various benefits that must be paid by the Member upon receipt of the benefit.

**Billing Cycle** – The period between the Premium due date and the day before the next Premium is due. The Premium due date is the day following the date of Subscriber acceptance of policy. Eligibility for coverage and membership will not begin until the Premium is collected and the effective date of coverage will vary depending upon the circumstances around the enrollment. This is detailed in the eligibility section of the policy.

**Chronic** – An Illness, condition, or Injury that continues or is expected to continue for at least six months that can recur frequently or is always present. Chronic conditions may have Acute episodes.

**Chronic Pain** – Ongoing pain that is due to non-life threatening causes may continue for the remainder of life and that has not responded to currently available treatment methods.

**Coinsurance** – The percentage of the Allowed Amount for a covered service that is due and payable by the Member to a Provider upon receipt of the service. There may be separate coinsurance for medical, pharmacy and other benefits according to the Benefit Plan that is in place. Coinsurance applies after all Deductibles have been paid, unless otherwise stated within the Schedule of Benefits or EOC. Coinsurance paid by the Member applies to the Out-of-Pocket Maximums.

**Copayment** – The dollar amount that a Member must pay to a Provider upon receipt of certain covered services. Copayments apply after all deductibles have been paid, unless otherwise stated within the Schedule of Benefits or EOC. If there is no Deductible for a particular service or the applicable Deductible has been reached, and a Copayment is listed, the Member's Cost Sharing for that service will be that Copayment. Copayments paid by the Member apply to the In-Network Out-of-Pocket Maximums.

**Cost Sharing** – A general term used to describe the amount of Deductible, Copayment, Coinsurance and other expenses that a Member must pay before Hometown Health pays for Covered Services. Cost Sharing is used to promote the use of lower high cost and higher

quality services. Charges associated with the following are the Member's responsibility and do not accumulate toward the Member's Deductible and Out-of-Pocket Maximum:

- Costs for services received from Non-Preferred Provider in excess of the Allowed Amount;
- Coinsurance for services for which the member did not receive Prior Authorization when Prior Authorization is required;
- Costs for prescription drugs in excess of the Allowed Amount;
- Non-covered services and prescription drugs;
- Ancillary Charges
- Denied claims; and
- Prescription drugs received from a Non-Participating Pharmacy

**Covered Service** – A benefit for services and supplies that we provide or arrange under this Policy and:

- Is Medically Necessary or otherwise specifically listed as a benefit in the Schedule of Benefits or EOC;
- Is rendered by a licensed, certified, or registered Provider within the state of the place of service and within the scope of the license of the Provider performing the service;
- For which we provide a Prior Authorization if Prior Authorization is required; and
- Is not experimental or investigational or otherwise limited or excluded by this Policy.

Services that are not Covered Services do not count toward your Deductible or Out-of-Pocket Maximum.

**Criminal Act** – Any action for which a person is convicted of a misdemeanor or felony.

**Custodial Care** – Health care services or other related services (such as assistance in activities of daily living) that either:

- Do not seek a cure;
- Are provided during periods when acute care is not required or when the medical condition of a Member is not improving;
- Do not require continued administration by licensed medical personnel; or
- Assist in the activities of daily living.

**Deductible** – The dollar amount that a Member must pay to Providers for Covered Services each calendar year before Hometown Health pays for services, other than preventive care. There may be separate Deductibles for medical, pharmacy and other benefits according to the Benefit Plan that is in place, or they may be combined. Services subject to the Deductible will be annotated with "CYD" in the Benefit Summary Table. Generally, Copayments or Coinsurance are payable once the Member or family has reached the applicable Deductible. Amounts paid by the Member that are applied to the In-Network Deductible are also applied to the In-Network Out-of-Pocket Maximum.

The family Deductible is set at twice the individual Deductible. Once the family has reached the family Deductible, benefits are payable to all Members of the family regardless of whether the Member has met the individual Deductible. Except for certain HDHPs, one individual

family member cannot contribute more than the individual Deductible amount. This is called an Embedded Deductible.

For certain HDHPs, if enrolled as a family, the family must satisfy the family Deductible each calendar year before benefits are payable for any individual family Member. HDHPs cannot cover health plan expenses before Deductibles except for preventive care services. This is called an Umbrella Deductible.

See your Schedule of Benefits for the definition of Deductible that applies to you.

***Developmental Care*** – Services or supplies that:

- Are provided to a Member who has not previously reached the level of intellectual, speech, motor, or physical development normally expected for the Member's age, and such conditions were not a result of an injury or illness;
- Are primarily provided to assist in the development of those skills described above; and
- Are not rehabilitative in nature (for example, restoring fully developed skills that were lost or impaired due to injury or illness).

***Domiciliary Care*** – Services or supplies that:

- Primarily provide a protective environment and assistance with basic personal needs for a Member;
- Are primarily provided because the Member's own home arrangements are not appropriate; and
- Are not part of an active treatment plan intended to or reasonably expected to improve the Member's condition of functional ability.

***Emergency*** – A medical condition manifesting itself by symptoms of sufficient severity (including severe pain) that a Member, as a prudent layperson with an average knowledge of health and medicine, could reasonably believe that the absence of immediate medical attention could result in:

- Serious jeopardy to the health of the Member;
- Serious jeopardy to the health of an unborn child;
- Serious impairment of a bodily function; or
- Serious dysfunction of any bodily organ or part.

***Evidence of Coverage (EOC)*** – This document which describes benefits, exclusions, limitations, and applicable administrative policies, rights, responsibilities, and procedures for your health insurance Policy.

***Expense*** – The cost incurred for a Covered Service or supply. An expense is considered incurred on the date that a service or supply is received. A covered Expense does not include any charge:

- For a service or supply that is determined to not be Medically Necessary by Hometown Health;
- To the extent that the charge for a service or supply exceeds the lesser of the Usual and Customary charge or the applicable Medicare reimbursement rate for such service or supply;
- That is more than the maximum allowed amount for a service or supply; or



- That is not a Covered Service under this Policy.

**Food and Drug Administration (FDA) Approved** – Drugs, medications, and biological agents that have been approved by the FDA and listed in the United States Pharmacopoeia, the American MA Drug Evaluations, or the American Hospital Formulary.

**Group** – An employer or other party that has entered into a Group Subscription Agreement with us under which we will arrange and administer health services under this Policy for Members.

**Group Subscription Agreement** – The legal agreement between your employer and Hometown Health which allows you and your fellow employees to be covered under a group health plan in return for Premium payment. The Group Subscription Agreement provides for the term of coverage, employer specific eligibility rules and other items.

**High Deductible Health Plan (HDHP)** – A plan as described in IRS Publication 969 and IRS Revenue Procedure 2017-37, or its successor, in which the plan cannot pay for any benefits, except for preventive care benefits prior to the individual and family meeting the minimum Deductible limit as defined by the IRS (additional requirements apply). As such, taxpayers enrolled in this Benefit Plan may be eligible to make pre-tax contributions to their qualified Health Savings Account (HSA). If your plan has “HSA” in its name, the plan qualifies as an HDHP under all IRS requirements. Contact your tax professional for more details.

**Hospital** – A legally operated facility defined as an Acute care or Tertiary Care Hospital that is licensed by the state and may be approved by the Joint Commission on Accreditation of Healthcare Organizations (Joint Commission or JCAHO), the American Osteopathic Association (AOA) or by Medicare.

**Illness or Injury** – A disorder or disease of the body or mind or an accidental bodily wound. All illnesses due to the same cause or to a related cause are considered one illness.

**In-Network** – The receipt of Covered Services or benefits from a Participating Provider. *Except for Emergency room visits, Urgent Care Center visits received Out-of-Area, or as otherwise approved by Hometown Health in advance all services received from Providers who are not In-Network Providers will not be covered.*

**Licensed Area** – The geographic area in which Hometown Health can provide health insurance. The Licensed Area generally defines the geographic area in which Preferred Providers are located, though not all Providers within the Licensed Area are Preferred Providers and Preferred Providers may be located outside the Licensed Area. The Licensed Area may be larger than the Geographic Service Area for a specific Benefit Plan. Hometown Health has a license to provide benefit plans throughout the State of Nevada.

**Medically Necessary** – Health care services or products that a prudent Physician would provide to a patient to prevent, diagnose or treat an Illness, Injury or disease, or any symptoms thereof, that are:

- Provided in accordance with generally accepted standards of medical practice (for purposes of this document, the phrase “generally accepted standards of medical practice” is defined as standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, endorsed through national Physician specialty society recommendations, and the views of

medical practitioners practicing in relevant clinical areas with regard to a patient's condition);

- Clinically appropriate with regard to type, frequency, extent, location, and duration;
- Not primarily provided for the convenience of the patient, Physician or other Provider of health care;
- Required to improve a specific health condition of a Member or to preserve his existing state of health;
- The most clinically appropriate level of health care that may be safely provided to the insured;
- Effective as proven by scientific evidence, in materially changing health outcomes;
- Not experimental, investigational, or subject to an exclusion under this Policy;
- Cost-effective compared to alternative interventions, including no intervention ("cost effective" is not construed to mean lowest cost); and
- Obtained from a Physician and/or licensed, certified, or registered Provider.

*A determination that a service is Medically Necessary is not an authorization to receive that service from a Non-Preferred Provider.*

**Medical Director** – A physician licensed by the State of Nevada that we employ or contract with to monitor and review the utilization and quality of health services that we provide to Members.

**Medical Pharmacy** – Drugs, pharmaceuticals, immunizations, or biologics whose distribution, administration or supply of pharmaceuticals is generally in a healthcare facility, physician's office, and not in a retail pharmacy setting. A complete list of pharmaceuticals that are covered under the Medical Pharmacy benefit is available at [hometownhealth.com](http://hometownhealth.com).

**Member** – A Subscriber or the Subscriber's eligible dependents covered under the Policy.

**Network** – All of the Preferred or Participating Providers with which we have contracted to provide Covered Services.

**Non-Preferred or Non-Participating (Out-of-Network) Provider** – A Provider with whom Hometown Health is not contracted to provide discounted covered healthcare services to its members. Generally, Hometown Health pays a lower, non-preferred benefit level, or does not pay a benefit at all, for services provided by a Non-Preferred Provider, unless the services are rendered as part of an Emergency room visit, an Urgent Care Center visit received Out-of-Area, or they have been previously approved by Hometown Health. *Because Hometown Health is not contracted with Non-Preferred Providers, the Non-Preferred Provider may balance bill you for the amount charged in excess of the Allowed Amount paid by Hometown Health. Additionally, Non-Preferred Providers may not follow appropriate Prior Authorization procedures which may result in you receiving services that are not covered, not Medically Necessary or are otherwise excluded from coverage under this Benefit Plan.*

**Office Visit** – An office or outpatient visit consists of counseling and/or coordination of care with a physician, a qualified health care professional, or an agency consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are self-limited or minor. Typically, 10 minutes are spent face-to-face with the patient and/or family.

**Open Enrollment Period** – The period of time prior to the beginning of your Employer’s Policy year during which you may enroll in any group Hometown Health plan for which you are eligible.

**Out-of-Area** – Outside of Nevada and outside the area in surrounding states that is within 50 miles of the Nevada border.

**Out-of-Network** – The receipt of services from a Non-Participating Provider resulting in the Member paying for the entire cost of the services. For Emergency or Out-of-Area Urgent Care Center services received from a Non-Participating Provider, the Member will pay the standard Member Cost Sharing for that service plus any amount billed by the Non-Participating Provider that is greater than the Allowed Amount.

**Out-of-Pocket Maximum** – The most a Member or Family will pay for Covered Services in a calendar year.

Copayments, Coinsurance and Deductibles paid by Members count towards the In-Network Out-of-Pocket Maximum.

The Out-of-Pocket Maximum does not include Premiums, cost-sharing for non-covered services, expenses associated with denied claims, Ancillary Charges and amounts that Non-Participating Providers bill and are payable that are greater than the Allowed Amount.

If coverage is extended to qualified dependents and the family Out-of-Pocket Maximum has been paid, no further payment is required to be paid on the Member’s behalf for Covered Services.

**Outpatient Observation** – A well-defined set of specific, clinically appropriate services, which include ongoing short-term treatment, assessment, and reassessment before medical staff members can decide whether a patient needs additional treatment as an inpatient or can be discharged from the Hospital, generally limited to a maximum of 48 hours.

**Partial Hospitalization** – The continuous treatment for at least four hours but not more than 12 hours in any period of 24 consecutive hours. Partial hospitalization services can be performed in a Hospital or treatment center facility.

**Physician** – A licensed doctor of medicine, osteopathy, dentistry, or podiatry.

**Policy** – This Evidence of Coverage (EOC), the Group Subscription Agreement, the Schedule of Benefits, riders, questionnaires, applicable attachments and amendments.

**Preferred or Participating (In-Network) Provider** – A Provider who is listed in our current provider directory and who is directly or indirectly under contract with Hometown Health to provide Covered Services to Members.

A Participating Provider’s agreement with us or the association of a particular Professional with a Participating Provider may terminate, and, in such a case, a Member will be required to use another Participating Provider to receive In-Network benefits. Not all Providers who have contracts with us are Participating Providers for the purposes of this particular product. We do not guarantee the continued availability of any particular Provider. Participating Providers cannot determine whether a service is a Covered Service under this Policy or on behalf of us.

You can find our current provider directory on our web site at [hometownhealth.com](http://hometownhealth.com) under the Provider Directory link or you can request one by contacting our customer service department.

**Premium** – A periodic payment, typically monthly, paid to us for this Policy.

**Primary Care Physician (PCP)** – A Physician in the fields of Family Practice, Internal Medicine or Pediatrics who is Participating Provider and who a Member designates (or who we designate on behalf of a Member) to arrange and coordinate all aspects of such Member's care.

**Prior Authorization** – Approval from Hometown Health that may be required before you get a service or fill a prescription. We use utilization management and quality assurance protocols to ensure the service being requested is Medically Necessary and covered. Prior Authorizations protect you from expenses that result from receiving services that are not covered, not medically necessary or are otherwise excluded from coverage under this plan. All benefits listed in this EOC and your Schedule of Benefits may be subject to Prior Authorization requirements and concurrent review depending upon the circumstances associated with the services. *If a Prior Authorization is required and you do not obtain the required Prior Authorization, the service may not be covered, even if the service is Medically Necessary.* There may be Prior Authorization or pre-treatment requirements for pharmacy, dental, and vision benefits. Refer to your plan-specific Schedule of Benefits for services that require Prior Authorization. You may find a full list of services that require Prior Authorization by visiting our website at [hometownhealth.com](http://hometownhealth.com).

**Professional** – A Physician or other health care professional, including a pharmacist, Physician's assistant, nurse practitioner, or autism behavioral interventionist, who is licensed, certified, or otherwise authorized by the state to provide health care services consistent with state law.

**Provider** – A Physician, Professional, organization or association of physicians, Hospital, skilled nursing facility, any organization licensed by a state to render home health services, or any other licensed health care institution or health care professional.

**Qualifying Life Event** – An event in your life, such as birth or marriage, which allows you to enroll or change health insurance coverage.

**Specialist or Specialty Care Physician** – A Professional who provides medical care in a specific branch of medicine generally referable to a particular bodily system or area.

**Subrogation** – A legal process whereby Hometown Health may seek reimbursement from a third party that is legally liable for a claim or a portion thereof.

**Subscriber** – A person who meets all applicable eligibility requirements of this EOC, whose enrollment form has been accepted by Hometown Health and in whose name the membership is established. For group plans, the Subscriber is generally the employee. For individual and family plans, the Subscriber is the Policy holder.

**Schedule of Benefits** – The document that describes the Cost Sharing and some of your rights and restrictions for your health insurance Policy provided by Hometown Health. The Schedule of Benefits is a supplement to this EOC. In case of conflicts between this EOC and your Schedule of Benefits, this EOC shall be the document that determines the benefits or interpretation of those documents.

**Telehealth or Telemedicine** – The delivery of services from a Provider to a Member at a different location through the use of information and audio-visual communication technology, not including standard telephone, facsimile or electronic mail.

**Tertiary Care** – The highest or most complex level of care for the treatment of a particular medical condition and not generally available in a community Hospital. Tertiary care is specialized consultative care, usually on referral from primary or secondary medical care personnel, by Specialists working in a center that has personnel and facilities for special investigation and treatment.

**Urgent Care** – Medically Necessary services for a condition that requires prompt medical attention but is not an Emergency.

Urgent Care Center services received from Out-of-Area Non-Participating Providers will be covered at the In-Network Copayment and Coinsurance level. *Because Hometown Health is not contracted with Non-Preferred Providers, the Non-Preferred Provider may balance bill you for the amount charged in excess of the Allowed Amount paid by Hometown Health.*

Urgent Care Center services received from Non-Participating Providers in Nevada will not be covered.

**Usual and Customary** – The lesser of:

- A Provider's usual charge for furnishing a treatment, service, or supply; or
- The amount Hometown Health determines to be the general rate paid to others who render or furnish such treatment, service, or supply to individuals who reside in the same geographic area and whose conditions are comparable in nature and severity.

**Virtual Visit** – An Urgent Care Telehealth visit delivered via the Member's audio and video enabled device.

**We, us, our, or Hometown Health** – Hometown Health Plan, Inc.

**You, your, or Member** – A person who meets all applicable eligibility requirements of this EOC and whose enrollment form we have accepted.

## **B. PHARMACY BENEFIT DEFINITIONS**

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Specific terms related to pharmacy benefits that may be used throughout this EOC and to the applicable Schedule of Benefits are defined as follows.

**Ancillary Charge** – An additional cost-sharing charge borne by the member and calculated as the difference between the contracted reimbursement rate for participating pharmacies for the medication dispensed and the generic-drug product equivalent. Ancillary Charges do not apply toward your Deductible or Out-of-Pocket Maximum.

**Brand-Name Prescription Drug or Brand Drug** – A Prescription Drug, including insulin, typically protected under patent by the drug's original manufacturer or developer with a proprietary trademarked name.

**Diabetic Services** – Products for the management and treatment of diabetes, including infusion pumps and related supplies, medication, equipment, supplies and appliances for the treatment of diabetes.

**Drug Formulary** – A comprehensive list of brand-name and generic prescription drugs, approved by the U.S. Food and Drug Administration (FDA), covered under this Benefit Plan. The medications covered under this formulary may be substantially different from other Hometown Health drug formularies for its commercial and Medicare Advantage formularies.

**Formulary Drug** – A Brand Drug or Generic Drug included in the Drug Formulary.

**Generic Prescription Drug** or **Generic Drug** – A prescription drug, whether identified by its chemical, proprietary or nonproprietary name, that is accepted by the FDA as therapeutically equivalent and interchangeable with a drug having an identical amount of the same active ingredient(s) in the same proportions, that have the same information printed on the label and that perform in the same manner as the trademarked, brand-name version of the drug

**Injectable Drug** – A prescription drug dispensed from a pharmacy (including combination therapy kits) that are injected directly into the body by the member or the member's physician.

**Maximum Allowed Amount** – The lowest available cost to Hometown Health for a generic drug, a prescription drug product or a brand drug without a generic drug equivalent available at the time a prescription is filled.

**Non-Covered Drug** – A drug not listed in the Drug Formulary. There is no coverage for drugs that are not listed in the Hometown Health Drug Formulary.

**Non-Formulary Drug** – A drug not listed in the Drug Formulary that has either a generic or a brand alternative drug that is listed in the Drug Formulary. There is no coverage for drugs that are not listed in the Hometown Health Drug Formulary.

**Non-Participating Pharmacy** – A Pharmacy with which Hometown Health is not contracted to provide discounted covered prescription drug products to its members.

**Participating Retail Pharmacy** – A pharmacy with which Hometown Health, or PBM is contracted to provide discounted prescription drugs to its members.

**Pharmacy Benefit Manager (PBM)** – A company with which Hometown Health is contracted to manage the Prescription Drug benefits provided in your Policy.

**Prescription Drug** – A medication, product or device approved by the FDA and dispensed under state or federal law pursuant to a prescription order (script) or refill.

**Step Therapy** – A treatment process that requires the use of lower cost drugs first (generally within a specific therapeutic class of drugs) when multiple treatment options exist for a particular medical condition, before Hometown Health authorizes the use of higher cost Formulary Drugs.

**Specialty Pharmaceuticals** – Prescription Drugs having one or more of the following characteristics: expensive (typically greater than \$300 per dosage unit or per prescription); limited access; complicated treatment regimens; compliance issues; special storage requirements; or manufacturer reporting requirements.

## II. NOTICE OF NONDISCRIMINATION

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### DISCRIMINATION IS AGAINST THE LAW

Hometown Health complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Hometown Health does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

Hometown Health:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, contact Customer Service.

If you believe that Hometown Health has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Jessica Marini, 1155 Mill Street, Reno, NV, 89502, (775) 982-5364, (TTY: 1-800-833-5833), [jmarini@renown.org](mailto:jmarini@renown.org). You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, Jessica Marini is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at:

U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Room 509F, HHH Building  
Washington, D.C. 20201  
1-800-368-1019, 800-537-7697 (TDD)

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

### III. NOTICE OF PRIVACY PRACTICES

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**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

If you have any questions about this notice, please contact Hometown Health Customer Service at 775-982-3232 or 800-336-0123.

#### **A. Who Will Follow This Notice**

This notice describes the practices of Hometown Health Plan, Inc., and Hometown Health Providers Insurance Company, Inc. (collectively referred to as “Hometown Health”) and their respective employees.

#### **B. Our Pledge Regarding Medical Information**

We understand that medical information about you and your health is personal. We are committed to protecting your medical information, including nonpublic personal financial information relating to your healthcare. We create a record of your benefits and eligibility status and claims history. We need this record to provide you with quality healthcare benefits and to comply with certain legal requirements. Hospitals, Physicians, and other Providers providing healthcare services to our Members may have different policies or notices regarding their uses and disclosures of your medical information.

This notice will tell you about the ways in which we may use and disclose medical information about you. We also describe your rights and certain obligations we have regarding the use and disclosure of medical information.

We are required by law to:

1. Make sure that medical information that identifies you is kept private;
2. Give you this notice of our legal duties and privacy practices with respect to medical information about you; and
3. Follow the terms of the notice that is currently in effect.

#### **C. Information About Our Members**

In the course of providing healthcare benefits, we may receive the following information about you:

1. Information provided by you on applications, forms, surveys and our Web site, such as your name, address, date of birth, Social Security number, gender, marital status and dependents.
2. Information about your transactions and experiences with our health plan and our affiliates, such as: services purchased, account balances, payment history, claims history, Policy coverage, and Premiums.
3. Information from consumer or medical reporting agencies, medical providers or third parties, such as medical information and demographic information.



4. Information provided by your employer, benefits plan sponsor or association regarding any group coverage you may have.

**D. How We Protect Your Medical Information**

At Hometown Health, we restrict access to your medical information to those employees who need it to provide services to you and your dependents. We maintain physical, electronic, and procedural safeguards to protect your medical information against unauthorized access and use. For example, access to our facilities is limited to authorized personnel, and we protect information we maintain electronically through the use of a variety of technical tools. We have also established a Privacy Office, which has overall responsibility for developing, educating company personnel about, and overseeing the implementation of policies and procedures to safeguard medical information against inappropriate access, use, and disclosure, consistent with applicable law.

**E. How We May Use and Disclose Medical Information About You**

Hometown Health will not disclose your medical information to anyone, except with your authorization or otherwise as permitted by law. For some activities, we must have your written authorization to use or disclose your medical information. The law, however, permits Hometown Health to use or disclose your medical information for the following purposes without your authorization:

1. **For Treatment.** We may use and disclose your medical information during the provision, coordination, or management of healthcare and related services among healthcare providers, consultation between healthcare providers regarding your care, or the referral of care from one health care provider to another. For example, a clinician providing a vaccination to you may need to know if you are ill because a vaccine may not be appropriate. The clinician may refer you to a doctor and may also need to tell the doctor about your illness so that we can arrange for appropriate medical services.
2. **For Payment.** We may use and disclose your medical information to pay for your medical benefits under our health plan. These activities may include determining eligibility or coverage under a health plan, billing and collection activities, reviewing health care services for medical necessity, and performing utilization review. For example, to make payment for a healthcare claim, we may review medical information to make sure that the medical services provided to you were necessary.
3. **For Healthcare Operations.** We may use and disclose medical information about you for health plan operations. These uses and disclosures are necessary to run the health plan and make sure that all of our Members receive quality benefits and customer service. Here are some examples of the ways that we use your medical information for our healthcare operations:
  - a. We may use general health information but not reveal your identity in the publication of newsletters that offer Members information on various healthcare issues such as asthma, diabetes, and breast cancer.
  - b. Administration of Hometown Health plans or contracts, which, where applicable, may involve claims management; utilization review and management; data and information systems management; medical necessity review; coordination of care,

benefits and services; response to Member inquiries or requests for services; conduct of grievances, appeals and external review programs; benefits and program analysis and reporting; risk management; detection and investigation of fraud and other unlawful conduct; auditing; underwriting and ratemaking; and other activities described below.

- c. Operation of disease and case management programs in plans that offer these programs, through which we or our contractors perform risk and health assessments; identify and contact Members who may benefit from participation in disease or case management programs; and send relevant information to those Members who enroll in the programs and their Providers.
  - d. Quality assessment and improvement activities, such as peer review and credentialing of Participating Providers; program development; and accreditation by independent organizations, where applicable.
  - e. Transitioning of policies or contracts from and to other health plans.
  - f. We may disclose your medical information to another entity that has a relationship with you and is subject to the federal privacy laws, for their healthcare operations relating to quality assessment and improvement activities, reviewing the competence and qualifications of healthcare professionals, or detecting or preventing healthcare fraud and abuse.
4. **To Your Family and Friends.** We may disclose your medical information to a family member, friend or other person to the extent necessary to help with your healthcare or payment for your healthcare. Before we disclose your medical information to a person involved in your healthcare or payment for your healthcare, we will provide you with an opportunity to object to such uses and disclosures. If you are not present, or in the event of your incapacity or an emergency, we will disclose your medical information based on our professional judgment of whether the disclosure would be in your best interest.
  5. **As Required By Law.** We will disclose medical information about you when required to do so by federal, state or local law. We must also share your medical information with authorities that monitor our compliance with privacy laws.
  6. **To Avert a Serious Threat to Health or Safety.** We may use and disclose medical information about you when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

## **F. Special Situations**

1. **Military and Veterans** – If you are a member of the armed forces, we may release medical information about you as required by military command authorities. We may also release medical information about foreign military personnel to the appropriate foreign military authority.
2. **Public Health Risks** – We may disclose medical information about you for public health activities. These activities generally include the following:
  - a. To prevent or control disease, injury or disability;

- b. To report births and deaths;
  - c. To report the abuse or neglect of children, elders and dependent adults;
  - d. To report reactions to medications or problems with products;
  - e. To notify people of recalls of products they may be using;
  - f. To notify a person who may have been exposed to a disease or may be at risk for contracting or spreading a disease or condition; and
  - g. To notify the appropriate government authority if we believe a patient has been the victim of abuse, neglect or domestic violence. We will only make this disclosure if you agree or when required or authorized by law.
3. Health Oversight Activities – We may disclose medical information to a health oversight agency for activities authorized by law. These oversight activities include, for example, audits, investigations, inspections and licensure. These activities are necessary for the government to monitor the healthcare system, government programs and compliance with civil rights laws.
4. Lawsuits and Disputes – If you are involved in a lawsuit or a dispute, we may disclose medical information about you in response to a court or administrative order. We may also disclose medical information about you in response to a subpoena, discovery request or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request (which may include written notice to you) or to obtain an order protecting the information requested.
5. Law Enforcement – We may release medical information if asked to do so by a law enforcement official:
- a. In response to a court order, subpoena, warrant, summons or similar process;
  - b. To identify or locate a suspect, fugitive, material witness or missing person;
  - c. About the victim of a crime if, under certain limited circumstances, we are unable to obtain the person’s agreement;
  - d. About a death we believe may be the result of criminal conduct; or
  - e. In emergency circumstances to report a crime; the location of the crime or victims; or the identity, description or location of the person who committed the crime.
6. Disaster Relief – We may use or disclose your medical information to a public or private entity authorized by law or by its charter to assist in disaster relief efforts.
7. National Security and Intelligence Activities – We may release medical information about you to authorized federal officials for intelligence, counterintelligence and other national security activities authorized by law.
8. Protective Services for the President and Others – We may disclose medical information about you to authorized federal officials so they may provide protection to the President, other authorized persons or foreign heads of state or conduct special investigations.

9. Inmates – If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may release medical information about you to the correctional institution or law enforcement official. This release would be necessary:
  - a. For the institution to provide you with healthcare;
  - b. To protect your health and safety or the health and safety of others; or
  - c. For the safety and security of the correctional institution.
10. Reporting Victims of Abuse, Neglect or Domestic Violence – Government authorities that are authorized by law to receive such information including a social service or protective service agency will be contacted.
11. Workers’ Compensation – As authorized by or to the extent necessary to comply with state workers compensation laws that govern job-related injuries or illnesses.
12. Data Breach Notification Purposes – We may use your contact information to provide legally-required notices of unauthorized acquisition, access or disclosure of your health information. We may send notice directly to you or provide notice to delegated entities.
13. Additional Restrictions on Use and Disclosure – Certain federal and state laws may require special privacy protections that restrict the use and disclosure of certain health information, including highly confidential information about you. “Highly confidential information” may include confidential information under Federal laws governing alcohol and drug abuse information and genetic information as well as state laws that often protect information related to the following conditions: HIV/AIDS; Mental Health; Genetic Tests; Alcohol and Drug Abuse; Sexually transmitted diseases and reproductive health information; and child or adult abuse or neglect, including sexual assault.

**G. Medical Information of Former Members of Hometown Health**

Hometown Health does not destroy the medical information of individuals who terminate their coverage with us. The information is necessary and is used for many purposes described above, even after an individual leaves a plan, and in many cases is subject to legal retention requirements. The practices and procedures that protect that information against inappropriate use or disclosure, however, apply regardless of the status of any individual Member.

**H. Your Rights Regarding Medical Information About You**

You have the following rights regarding medical information we maintain about you:

1. Right to Inspect and Copy
  - a. You have the right to inspect and copy medical information that may be used to make decisions about your healthcare benefits. Usually, this includes benefits, eligibility and claims records, but may not include some mental health information.
  - b. To inspect and copy medical information that may be used to make decisions about you, you must submit your request in writing to Hometown Health Customer Services, 10315 Professional Circle, Reno, NV 89521. If you request a copy of the information, we may charge a fee for the costs of copying, mailing or other supplies associated with your request.

- c. We may deny your request to inspect and copy in certain very limited circumstances. If you are denied access to medical information, you may request that the denial be reviewed. Another licensed healthcare Professional chosen by the health plan will review your request and the denial. The person conducting the review will not be the person who denied your request. We will comply with the outcome of the review.

## 2. Right to Amend

If you feel that medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by or for Hometown Health.

To request an amendment, your request must be made in writing and submitted to Hometown Health Customer Services, 10315 Professional Circle, Reno, NV 89521. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- a. Was not created by us, unless the person or entity that created the information is no longer available to make the amendment;
- b. Is not part of the medical information kept by or for the Hometown Health;
- c. Is not part of the information that you would be permitted to inspect and copy; or
- d. Is accurate and complete.

## 3. Right to an Accounting of Disclosures

You have the right to request an “accounting of disclosures.” This is a list of the disclosures we made of medical information about you other than:

- a. Our own uses for treatment, payment and healthcare operations, as those functions are described above;
- b. To you based upon your authorization; and
- c. For certain government functions.

To request this list or accounting of disclosures, you must submit your request in writing to Hometown Health Customer Services, 10315 Professional Circle, Reno, NV 89521. Your request must state a time period that may not be longer than six years and may not include dates before April 14, 2003. Your request should indicate in what form you want the list (for example, on paper, electronically). The first list you request within a 12-month period will be free. For additional lists, we may charge you for the costs of providing the list. We will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

## 4. Right to Request Restrictions

You have the right to request a restriction or limitation on the medical information we use or disclose about you for treatment, payment or healthcare operations. You also have the right to request a limit on the medical information we disclose about you to someone who

is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that we not use or disclose claims information indicating that you have had a surgery.

***We are not required to agree to your request.*** If we do agree, we will comply with your request unless the information is needed to provide you with Emergency treatment.

To request restrictions, you must make your request in writing to Hometown Health Customer Services, 10315 Professional Circle, Reno, NV 89521. In your request, you must tell us:

- a. What information you want to limit;
  - b. Whether you want to limit our use, disclosure or both; and
  - c. To whom you want the limits to apply (for example, disclosures to your spouse).
5. Right to Request Confidential Communications

You have the right to request that we communicate with you about healthcare matters in a certain way or at a certain location. For example, you can ask that we only contact you at work or by mail.

To request confidential communications, you must make your request in writing to Hometown Health Customer Services, 10315 Professional Circle, Reno, NV 80502. We will not ask you the reason for your request. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

6. Right to a Paper Copy of This Notice

You have the right to a paper copy of this notice. You may ask us to give you a copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to a paper copy of this notice.

You may obtain a copy of this notice at our Web site, [hometownhealth.com](http://hometownhealth.com).

To obtain a paper copy of this notice, please contact Hometown Health Customer Service at 775-982- 3232 or 800-336-0123.

## **I. Changes to This Notice**

We reserve the right to change this notice. We reserve the right to make the revised or changed notice effective for medical information we already have about you as well as any information we receive in the future. We will post a copy of the current notice on the Hometown Health website at [hometownhealth.com](http://hometownhealth.com). The notice will contain on the first page, in the top right- hand comer, the effective date. In addition, each time you enroll in a Hometown Health plan, we will offer you a copy of the current notice in effect. We also may publish the current notice in our newsletter on at least an annual basis.

## **J. Complaints**

If you believe your privacy rights have been violated, you may file a complaint with Hometown Health by contacting Hometown Health Customer Services at 775-982-3112. All complaints must be submitted in writing to Hometown Health Customer Services, 10315 Professional

Circle, Reno, NV 89521. You may also file a complaint with the Office for Civil Rights at [www.hhs.gov/ocr](http://www.hhs.gov/ocr).

You will not be penalized for filing a complaint.

**K. Other Uses of Medical Information**

Other uses and disclosures of medical information not covered by this notice or the laws that apply to us will be made only with your written authorization. If you provide us permission to use or disclose medical information about you by signing an authorization, you may revoke that permission, in writing, at any time. If you revoke your permission, we will no longer use or disclose medical information about you for the reasons covered by your written authorization. You understand that we are unable to take back any disclosures we have already made with your permission and that we are required to retain our records of the care that we provided to you.

## IV. SCHEDULE OF BENEFITS

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If you incur expenses for Covered Services, we will pay that expense less the applicable Deductible, Copayments, and/or Coinsurance, except as otherwise provided in this EOC. The specific Deductible, Copayments, and Coinsurance amounts are shown in your Schedule of Benefits. We will pay up to the maximum benefit specified for Covered Services.

When we determine that two or more courses of treatment are substantially equivalent, we have the right to substitute less costly services or benefits for those that we would otherwise cover under this Policy. This applies regardless of whether we otherwise would cover such less costly benefits.

Example: If both inpatient care in a skilled nursing facility and intermittent, part-time nursing care in the home would be medically appropriate, and if inpatient nursing care would be less costly, we could limit coverage to the inpatient care. We could limit coverage to inpatient care even if this means extending the inpatient benefit beyond the quantity provided in this EOC.

**The fact that a Participating Provider prescribed, ordered, recommended, or approved a service, treatment, or supply does not necessarily make it a Covered Service or Medically Necessary.**

The following is a description of Covered Services. All Covered Services must be Medically Necessary and are subject to exclusions and limitations as described herein. Prior-authorization is required for many services. Limitations may apply. All services must be provided by Providers licensed or certified to provide the service unless otherwise indicated. This chapter should be read in conjunction with V (Exclusions and Limitations) and your Policy-specific Schedule of Benefits. Your Policy-specific Schedule of Benefits lists specific Cost Sharing information not listed within this EOC.

### A. PROFESSIONAL SERVICES

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The following services are Covered Services when provided by a Professional.

#### 1. Alcohol and Substance Abuse Services (Inpatient and Outpatient).

Medically Necessary inpatient and outpatient alcohol and substance abuse services will be provided under the terms as noted in the Schedule of Benefits. Substance abuse care benefits are for acute medical detoxification and for substance abuse rehabilitation and counseling. The main purpose of medical detoxification is to rid the body of toxins, monitor heart rate, blood pressure and other vital signs, manage withdrawal symptoms and administer medications as needed.

Inpatient and outpatient programs for alcohol and substance abuse treatment require Prior Authorization. Alcohol and substance abuse office visits that are not part of an alcohol or substance abuse program do not require Prior Authorization.

This Benefit Plan provides all mental health and substance abuse benefits in accordance with the *Mental Health Parity and Addition Equity Act of 2008*.



**2. Allergy Testing and Treatment.**

Coverage is provided for Medically Necessary allergy testing, preparation of serum, serum, and administration of injections.

**3. Alternative Medicine**

Alternative medicine is a Covered Service for therapeutic procedures and approaches to medical diagnosis and therapy that currently may not be considered part of conventional medical practice. These generally include acupuncture, acupressure, holistic medicine homeopathy, hypnosis, herbal, vitamin or supplement therapies, naturopathy and bio and nuero feedback.

Office visits, procedures, and therapies for alternative medicine and related medications are only covered if prescribed or provided by a licensed Provider.

**4. Autism Spectrum Disorders**

Coverage is provided for Medically Necessary screening for and diagnosis of Autism Spectrum Disorders (ASD) and for the Medically Necessary treatment of ASD to individuals under the age of 18 (or under the age of 22, for individuals enrolled in high school). Treatment may be provided by a licensed autism behavior interventionist to include registered behavior technician.

“Autism Spectrum Disorder” means a neurobiological medical condition including, without limitation, autistic disorder, Asperger’s Disorder, and Pervasive Developmental Disorder Not Otherwise Specified. Treatment must be identified in a treatment plan prescribed by a licensed Physician or psychologist and may be developed pursuant to a comprehensive evaluation in coordination with a licensed behavior analyst. Subject to the other requirements of this Policy, treatment may include Medically Necessary habilitative or rehabilitative care, prescription care, psychiatric care, psychological care, behavior therapy, or therapeutic care that is:

- Prescribed for a person diagnosed with an ASD by a licensed Physician or licensed psychologist; and
- Provided to a person diagnosed with an ASD by a licensed Physician, licensed psychologist, licensed behavior analyst, licensed assistant behavior analyst, or other Provider that is supervised by the licensed Physician, psychologist, or behavior analyst.

We may request and review a copy of the treatment plan.

Applied behavioral analysis treatment and coverage is subject to a maximum benefit of 600 hours (approximately 130 visits) of therapy for habilitation and 600 hours (approximately 130 visits) of therapy for rehabilitation per calendar year. Coverage is subject to Copayment, Deductible, and Coinsurance provisions and any other general exclusion or limitation of this Policy to the same extent as other medical services or prescription drugs covered by us. Services for applied behavioral analysis treatment for ASD require Prior Authorization. Coverage is not provided for reimbursements to an early intervention agency or school for services delivered through early intervention or school services.

**5. Blood Services for Surgery**

Medically Necessary blood and related supplies provided during a surgical or other procedure that requires blood replacement are Covered Services.

**6. Chemotherapy**

Chemotherapy and other drug therapies that are Medically Necessary to treat cancers and other diseases and conditions are Covered Services.

**7. Clinical Trials**

The routine medical treatment costs, including all items and services that are otherwise generally available to our Members, received as part of a clinical trial or study, may be covered. A clinical trial is the process for testing of new types of medical care that are in the final stages of research to find better ways to prevent, diagnose or treat diseases. Costs incurred are covered if:

- a. The medical treatment is provided in a Phase I, Phase II, Phase III, or Phase IV study or clinical trial for the treatment of cancer or in a Phase II, Phase III, or Phase IV study or clinical trial for the treatment of chronic fatigue syndrome;
- b. The clinical trial or study is:
  - i. Approved by an agency of the National Institutes of Health as set forth in applicable law;
  - ii. Approved by a cooperative group, a network of facilities that collaborate on research projects and has established a peer review program approved by the National Institutes of Health;
  - iii. FDA-Approved as an application for a new investigational drug;
  - iv. Approved by the United States Department of Veterans Affairs; or
  - v. Approved by the United States Department of Defense;
- c. In the case of:
  - i. A Phase I clinical trial or study for the treatment of cancer, the medical treatment is provided at a facility authorized to conduct Phase I clinical trials or studies for the treatment of cancer; or
  - ii. A Phase II, Phase III, or Phase IV study or clinical trial for the treatment of cancer or chronic fatigue syndrome, the medical treatment is provided by a Provider of health care and the facility and personnel for the clinical trial or study have the experience and training to provide the treatment in a capable manner;
- d. There is no medical treatment available that is considered a more appropriate alternative medical treatment than the medical treatment provided in the clinical trial or study;
- e. There is a reasonable expectation based on clinical data that the medical treatment provided in the clinical trial or study will be at least as effective as any other medical treatment;
- f. The clinical trial or study is conducted in Nevada;

- g. You have signed, before your participation in the clinical trial or study, a statement of consent indicating that you have been informed of, without limitation:
  - i. The procedure to be undertaken;
  - ii. Alternative methods of treatment; and
  - iii. The risks associated with participation in the clinical trial or study, including, without limitation, the general nature and extent of such risks; and
- h. The medical treatment is limited to:
  - i. Coverage for any drug or device that is FDA-Approved for sale without regard to whether the approved drug or device has been approved for use in your medical treatment;
  - ii. The cost of any reasonable necessary health care services that are required as a result of the medical treatment provided in a Phase II, Phase III, or Phase IV clinical trial or study or as a result of any complication arising out of the medical treatment provided in a Phase II, Phase III, or Phase IV clinical trial or study, to the extent that such health care services would otherwise be Covered Services;
  - iii. The cost of any routine health care services that would otherwise be Covered Services for your participation in a Phase I clinical trial;
  - iv. The initial consultation to determine whether you eligible to participate in the clinical trial or study; or
  - v. Health care services required for the clinically appropriate monitoring of you during a Phase II, Phase III, or Phase IV clinical trial or study.

Services for the following clinical trial services are excluded:

- a. Any portion of the clinical trial or study that is customarily paid for by a government or a biotechnical, pharmaceutical, or medical industry;
- b. Coverage for a drug or device described above that is paid for by the manufacturer, distributor, or Provider of the drug or device;
- c. Health care services that are specifically excluded from coverage in this EOC, regardless of whether such services are provided under the clinical trial or study;
- d. Health care services that are customarily provided by the sponsors of the clinical trial or study free of charge to participants in the trial or study;
- e. Extraneous expenses related to you in the clinical trial or study including but not limited to travel, housing, and other expenses that you may incur;
- f. Any expenses incurred by a person who accompanies you during the clinical trial or study;
- g. Any item or service that is provided solely to satisfy a need or desire for data collection or analysis that is not directly related to the clinical management of you; and
- h. Any costs for the management of research relating to the clinical trial or study.

**8. Diabetic Services for Type 1, Type 2, and Gestational Diabetes**

Coverage is provided for the Medically Necessary management and treatment of diabetes, including infusion pumps and related supplies, medication, equipment, supplies, and appliances for the treatment of diabetes.

Coverage is provided for the Medically Necessary self-management of diabetes for training and education provided after you are diagnosed with diabetes for the care and management of diabetes, including, counseling in nutrition and the proper use of equipment and supplies for the treatment of diabetes.

**9. Family Planning**

Coverage is provided for vasectomies and tubal ligations. Reversals of prior sterilization procedures, including, but not limited to tubal ligation and vasectomy reversals are excluded.

**10. Gastric Restrictive Services (Bariatric)**

Covered Services include Medically Necessary surgical interventions to accomplish weight loss in individuals who are obese or morbidly obese with associated Illnesses. These services will not be covered unless you receive Prior Authorization. These services include:

- a. Cardiac disease;
- b. Sleep apnea;
- c. Diabetes;
- d. Hypertension;
- e. Disorders of the pituitary gland and its hypothalamic control;
- f. Disorders of the adrenal glands; or
- g. Cushing's Syndrome

Benefits for gastric restrictive services are limited to one (1) surgery per lifetime.

Surgical or invasive treatments for obesity or morbid obesity including but not limited to gastric restrictive services, reversals, and treatments to resolve complications are generally excluded, unless Medically Necessary and are covered as described above. Medically Necessary treatment for complications resulting from Gastric Restrictive Surgical Services will be covered the same as any other illness.

**11. Genetic Counseling/Testing**

Covered Services include Medically Necessary genetic disease testing. Genetic disease testing is the analysis of human DNA, chromosomes, proteins, or other gene products to determine the presence of disease-related genotypes, phenotypes, karyotypes, or mutations for clinical purposes. Such purposes include those tests meeting criteria for the medically accepted standard of care for the prediction of disease risk, identification of carriers, monitoring, diagnosis, or prognosis within the confines of the statements in this definition. Coverage is not available for tests solely for research, or for the benefit of individuals not covered under the Policy.

Covered services also include the explanation by a genetic counselor of medical and scientific information about an inherited condition, birth defect, or other genome-related effects to an individual or family. Genetic counselors are trained to review family histories and medical records, discuss genetic conditions and how they are inherited, explain inheritance patterns, assess risk and review testing options, where available.

Genetic testing may only be done after consultation with an appropriately certified genetic counselor and/or, in our discretion, as approved by a Physician that we may designate to review the utilization, medical necessity, clinical appropriateness, and quality of such genetic testing.

Medically Necessary genetic counseling will be covered in connection with pregnancy management with respect to the following individuals:

- a. Parents of a child born with a genetic disorder, birth defect, inborn error of metabolism, or chromosome abnormality;
- b. Parents of a child with mental retardation, autism, Down syndrome, trisomy conditions, or fragile X syndrome;
- c. Pregnant women who, based on prenatal ultrasound tests or an abnormal multiple marker screening test, maternal serum alpha-fetoprotein test, test for sickle cell anemia, or tests for other genetic abnormalities, have been told their pregnancy may be at increased risk for complications or birth defects; or
- d. Parents affected with an autosomal dominant disorder who are contemplating pregnancy; or Women who are known to be, or who are likely to be, carriers of an X-linked recessive disorder.

Covered services include genetic testing of heritable disorders as Medically Necessary when the following conditions are met:

- a. The results will directly impact clinical decision-making and/or clinical outcome for the individual;
- b. The testing method is considered scientifically valid for identification of a genetically-linked heritable disease; and
- c. One of the following conditions is met:
  - i. The Member demonstrates signs/symptoms of a genetically-linked heritable disease; or
  - ii. The Member or fetus has a direct risk factor (e.g., based on family history or pedigree analysis) for the development of a genetically-linked heritable disease.

Additional genetic testing will covered as required by Federal or state mandates.

In the absence of specific information regarding advances in the knowledge of mutation characteristics for a particular disorder, the current literature indicates that genetic tests for inherited disease need only be conducted once per lifetime of the Member.

Routine panel screening for preconception genetic diseases, routine chorionic villous sampling, or amniocentesis panel screening testing, and pre-implantation embryonic

testing will not be covered unless the testing is endorsed by the American College of Obstetrics and Gynecology, or mandated by federal or state law.

## **12. Home Health Care**

Medically Necessary home health care is covered if such care is provided by an organization or Professional licensed by the state to render home health services. Such care will not be available if it is substantially or primarily for the Member's convenience or the convenience of a caregiver. Home care is covered in the home only on a part-time and temporary basis and to the extent that such care is performed by a licensed or registered nurse or appropriate therapist. See the section entitled "Other Services and Supplies" for coverage for other home health care services.

## **13. Infertility Services**

Medically Necessary services to diagnose problems of infertility are covered for one workup per year up to three (3) evaluations per lifetime. Up to six (6) cycles of artificial insemination are covered per lifetime for covered members. For the covered female, services include the preparation of the sperm and the insemination, provided that the sperm has not been purchased or the donor compensated for his biological material or services, and that the donor is covered under a Hometown Health individual or small group plan. Costs related to the actual insemination of a non-covered person, are not covered under the terms of this benefit plan.

The following services are not covered:

- a. All other costs incurred for reproduction by artificial means or assisted reproductive technology (such as in-vitro fertilization or embryo transplants) except services directly related to artificial insemination services up to the maximum benefit limit are excluded. This exclusion includes treatments, testing, services, supplies, devices, or drugs intended to produce a pregnancy;
- b. The promotion of fertility including, but not limited to, fertility testing (except as otherwise covered and described above); serial ultrasounds; services to reverse voluntary surgically-induced infertility; reversal of surgical sterilization; any service, supply, or drug used in conjunction with or for the purpose of an artificially induced pregnancy, test-tube fertilization; the cost of donor sperm or eggs; in-vitro fertilization and embryo transfer or any artificial reproduction technology or the freezing of sperm or eggs or storage costs for frozen sperm, eggs, or embryos; maternity services related to a Member serving in the capacity of a surrogate mother, sperm donor for profit or prescription (infertility) drugs; or GIFT or ZIFT procedures, low tubal transfers, or donor egg retrieval are excluded;
- c. Any services related to a Member serving in the capacity of a surrogate mother, including, but not limited to, determining, evaluating, or enhancing the physical or psychological readiness for pregnancy, procedures to improve the Member's ability to become pregnant or to carry a pregnancy to term, or maternity services are excluded; and
- d. Any payment made by or on behalf of a Member who is contemplating or has entered into a contract for surrogacy to a Provider or individual related to any

services potentially included in the scope of surrogacy services described above is excluded.

#### **14. Mastectomy Reconstructive Surgery**

Breast reconstructive surgery and the internal or external prosthetic devices are covered for Members who have undergone mastectomies or other treatments for breast cancer. Treatment will be provided in a manner determined in consultation with the Physician and the Member.

Subject to all the terms and conditions of this EOC, if a covered mastectomy or other breast cancer treatment is performed, we will also provide coverage for:

- a. All stages of reconstruction of the breast on which the mastectomy has been performed;
- b. Surgery and reconstruction of the other breast to produce a symmetrical structure;
- c. Prostheses; and
- d. Physical complications for all stages of mastectomy, including lymphedemas.

If reconstructive surgery occurs within three years after a mastectomy, the amount of the benefits for that surgery will equal the amounts provided for in the Policy at the time of the mastectomy. If the surgery occurs more than three years after the mastectomy, the benefits provided are subject to all the terms, conditions, and exclusions contained in the Policy at the time of reconstructive surgery.

#### **15. Medical Care**

Medically Necessary medical care and services, performed by a Physician or other Professional on an inpatient and outpatient basis, are covered, including:

- a. Office visits and consultations;
- b. Hospital and skilled nursing facility services;
- c. Ambulatory surgical center services;
- d. Home health care services;
- e. Surgery; and
- f. Other Professional services.

#### **16. Medical Pharmacy**

Cost Sharing resulting from receipt of Medical Pharmacy benefits described in this section apply to the medical or combined Deductible, as applicable. These benefits do not apply to any separate pharmacy Deductible if the pharmacy deductible is separate from the medical Deductible.

This benefit includes the distribution, administration, and/or supply of pharmaceuticals and immunizations, frequently in conjunction with other services provided at a Medical Pharmacy. This benefit does not include other types of pharmaceuticals, which may be covered as described elsewhere in this EOC.

Medically Necessary immunizations, biologics, injectables, or other Specialty Pharmaceuticals, and contraceptive diaphragms (one device per a 12-month period, unless otherwise prescribed by a participating Physician) distributed, administered, or supplied by a Medical Pharmacy (except as described below) are covered.

Specialty Pharmaceuticals, which include injectables, oral medications, and medications given by other routes of delivery, may be delivered in any setting. Specialty Pharmaceuticals are pharmaceuticals that typically have:

- a. A cost greater than \$300 per dosage unit or per prescription;
- b. Limited access;
- c. Complicated treatment regimens;
- d. Compliance issues;
- e. Special storage requirements; or
- f. Manufacturer reporting requirements.

We maintain and update a list of Specialty Pharmaceuticals at [hometownhealth.com](http://hometownhealth.com).

*Immunizations related to foreign travel or employment are excluded.*

#### **17. Mental Health Services**

Medically Necessary mental health services provided by a doctor, clinical psychologist, clinical social worker, clinical nurse Specialist, nurse practitioner, Physician assistant, or other qualified mental health care Professional are covered according to the limits provided in the Schedule of Benefits.

All outpatient partial hospitalization programs, partial residential treatment programs, and inpatient services for mental health require Prior Authorization. Mental Health office visits that are not part of an alcohol or substance abuse program do not require Prior Authorization.

This Benefit Plan provides all mental health and substance abuse benefits in accordance with the *Mental Health Parity and Addition Equity Act of 2008*.

#### **18. Newborns and Maternity Care**

Medically Necessary maternity services for pregnant Members are covered, including prenatal and postpartum care, related delivery room and ancillary services and newborn care. Newborn care includes care and treatment of medically diagnosed congenital defects, birth abnormalities, or prematurity, and transportation costs of newborn to and from the nearest facility staffed and equipped to treat the newborn's condition. Newborn care is subject to the eligibility requirements as defined in this EOC.

Hometown Health covers newborn and maternity care in a hospital for no less than 48 hours for a normal vaginal delivery and no less than 96 hours for a cesarean section or as otherwise provided in the guidelines established by the American College of Obstetricians and Gynecologists and the American Academy of Pediatrics.

Notwithstanding anything in this EOC to the contrary, a Member does not need Prior Authorization to obtain access to gynecological care from a Professional in our Network



who specializes in obstetrics or gynecology. The Professional, however, may be required to comply with certain procedures, including obtaining Prior Authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating Professionals who specialize in obstetrics or gynecology, go to [hometownhealth.com](http://hometownhealth.com).

Notwithstanding anything in this EOC to the contrary, in the case of a person who has a child enrolled in coverage, we will permit such person to designate any pediatrician as a PCP if such pediatrician is a Participating Provider.

Services that are not covered include:

- a. Amniocentesis to the extent that it is performed to determine the sex of the child.
- b. Non-newborn circumcisions after eight weeks of age unless Medically Necessary and we provide a Prior Authorization.

#### **19. Oral Surgery, Dental Services, and Temporomandibular Joint Disorder**

Medically Necessary oral surgery procedures are covered (inpatient or outpatient) related to the following situations. These benefits are available to all covered members and not specifically limited to those members who are eligible for the Pediatric Dental Essential Health Benefits.

- a. Accidental Injury to the jaw bones or surrounding tissues when the Injury occurs and the repair takes place while a Member. Services must commence within 90 days after the accidental Injury. (Services that commence after 90 days are not covered.);
- b. Treatment for tumors and cysts requiring pathological examination of the jaws, cheeks, lips, tongue, and roof and floor of the mouth;
- c. Non-dental surgical procedures and hospitalization required for newly born and children placed for adoption or newly adopted to treat congenital defects, such as cleft lip and cleft palate;
- d. Repair and restoration of sound and natural teeth from injuries that arise from non-gustatory trauma;
- e. Extraction of teeth when related to radiation therapy or in advance of an organ transplant (other than a corneal transplant);
- f. Medical or surgical procedures occurring within or adjacent to the oral cavity or sinuses including treatment of fractures; and
- g. Dental general anesthesia for a dependent child when services are rendered in a Hospital or outpatient surgical facility, when enrolled dependent child is being referred because, in the opinion of the dentist, the child:
  - i. Is under 18 and has a physical, mental, or medically compromising condition;
  - ii. Is under 18 and has dental needs for which local anesthesia is ineffective because of an Acute infection, an anatomic anomaly or an allergy; or
  - iii. Is under age five (5).

Temporomandibular Joint Disorder (TMJ) and dysfunction services and supplies including night guards are covered only when the required services are not recognized dental procedures. Member Cost Sharing for covered TMJ services follows the same benefit allowance as other medically necessary services, subject to applicable deductibles, copayments and coinsurance. TMJ surgeries are covered under the medical benefits based on medical necessity and are limited to an annual maximum of one (1) surgery and a lifetime maximum of two (2) surgeries.

Prior Authorization is required for dental general anesthesia in a Hospital or outpatient surgical facility. Dental anesthesiology services are covered only for procedures performed by a qualified Specialist in pediatric dentistry, a dentist educationally qualified in a recognized dental specialty for which Hospital privileges are granted or who is certified by virtue of completion of an accredited program of post-graduate Hospital training to be granted Hospital privileges.

Only the services and supplies described above are covered, even if the condition is due to a genetic, congenital, or acquired characteristic. Exclusions include:

- a. Under the medical benefits, except as described above as an inclusion, services involving treatment to the teeth; extraction of teeth; repair of injured teeth; general dental services; treatment of dental abscesses or granulomas; treatment of gingival tissues (other than for tumors); dental examinations; restoration of the mouth, teeth, or jaws because of Injuries from biting, chewing, or accidents; artificial implanted devices; braces; periodontal care or surgery; teeth prosthetics and bone grafts regardless of etiology of the disease process; and repairs and restorations except for appliances that are Medically Necessary to stabilize or repair sound and natural teeth after an Injury as set forth above;
- b. Dental and or medical care including mandibular or maxillary surgery, orthodontia treatment, oral surgery, pre-prosthetic surgery, any procedure involving osteotomy to the jaw, and any other dental product or service except as set forth above;
- c. Treatment to the gums and treatment of pain or infection known or thought to be due to dental or medical cause and in close proximity to the teeth or jaw, braces, bridges, dental plates or other dental orthosis or prosthesis, including the replacement of metal dental fillings; and
- d. Other supplies and services including but not limited to cosmetic restorations, implants, cosmetic replacements of serviceable restorations, and materials (such as precious metals).

## **20. Orthopedic Devices and Prosthetic Devices**

Coverage for orthopedic devices is limited to Medically Necessary braces for problems requiring complete immobilization or for support, or if the braces are custom fitted or have rigid bar or flat steel supports and stays, splints, devices for congenital disorders, post and pre-operative devices.

One (1) Medically Necessary prosthetic device, approved by the Centers for Medicare & Medicaid (CMS), is covered for each missing or non-functioning body part or organ every three (3) years. Coverage is limited to:

- a. Devices that are required to substitute for the missing or non-functioning body part or organ;
- b. Devices provided in connection to an Illness or Injury that occurred subsequent to your effective date of coverage;
- c. Adjustment of initial prosthetic device;
- d. The first pair of eyeglasses or contact lenses (up to the Medicare allowable) immediately following cataract surgery;

*Repair and replacement of prosthetic devices is not covered except in limited situations involving mastectomy reconstructive surgery.*

#### **21. Ostomy Care Supplies**

Coverage is provided for Medically Necessary care and supplies after colon, ileum, or bladder surgery to assist in carrying on normal activities with a minimum of inconvenience.

#### **22. Partial Hospitalization Services**

Partial hospitalization services are covered for mental illness and substance abuse according to the benefits listed in the Schedule of Benefits that accompanies this EOC. The same services covered for inpatient services are also covered for partial hospitalization. One inpatient day is defined as an admission to a facility for more than 12 hours of treatment. One partial treatment day is defined as no less than three and no more than 12 hours of therapy per day. Partial day treatment is covered only when the member receives care through a day treatment program. Every two partial-day treatments count as one full inpatient day and will be applied against the member's maximum inpatient benefit.

#### **23. Podiatry Services**

Podiatry services are covered for the Medically Necessary treatment of Acute conditions of the foot such as infections, inflammation, or Injury and other foot care that is disease related.

The following services are not covered:

- a. Non-symptomatic foot care such as the removal of warts (except plantar warts); corns or calluses; and including but not limited to podiatry treatment of bunions, toenails, flat feet, fallen arches, and Chronic foot strain; and
- b. Routine foot care.

#### **24. Preventive Services**

Notwithstanding anything to the contrary in this EOC, the following preventive services will be covered without any Member cost-sharing if such services are provided by a Participating Provider:

- a. Periodic physical examinations and routine immunizations;

- b. Routine gynecologic examination (one per calendar year), including annual cytologic screening test (Pap smear) for women 18 years of age or older, pelvic examination, urinalysis, and breast examination;
- c. Screening mammograms including an initial baseline mammogram for female Members 35–39 and annually for women 40 years of age or older;
- d. Well-baby care, including immunizations in accordance with the American Academy of Pediatrics;
- e. Colorectal cancer screening starting at age 50 years and continuing until age 75 years in accordance with:
  - i. The guidelines concerning such screening that are published by the American Cancer Society; or
  - ii. Other guidelines or reports concerning such screening that are published by nationally recognized professional organizations and that include current or prevailing supporting scientific data;
- f. Immunizations, including influenza, pneumococcal, haemophilus influenza B, hepatitis A, hepatitis B, hepatitis C, rubella, measles, diphtheria, human papillomavirus (HPV), pertussis (whooping cough), poliovirus, rotavirus, varicella (chickenpox), shingles (herpes zoster) and tetanus, if such immunizations have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention with respect to the individual involved;
- g. Hearing and vision screening for children through age 17 to determine the need for hearing and vision correction;
- h. Evidence-based items or services that have an “A” or “B” Recommendation of the United States Preventive Services Task Force, provided that the recommendation does not conflict with a more recent “A” or “B” Recommendation of the United States Preventive Services Task Force;
- i. With respect to infants, children, and adolescents, evidence-informed preventive care and screenings provided for in comprehensive guidelines supported by the Health Resources and Services Administration of the U.S. Department of Health and Human Services; and
- j. With respect to women, such additional preventive care and screenings not described under this section as provided for in comprehensive guidelines supported by the Health Resources and Services Administration of the U.S. Department of Health and Human Services.

For more information see: <http://doi.nv.gov/Healthcare-Reform/Individuals-Families/Preventive-Care/>

## 25. Radiation Therapy

Medically Necessary Professional services related to radiation therapy are covered.

**26. Rehabilitative and Habilitative Therapy**

Coverage is provided for Medically Necessary physical, speech, occupational, cardiac, and pulmonary therapy habilitative and rehabilitation services. Such services must be performed by a Physician or by a therapy Provider licensed in accordance with state regulations for that therapy discipline.

Rehabilitative and habilitative services may require Prior Authorization depending on the setting in which the services are provided.

Coverage for these services is available for acute conditions arising from Illness or Injury, as well as chronic or developmental conditions up to the benefit limits as defined in the benefit plan.

**27. Skin Lesions**

Coverage is provided for Medically Necessary removal of skin lesions and related pathological analysis of such lesions. Coverage is provided for the removal of port wine lesions.

**28. Spinal Manipulation (Non-Surgical)**

Coverage is provided for up to 20 visits per year, or 100 visits per lifetime for Medically Necessary spinal manipulations and adjustments, except for treatment for Chronic or recurring conditions.

Spinal manipulation and adjustment means the detection, treatment, and correction of structural imbalance, subluxation, or misalignment of the vertebral column in the human body, for the purpose of alleviating pressure on the spinal nerves and its associated effects related to such structural imbalance, misalignment, or distortion, by physical or mechanical means.

**29. Transplant Services**

Medically Necessary organ transplants at a Hometown Health approved Center of Excellence are covered when you are the organ recipient in the following cases:

- a. Bone marrow;
- b. Cornea;
- c. Heart;
- d. Heart and lung;
- e. Intestinal and liver;
- f. Kidney;
- g. Liver;
- h. Lung;
- i. Pancreas;
- j. Pancreas and kidney; or
- k. Stem cell.

Centers of Excellence are facilities that meet Hometown Health's vigorous credentialing requirements for the specific type of organ transplant. A facility that is designated as a Center of Excellence for one type of organ transplant may not be designated as a Center of Excellence for another type of organ transplant. Designation as a Center of Excellence is at Hometown Health's sole discretion.

Organ transplants are only covered where the organ donor's suitability meets the OPTN/UNOS (Organ Procurement and Transplantation Network/United Network for Organ Sharing) donor evaluation and guideline criteria, when applicable.

Coverage for related transplant services is limited to:

- a. Tests necessary to identify an organ donor;
- b. The reasonable expense of acquiring the donor organ;
- c. One (1) procurement per transplant benefit period. The transplant benefit period begins on the date the Member first receives services directly related to evaluation as candidate for a covered transplant procedure, and ends on the earlier of the date 12 months after the Covered Transplant is performed, or the date the member ceases to be a Member, subject to Nevada's Essential Health Benefits.
- d. Transportation of the donor organ (but not the donor), and life support where such support is for the sole purpose of removing the donor organ;
- e. Storage costs of an organ, but only as part of an authorized treatment protocol; and
- f. Follow-up care.

Services excluded from coverage include, but are not limited to:

- a. Services provided at a facility that has not been designated as a Hometown Health Center of Excellence are excluded.
- b. Services provided to an organ donor are excluded.
- c. Services provided in connection with purchasing or selling organs are excluded.
- d. Transplants utilizing any animal organs are excluded.
- e. Any transportation of the donor (as opposed to transportation of the donor organ only) is excluded.
- f. Any expenses associated with an organ transplant where an alternative remedy is available are excluded.
- g. Artificial heart implantation are excluded.
- h. Services for which government funding or other insurance coverage is available are excluded.
- i. Any expenses for transportation, lodging, and meals for services associated with the transplant including evaluations and the transplant and post transplant periods for the donor, donor's family, recipient, or recipient's family are excluded.

- j. Tissue transplants (whether natural or artificial replacement materials or devices are used) or oral implants, including the treatment for complications arising from tissue or organ transplants or replacement, except as described above are excluded.

## **B. HOSPITAL, SKILLED NURSING CARE, AND SERVICES IN AN OUTPATIENT SURGICAL CENTER**

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### **1. Inpatient Care**

Medically Necessary inpatient Hospital care is covered. Services include, but are not limited to:

- a. Services for medical conditions treated in an Acute care Hospital inpatient environment;
- b. Semi-private room and board (private room when Medically Necessary);
- c. General nursing care facilities, services, and supplies on an inpatient basis;
- d. Diagnostic services that are provided in a facility, whether such facility is a Hospital or a freestanding facility (see “Other Services and Supplies for related Covered Services);
- e. Surgical and obstetrical procedures, including the services of a surgeon or Specialist, assistant, and anesthesiologist together with preoperative and postoperative care;
- f. Maternity and newborn care for up to 48 hours of inpatient care for a mother and her newborn child following a vaginal delivery and up to 96 hours of inpatient care for a mother and her newborn child following a Cesarean delivery. The time-periods will commence at the time of the delivery. Any decision to shorten the length of inpatient stay to less than those time-periods will be made by the attending Physician after conferring with the mother;
- g. Inpatient, short-term rehabilitative services, limited to treatment of conditions that are subject to significant clinical improvement over a continuous 30-day period from the date inpatient therapy commences in a distinct rehabilitation unit of a Hospital, skilled nursing facility, or other facility approved by us (limited to 60 days per calendar year);
- h. Inpatient alcohol and substance abuse rehabilitation services in a Hospital, residential treatment facility, or day treatment program; and
- i. Inpatient mental health services.

Inpatient services to treat mental illness conditions are subject to medical policy and medical necessity. Inpatient treatment for substance abuse conditions is limited to a maximum number of days as listed on the Schedule of Benefits per member’s benefit year. Provider visits received during a covered admission are also covered. Benefits are provided for medically necessary inpatient care, outpatient care, Partial Hospitalization,

and provider office services for the diagnosis, crisis intervention and treatment of severe mental illness conditions and substance abuse conditions as noted in the Schedule of Benefits. *Inpatient services must be provided by a licensed Hospital, psychiatric Hospital, alcoholism treatment center, or residential treatment center.*

The member should contact Hometown Health to determine medical necessity, appropriate treatment level and appropriate setting. Inpatient services are subject to Prior Authorization notification guidelines to avoid potential penalties related to non-notification of services.

Hometown Health must be notified for all Emergency admissions by the next business day unless the member is unable to do so.

Medically Necessary care at a skilled nursing facility for non-Custodial Care is covered (limited to 100 days per calendar year). A skilled nursing facility is a facility that is duly licensed by the state and/or federal government and that provides inpatient skilled nursing care, rehabilitation services, or other related health services that are not custodial or convenience in nature. Skilled nursing care includes Medically Necessary services that are considered by Medicare to be eligible for Medicare coverage as meeting a skilled need and that can only be performed by, or under the supervision of, a licensed or registered nurse. Hometown Health does not cover skilled nursing care that is not covered by CMS. Prior care in a Hospital is not required before being eligible for coverage for care in a skilled nursing facility.

## **2. Outpatient Care**

Medically Necessary outpatient Hospital or outpatient surgical center care is covered. Services furnished in a Hospital's or outpatient surgical center premises are covered, including use of a bed and periodic monitoring by a Hospital's nursing or other staff that are Medically Necessary to evaluate an outpatient's condition or determine the need for a possible admission to the Hospital. If a Hospital intends to keep a patient in observation status for more than 48 hours, observation status will become an inpatient admission for administration of benefits.

All coverage for the following benefits are dependent upon the coverage described in the Schedule of Benefits for each plan, particularly with regard to mental health and substance abuse services.

Outpatient services include, but are not limited to:

- a. Services for medical conditions treated in an Acute care Hospital outpatient environment;
- b. Semi-private room and board (private room when Medically Necessary) if patient is in observation status;
- c. General nursing care facilities, services, and supplies on an outpatient basis;
- d. Diagnostic services that are provided in a facility, whether such facility is a Hospital or a freestanding facility;



- e. Surgical procedures, including the services of a surgeon or Specialist, assistant, and anesthesiologist or anesthesiologist together with preoperative and postoperative care;
- f. Outpatient, short-term rehabilitative services;
- g. Outpatient alcohol and substance abuse rehabilitation services in a Hospital, Hospital residential treatment facility, or day treatment program; and
- h. Outpatient mental health services.

Medically Necessary short-term outpatient habilitative and rehabilitative services are covered for:

- a. Short-term speech, physical, and occupational habilitative and rehabilitative therapy for Acute conditions that are subject to significant clinical improvement over a 90-day period from the date outpatient therapy commences to maintain function in an individual (see Schedule of Benefits for visit limits); and
- b. Services for cardiac rehabilitation and pulmonary rehabilitation (see Schedule of Benefits for visit limits).

Medically Necessary services such as radiation therapy and chemotherapy (including chemotherapy drugs), are covered to the extent that such services are delivered in the most appropriate clinical manner and setting as part of a treatment plan.

Services that are not covered under this benefit include:

- a. Any services or supplies furnished in an institution that is primarily a place of rest, a place for the aged, a custodial facility, or any similar institution;
- b. Private duty nursing and private rooms in an inpatient setting;
- c. Personal, beautification, or comfort items for use while in a Hospital or skilled nursing facility; and
- d. Services related to psychosocial rehabilitation or care received as a custodial inpatient.

## C. EMERGENCY SERVICES

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### 1. General

Medically Necessary medical and/or Hospital services are covered in the case of an Emergency. Emergency care is available through Participating Providers 24 hours per day, seven days per week. If you have an Emergency:

- a. **Get help as soon as possible.** Call 911 for help or go to the nearest Emergency room, Hospital, or other Emergency facility. Call an ambulance if necessary.
- b. **Notify Hometown Health about your Emergency no later than 24 hours or the next business day.** We need to follow up on your Emergency care.

Emergency medical and Hospital services are limited to situations that require immediate and unexpected treatment. You should notify your PCP and our customer service department as soon as possible following receiving Emergency services.

Notwithstanding anything in this EOC to the contrary, coverage for Emergency services will be provided:

- a. Without the need for any Prior Authorization;
- b. Without regard to whether the Provider furnishing the Emergency services is a Participating Provider with respect to the services;
- c. If the Emergency services are provided Out-of-Network:
  - i. Without imposing any administrative requirement or limitation on coverage that is more restrictive than the requirements or limitations that apply to Emergency services received from Participating Providers;
  - ii. At the same Copayment or Coinsurance level imposed for In-Network Emergency services; and
- d. Without regard to any other terms or condition of such coverage other than exclusion, coordination of benefits or applicable cost-sharing.

**2. Medical care and notification.**

Out-of-Network Medically Necessary Emergency services are covered only if we are notified no more than 24 hours after onset of the Emergency or the next business day, except as provided in this section.

**3. Extended Notification**

If you are unable to contact us before you receive Emergency medical services or within 24 hours of the Emergency due to shock, unconsciousness, or otherwise, you must, at the earliest time reasonably possible, contact our customer services department to provide us with information about the event and relevant circumstances.

**4. Follow-Up Care (outside our Geographic Service Area/non-contracted facility)**

Continuing or follow-up treatment for an Emergency service outside of our Geographic Service Area or from a Non-Preferred Provider is limited to care required before you can, without harmful or injurious consequences, return to our Geographic Service Area and receive care from Participating Providers as determined by Us. Benefits for continuing or follow-up treatment(s) are otherwise covered only in our Geographic Service Area from Participating Providers, subject to all provisions of this EOC. *Routine or non-Emergency follow-up care at a Non-Preferred Provider Emergency room facility is not covered.*

**5. Balance Billing**

Balance Billing is a practice in which a Non-Participating Provider bills you for amounts in excess of the allowed amount. This usually occurs during Emergency or Out-of-Area Urgent Care Center visits when Hometown Health does not have the opportunity to negotiate a price with a Non-Participating Provider prior to the provision of services

Services should be provided at a Participating Provider unless the medical condition is considered an Emergency or an Out-of-Area Urgent Care Center visit. You may go to a

Non-Participating Provider in an Emergency or Out-of-Area Urgent Care Center visit. However, because Hometown Health is not contracted with Non-Participating Providers, that Provider may bill you amounts in excess of the Allowed Amount. Even if you go to a contracted facility in an Emergency, some Providers at that facility may not be Participating Providers and may bill you for amounts in excess of the Allowed Amount.

If you receive a bill for Emergency or Out-of-Area Urgent Care Center services from a Non-Participating Provider that is more than the In-Network Cost Sharing amount that appears in your Schedule of Benefits, please contact our customer service department.

## **D. URGENT CARE SERVICES**

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### **1. Medical Care and Notification**

Urgent Care is available through participating Physicians seven days a week. Medically Necessary Out-of-Area Urgent Care Center services are also covered.

Out-of-Area elective or specialized care required due to circumstances that could reasonably have been foreseen prior to departure from our Geographic Service Area is only covered as set forth in your Policy-specific Schedule of Benefits.

### **2. Follow-up Care if Temporarily Outside our Geographic Service Area**

Continuing or follow-up care for Urgent Care is limited to care required before you can, without medically harmful or injurious consequences, return to our Geographic Service Area to receive services from Participating Providers as determined by us. Routine follow-up care is not a covered Urgent Care service. You should notify our customer services department upon your return to our Geographic Service Area to avoid a denial of your claim.

### **3. Limitations**

Urgent Care services obtained at a Hospital Emergency facility may cost you more. Please refer to your Schedule of Benefits.

Urgent Care Center services received from Non-Participating Providers will not be covered unless the service is received Out-of-Area.

### **4. Balance Billing**

Balance Billing is a practice in which a Non-Participating Provider bills you for amounts in excess of the allowed amount. This usually occurs during Emergency or Out-of-Area Urgent Care Center visits when Hometown Health does not have the opportunity to negotiate a price with a Non-Participating Provider prior to the provision of services.

Services should be provided at a Participating Provider unless the medical condition is an Emergency or Out-of-Area Urgent Care Center visit. You may go to a Non-Participating Provider in an Emergency or Out-of-Area Urgent Care Center visit. However, because Hometown Health is not contracted with Non-Participating Providers, that Provider may bill you amounts in excess of the Allowed Amount. Even if you go to a contracted

facility in an Emergency, some Providers at that facility may not be Participating Providers and may bill you for amounts in excess of the Allowed Amount.

If you receive a bill for Emergency or Out-of-Area Urgent Care Center services from a Non-Participating Provider that is more than the In-Network Cost Sharing amount that appears in your Schedule of Benefits, please contact our customer service department.

## **E. OTHER SERVICES AND SUPPLIES**

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### **1. Ambulance Services**

Ambulance services are covered if the services are Medically Necessary and they are:

- a. Provided in an Emergency; or
- b. Provided in a non-Emergency setting when a Prior –Authorization is received from us.

A non-contracted provider of ambulance services or the insured may submit a claim for reimbursement if that provider does not receive reimbursement from any other source.

### **2. Durable Medical Equipment (DME)**

Coverage is provided for the purchase, rental, repair, or maintenance of durable medical equipment prescribed by a Provider for a Medically Necessary condition other than kidney dialysis.

Durable medical equipment is equipment that:

- a. Can withstand repeated use;
- b. Is not disposable;
- c. Is appropriate for use in the home;
- d. Is not useful in the absence of an Illness or Injury;
- e. Is prescribed by a physician;
- f. Meets CMS guidelines for coverage; and
- g. Is not primarily for convenience or comfort, but serves a medical purpose

Durable medical equipment includes, but is not limited to:

- a. Oxygen equipment (all oxygen and oxygen related equipment, except for oxygen while traveling on an airline),
- b. Wheelchairs,
- c. Hospital beds,
- d. Glucose monitors (which may be covered under the pharmacy benefits), and
- e. Warning or monitoring devices for infants (defined as a child 24 months old or less) suffering from recurrent apnea.

Coverage will be based on an amount equal to the generally accepted cost of durable medical equipment that provides the Medically Necessary level of care at the lowest cost. In determining our liability, we will be guided by nationally established standards of the rental or purchase of such equipment.

Items not covered under this benefit include, but are not limited to: dressings, any equipment or supply to condition the air, appliances, ambulatory apparatus, arch supports, support stockings, corrective footwear, orthotics or other supportive devices for the feet, heating pads, personal hygiene, comfort, care, convenience or beautification items, deluxe equipment, hearing aids, and any other primarily non-medical equipment, except as otherwise covered and described within this EOC.

Also excluded are exercising equipment, vibratory or negative gravity equipment, swimming or therapy pools, spas, and whirlpools (even if recommended by a Professional to treat a medical condition).

### **3. Enteral Formulas and Special Food Products**

Enteral formulas and special food products are covered if they are Medically Necessary for the treatment of an inherited metabolic disease. An inherited metabolic disease is a disease caused by an inherited abnormality of the body chemistry of a person characterized by congenital defects or defects arising shortly after birth resulting in deficient metabolism, or malabsorption originating from amino acid, organic acid, carbohydrate, or fat. Inherited metabolic diseases do not include obesity. Special food products do not include foods that are naturally low in protein.

Special food products are only covered if they are Medically Necessary and specially formulated to have less than one gram of protein per serving and are consumed under the direction of a Physician for the Medically Necessary dietary treatment of an inherited metabolic disease.

Special formulas, food supplements, or special diets including, but not limited to, total parenteral nutrition, except for Acute episodes, are not covered.

### **4. Hearing Aids**

Coverage is provided for repair and replacement of Medically Necessary hearing aids once every three years for each ear that requires a hearing aid.

Hometown Health does not cover hearing aids that have functionality that is not Medically Necessary such as bluetooth and gps technology.

Hearing Aids are only covered if obtained from approved Providers.

### **5. Home Health Care**

Home health care covered under this section includes skilled nursing care, therapies, and other health related services provided in the home environment for other than convenience for patient or patient's family, personal assistance, or maintenance of activities of daily living or housekeeping. Covered home health care services under this part include home health care provided by a Professional as the nature of the Illness dictates.

Excluded from coverage as home health care are:

- a. Personal care, Custodial Care, Domiciliary Care, or homemaker services;
- b. In-home services provided by certified nurse aides or home health aides;
- c. Over-the-counter medical equipment, over-the-counter supplies, or any prescription drugs, except to the extent that they are covered elsewhere in this EOC or in a separately purchased Pharmacy rider.

**6. Hospice Services**

The following hospice care services are covered for Members with a life expectancy of six (6) months or less as certified by his or her Provider (limited to a lifetime benefit maximum of 185 days):

- a. Part-time intermittent home health or respite care services totaling fewer than eight (8) hours per day and thirty-five (35) or fewer hours per week.
- b. Outpatient counseling of the Member and his or her immediate family (limited to six (6) visits for all family members combined if they are not otherwise eligible for mental health benefits under their specific Policy). Counseling must be provided by a psychiatrist, psychologist, or social worker. Members who are eligible for mental health benefits under their specific Policy should refer to the applicable description of such benefits to determine coverage. Medically Necessary mental health services may be covered under this policy in addition to the outpatient counseling benefits described above.
- c. Inpatient hospice care providing nursing care for a maximum of eight (8) inpatient days per calendar year. Inpatient respite care will be authorized only when we determine that home respite care is not appropriate or practical.

**7. Kidney Dialysis Services**

Kidney dialysis services and related therapeutic services and supplies, (e.g., epogen) are not if covered by Medicare or other federal or state programs, other than the Medicaid program.

**8. Lab and Diagnostic Services**

Coverage is provided for Medically Necessary laboratory and diagnostic procedures, services, and materials, including:

- a. Diagnostic x-rays;
- b. Fluoroscopy;
- c. Ultrasounds;
- d. Electrocardiograms;
- e. Complex imaging and diagnostic services including Computer Tomography (CT, CTA), Positron Emission Tomography (PET), Magnetic Resonance Imaging (MRI, MRA), Nuclear Medicine, Angiograms and Myelograms; and
- f. Laboratory tests.

Coverage is also provided for other laboratory and diagnostic screenings as well as Physician services related to interpreting such tests.

## 9. Telemedicine

You may receive services from a Provider who is in a different location through the use of information and audio-visual communication technology. Telemedicine does not include communication through telephone, facsimile or email.

Hometown Health will not prevent the use of Telemedicine in a course of treatment or evaluation. Hometown Health will not prevent the use of Telemedicine based on where the Provider is located.

A Provider who uses Telemedicine to provide services is responsible for ensuring he or she complies with all federal and state laws, including licensure, at the location in which the patient is located. Hometown Health will not pay claims for services provided by Providers who are not licensed in the state where the patient is located.

Your Cost Sharing for services received through the use of Telemedicine are the same as if the service were received in person. However, Hometown Health does not control the methods of treatment and business arrangements between third parties. Therefore, you may have to pay both the originating site and the Provider located at the distant site.

Additionally, it is your responsibility to ensure the Providers you use are In-Network Providers. Failure to use In-Network Providers will result in a higher cost to you.

## 10. Other Items

Hometown Health will not deny a claim, refuse to issue or cancel a policy of health insurance solely because the claim involves an act that constitutes domestic violence pursuant to NRS 33.018, or because the person applying for or covered by the health insurance policy was the victim of such an act of domestic violence, regardless of whether the insured or applicant contributed to any loss or injury.

Hometown Health will not deny a claim, refuse to issue or cancel a policy of health insurance solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance or because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance, except in the case of a felony.

## F. CONTINUED COVERAGE FOLLOWING TERMINATION OF A PROVIDER CONTRACT

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If a Member is receiving treatment for a medical condition and the treatment is provided by a Provider whose contract with Hometown Health is terminated (except for termination due to medical incompetence or professional misconduct) during the course of medical treatment, the Member may continue to obtain that medical treatment from the Provider if:

- The treatment is a medically necessary Covered Service;
- The Provider and Member agree that the continuity of care is desirable;
- The Provider agrees to all prior terms of the contract between Hometown Health and the Provider; and

- The Provider agrees not to seek additional payment from the Member for any medical service provide by the Provider that the Provider could not have received from the Member were the Provider still under contract with Hometown Health.

Such coverage will continue until the 120<sup>th</sup> day after the date the contract between the Provider and Hometown Health is terminated or, if the medical condition is pregnancy, the 45<sup>th</sup> day after the end of the pregnancy. Such coverage will not continue if the treatment is no longer medically necessary. Such coverage will not continue beyond the termination date of this Benefit Plan.

## **G. COVERED SERVICES UNDER THE PHARMACY BENEFIT**

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Drug Formulary – The HometownRx Drug Formulary for this Benefit Plan has been selected to provide all of the therapeutic categories and classes of medications and the choice of medications within those classes to meet the Essential Health Benefits formulary requirements for the State of Nevada. This formulary may be substantially different from other Hometown Health Formularies and may have different requirements for Prior Authorization and Step Therapy. There is no coverage for medications that are not listed on this Drug Formulary. Hometown Health will not pay for any drugs that are not listed on this formulary, and the costs of those medications will not be counted toward your In-Network or Out-of-Network Deductible and Out-of-Pocket Maximum Costs.

The HometownRx Pharmacy and Therapeutics Committee, which is comprised of physicians from various medical specialties, developed the Drug Formulary. The Committee reviews medications in all therapeutic categories and selects the agent(s) in each class that meet its criteria for safety, effectiveness, and cost. The Committee meets twice a year to review new and existing medications to ensure that the Drug Formulary remains responsive to the needs of Members and Providers. A copy of the Drug Formulary is available at [hometownhealth.com](http://hometownhealth.com) or by calling 775-982-3230 or 855-652-4001. Inclusion of a drug in the Drug Formulary does not guarantee that a Provider will prescribe that drug for a particular medical condition.

If we remove a drug from the Drug Formulary we will continue to cover that drug if:

- We had previously approved your purchase of that drug;
- Your Provider determines, after conducting a reasonable investigation, that none of the drugs which are currently approved for coverage are medically appropriate; and
- The drug is appropriately prescribed; and
- The drug is considered by the FDA to be safe and effective for treating your medical condition.

Coverage is available for Generic Drugs, Preferred Brand Drugs, Non-Preferred Brand Drugs, Specialty Pharmaceuticals, and Diabetic Supplies. Specific benefit levels are detailed in the Schedule of Benefits that describes your plan of benefits.

Prior Authorization – For certain outpatient Prescription Drugs, a prescribing Physician must contact HometownRx to request and obtain coverage for such drugs. HometownRx will respond to the Physician once authorization has been determined. The list of Prescription Drugs requiring Prior Authorization is subject to change by Hometown Health. An updated copy of the list of Prescription Drugs requiring Prior Authorization is available at [hometownhealth.com](http://hometownhealth.com).



If Prior Authorization is not obtained when necessary, the Member must pay the Participating Retail Pharmacy in full for the cost of the Prescription Drug. To be eligible for reimbursement, the Member is responsible for submitting a request for reimbursement in writing to Hometown Health. The request must include a copy of the receipt for the cost of the Prescription Drug and documentation from the prescribing Physician that the Prescription Drug is Medically Necessary. If the claim is approved, Hometown Health will directly reimburse the Member the cost of the Prescription Drug, less the applicable Cost Sharing specified in your Schedule of Benefits.

Member Responsibility – Benefits are provided for outpatient prescription drugs that meet the requirements specified in this EOC. Members are responsible for paying their Deductible, Copayments, Coinsurance and Ancillary Charge to the pharmacy at the time their prescriptions are filled. For Prescription Drug products covered under a Copayment benefit, the member is responsible for paying the lesser of the Copayment or the actual retail price of the Prescription Drug product.

Hometown Health is not responsible for the cost of any Prescription Drug for which the actual charge to the Member is less than the required Copayment or payment that applies to the Deductible or for any drug for which no charge is made to the Member. Hometown Health retains the right to review all requests for reimbursement and, at its sole discretion make reimbursement determinations subject to the grievance procedure section of the certificate.

Members are required to present their Hometown Health membership card when filling prescriptions at a pharmacy. A Member who fails to present the Hometown Health ID card may not be entitled to direct reimbursement from Hometown Health, and the Member may be responsible for the entire cost of the prescription. If a Member does not use this Policy (does not use their insurance card) to purchase a prescription drug and then requests reimbursement for the purchase of the prescription drug in a non-Emergency, non-Urgent Care situation, Hometown Health will only reimburse the Member the amount that Hometown Health would have paid if the prescription drug were purchased using the Policy. Because Hometown Health has access to contract discounts, the amount that Hometown Health pays could be considerably less than the amount the Member can get without using this Policy, resulting in a much higher cost to the Member compared to if the Member used this Policy to purchase the drug.

Participating Pharmacies – A Participating Retail Pharmacy or Participating Mail Order Pharmacy may refuse to fill a prescription order or refill when in the professional judgment of the pharmacist the prescription should not be filled. Non-Emergency and non-Urgent Care prescriptions will be covered only when filled at a Participating Retail Pharmacy or the Participating Mail Order Pharmacy.

Non-Participating Pharmacies – Non-Participating Pharmacies may require payment in full for prescriptions. Members may file a claim for reimbursement from Hometown Health provided the claim is received by Hometown Health within 120 days from the date the prescription was filled. Claim forms are available upon request from Hometown Health. Charges in excess of the Maximum Allowed Amount for prescription drug products received from a Non-Participating Pharmacy are the Member's responsibility.

## **1. 90-Day Supplies**

Original and refill prescriptions are limited to a 90-day supply at a Participating Retail Pharmacy unless otherwise limited by Hometown Health or the drug manufacturer. A 30-day filled prescription is required prior to a 90-day filled prescription. Most medications to treat chronic conditions are prescribed in 30 or 90-day supplies. You may request to receive your prescriptions in smaller supplies.

**2. Less than a 30-Day Supply**

If your prescriber or pharmacist determines that filling or refilling a prescription for less than a 30-day supply of a chronic medication is in your best interest and you request less than a 30-day supply, such prescription will be covered at the standard Cost Sharing for a 30-day supply of that drug. This requirement does not apply to unit-of-use packaging for which synchronization is not practicable or to a controlled substance.

**3. Mail Order**

Some covered Prescription Drug products are available through a Participating Mail Order Pharmacy. Mail order prescriptions are limited to a 90-day supply unless otherwise limited by Hometown Health, the drug manufacturer or the FDA. A 30-day filled prescription is required prior to a 90-day filled prescription. You may be required to fill the prescription at a Participating Retail Pharmacy before utilizing the mail order service.

**4. Specialty Pharmaceuticals**

Many Specialty Pharmaceuticals are biotech medications, using DNA recombinant technology (genetic replication) as opposed to chemical processes. Specialty Pharmaceuticals may be delivered in any setting and may include Injectable Drugs or medications given by other routes of administration, or oral medications.

Most Specialty Pharmaceuticals must be obtained through a specific specialty pharmacy designated by Hometown Health and are limited to a 30-day supply per script. A list of drugs classified as Specialty Pharmaceuticals is subject to change at the sole discretion of Hometown Health.

**5. Preventive Medications**

There will be no cost to the Member for preventive medications prescribed by a Physician and purchased at a Participating Retail Pharmacy or Participating Mail Order Pharmacy. To be eligible for no Member Cost Sharing, the medication must be prescribed in accordance with Recommendations A or B issued by the U.S. Preventive Services Task Force. Preventive medications include:

- a. Aspirin to prevent cardiovascular diseases (CVD): 45 years and older; quantity limit 1/day; generic only; OTC (requires a prescription);
- b. Sodium fluoride products (not in combination): 5 years old and younger, whose primary water source is deficient in fluoride; tablet 0.5mg, chewable tablet 0.25mg-05mg, solution;
- c. Folic Acid for all women planning or capable of pregnancy: Age limit 55 years old or younger; (not in combination); 0.4mg and 0.8mg; quantity limit 1/day; OTC (requires a prescription);

- d. Iron Supplements for asymptomatic children aged 6 to 12 months who are increased risk for iron deficiency anemia: Age limit 0-1 year; prescription or OTC (requires a prescription); iron suspension, ferrous sulfate elixir, syrup and solution;
- e. Tobacco Cessation – The USPSTF recommends that clinicians ask all adults about tobacco use and provide tobacco cessation interventions for those who use tobacco products: Annual limit of 2 cycles (12 weeks per cycle); OTC generics only; generic Zyban only; Rx or OTC (requires a prescription); Nicotrol Inhaler and Nasal Spray; Nicotine polacrilex gum or lozenge; Nicotine TD patch 24hr kits; Bupropion HCl SR tabs; Varenicline (Chantix) tablets; and
- f. Immunizations: Vaccines: The following vaccines are covered if provided by a Certified Immunizing pharmacist: Influenza, Hepatitis A & B; Human Papillomavirus inactivated; Poliovirus; Rubella; Meningococcal, Pneumococcal; Rotavirus; Tetanus Diphtheria, Pertussis, Varicella, Zoster. These may be administered or dispensed at the pharmacy, but are part of the preventive services covered in the benefits outlined under this EOC.

#### 6. Contraceptive Products

FDA approved contraceptive products for women are covered only with a prescription from the woman's health care Provider and as required by law. The Member must submit a request for reimbursement in writing to Hometown Health. The request must include a copy of the receipt for the cost of the product and the prescription from the prescribing Physician. The following contraceptive products are covered under this Policy:

- a. Oral contraceptives;
- b. Diaphragms: One per 365 consecutive day period;
- c. Injectable contraceptives: The prescription provider's copayment applies for each vial;
- d. Contraceptive patches;
- e. Contraceptive ring; and
- f. Norplant and IUDs are covered when obtained from a participating physician.

The participating Physician will provide insertion and removal of the device. An Office Visit Copayment or Coinsurance may apply if services during that visit are for more than the contraceptive visit. There will be no Copayment or Coinsurance for the contraceptive devices as noted above if dispensed or inserted by a participating Physician.

The dispensing of each type will require a separate prescription. Oral-contraceptive prescription quantities are limited to one 21-day cycle supply or one 28-day cycle supply per month. Formulary Generic Drug and Brand Drug oral contraceptives that do not have a generic equivalent (single source brand) will have no Copayment for the Member. If the Member purchases Brand Drug oral contraceptives that have a generic equivalent (multi-source brand) the Member will be required to pay the difference between the Brand Drug and the Generic Drug, as is the case with other multi-source Brand Drugs.

Non-Formulary Drug Copayments will be applied to Non-Formulary Drug contraceptives. Cost-sharing for Brand Drug or Non-Formulary Drug contraceptives may be covered with no Cost Sharing for Members who receive a Prior Authorization. To receive the Prior Authorization, the prescribing physician must demonstrate to Hometown Health why the lower cost alternative is not appropriate and that the prescribed Drug is Medically Necessary.

**7. Diabetic Supplies**

Diabetic supplies include insulin, insulin syringes with needles, glucose blood-testing strips, ketone testing strips, lancets and lancet devices. Diabetic supplies are covered if Medically Necessary upon prescription or upon physician's order only at a Participating Retail Pharmacies or Participating Mail Order Pharmacies. The member must pay applicable Deductible, Copayments and Coinsurance. Original and refill prescriptions are limited to a 90-day supply at Participating Retail Pharmacies unless otherwise limited by Hometown Health or the drug manufacturer. A 30-day filled prescription is required prior to a 90-day filled prescription.

**8. Hormone Replacement Therapy**

Hormone replacement therapy (HRT) Prescription Drugs are covered if approved by the FDA or required by state or federal law and lawfully prescribed or ordered by a Physician when Medically Necessary. Certain HRT Prescription Drugs require Prior Authorization.

**9. Topical Ophthalmic Products**

Early refills of topical ophthalmic products due to inadvertent wastage, shall be completed on a refill basis with a valid prescription and authorization, except as otherwise provided in the Drug Formulary or through the mail order or online prescription drug program.

**10. Cancer Treatment**

Drugs covered under the Drug Formulary for this Prescription Drug Rider for use in the treatment of an illness, disease or other medical condition will also be covered for the treatment of cancer when medically necessary and approved by the FDA or when required by state and federal law. Experimental drugs not approved by the FDA nor required by state and federal law, and used in the treatment of cancer are not covered. Prescription drugs used for the treatment of cancer require prior authorization from Hometown Health.

Orally Administered Chemotherapy will be paid consistently with classification of the prescription drugs as Formulary Generic, Formulary Brand, Formulary Brand with a Formulary Generic alternative, or Non-Formulary Generic or Brand without a Formulary alternative. Except for Members on a High Deductible Health Plan and for Members who select a Non-Formulary drug with a Formulary alternative, the cost to the Member for Orally Administered Chemotherapy will not exceed \$100 per prescription.

## **H. COVERED SERVICES UNDER THE PEDIATRIC VISION BENEFIT**

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Eligibility for this benefit is limited to children between the age of 0 and 19 years and ends the first of the month after a member achieves his 19th birthday. There is no coverage for any member outside that age range.

These benefits meet the requirements for the pediatric vision Essential Health Benefits for the State of Nevada.

The benefits available under the Pediatric Vision Plan include an eye exam each calendar year at no cost to the member. The plan also covers one set of lenses each calendar year and one set of frames from a formulary selection of pediatric frames each calendar year:

1. For members not enrolled in an HDHP, at no cost to the member; or
2. For members enrolled in an HDHP, subject to the combined Deductible, as provided in the Schedule of Benefits, and then at no additional cost.

In lieu of eyeglasses, a contact lenses eye exam is covered once per calendar year with a choice by the member of:

1. Standard (one pair annually) = 1 contact lens per eye (total 2 lenses)
2. Monthly (six-month supply) = 6 lenses per eye (total 12 lenses);
3. Bi-weekly (3 month supply) = 6 lenses per eye (total 12 lenses); or
4. Dailies (one month supply) = 30 lenses per eye (total 60 lenses).

Necessary contact lenses are covered in full for members who have specific conditions for which contact lenses provide better visual correction.

This benefit is serviced by Vision Services Plan (VSP) who can be reached at (800) 877-7195 for Customer Service and coverage questions.

## **I. COVERED SERVICES UNDER THE PEDIATRIC DENTAL BENEFITS (IF OFFERED)**

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If the plan in which you have enrolled includes “PD” at the end of the plan name, your Policy includes the pediatric dental Essential Health Benefits. Your Schedule of Benefits includes information about this coverage if it is in the Benefit Plan that you have purchased. Eligibility for this benefit is limited to children between the age of 0 and 19 years and ends the first of the month after a member achieves his 19th birthday. There is no dental coverage for any member outside that age range.

The dental benefits (if covered) include a separate Deductible and Out-of-Pocket Maximum. However, if you have reached the applicable Combined Out-of-Pocket Maximum listed in the Benefit Summary Table in your Schedule of Benefits, no further Cost Sharing is required. The dental plan (if covered) provides coverage for preventive services including cleanings, fluoride treatments, sealants, space maintainers, dental examinations, bitewing x-rays and full mouth x-rays with no Cost Sharing for the member if the services are received at a Participating Provider. Diagnostic and therapeutic services provided include dental examinations by dentists, screening

## HOMETOWN HEALTH

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exams by dental hygienists, xrays, fillings and tooth treatments and restorations as necessary. It also provides oral surgery, endodontics, orthodontia, treatment of fractures and other dentally necessary conditions. A detailed list of covered dental benefits is included in your Schedule of Benefits.

This benefit is serviced by Hometown Health. Please call 775-982-3232 for Customer Service and coverage questions.

## V. EXCLUSIONS AND LIMITATIONS

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This Policy does not cover certain services. This chapter lists the general medical, pharmacy, pediatric vision and pediatric dental benefit exclusions of this Policy. Benefits listed as excluded will not be covered by Hometown Health unless they are explicitly listed as covered elsewhere in the EOC or are otherwise explicitly covered through a separately purchased benefit rider. Any amount you pay toward services that are not covered or otherwise excluded will not count toward your Deductible and Out-of-Pocket Maximum. Additional exclusions that apply to only a particular service or benefit are listed in the description of that service or benefit in the EOC and Schedule of Benefits.

### A. MEDICAL AND GENERAL EXCLUSIONS

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The following services and benefits are excluded from medical coverage under this Benefit Plan. They may be covered under the pharmacy, pediatric vision or pediatric dental (if offered) benefits that may be included in this Benefit Plan if explicitly indicated that the benefit is covered.

Additional exclusions that apply to only a particular service or benefit are listed in the description of that service or benefit.

1. Services which are not Medically Necessary or are not required in accordance with accepted standards of medical practice or applicable law are excluded.
2. Complications resulting from procedures, services, medical treatments or medications that are not covered by this Benefit Plan are excluded.
3. Treatment for any Injury or Illness related to employment is excluded.
4. Charges for care or services provided before the effective date or after the termination date of coverage are excluded.
5. Charges for copies, presentation and preparation of your records, charts or x-rays, completion of insurance forms, creation of medical or dental reports and costs to forward or mail any such copies, forms, reports, records, charts, or x-rays are excluded.
6. Any loss, expenses, or charges resulting from the Member's participation in a riot or Criminal Act are excluded.
7. Any loss related to an act of war, insurrection, or terrorism are excluded.
8. Testing and treatment for educational disorders, non-medical ancillary services such as vocational rehabilitation, work-hardening programs, job related training requirements and employment training and counseling, including services rendered by or billed by a school or member of its staff are excluded.
9. Services related to job, vocational retraining, or community re-entry are excluded.
10. Care for military service-connected disabilities and conditions for which you are legally eligible to receive from governmental agencies and for which facilities are reasonably accessible to you are excluded.

11. Care for conditions that federal, state, or local law requires be treated in a public facility, care provided under federally or state funded health care programs (except the Medicaid program), care required by a public entity and care for which there would not normally be a charge are excluded.
12. Routine examinations, care or treatment primarily for insurance, immigration, travel, licensing, school sports, adoption and employment purposes and other third-party physicals are excluded.
13. Medical and psychiatric evaluations, examinations, or treatments, psychological testing, therapy, laboratory and other diagnostic testing and other services including hospitalizations or Partial Hospitalizations and residential treatment programs that are ordered as a condition of processing, parole, probation, or sentencing are excluded, unless we determine that such services are independently Medically Necessary.
14. Termination of pregnancy is excluded, other than medically indicated abortions necessary to save the life of the mother.
15. Any services received outside the United States are excluded unless deemed to be urgent or Emergency care.
16. Travel expenses, accommodations and travel insurance are not covered. Oxygen provided while traveling on an airline and oxygen concentrators that are supplied for purchase or rent specifically to meet airline requirements are excluded.
17. Costs related to room and board for family members are excluded.
18. Costs related to room and board for the member are excluded except if the cost is charged by the hospital as part of a medically necessary inpatient hospital admission and the expenses are incurred between the time of admission and the time of discharge.
19. Any services or supplies furnished in an institution that is primarily a place of rest, a place for the aged, a custodial facility, or any similar institution or facility are excluded.
20. Cosmetic surgery or procedures are excluded. Cosmetic surgery generally includes any plastic or reconstructive surgery or procedure done to improve the appearance of any portion of the body or restore bodily form without materially correcting a bodily malfunction.

Excluded cosmetic surgery or procedures include:

- a. Surgery or treatment to remove sagging or extra skin; any augmentation or reduction procedures; electrolysis; liposuction; liposculpting; body contouring or recontouring to remove excess skin on any part of the body including but not limited to: tummy tucks, belt lipectomies, breast reductions, enhancements or lifts are excluded;
- b. Laser treatments, rhinoplasty and associated surgery, epikeratophakia surgery, kerato-refractive eye surgery including but not limited to implants for correction of presbyopia, correction of facial or breast asymmetry (except that breast asymmetry will be provided pursuant to coverage as provided in this EOC for mastectomy benefits), treatment of male-pattern baldness, electrolysis, waxing or other methods of hair removal, or hair treatment, keloid scar therapy, any



- procedures utilizing an implant that cannot be expected to substantially alter physiologic functions are excluded;
- c. Treatment or service related complications, insertion, removal or revision of breast implants unless provided post mastectomy are excluded;
  - d. Implants that do not improve physical function are excluded;
  - e. Cosmetic surgery to treat or prevent mental health or psychological conditions or consequences or socially avoidant behavior are excluded;
  - f. Psychological and physical factors including but not limited to self-image, difficult social or peer relations, embarrassment in social situations, inability to exercise or participate in recreational activities comfortably, or impact on ability to perform one's job duties are excluded;
  - g. Complications resulting from excluded cosmetic surgery are excluded; and
  - h. Complications of medical procedures that result in conditions that affect the appearance of the body without commensurate impairment of bodily function are excluded.
21. Cosmetics are excluded.
22. Treatment for the removal, ablation, injection, or destruction of varicose veins is excluded.
23. Charges that result from appetite control, food addictions, eating disorders (except documented cases of bulimia or anorexia that meet standard diagnostic criteria as determined by us and present significant symptomatic medical problems) or any treatment of obesity, unless otherwise provided in the EOC are excluded.
24. Dietary supplements, anti-aging treatments (even if FDA-Approved for other clinical indications), vitamins, diet pills, health or beauty aids, vitamin B-12 injections (except for pernicious anemia, other specified megaloblastic anemias not elsewhere classified, anemias due to disorders of glutathione metabolism, post-surgery care or other b-complex deficiencies), antihemophilic factors including tissue plasminogen activator (TPA), acne preparations, and laxatives (except as otherwise covered and described within the EOC and Schedule of Benefits) are excluded.
25. Natural and herbal remedies that may be purchased without a prescription (over the counter), through a web site, at a Physician or chiropractor's office, or at a retail location are excluded unless otherwise specified in this EOC and your Schedule of Benefits.
26. Aroma therapy, massage therapy, reiki therapy, thermograph, orthomolecular therapy, contact reflex analysis, Bio-Energetic Synchronization Technique (B.E.S.T.), colonic irrigation, magnetic innervation therapy and electromagnetic therapy are excluded.
27. Charges related to the acquisition or use of marijuana are excluded, even if used for medicinal purposes.
28. Except as otherwise provided in the EOC, drugs, medicines, procedures, services, and supplies to correct or enhance erectile function, enhance sensitivity, or to alter the shape or appearance of a sex organ, or for sexual dysfunction (organic or inorganic),

inadequacy, or enhancement, including penile implants and prosthetics, injections, and durable medical equipment are excluded.

29. Any off-label use of growth hormone is excluded;
30. Coverage for human growth hormone or equivalent is excluded unless specifically covered and described within the EOC.
31. Cryopreservation or storage charges for collection and storage of biologic materials, including umbilical cord blood, for artificial reproduction or any other purpose are excluded.
32. Platelet rich plasma and stem cell related musculoskeletal injections are excluded.
33. All experimental or investigational medical, surgical, or other health care procedures and all transplants are excluded except as otherwise described within the EOC. We will consider a procedure or treatment as experimental or investigational as follows:
  - a. If outcome data from randomized controlled clinical trials, recommendations from consensus panels, national medical associations, or other technology evaluation bodies and from authoritative, peer-reviewed US medical or scientific literature:
    - i. Is insufficient to show that the procedure or treatment is safe, effective, or superior to existing therapy; or
    - ii. Does not conclusively demonstrate that the service or therapy improves the net health outcomes for total appropriate population for whom the service might be rendered or proposed over the current diagnostic or therapeutic interventions, even in the event that the service, drug, biological, or treatment may be recognized as a treatment or service for another condition, screening, or illness;
  - b. If the procedure or treatment has not been deemed consistent with accepted medical practice by the National Institutes of Health, the Food and Drug Administration, or Medicare;
  - c. When the drug, biologic, device, product, equipment, procedure, treatment, service, or supply cannot be legally marketed in the United States without the final approval of the Food and Drug Administration or any other state or federal regulatory agency, and such final approval has not been granted for that particular indication, condition, or disease;
  - d. When a nationally recognized medical society states in writing that the procedure or treatment is experimental; or
  - e. When the written protocols used by a facility performing the procedure or treatment state that it is experimental.

Clinical trials may still be covered even if the procedure or treatment is otherwise experimental or investigational. Refer to the Clinical Trials section (Chapter IV, Part A, Item 7 – Clinical Trials) of this EOC for more information.

34. Experimental, ecological, or environmental medicine is excluded, including, but not limited to the use of chelation or chelation therapy except for Acute arsenic, gold,

mercury, or lead poisoning; orthomolecular substances; use of substance of animal, vegetable, chemical or mineral origin not FDA-Approved as effective for such treatment; electrodiagnosis; Hahnemannian dilution and succussion; prolotherapy, magnetically energized geometric patterns, replacement of metal dental fillings, laetrile, and gerovital.

35. Charges for the fitting and cost of visual aids, vision therapy, eye therapy, orthoptics with eye exercise therapies, refractive errors including but not limited to eye exams and surgery done in treating myopia (except for corneal graft), ophthalmological services provided in connection with the testing of visual acuity for the fitting for eyeglasses or contact lenses, eyeglasses or contact lenses (except coverage for the first pair of eyeglasses or contact lenses following cataract surgery) and surgical correction of near or far vision inefficiencies such as laser and radial keratotomy are excluded, except as otherwise specified in this EOC and your Schedule of Benefits.
36. Orthotic braces that straighten or change the shape of a body part are excluded.
37. Cranial helmets are excluded except for cranial helmets used to facilitate a successful post-surgical outcome.
38. Orthopedic shoes, foot orthotics or other supportive devices of the feet are excluded, except when such devices are:
  - a. An integral part of a covered leg brace and its expense is included as part of the cost of the brace:
  - b. For diabetes mellitus and for foot deformity, history of pre-ulcerative calluses, history of previous ulceration, peripheral neuropathy with evidence of callus formation, poor circulation or previous amputation of the foot or part of the foot:
  - c. For rehabilitation prescribed as part of post-surgical or post-traumatic casting care; or
  - d. Prosthetic shoes for members with a partial foot.
39. Over-the-counter support hose or compression socks are excluded even if ordered by a Physician. Custom hose that must be measured and made specifically for the patient will be covered only for the treatment of burns or lymphedema.
40. [Modifications to vehicles, the purchase of medical vehicles or ambulances and the purchase of vehicles with or without lifts or other modifications are excluded.](#)
41. Physician services, supplies, and equipment relating to the administration or monitoring of a prescription drug are excluded unless the prescription drug is a Covered Service.
42. Barrier-free and other home modifications are excluded.
43. Services provided by personal trainers or gym or health club memberships, exercise programs, or exercise physiologists are excluded, even if recommended by a Professional to treat a medical condition.
44. Care or treatment of marital or family problems, occupational, religious, or other social maladjustments, behavior disorders, situational reactions, and hypnotherapy is excluded.
45. Religious or spiritual counseling is excluded.
46. Stress reduction therapy or cognitive behavior therapy for sleep disorders is excluded.

47. Charges for cognitive therapy are excluded unless related to short-term services necessitated by a catastrophic neurological event to restore functioning for activities of daily living.
48. Sleep therapy (except for central or obstructive apnea when Medically Necessary with a Prior Authorization), behavioral training or therapy, milieu therapy, biofeedback, behavior modification, sensitivity training, hypnosis, electro hypnosis, electrosleep therapy, electronarcosis, massage therapy, and gene therapy are excluded.
49. Therapies, psychological services, counseling, or tutoring services for developmental delay or learning disability are excluded.
50. Treatment of mental retardation, Down syndrome, or autism (unless covered and described within this EOC) that a federal or state law mandates that coverage be provided and paid for by a school district or other governmental agency is excluded.
51. Services designed to treat infertility conditions

Medically Necessary services to diagnose problems of infertility are covered for one workup per year up to three (3) evaluations per lifetime. Up to six (6) cycles of artificial insemination are covered per lifetime for covered members. For the covered female, services include the preparation of the sperm and the insemination, provided that the sperm has not been purchased or the donor compensated for his biological material or services, and that the donor is covered under a Hometown Health individual or small group plan. Costs related to the actual insemination of a non-covered person, are not covered under the terms of this Benefit Plan. The following services are not covered:

- a. All other costs incurred for reproduction by artificial means or assisted reproductive technology (such as in-vitro fertilization, or embryo transplants) except services directly related to artificial insemination services up to the maximum benefit limit are excluded. This exclusion includes treatments, testing, services, supplies, devices, or drugs intended to produce a pregnancy;
- b. The promotion of fertility including, but not limited to, fertility testing (except as otherwise covered and described above), serial ultrasounds, services to reverse voluntary surgically-induced infertility, reversal of surgical sterilization, any service, supply, or drug used in conjunction with or for the purpose of an artificially induced pregnancy, test-tube fertilization, the cost of donor sperm or eggs, in-vitro fertilization and embryo transfer or any artificial reproduction technology or the freezing of sperm or eggs or storage costs for frozen sperm, eggs, or embryos, maternity services related to a Member serving in the capacity of a surrogate mother, sperm donor for profit or prescription (infertility) drugs, or GIFT or ZIFT procedures, low tubal transfers, or donor egg retrieval are excluded.
- c. Any services related to a Member serving in the capacity of a surrogate mother, including, but not limited to, determining, evaluating, or enhancing the physical or psychological readiness for pregnancy, procedures to improve the Member's ability to become pregnant or to carry a pregnancy to term, or maternity services are excluded.

- d. Any payment made by or on behalf of a Member who is contemplating or has entered into a contract for surrogacy to a Provider or individual related to any services potentially included in the scope of surrogacy services described above is excluded.
52. Any Urgent Care services that are received Out-of-Network are excluded unless the Urgent Care service is received Out-of-Area.

## **B. PHARMACY BENEFIT EXCLUSIONS**

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The following services and benefits are excluded from pharmacy coverage under this Benefit Plan. They may be covered under the medical, pediatric vision or pediatric dental (if offered) benefits that may be included in this Benefit Plan if explicitly indicated that the benefit is covered.

1. Drugs not Medically Necessary or not required in accordance with accepted standards of medical practice or applicable law are excluded.
2. Drugs to treat complications resulting from procedures, services, medical treatments or medications that are not covered by this Benefit Plan are excluded.
3. Any charges for the administration or injection of prescription drugs or injectable insulin and other injectable drugs covered by Hometown Health are excluded.
4. Any refill in excess of the amount specified by the prescription order is excluded. For prescription drugs provided as a 30 day supply, any refill provided prior to 22 days after the previous fill is excluded unless the member receives Prior Authorization. Before recognizing charges, Hometown Health may require a new prescription or evidence as to need if a prescription or refill appears excessive under accepted medical practice standards.
5. Compounded medications except for compounded medications for palliative care with Prior Authorization are excluded.
6. Cosmetics or any drugs used for cosmetic purposes or to promote hair growth even for documented medical conditions, including but not limited to health and beauty aids are excluded.
7. Dietary or nutritional products or appetite suppressants or other weight-loss medications (such as appetite suppressants, including the treatment of obesity) whether prescription or over-the-counter are excluded.
8. Vitamins are excluded except those prescribed prenatal vitamins and vitamins with fluoride that require a prescription and are listed on the Drug Formulary.
9. Drugs dispensed by other than a Participating Retail Pharmacy are excluded except as Medically Necessary for treatment of an Emergency or Urgent Care condition.
10. Drugs listed on the Formulary Exclusions List, designated as Non-Formulary, or not included on the Formulary are excluded.

11. Drugs prescribed by a provider not acting within the scope of his or her license are excluded.
12. Drugs listed by the FDA as “less than effective” (DESI drugs) are excluded.
13. Experimental and investigational drugs, including drugs labeled “Caution-limited by Federal Law to Investigation use” are excluded.
14. Drugs either not approved by the FDA as “safe and effective” as of the date this Benefit Plan was issued or, if so approved, that the FDA has not approved for either inpatient or outpatient use are excluded.
15. Drugs prescribed for a use, condition or diagnosis that was not included in the FDA’s approval of the drug (off-label prescribed drugs) are excluded.
16. Fertility drugs, drugs for gene therapy, nicotine patches and gum, oxygen, laxatives unless otherwise provided herein or pursuant to the EOC and nutritional additives or any prescription medication or formulation with nutritional or vitamin additives are excluded
17. Growth hormone drugs for persons 18 years or older are excluded. Growth hormone therapy for the treatment of documented growth hormone deficiency in children for whom epiphyseal closure has not occurred is covered when a Prior Authorization is received and are supplied by Hometown Health’s preferred vendor for the medication.
18. Immunization or immunological agents, including but not limited to biological sera, blood, blood plasma or other blood products administered on an outpatient basis, antihemophilic factors, including tissue plasminogen activator (TPA), allergy sera and testing materials, unless otherwise provided herein or pursuant to the EOC are excluded.
19. Medical supplies, devices and equipment and nonmedical supplies or substances are excluded regardless of their intended use.
20. Medications approved by the FDA for less than six months are excluded unless the Hometown Health Pharmacy and Therapeutics Committee, at its sole discretion, decides to waive this exclusion with respect to a particular drug.
21. Medications for impotence or erectile dysfunction are excluded.
22. Medication consumed or administered at the place where it is dispensed or while a member is in a hospital or similar facility are excluded. Take-home prescriptions dispensed from a hospital pharmacy upon discharge are excluded unless the pharmacy is a Participating Retail Pharmacy.
23. Over-the-counter drugs, medicines and other substances for which a prescription order is not required regardless of whether the drug was prescribed by a physician, or for which an over-the-counter product equivalent in strength is available are excluded, unless the drug is required to be covered by law.
24. Drugs consumed in a physician’s office are excluded except as otherwise provided herein or in the EOC.
25. Performance, athletic performance or lifestyle enhancement drugs and supplies are excluded.

26. Prescription drugs purchased from outside of the United States are excluded except from Canadian pharmacies licensed by the Nevada State Board of Pharmacy. A list of licensed Canadian pharmacies can be found on the Nevada State Board of Pharmacy website: [www.bop.nv.gov](http://www.bop.nv.gov).
27. Prescription medications that are available without charge under local, state or federal programs, including worker's compensation or occupational disease laws, or medication for which a charge is not made are excluded.
28. Prescription refills dispensed more than one year from the date the latest prescription order was written or as otherwise permitted by applicable law of the jurisdiction in which the drug was dispensed are excluded.
29. Prophylactic drugs and immunizations for travel are excluded.
30. Quantities in excess of a 30-day supply are excluded. Prescriptions requiring quantities in excess of the above amount shall be completed on a refill basis except as otherwise provided in the Drug Formulary.
31. Replacement of lost, stolen, spoiled, expired, spilled or otherwise mishandled medication is excluded.
32. Prescription orders filled before the effective date or after the termination date of the coverage provided by this Benefit Plan are excluded.
33. Test agents and devices, excluding diabetic test agents are excluded.

**Additional Pharmacy Limitations –**

1. A Participating Retail Pharmacy may refuse to fill a prescription order or refill when in the professional judgment of the pharmacist the prescription should not be filled.
2. Non-Emergency and non-Urgent Care prescriptions will be covered only when filled at a Participating Retail Pharmacy.
3. Members are required to present their ID cards at the time the prescription is filled. A member who fails to verify coverage by presenting the ID card will not be entitled to direct reimbursement from Hometown Health, and the member will be responsible for the entire cost of the prescription.
4. If a Member does not use this Policy (does not use their insurance card) to purchase a prescription drug and then requests reimbursement for the purchase of the prescription drug in a non-Emergency, non-Urgent Care situation, Hometown Health will only reimburse the Member the amount that Hometown Health would have paid if the prescription drug were purchased using the Policy. Because Hometown Health has access to contract discounts, the amount that Hometown Health pays could be considerably less than the amount the Member can get without using this Policy, resulting in a much higher cost to the Member compared to if the Member used this Policy to purchase the drug.
5. Hometown Health retains the right to review all requests for reimbursement and, at its sole discretion make reimbursement determinations subject to the grievance procedure section of the certificate.

6. Hometown Health is not responsible for the cost of any prescription drug for which the actual charge to the member is less than the required Copayment or payment that applies to the prescription drug Deductible amount or for any drug for which no charge is made to the recipient.
7. The contracted reimbursement rate for participating pharmacies does not include amounts that Hometown Health may receive under a rebate programs offered at the sole discretion of individual pharmaceutical manufacturers.

### **C. PEDIATRIC VISION PLAN EXCLUSIONS**

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The following services and benefits are excluded from pediatric vision coverage under this Benefit Plan. They may be covered under the medical, pharmacy or pediatric dental (if offered) benefits that may be included in this Benefit Plan if explicitly indicated that the benefit is covered.

1. Two pairs of glasses instead of Bifocals are excluded.
2. Replacements of lenses, frames, or contacts are excluded.
3. Surgical or Medical Treatment is excluded.
4. Orthoptics, vision training and supplemental testing are excluded.
5. Contact lens insurance policies or service agreements are excluded.
6. Artistically painted or non-prescription lenses are excluded.
7. Additional office visits for contact lens pathology are excluded.
8. Contact lens modification, polishing or cleaning are excluded.

### **D. PEDIATRIC DENTAL BENEFIT EXCLUSIONS (IF OFFERED)-**

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The following services and benefits are excluded from pediatric dental coverage (if offered) under this Benefit Plan. They may be covered under the medical, pharmacy or pediatric vision benefits that may be included in this Benefit Plan if explicitly indicated that the benefit is covered.

1. Services not Medically Necessary or not required in accordance with accepted standards of dental practice or applicable law are excluded.
2. Services and treatment not prescribed by or under the direct supervision of a dentist, except in those states where dental hygienists are permitted to practice without supervision by a dentist are excluded. In these states, Hometown Health will pay for eligible covered services provided by an authorized dental hygienist performing within the scope of his or her license and applicable state law.
3. Services and treatment received from a dental or medical department maintained by or on behalf of an employer, mutual benefit association, labor union, trust, VA Hospital or similar person or group are excluded.



4. Telephone consultations are excluded.
5. Any charges for failure to keep a scheduled appointment are excluded.
6. Any services that are considered strictly cosmetic in nature including, but not limited to, charges for personalization or characterization of prosthetic appliances are excluded.
7. Services related to the diagnosis and treatment of Temporomandibular Joint Dysfunction (TMD) are excluded unless determined to be Medically Necessary. Refer to the Oral Surgery, Dental Services and Temporomandibular Joint Disorder section (Chapter IV, Part A, Item 18 – Oral Surgery, Dental Services and Temporomandibular Joint Disorder) of this EOC for more information;
8. Office infection control charges are excluded.
9. Charges for copies of your records, charts or x-rays, or any costs associated with forwarding/ mailing copies of your records, charts or x-rays are excluded.
10. State or territorial taxes on dental services performed are excluded.
11. Those costs submitted by a dentist, which is for the same services performed on the same date for the same member by another dentist are excluded.
12. Those services provided free of charge by any governmental unit are excluded, except where this exclusion is prohibited by law;
13. Those services for which the member would have no obligation to pay in the absence of this or any similar coverage are excluded.
14. Those services which are for specialized procedures and techniques are excluded.
15. Those services performed by a dentist who is compensated by a facility for similar covered services performed for members are excluded.
16. Duplicate, provisional and temporary devices, appliances, and services are excluded.
17. Plaque control programs and oral hygiene instruction are excluded.
18. Services to alter vertical dimension and/or restore or maintain the occlusion are excluded. Such procedures include, but are not limited to, equilibration, periodontal splinting, full mouth rehabilitation, and restoration for misalignment of teeth;
19. Gold foil restorations are excluded.
20. Treatment or services for injuries resulting from the maintenance or use of a motor vehicle are excluded if such treatment or service is paid or payable under a plan or policy of motor vehicle insurance, including a certified self-insurance plan.
21. Hospital costs or any additional fees that the dentist or Hospital charges for treatment at the Hospital (inpatient or outpatient) are excluded.
22. Charges by the provider for completing dental forms are excluded.
23. Adjustment of a denture or bridgework which is made within 6 months after installation by the same Dentist who installed it are excluded.
24. Use of material or home health aides to prevent decay, such as toothpaste, fluoride gels, dental floss and teeth whiteners are excluded.

25. Cone Beam Imaging and Cone Beam MRI procedures are excluded.
26. Sealants for teeth other than permanent molars are excluded.
27. Precision attachments, personalization, precious metal bases and other specialized techniques are excluded.
28. Replacement of dentures that have been lost, stolen or misplaced is excluded.
29. Orthodontic care for dependent children age 19 and over is excluded.
30. Repair of damaged orthodontic appliances is excluded.
31. Replacement of lost or missing appliances is excluded.
32. Fabrication of athletic mouth guard is excluded.
33. Internal and external bleaching is excluded.
34. Oral sedation is excluded.
35. Topical medicament center is excluded.
36. Bone grafts are excluded when done in connection with extractions, apicoectomies or non-covered/non-eligible implants.
37. When two or more services are submitted and the services are considered part of the same service to one another the Plan will pay the most comprehensive service (the service that includes the other non-benefited service).
38. When two or more services are submitted on the same day and the services are considered mutually exclusive (when one service contradicts the need for the other service), the Plan will pay for the service that represents the final treatment as determined by Hometown Health or its delegate.
39. All Out-of-Network services are excluded.

## **E. OVERALL LIMITATIONS**

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If the provision of Covered Services provided under this Policy is delayed or rendered impractical due to circumstances not within our control, including but not limited to a major disaster, epidemic, the complete or partial destruction of facilities, riot, civil insurrection, disability of a significant part of our Providers' personnel, or similar causes, we will make a good faith effort to arrange for an alternative method of providing coverage. In such event, we and our Providers will render the Covered Services provided under this Policy insofar as practical and according to their best judgment; but we and our Providers shall incur no liability or obligation for delay, or failure to provide or arrange for services if such failure or delay is caused by such an event.

## VI. UTILIZATION MANAGEMENT PROGRAM

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The utilization management program uses set criteria and protocols to ensure that the most cost-effective preventive, Acute, and tertiary care is provided to our Members consistent with the provision of quality care. You may be subject to a reduction in benefits if you do not comply with this utilization management program. Our utilization management program is conducted with our written policies and procedures under the direction of our Medical Director.

### A. Delivery of Services

You are entitled to receive Medically Necessary medical care and services as specified in your Schedule of Benefits and this EOC. These include medical, surgical, diagnostic, therapeutic, and preventive services. . These services generally:

1. Are provided in our Geographic Service Area;
2. Are performed or ordered by a Participating Provider; and
3. Require a Prior Authorization according to our utilization management and quality assurance protocols, if applicable. *If a Prior Authorization is required and you do not obtain the required Prior Authorization, you may be subject to a reduction in benefits or the service may not be covered, even if the service is Medically Necessary.*

### B. Scope of the Program

Under the utilization management program, a Prior Authorization is required for referrals to Physicians and Providers for certain services. All benefits listed in this EOC may be subject to Prior Authorization requirements and concurrent review depending upon the circumstances associated with the services. Refer to your Schedule of Benefits for services that require Prior Authorization. You may find a full list of services that require Prior Authorization at [hometownhealth.com](http://hometownhealth.com).

The following services require Prior Authorization:

1. All inpatient stays and services in any facility type, including Acute and skilled care, mental health care, drug or alcohol detoxification, or rehabilitation (including partial or day hospitalization services stays);
2. Inpatient, same day, or in-office surgical services with a cost greater than \$750 (excluding diagnostic and screening colonoscopies);
3. Autism services;
4. Home health care;
5. Healthcare services and supplies including but not limited to oxygen, oxygen-related equipment and all durable medical equipment with a cost greater than \$150;
6. Prosthetic and orthopedic devices with a cost greater than \$150;
7. Hearing aids;
8. Transplant services;
9. Gastric restrictive services;

10. Certain medications specified by Hometown Health as Specialty Drugs (see [hometownhealth.com](http://hometownhealth.com));
11. Certain infertility laboratory and diagnostic tests;
12. Anesthesiology and psychiatry services, including pain management;
13. Genetic counseling and testing;
14. Second-opinion services;
15. Air ambulance transportation;
16. Non-Emergency transportation;
17. All Specialist office visits except for OB-GYN office visits;
18. Outpatient speech, occupational and physical therapy greater than 20 visits per calendar year;
19. Cardiac and pulmonary rehabilitation;
20. Wound therapy in an outpatient setting;
21. Chemotherapy;
22. Radiation therapy;
23. Infusion therapy;
24. Ostomy supplies;
25. Special food products
26. Dialysis; and
27. Hospice.

We should be notified upon confirmation of pregnancy so we may better manage your benefits.

You must comply and cooperate with the utilization management program. Services that require prior-authorization are subject to all of the terms of your specific Policy.

### **C. Approval and Prior Authorization Process**

In certain cases, as set forth below, in order for a benefit to be covered, you must receive a Prior Authorization for the service. We use nationally recognized criteria and internal medical policy guidelines, as reviewed periodically by our Utilization Management and Quality Improvement Committee, as the standard measurement tool to determine whether benefits are approved and/or authorized.

#### **1. Hospital Admissions**

You are responsible for notifying us of a Hospital stay at least five business days before elective admission to a Hospital to ensure that it is covered. Your Physician or other Provider may notify us but it is ultimately your responsibility to make sure we are notified. We will review the Provider's recommendation to determine level of care and place of service. If we deny authorization for Hospital admission as not covered or we

determine that the services do not meet our criteria and protocols, we will not pay the Hospital or related charges.

**2. Inpatient and Outpatient Surgery**

You are responsible for making sure we are notified at least five business days before elective inpatient or outpatient surgery is performed to ensure that it is covered. Your Physician or other Provider may notify us but it is ultimately your responsibility to make sure we are notified. We will review the Physician's recommended course of treatment.

We will pay benefits only for inpatient/outpatient surgery that we authorize. We will not pay for inpatient or outpatient surgery or related charges if we determine that such charges are not a Covered Service or do not meet our criteria and protocols.

**3. Emergency and Urgent Hospital Admissions**

An Emergency Hospital admission means an admission for Hospital confinement that results from a sudden and unexpected onset of a condition that requires medical or surgical care. In the absence of such care, you could reasonably be expected to suffer serious bodily Injury or death. Examples of Emergency Hospital admissions include, but are not limited to, admissions for heart attacks, severe chest pain, burns, loss of consciousness, serious breathing difficulties, spinal Injuries, and other acute conditions.

An urgent Hospital admission means an admission for a medical condition resulting from Injury or serious Illness that is less severe than an Emergency Hospital admission but requires care within a short time, including complications of pregnancy.

For an Emergency or urgent Hospital admission (including for all covered complications of pregnancy), you are responsible for making sure that we are notified within 24 hours, the next business day, or as soon as reasonable after admission. If you are incapacitated and you (or a friend or relative) cannot notify us within the above stated times, we must receive notification as soon as reasonably possible after the admission or you may be subject to reduced benefits as provided in your specific Policy.

**4. Healthcare Services and Supplies Review**

Participating Providers may notify us on your behalf to obtain Prior Authorization for the services described in Part B (Scope of the Program) above.

Non-Participating Providers may not know or attempt to notify us to obtain Prior Authorization for services. In such a case, you must confirm that a Prior Authorization has been provided for the service to assure that the service is covered.

We will pay for covered health care services and supplies only if authorized as outlined above. We will not pay for any healthcare services or supplies that are not Covered Services or do not meet our criteria and protocols.

**D. Concurrent Review and Case Management**

After admission to a facility, we will continue to evaluate the patient's progress to monitor appropriate level of care and services. If, after consulting with the Physician or a representative of your treatment team or the Hospital case management team, we determine a lower level of care is appropriate or a service does not meet our criteria standards, we will not extend continued

authorization. We use nationally recognized criteria and internal medical policy guidelines as the standard measurement tool for this process for Acute care facilities. We also use nationally recognized criteria as the standard assessment tool for skilled nursing facilities, rehabilitation facilities and mental health and substance abuse facilities and programs.

Case management is a service provided by us to coordinate all services or alternate methods of medical care or treatment that may be used in replacement of or in combination with Hospital confinement. Our case managers will work in coordination with the attending Physician or other Professionals and community resources to develop a plan of treatment per the benefit level of this Policy. Discharge planning may be initiated at any stage of the process, and begins immediately upon identification of post discharge needs during Prior Authorization or concurrent review.

**E. Retrospective Review**

We evaluate the medical records of those Members whose medical treatment or Hospital stay was not reviewed under authorization, Prior Authorization, or concurrent review as described above.

We will pay benefits only for those days or treatment that would have been authorized under the utilization management program.

**F. Second Opinions**

We will authorize a second opinion upon your request in accordance with the terms of your specific Policy. Examples of instances where a second opinion may be appropriate include:

1. Your Physician has recommended a procedure and you are unsure whether the procedure is necessary or reasonable;
2. You have questions about a diagnosis or plan of care for a condition that threatens substantial impairment or loss of life, limb, or bodily functions;
3. You are unclear about the clinical indications about your condition;
4. A diagnosis is in doubt due to conflicting test results;
5. Your Physician is unable to diagnose your condition; and
6. A treatment plan in progress is not improving your medical condition within a reasonable period of time.

## **VII. RELATIONSHIP OF PARTIES**

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### **A. Independent Contractors**

Our relationship with our participating Physicians and Providers is that of an independent contractor relationship. Providers are not our agents or employees nor are we, or any of our employees, an employee or agent of the Providers. We are not liable for any claim or demand because of damages arising out of, or in any manner connected with, any Injuries that you suffer while receiving care from any Provider or in any Provider's facilities.

### **B. Provider Relationship with Patient**

We are not responsible for and will not intervene in the provision of medical services by a Provider to his or her patient. The traditional relationship between a Provider and a patient will be maintained and the Provider retains full control of and authority of all medical decisions and recommendations regarding medical treatment. Our determination that a particular course of medical treatment is not a Covered Service or is inconsistent with our criteria and protocols shall not be considered a medical determination. The Provider maintains full authority and responsibility for all medical determinations regardless of the availability of coverage for any such medical treatment.

### **C. Groups and Members**

Neither any Group nor any Member is our agent or representative.

## VIII. ELIGIBILITY AND ENROLLMENT

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This chapter describes Hometown Health's eligibility and enrollment requirements. It provides the Who, When and How of eligibility and enrollment:

1. Who is eligible for coverage?
2. When can you enroll in or change coverage and when are those changes effective?
3. How do you enroll in coverage?

You and your dependents may not enroll in this Policy unless you meet the requirements provided in this chapter, you provide your enrollment information within the time periods described here and payment is made by the applicable due dates.

### A. WHO IS ELIGIBLE FOR COVERAGE?

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The following describes those who may enroll in this policy.

#### 1. **Subscriber**

The Subscriber is a person who meets all applicable eligibility requirements of this EOC, whose enrollment form has been accepted by Hometown Health and in whose name the membership is established. The Subscriber is the employee. To be eligible for membership as a Subscriber under this EOC, you must:

- b. Be a United States citizen, national or lawfully present non-citizen for the entire period for which coverage is sought;
- c. Be a legal resident of the United States;
- d. Reside in Nevada;
- e. Be an employee of an employer whose principal place of business is in the Geographic Service Area where the plan is offered;
- f. Agree to pay for the cost of Premium as required by your employer;
- g. Not be incarcerated (except pending disposition of charges);
- h. Be an employee who regularly works 30 or more hours per week and satisfy your employer's eligibility provisions, including any probationary or waiting period requirements;
- i. Complete and submit all enrollment forms and other required documents; and
- j. Satisfy any probationary or waiting period requirements.

#### 2. **Dependents**

A Subscriber may enroll an eligible dependent during the appropriate enrollment period if the dependent is listed on the Subscriber's enrollment application and all other required documents are completed and submitted to us. A dependent may not enroll in this Benefit Plan if the employee is not also enrolled. Please note that your employer may choose to not offer employer sponsored coverage to spouses, domestic partners and/or all



children. Your employer may do this to allow your dependents to be eligible for tax credits through the state exchange.

The following is a list of dependents that may be enrolled in a Hometown Health plan, if eligible pursuant to the other rules found in this EOC and your employer's eligibility provision:

- a. The Subscriber's lawful spouse (we may require you submit a marriage certificate);
- b. The Subscriber's lawful domestic partner if the Subscriber provides to us a current Domestic Partnership Certificate issued by a state or county government upon request;
- c. A natural child, stepchild, or legally adopted child of either the Subscriber, the Subscriber's spouse, or the Subscriber's domestic partner, provided that the child is under age 26;<sup>1</sup>
  - i. A newborn child, adopted child or child placed for adoption will be eligible for coverage effective on the child's date of birth, adoption or placement for adoption (as applicable). Coverage for the child will cease after 31 days unless the Subscriber enrolls the child within the appropriate enrollment period. We require a copy of the birth certificate, adoption certificate or certification of placement by the placing agency.

During the first 31 day-period after birth adoption or placement for adoption, coverage for the child shall consist of medically necessary care for injury and sickness, including well child care and treatment of medically diagnosed congenital defects and birth abnormalities. All services provided during the first 31 days of coverage are subject to the Cost Sharing requirements such as Deductibles, Copayments and Coinsurance that are applicable to other sicknesses, diseases and conditions otherwise covered.<sup>2</sup>

"Placement for adoption" means circumstances under which a Subscriber assumes or retains a legal obligation to partially or totally support a child in anticipation of the child's adoption. Coverage for a child to the child's placement for adoption is subject to certification of the child's placement by the placement agency. A placement terminates when the legal obligation for support terminates.

If the Subscriber is not the natural parent or the adoptive parent, but rather, the spouse or domestic partner is the natural parent or adoptive parent, and the date of birth, adoption or placement for adoption occurs before the date of marriage or domestic partnership, eligibility for coverage for the child begins when the spouse or domestic partner becomes eligible for coverage.

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<sup>1</sup> [45 CFR § 147.120](#)

<sup>2</sup> [NRS 689B.033](#)

- ii. Step-children (children of the spouse or domestic partner) become eligible for coverage no earlier than the date the spouse or domestic partner becomes eligible for coverage. If you choose not to enroll your spouse or domestic partner, but you would like to enroll your spouse's or domestic partner's child, in addition to the standard documentation required for a child, you will also be required to provide the applicable marriage certificate or domestic partnership certificate linking the child to you through your spouse or domestic partner.
- d. A disabled child age 26 or older is eligible for coverage if all of the following requirements are met:
  - i. The child is a natural child, stepchild, or legally adopted child of either the Subscriber, the Subscriber's spouse, or the Subscriber's domestic partner;
  - ii. The child is incapable of self-sustaining employment due to a physical handicap or an intellectual disability;
  - iii. The child is dependent on the Subscriber, the Subscriber's spouse or the Subscriber's domestic partner for support and maintenance;
  - iv. The child's condition originated before the child reached the age of 26; and
  - v. Written proof of the child's incapacity and dependency is furnished within 31 days after the child reaches age 26 and once a year beginning two (2) years after the child reaches age 26.
- e. A child for whom there is a Qualified Medical Child Support Order (QMCSO) or other court order. Generally, a QMCSO is an order or judgment from a court or produced as a result of a state-authorized administrative process directing the Subscriber, covered spouse, or covered domestic partner to provide coverage to an eligible dependent. The date the court order is effective is the date indicated on the QMCSO or, if the QMCSO does not include a specific date of coverage, the date the QMCSO was signed by the court.
- f. A legal ward of the Subscriber, spouse or domestic partner is eligible for coverage if the child is a legal ward (pursuant to court order) permanently placed in the home of the Subscriber, spouse or domestic partner and meets the other eligibility provisions of this EOC. You will be required to provide a copy of the court order.  
  
Legal wards not permanently placed in the Subscriber's home, children placed in the Subscriber's home, or any other person not defined within this section are not eligible dependents.

Dependents of a dependent child are not eligible for coverage other than the first 31 days of life.

## **B. WHEN CAN YOU ENROLL OR CHANGE COVERAGE?**

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There are very specific rules regarding when a person can enroll in or change coverage and when the changes take effect. These rules help protect us from adverse selection and help us keep your premiums as low as possible. The following enrollment periods describe when you and your dependents can enroll or change coverage and when your coverage will become effective. There is no coverage for services received or rendered to the Member prior to the effective date of the Member's coverage.

### **1. Open Enrollment Period**

Open Enrollment is just that – open. If you are eligible for coverage under the Benefit Plan, you may enroll in the Benefit Plan during the Open Enrollment Period, provided you have satisfied any probationary or waiting period requirements described in your employer's eligibility provisions. Your eligible spouse or domestic partner and dependents may also enroll in this Benefit Plan during the Open Enrollment Period if your employer extends eligibility to spouses, domestic partners or dependents. Coverage will be effective on the Group's initial effective date or on the Group's Policy renewal date.<sup>3</sup>

### **2. Qualifying Life Events**

There are certain events in your life, such as a birth or marriage, which allow you to enroll in coverage<sup>4</sup>. These Qualifying Life Events create a Special Enrollment period (outside of the annual Open Enrollment Period) during which time you can enroll in this Benefit Plan or enroll in another plan offered by your employer (if you are eligible to enroll in that plan).

In the case of birth, adoption or placement for adoption, you have 31 days to request special enrollment for this Benefit Plan;<sup>5</sup> for all other Qualifying Life Events, you have 30 days to request special enrollment for this Benefit Plan.<sup>6</sup> If you do not complete the enrollment application in that time period and provide any other necessary documentation upon request, you and your dependents will not be allowed to enroll until your employer's next Open Enrollment Period, unless another Qualifying Life Event occurs.

If you change plans due to a Qualifying Life Event, the amounts that you have paid toward your Deductible and Out-of-Pocket Maximum in your old plan will not count toward your new plan.

You have the right to enroll (or enroll your dependent) in this Benefit Plan if you (or your dependent) have one of the following Qualifying Life Events:

- a. Loss of other health plan coverage – You or your dependent were covered under another insurance plan or program and you or your dependent lost coverage due to legal separation, divorce, dissolution of domestic partnership, cessation of

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<sup>3</sup> [45 CFR § 147.104\(b\)\(1\)\(i\)](#)

<sup>4</sup> [45 CFR § 146.117\(d\)](#)

<sup>5</sup> [NRS 689B.033](#)

<sup>6</sup> [45 CFR § 147.104\(b\)\(4\)\(i\)](#)

dependent status, death, termination of employment, reduction in the number of hours of employment, a permanent move, exhaustion of COBRA benefits, termination due to a loss of a plan's availability, or loss of Medicaid or other government program coverage.<sup>7</sup>

Loss of coverage does not include cessation of coverage due to your failure to pay premiums, including COBRA premiums prior to the expiration of COBRA coverage, fraud or situations that allow for a rescission of your coverage);<sup>8</sup>

You must provide proof that you had other coverage and the date such coverage ended.

- b. Gain of a dependent – You acquire a new dependent as a result of a birth, adoption, placement for adoption or through a QMCSO or other court order. You must provide the birth certificate, certificate of adoption, placement for adoption or foster care, QMCSO or other court order;
- c. Gain of a dependent through marriage – You acquire a new dependent as a result of marriage or domestic partnership. To be eligible for coverage, you must provide the marriage certificate or certificate of domestic partnership;
- d. New Employee – If you are a new employee, you may be eligible to apply for coverage after you satisfy any probationary or waiting period as defined by your employer's eligibility provisions. To apply for coverage, you must complete an enrollment application within 30 days of the initial effective date.

Coverage for newly eligible employees and any dependents meeting the necessary requirements for enrollment will be effective on the employee's initial effective date. You may be required to provide additional documentation. Such documentation must be provided to Hometown Health within 30 days of the request. If you are a newly eligible employee and do not complete enrollment application and provide any other necessary documentation by the deadlines provided above, you and your dependents will not be allowed to enroll until the employer's next open enrollment period unless a qualifying status change event occurs, as described below.

Only you, your spouse or domestic partner and the dependent child who has the Qualifying Life Event is eligible for enrollment. Other individuals who do not have current coverage, would not be eligible to enroll at this time, unless they also have a qualifying event.<sup>9</sup>

For example, for a birth, the Subscriber may enroll the Subscriber's spouse/domestic partner and/or the newborn, together or individually, but not any other siblings. For a marriage, the Subscriber may enroll the Subscriber's new spouse/domestic partnership and the spouse's/domestic partner's children, but not the Subscriber's children.

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<sup>7</sup> [45 CFR § 146.117\(a\)](#); [26 CFR § 54.9801-6\(a\)](#)

<sup>8</sup> [45 CFR § 146.117\(a\)\(3\)\(iii\)](#); [45 CFR § 144.103](#); [26 CFR § 54.9801-6\(a\)\(3\)\(iii\)](#); [26 CFR § 54.9801-2](#)

<sup>9</sup> [45 CFR § 146.117\(b\)](#)

The following events are *not* considered Qualifying Life Events and *do not* create eligibility for a Special or Limited Enrollment period without an event listed above that is considered a Qualifying Life Event. This is not a comprehensive list:

- a. A change in citizenship status is not a Qualifying Life Event;<sup>10</sup>
- b. A change in incarceration status is not a Qualifying Life Event;<sup>11</sup>
- c. Loss or change of Advance Premium Tax Credits or Cost Sharing Reductions provided through an exchange authorized by the Affordable Care Act is not a Qualifying Life Event;<sup>12</sup>
- d. A change or maintenance of status as an American Indian or Alaska Native is not a Qualifying Life Event;<sup>13</sup>
- e. A change in eligibility status for Medicaid, CHIP or other government program is not a Qualifying Life Event; and
- f. The completion of a non-Calendar year health insurance plan is not a Qualifying Life Event.

If you provide the completed enrollment application, including documentation and payment, coverage is effective as follows:

- a. For a birth, adoption or placement for adoption, the effective date of coverage is the date of the event;<sup>14</sup>
- b. For coverage required through a QMCSO or other court order, the effective date of coverage is the effective date of the court order;
- c. For loss of other coverage, coverage is effective on the date after the date you lost coverage;<sup>15</sup>
- d. For all other Qualifying Life Events including marriage and domestic partnership, coverage is effective on either the date of the event, or the 1<sup>st</sup> of the following month, as determined by your employer.<sup>16</sup>

## C. HOW DO YOU ENROLL IN COVERAGE?

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To apply for coverage, you must complete an enrollment application and may be required to submit other necessary documentation. Applications should be submitted through your employer. Submission of an application does not guarantee the applicant enrollment or eligibility for coverage. The enrollment application must be accurate, complete, legible, signed and delivered to us within the enrollment periods described in the previous section.

When you apply for coverage, you may also apply for coverage for eligible dependents by listing the dependents on your enrollment application and providing supporting documentation, if

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<sup>10</sup> [45 CFR § 147.104\(b\)\(2\)\(i\)\(A\)](#); [45 CFR § 155.420\(d\)\(4\)](#); [45 CFR § 155.305\(a\)\(1\)](#)

<sup>11</sup> [45 CFR § 147.104\(b\)\(2\)\(i\)\(A\)](#); [45 CFR § 155.420\(d\)\(4\)](#); [45 CFR § 155.305\(a\)\(2\)](#)

<sup>12</sup> [45 CFR § 147.104\(b\)\(2\)\(i\)\(B\)](#); [45 CFR § 155.420\(d\)\(6\)](#)

<sup>13</sup> [45 CFR § 147.104\(b\)\(2\)\(i\)\(C\)](#); [45 CFR § 155.420\(d\)\(8\)](#)

<sup>14</sup> [45 CFR § 146.117\(b\)\(3\)\(iii\)\(B\)](#);

<sup>15</sup> [45 CFR § 146.117\(a\)\(4\)\(ii\)](#);

<sup>16</sup> [45 CFR § 146.117\(b\)\(3\)\(iii\)\(A\)](#)

requested. If you want to add or delete an eligible dependent from coverage later (due to the dependent having a Qualifying Life Event), the Subscriber must submit an Enrollment/Change Form. Additional forms may be required for special dependent status.

We may require other forms and/or supporting documentation as part of the eligibility verification process. These forms and or documents may include, but are not limited to:

1. A notice of creditable coverage;
2. A coordination of benefits form;
3. A birth certificate;
4. A marriage certificate;
5. A Domestic Partnership Certificate issued by a state or county government;
6. Qualified Medical Child Support Order (QMCSO);
7. A court order;
8. Proof of your legal right to work or reside in the U.S.;
9. Proof of residency such as a driver's license, rental agreement or utility bill that includes the subscriber's name and address;
10. A valid Social Security number;
11. Adoption papers or certification from placing agency; and
12. Written proof of a child's incapacity and dependency and proof of continuous coverage as a disabled dependent since attaining the age of 26.

You must provide us with the requested forms or documents no later than 30 days after our request. Failure to provide any requested forms or documents within 30 days of the request will result in your loss of the right to make a change to your enrollment status due to the enrollment event. If we changed your enrollment, or that of your dependents, based on an application for which you did not provide required documentation, your enrollment and the enrollment of your dependents will be corrected back to the enrollment status that would have resulted had you never provided the application. This could result in the loss of coverage and the transfer of financial responsibility to you for claims incurred (you may have to pay medical costs) for the period between the initial change and the correction. We will make every effort to correct your eligibility status and the eligibility status of your dependents and to inform you of the correct status as quickly as possible.

There is no coverage for services received or rendered to the Member prior to the effective date of the Member's enrollment.

## **D. OTHER IMPORTANT INFORMATION**

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### **1. Notice of ineligibility**

It is your responsibility to notify your employer of any changes that can or will affect your eligibility or that of your dependents. Failure to notify us of any changes affecting

your eligibility or your dependents' eligibility may lead to retroactive termination of coverage back to the date for which the event took place that caused you or your dependents to be ineligible for coverage and you may be responsible for any claims submitted for care provided to them from the event date forward.

Provisions for eligibility and ineligibility may also be defined within your employer's eligibility provisions or in a separate benefit plan document or summary plan description. You are encouraged to ask your employer for a complete description of additional eligibility requirements that your employer may require.

## 2. Medicare-Eligible Members

Medicare Eligible individuals may be covered under this Small Group Plan. For the purpose of coordination of benefits, Medicare will be the primary payer for Members of group health plans purchased by employers who have fewer than 20 employees. The group health plan will be the primary payer for groups that have 20 or more employees.<sup>17</sup>

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<sup>17</sup> [42 CFR § 411.100\(a\)\(i\)](#)

## **IX. INSURANCE PREMIUMS**

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Premiums are the monthly charges the member must pay Hometown Health to establish and maintain coverage. Think of Hometown Health as a pot. Each Subscriber puts their monthly premiums into the pot. Whenever you go to your doctor, we pull money out of the pot to pay your doctor.

Our goal is to always ensure there is enough money in the pot to pay your doctor. In fact, the Nevada Division of Insurance requires that we have a certain level of cash reserves available to pay claims.

But predicting exactly how much to charge in premium isn't easy. We have to predict how much you and the rest of your fellow Members are going to utilize services in a given year, take into account the cost of new drugs and new technologies, predict shifts in provider usage based on changes to our provider contracts and much, much more.

If we set the premiums too low, we lose money. If we set premiums too high and make too much money, we are required to pay some of it back to Policy holders. Even if we get the premiums just high enough to make a little bit of money, because we are Northern Nevada's only non-profit health insurance company, any money that we make goes back into the community or assists us in keeping premiums as low as possible in the future.

The rate setting process is highly regulated. Every assumption that we make to create our premiums is reviewed and studied by the Nevada Division of Insurance. If we have an assumption that doesn't make sense, we are required to adjust the assumption and the resulting premiums. The premiums aren't approved until the Nevada Division of Insurance agrees that our assumptions are reasonable.

Once we have established premiums, Hometown Health will notify your employer. Your employer will establish an amount to be paid by the employer and the amount to be paid by each employee.

### **D. How and When to Pay Premiums**

Generally, the portion of the premium paid by employees is paid through payroll deductions, but each employer is different and the method of payment varies by employer.

In certain circumstances, you find yourself in a period of Leave Without Pay, Family Medical Leave Act (FLMA) leave or other unpaid leave status. When you are still an employee in these unpaid periods of leave and you still qualify for health insurance coverage, you may be required to pay for a portion or all of your health insurance. Because this is a group policy, you will be required to pay your portion of the premium directly to your employer by the due date indicated by your employer. If you do not pay your employer by the due date, your coverage may be terminated retroactively to the last date of the period for which premium has been paid in full. Hometown Health will not pay for any services provided to members on or after the date of termination. All claims paid after termination will be retroactively adjusted.

### **E. Refunds**

If your coverage is terminated, Premiums that we receive for coverage applicable to periods after the date of termination will be refunded to your employer within 30 days, less any medical costs



**HOMETOWN HEALTH**

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incurred by us for that period. Any claims for refunds must be made in writing within 90 days from the date of termination of your coverage or otherwise the right to such refunds will be deemed waived.

## **X. TERMINATION**

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This Policy is guaranteed issue and guaranteed renewable. Your coverage cannot be denied or terminated due to your age, health status, economic status, health care needs, or prospective health care costs. However, there are some circumstances which may result in the termination of your coverage under this Policy.

### **A. Termination Events**

Coverage for a Member ends on the first occasion of any of the following events:

1. **Death of the Subscriber.** Coverage for all dependents ends on the last day of the month in which the Subscriber dies, assuming payment was provided to Hometown Health in full for the premium month. Dependents will have the option to enroll in any individual and family Hometown Health plan for which they are eligible effective the first of the following month as provided in Chapter VIII – Eligibility and Enrollment. Dependents may also be eligible to continue coverage under this plan under federal COBRA continuation of coverage provisions if this plan is offered by the Subscriber's employer and the employer has 20 or more employees.
2. **Fraud or material misrepresentation.** Any act, practice, or omission that constitutes fraud or an intentional misrepresentation of material fact could result in termination or rescission of the Subscriber's and all dependent's coverage. See section B – Termination for Cause and Rescission below.
3. **Request to terminate.** When Hometown Health receives request to cancel coverage for any member, coverage will end pursuant to the provisions in the Group Subscription Agreement.
4. **Group Subscription Agreement is cancelled or terminated.** If the Group Subscription Agreement is cancelled or terminated for any reason, coverage will terminate pursuant to the termination provisions provided in the Group Subscription Agreement.
5. **Loss of eligibility.** Subject to the provisions outlined under the individual conversion privilege and transfer section, your coverage will terminate on the last day of the month on which eligibility ceased, for any reason, or on the date of event as determined by the Group Subscription Agreement. This provision also applies to your dependents.
6. **Hometown Health ceases to operate.** In the unlikely event that Hometown Health ceases to operate, Hometown Health will meet all regulations that require for payment for services rendered during the insured's coverage period for which premiums had already been paid.

### **B. Termination for Cause and Rescission**

If you perform an act, practice, or omission that constitutes fraud or make an intentional misrepresentation of material fact in connection with your coverage, we may retroactively terminate your coverage. This is known as rescission. Your coverage and your dependents' coverage can be terminated or rescinded if there is any evidence of the following actions:

1. You materially misstate information about yourself or your dependents on your enrollment application or any other document provided during the coverage application process.
2. You knowingly allow someone else to use your identity for the purpose of seeking medical care under this Policy.
3. You knowingly engage in an activity to defraud us or any organization that we have engaged to provide services under our policies.
4. Your employer erroneously or purposefully allows you or your dependents to enroll without meeting the eligibility requirements as defined in the Group Subscription Agreement.

In some cases your coverage may be rescinded back to your initial enrollment date. If we rescind your coverage, we will provide at least 30 days prior written notice in accordance with applicable law. You will be responsible for the claims submitted for care provided to you after the effective date of termination or rescission.

If your coverage is terminated because of your fraudulent actions, you will not be eligible for reenrollment.

We have the sole discretion to determine the materiality and intent of your actions and to apply any and all legal remedies.

### **C. Dependent Coverage Termination**

Your employer may choose to cover spouses, domestic partners and children. This section only applies to those categories of dependents your employer chooses to cover.

To remove a dependent from coverage, you must notify your employer in advance. Coverage will end pursuant to the provisions in the Group Subscription Agreement.

Coverage for a dependent child ends on the last day of the month in which the dependent child reaches age 26. If that dependent wants to become a Subscriber under his or her own individual and family plan, he or she must meet all of the eligibility requirements of a Subscriber as listed in the plan.

Otherwise, coverage for a dependent ends on the last day of the month during which the following events occur:

1. A final divorce decree, legal separation or termination of domestic partnership for a spouse or domestic partner and any children (who are not also children of the Subscriber) of the spouse or domestic partner;
2. Legal custody of a child is terminated; or
3. The dependent loses status as a dependent for any other reason.

Hometown Health reserves the right to recoup any benefit payments made beyond the termination date.

**D. Certificate of Creditable Coverage**

When a member's coverage with Hometown Health terminates, Hometown Health will send the Subscriber a Certificate of Creditable Coverage, which will identify the length of the Member's coverage with Hometown Health. The Member may need this letter as proof of prior coverage when the Member enrolls with another company.

**E. What Hometown Health Will Pay for After Termination**

After the effective date of termination of a Member, Hometown will continue to pay claims that were incurred by the Member during the period of time the Member was covered under this Policy. Payment of claims by Hometown Health is subject to normal claim payment procedures and limitations described elsewhere in this EOC.

Hometown Health will not pay for any services provided after the Member's coverage ends, even if a Prior Authorization was received. Hometown Health is only responsible for payment of expenses for covered services provided during the effective period of this Policy. Hometown Health is not responsible for expenses incurred after coverage under this Policy is terminated or following any amendment(s) made to this Policy in accordance with applicable law that may affect a change in such payment. Benefits cease on the date the Member's coverage ends as described above. A Member may be responsible for benefit payments made on behalf of the Member for services provided after the Member's effective date of termination, even if the termination was retroactive.

Hometown Health will not cover services received after the Member's date of the termination regardless of whether:

1. Hometown Health issued a Prior authorization for the services;
2. The services were made necessary by an accident, illness or other event that occurred while the coverage was in effect;
3. The member was hospitalized at the time of the termination; or
4. For any other reason.

**XI. CONTINUATION OF COVERAGE**

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The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that employers with 20 or more employees offer continued medical coverage for eligible employees and their eligible dependents whose medical insurance would end due to a qualifying event.

Employees of employers with fewer than 20 employees are not eligible for COBRA continuation of coverage. However, loss of coverage is a qualifying event in the individual and family health insurance market and you should be able to find comparable coverage for you and your family. You should call your plan administrator or your employer if you have questions about your right to continue coverage under COBRA. If you are no longer eligible for coverage under this group policy and you wish to purchase a plan for yourself or your family, please go to [hometownhealth.com](http://hometownhealth.com).

To be eligible for continuation coverage under COBRA, you must meet the definition of a “Qualified Beneficiary.” A Qualified Beneficiary is any of the following persons who is otherwise eligible for coverage and was a Member on the day before a qualifying event:

1. An employee;
2. An employee’s enrolled dependent, including with respect to the employee’s children, a child born to or placed for adoption with the employee during a period of continuation coverage under federal law; or
3. An employee’s former spouse.

**A. Qualifying Events for Continuation Coverage under COBRA**

The following table outlines situations in which you may elect to continue coverage under COBRA for yourself and your dependents, if eligible, and the maximum length of time you can receive coverage. These situations are considered qualifying events.

<b>If Coverage Ends Because of the Following Qualifying Events:</b>	<b>You May Elect COBRA:</b>		
	<b>For Yourself</b>	<b>For Your Spouse</b>	<b>For Your Child(ren)</b>
Your work hours are reduced	18 months	18 months	18 months
Your employment terminates for any reason (other than gross misconduct)	18 months	18 months	18 months
You or your family member becomes eligible for Social Security disability benefits at any time within the first 60 days of losing coverage	29 months	29 months	29 months
You die	N/A	36 months	36 months
You divorce (or legally separate)	N/A	36 months	36 months
Your child is no longer an eligible family member (e.g., reaches the maximum age limit)	N/A	N/A	36 months

**HOMETOWN HEALTH**

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You become entitled to Medicare	N/A	See table below	See table below
Your employer files for bankruptcy	36 months	36 months	36 months

**B. How Your Medicare Eligibility Affects Dependent COBRA Coverage**

The table below outlines how your eligible dependents' COBRA coverage is impacted if you become entitled to Medicare.

<b>If Dependent Coverage Ends When:</b>	<b>You May Elect COBRA Dependent Coverage For UP To:</b>
You become entitled to Medicare and you don't experience any additional qualifying events	18 months
You become entitled to Medicare, after which you experience a second qualifying event* before the initial 18-month period expires	36 months
You experience a qualifying event*, after which you become entitled to Medicare before the initial 18- month period expires and, if absent this initial qualifying event, your Medicare entitlement would have resulted in loss of dependent coverage under the Plan	36 months

\* Your work hours are reduced or your employment is terminated for reasons other than gross misconduct.

**C. Getting Started**

You will be notified by mail if you become eligible for COBRA coverage as a result of a reduction in work hours or termination of employment. The notification will give you instructions for electing COBRA coverage, and advise you of the monthly cost. Your monthly cost is the full Premium (without employer subsidy), plus a 2% administrative fee and other cost as permitted by law. The notice will provide information on where to send your election forms and Premium payments.

You will have up to 60 days from the date you receive notification or 60 days from the date your coverage ends to elect COBRA coverage, whichever is later. You will have 45 days from the day you elect COBRA coverage to pay the cost of your COBRA coverage, retroactive to the date your coverage under the Policy otherwise would have ended.

While you are covered under the Policy through COBRA, you have the right to change your coverage election under certain circumstances.

**D. Notification Requirements**

If your covered dependents lose coverage due to divorce, legal separation, or loss of dependent status, you or your dependents must notify your plan administrator within 60 days of the latest of:

1. The date of the divorce, legal separation, or an enrolled dependent's loss of eligibility as an enrolled dependent;
2. The date your enrolled dependent would lose coverage under the Policy; or
3. The date on which you or your enrolled dependent are informed of your obligation to provide notice and the procedures for providing such notice.

You or your dependents must also notify your plan administrator when a qualifying event occurs that will extend continuation coverage.

If you or your dependents fail to notify your plan administrator of these events within the 60-day period, your plan administrator is not obligated to provide continued coverage to the affected Qualified Beneficiary. If you are continuing coverage under federal law, you must notify your plan administrator within 60 days of the birth or adoption of a child.

Once you have notified your plan administrator, you will then be notified by mail of your election rights under COBRA.

#### **E. Notification Requirements for Disability Determination**

If you extend your COBRA coverage beyond 18 months because you are eligible for disability benefits from Social Security, you must provide your plan administrator with notice of the Social Security Administration's determination within 60 days after you receive that determination, and before the end of your initial 18-month continuation period.

The notice requirements will be satisfied by providing written notice to your plan administrator. The contents of the notice must be such that your plan administrator is able to determine the covered employee and Qualified Beneficiary(ies), the qualifying event or disability, and the date on which the qualifying event occurred.

#### **F. Trade Act of 2002**

The Trade Act of 2002 amended COBRA to provide for a special second 60-day COBRA election period for certain employees who have experienced a termination or reduction of hours and who lose group health plan coverage as a result. The special second COBRA election period is available only to a very limited group of individuals: generally, those who are receiving trade adjustment assistance (TAA) or "alternative trade adjustment assistance" under a federal law called the Trade Act of 1974. These employees are entitled to a second opportunity to elect COBRA coverage for themselves and certain family members (if they did not already elect COBRA coverage), but only within a limited period of 60 days from the first day of the month when an individual begins receiving TAA (or would be eligible to receive TAA but for the requirement that unemployment benefits be exhausted) and only during the six months immediately after their group health plan coverage ended.

If you qualify or may qualify for assistance under the Trade Act of 1974, you should contact your plan administrator or your employer for additional information. You must contact your plan administrator promptly after qualifying for assistance under the Trade Act of 1974 or you will lose your special COBRA rights. COBRA coverage elected during the special second election period is not retroactive to the date that coverage under the Policy was lost, but begins on the first day of the special second election period.

### **G. When COBRA Ends**

COBRA continuation coverage under the Policy will end before the maximum continuation period shown above if:

1. You or your covered dependent becomes covered under another group medical plan or policy;
2. You or your covered dependent becomes entitled to, and enrolls in, Medicare after electing COBRA;
3. A Premium is not paid within 30 days of its due date;
4. Your employer ceases to offer coverage under the Policy to its similarly situated employees; or
5. Coverage would otherwise terminate under the Policy as described in the beginning of this section.

If you selected continuation coverage under a prior plan or policy which was then replaced by coverage under this Policy, continuation coverage will end as scheduled under the prior plan or in accordance with the terminating events listed in this section, whichever is earlier.

### **H. USERRA Leaves of Absence**

You may be able to continue coverage under this Policy through your employer under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). The continuation coverage is equal to the same coverage as the benefits that are provided to other participants in your employer's health plan. These benefits may be available to you if you are absent from work by reason of service in the United States uniformed service, up to a maximum 24-month period, if you meet the requirements of USERRA. USERRA benefits run concurrently with any continuation coverage that is available through COBRA.

You must submit an USERRA election notice to your employer within 60 days after your call to active duty. The Premium for USERRA continuation coverage is 102% of the Premium charged to your employer.

You should contact your employer for information about electing USERRA coverage and how much you must pay for such coverage.

### **I. Leaves of Absence**

This Policy provides continuing coverage for an employee who is otherwise covered by the Policy while on leave with or without pay as a result of the Family and Medical Leave Act of 1993 (FMLA) or an employer-approved leave of absence. This coverage is the same as that in effect for the Employer Group during the period of disability or leave-of-absence.

The coverage required continues until one of the following occurs:

1. The date that the employment of the employee is terminated;
2. The date that the employee obtains another policy of health insurance;
3. The date that this Policy of group insurance is terminated;



## HOMETOWN HEALTH

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4. After a total of 12 weeks (consecutive or non-consecutive) during a 12 month period in which benefits would normally be provided to the eligible employee.

## **XII. SUBROGATION / RIGHT TO REIMBURSEMENT**

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We have subrogation and reimbursement rights in certain situations where a third party is responsible for causing your Illness or Injury or your dependents' Illness or Injury. This chapter explains our rights and your responsibilities in these circumstances and outlines how benefits are coordinated, how amounts recovered by us are allocated and how our rights are applied.

### **A. Background**

Sometimes a third party is legally responsible for causing your Injury or Illness and/or an Injury or Illness of your dependents. Often times, we pay for the Injury or Illness initially, even though the third party is responsible. In these cases, we have a claim to subrogation and reimbursement from the third party.

Subrogation and reimbursement can arise in different situations but a common example is when you or your dependent is Injured in an accident caused by a third party's negligence. If we pay medical benefits to such a Member and the Member recovers damages in a lawsuit against the third party who caused the accident, we have a right to be reimbursed for the medical expenses it paid out of the Member's financial recovery from the third party.

Here are some examples of how our subrogation and reimbursement rights might work:

1. Mr. Smith is covered by this Policy. Mr. Smith's car is rear-ended by Mr. Jones and Mr. Smith is injured and receives medical care. We paid medical benefits of \$25,000 for Mr. Smith's care. Mr. Smith then sues Mr. Jones and recovers \$50,000 in the lawsuit. Mr. Smith is required to repay us the \$25,000 we paid in medical expenses from the \$50,000 he recovered in the lawsuit.
2. Mr. Smith is covered by this Policy. Mr. Smith's car is rear-ended by Mr. Jones and Mr. Smith is injured and receives medical care. We paid medical benefits of \$25,000 for Mr. Smith's care. Mr. Smith then sues Mr. Jones but recovers only \$20,000 in the lawsuit. Mr. Smith is required to pay us the \$20,000 he recovered in the lawsuit to reimburse us. Mr. Smith would not be responsible for paying us the additional \$5,000 because he did not recover those funds in the lawsuit.

Our rights to subrogation and reimbursement apply regardless of whether a recovery in a lawsuit is designated by the parties as covering damages (such as property damage or pain and suffering) other than medical expenses. An example of how this works is as follows:

3. Mr. Smith is covered by this Policy. Mr. Smith's car is rear-ended by Mr. Jones and Mr. Smith is injured and receives medical care. We paid medical benefits of \$25,000 for Mr. Smith's care. Mr. Smith then sues Mr. Jones and recovers \$50,000 in an out-of-court settlement of the lawsuit. In the settlement, the parties describe the settlement amount as covering only Mr. Smith's pain and suffering. Despite the parties' description of the payment in the settlement agreement, Mr. Smith is required to repay us the \$25,000 we paid in medical expenses from the \$50,000 Mr. Smith recovered through the settlement.

In asserting subrogation and reimbursement rights, we seek to conserve its resources for the benefit of all Members and their dependents, impose the expense for Injuries or Illness on those responsible for causing them, and avoid unjust enrichment.

*By accepting benefits under this Policy to pay for treatments, devices, or other products or services related to such Illness or Injury, you agree that we have rights of recovery, reimbursement and subrogation to the extent of any benefits paid for an Illness or Injury that is caused or compensated by a third party.*

### **B. Subrogation Rights**

Our subrogation rights come into play when we pay benefits on your behalf or on behalf of your dependent for an Illness or Injury for which you receive, or have a right to receive, compensation of any kind (whether by a court judgment, settlement, or otherwise). In these situations, we will be subrogated to your (or your dependent's) recovery, or right to recovery, of compensation for your damages from any person, insurance company, other benefits plan or any other organization. This means that we “stand in your shoes”—we assume your right to receive the compensation from the other person, their insurance company, their benefits plan, or any other organization to the full extent of the medical benefits paid.

Damages will include, but will not be limited to, compensation received and/or claimed for personal injury and/or property loss and/or medical expenses. Our subrogation rights will not be decreased, restricted, or eliminated in any way if you or your dependent recover or have the right to recover no-fault insurance benefits.

### **C. Reimbursement Rights**

If you or your dependent obtain any recovery—regardless of how it's designated or structured—from or on behalf of any insurance company or any third party responsible for the condition giving rise to the medical expense, you or your dependent may be responsible for fully and completely reimbursing us for all payments made by us to or on behalf of you and/or your dependents for such a medical expense. We may have the right to a full and complete reimbursement from you or your dependents of all payments made by us, from any recovery you or your dependent obtains from any insurance company or any responsible third party even if you or your dependents have not or will not be fully compensated or made whole for the Injuries caused by the responsible third party.

### **D. Equitable Lien**

By accepting benefits under this Policy, you and your dependents agree to an equitable lien by agreement against any recovery you may receive in an action against a third party who caused an Injury or Illness which resulted in us paying medical expenses for you or your dependents. As a result, you and your dependents must repay to us the benefits paid on your behalf out of the amounts recovered from the other person or their insurance company, benefits plan, or any other organization. Our right of reimbursement applies even if your claims and your dependents' claims are settled without an admission of fault and even if you or your eligible dependent recover or have the right to recover no-fault insurance benefits. **We have a lien on any amount recovered by you or your eligible dependents, regardless of whether the amount is designated as payment for medical expenses. Our lien arises through operation of the Policy. No additional reimbursement agreement is necessary. This lien will remain in effect until we are reimbursed in full.**

**E. Constructive Trust**

If you (or your attorney or other representative) receive any payment through a judgment, settlement or otherwise—for an Illness or Injury that is caused by a third party for which we have paid medical expenses, you agree to maintain the funds in a separate, identifiable account and that we have an equitable lien on the funds. In addition you agree to serve as a constructive trustee over funds to the extent that we have paid expenses related to that Illness or Injury. This means that you will be deemed to be in control of the funds.

**F. Our Obligation to Pay Benefits**

We will pay covered expenses incurred by you or your dependent as a result of an Illness or Injury for which you receive, or may have a right to receive, compensation of any kind from another person (or entity), an insurance company, or any other organization, only on the condition that you or your eligible dependents, or another duly authorized person on your behalf, agree to do and will do the following:

1. Reimburse us to the extent of covered expenses paid by us (any amounts credited to Deductibles will be removed), immediately upon receiving compensation of any kind (whether by court judgment, settlement or otherwise) for damages that include, but are not limited to, personal injury, property loss or medical expenses. Your heirs or your eligible dependent's heirs, beneficiaries, and personal representatives will also be bound by this obligation;
2. Serve as constructive trustee for any and all monies paid (or payable) to you or for your benefit by any responsible party or other recovery to the extent we paid benefits for such sickness or Injury;
3. Sign and deliver requested documents to us. If you or your eligible dependents fail or refuse to sign whatever form or document is requested by us or our representative within 30 days of the request, we will no longer have any obligation to pay any covered expense incurred by you or your eligible dependents;
4. Immediately notify us in writing whenever you or your eligible dependent believe or first learn that any person, insurance company or benefits plan, or any other organization, is or may be responsible, or has agreed or may agree to pay, either totally or in part, for any damages you or your eligible dependent has suffered or may suffer as a result of any Illness or Injury. Damages include, but are not limited to, any personal injury and/or property damage and/or medical expenses;
5. Immediately notify us in writing, whenever a representative of any other person (or entity), insurance company or benefits plan, or any other organization, contacts you or your eligible dependent or your representative, or is contacted by you or your eligible dependent or by your representative, in order to settle, adjust or in any way resolve your claim, your eligible dependent's claim or estate's claim for damages. A claim will include any cause of action filed in any court and/or any verbal or written demand made by you or your eligible dependent or on your behalf, for compensation for damages you or your eligible dependent have suffered or may suffer as a result of any Illness or Injury;
6. Refuse any settlement, adjustment or resolution of your claim, your eligible dependent's claim or estate's claim for damages until you or your eligible dependent or your

representative have received our written authorization allowing you or your representative to accept a settlement, adjustment or resolution offered by any person, insurance company or benefits plan, or any other organization;

7. Not take any action that would prejudice or harm our subrogation and reimbursement rights;
8. Cooperate fully with us in asserting its reimbursement and subrogation rights, supplying us with any and all information, and executing any and all forms we may need for this purpose; and
9. Do whatever else is needed to enforce our subrogation and reimbursement rights.

By accepting benefit under this Policy, you have agreed to these conditions.

***We may obtain reimbursement or satisfy its subrogation rights by reducing the covered expenses paid by us to you or your eligible dependent for covered expenses already incurred but not yet paid, and for covered expenses incurred in the future.***

**We are not subject to the “Make-Whole Doctrine”**

Regardless of how the claims of recoveries are classified or characterized by the parties, the courts or any other entity, this will not affect you or your eligible dependent’s responsibilities described above or our entitlement to first-dollar recovery, regardless of whether you are made whole. An example of this is as follows:

- i. Mr. Smith is covered by this Policy. Mr. Smith’s car is rear-ended by Mr. Jones and Mr. Smith is Injured and receives medical care. We paid medical benefits of \$25,000 for Mr. Smith’s care. Mr. Smith then sues Mr. Jones and recovers \$50,000 through an out-of-court settlement of the lawsuit. Mr. Smith, however, was not “made whole” by the settlement because his damages (including medical expenses, pain and suffering, and property damage) exceeded the \$50,000 he received in the settlement. Although Mr. Smith was not “made whole” by the settlement, he is required to repay us the \$25,000 it paid in medical expenses from the \$50,000 he recovered in the lawsuit.

**G. Attorney’s Fees**

We will not pay, offset any recovery, or in any way be responsible for any fees or costs associated with pursuing a claim unless we agree to do so in writing.

An example of this is as follows:

1. Mr. Smith is covered by this Policy. Mr. Smith’s car is rear-ended by Mr. Jones and Mr. Smith is injured and receives medical care. We paid medical benefits of \$100,000 for Mr. Smith’s care. Mr. Smith then sues Mr. Jones and recovers \$150,000. Although Mr. Smith was awarded \$150,000, he incurred legal fees of \$50,000 leaving him with a net recovery of \$100,000. Although Mr. Smith incurred legal fees of \$50,000, he is not allowed to reduce his repayment obligation to us due to his having incurred legal fees and, therefore, must repay us the full \$100,000 we paid in medical expenses.

**H. Coordination of Benefits**

Notwithstanding any coordination of benefits rules provided in this EOC, benefits under this Policy will be secondary to any no-fault auto insurance.

**I. Allocation of Amounts Recovered by Us**

Our lien includes attorney's fees and the costs of collection. If our lien is satisfied by direct recovery, the remainder, if any, will be paid to you or your eligible dependent or to your representative or estate.

**J. No Benefits Where Compensation Has Already Been Received**

We will not pay out benefits to you to the extent you or your eligible dependent have already received compensation for your Injury.

**K. Scope of Rights**

These subrogation and reimbursement provisions will be interpreted by us, in our sole discretion, to permit us to obtain full satisfaction of any lien or right to reimbursement from you or your eligible dependent or any other person who received payment on your behalf (including, but not limited to, a parent, spouse, guardian, or estate). We may, in our sole discretion, allocate the responsibility for reimbursement or satisfaction of a lien among you, your eligible dependents, and any other person, such as your legal counsel or your eligible dependents' legal counsel.

**L. Right to Receive and Release Information**

Subject to our obligation under the Health Insurance Portability and Accountability Act of 1996, or any other applicable law, for the purpose of implementing these subrogation and reimbursement provisions, we may, without the consent of or notice to any person, release to or obtain from any insurance company, other organization or person any information that we regard as necessary, with respect to you or your eligible dependent claiming benefits under this Policy. When you are claiming benefits under this Policy, you and your eligible dependents, must furnish us with the information needed to enforce the subrogation and reimbursement provisions.

**M. Our Right to Terminate Your Coverage and/or Offset Future Benefits**

We may terminate your coverage and/or offset your future benefits for the value of benefits advanced in the event that that we do not recover, if you do not provide the information, authorizations, or otherwise cooperate in a manner that we considers necessary to exercise its rights or privileges under this Policy.

**N. Effect of Our Interpretation**

We will have the exclusive discretionary power to construe provisions of this Policy.

**O. Heirs and Estate of Any Covered Person**

Our rights under this section remain enforceable against the heirs and estate of any covered person.

### **XIII. COORDINATION OF BENEFITS**

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This section explains how other health benefit plans and/or insurance you may have affect your coverage under this Policy. Coordination of Benefits (COB) is a process by which other insurers, benefit plan sponsors or other programs that provide health care services (such as Medicare), may be responsible for claims payment either as the primary or secondary carrier. The plans that apply to the Coordination of Benefits Provision for this Policy include group insurance, hospital, surgical, medical or major medical benefits provided by individual or family-type coverage, government programs or workers' compensation.

Some plans are excluded from COB for this individual plan by statute. These include group insurance, automobile medical payments or third-party liability coverage.

#### **A. The Purpose of Coordination of Benefits**

Many people have health coverage provided by more than one plan at the same time. Each plan has rules for coordination of benefits if there is double coverage to prevent the total amount of all their benefit payments from exceeding the allowable cost of the Covered Services. This coordination of benefits provision helps to contain the cost of health care coverage.

#### **B. Benefits Subject to Coordination of Benefits**

All the health benefits provided in this EOC are subject to this section. You agree to permit us to coordinate its obligations under this Policy with payments under any other eligible plan that covers you. All provisions of this EOC, including but not limited to the use of Participating Providers and Prior Authorization requirements continue to apply whether this Policy is primary or secondary.

#### **C. Definitions**

Some of the words used in this section have a special meaning to meet the needs of this section. These words and their meanings when used in this section are:

***Allowable Expense*** – 100 percent of any Medically Necessary, reasonable and customary item of expense which is a Covered Service, in whole or in part, as a hospital, surgical, medical or major medical expense under this policy or under any other valid coverage.

When a plan provides benefits in the form of services rather than cash payments, the reasonable cash value of each service rendered will be deemed to be an allowable expense and a benefit paid.

***Claim determination period*** – Each calendar year during which allowable expense covered under this policy is incurred on account of a covered person.

***Coordination of Benefits Provision*** – This provision and any other provision which may reduce an insurer's liability because of the existence of benefits under other valid coverage. The calculation period for claims liability for the policy is the Claim Determination Period.

***Plan*** – An entity providing health care or dental benefits or services through:

- Group or individual insurance or any other arrangement for coverage for individuals whether on an insured or uninsured basis;

- Group service plan contracts, group practice, individual practice and other prepayment coverage;
- Any group coverage for students that is group-sponsored by or provided through school or other educational institutions, other than accident coverage for grammar school or high school students for which the parent pays the entire Premium;
- Any coverage under labor management trustee plans, union welfare plans, employer organization plans, employee benefits plans, or employee benefit organization plans;
- Any group automobile third party insurance required under any law of a state, but only to the extent of benefits required under such third-party no fault law and only to the extent coordination of benefits is permitted under such third-party no fault law;
- Coverage under a governmental program, including Medicare and Worker's Compensation plans; or
- Any coverage under an Individual plan for the member.

The term "Plan" will be construed separately with respect to each policy, contract, or other arrangement for benefits or services and separately with respect to that portion of any such policy, contract, or other arrangement that reserves the right to take the benefits or services of other plans into consideration in determining its benefits and that portion that does not.

**Primary or Primary Plan** – A Plan that, in accordance with the rules regarding the order of benefits determination, provides benefits or benefit payments without considering any other Plan.

**Secondary or Secondary Plan** – A Plan that, in accordance with the rules regarding the order of benefit determination, may reduce benefits or benefit payments and/or recover from the primary Plan benefit payments.

#### **D. When Coordination of Benefits Applies**

Coordination of benefits applies when you are covered under this Policy and you are entitled to receive payment for, or provision of, some or all of the same Covered Services from another Plan.

#### **E. How Coordination of Benefits works**

Plans use coordination of benefits to decide which health care coverage programs should be the Primary Plan for the Covered Service. If the Primary Plan payment is less than the charge for the Covered Service, then the Secondary Plan will apply its allowable expense to the unpaid balance. You must first file a claim with the Primary Plan to receive any benefits from the Secondary Plan.

Hometown Health may pay benefits to any insurer providing other valid coverage in the event of overpayment by such insurer. Any such payment shall discharge the liability of Hometown Health as fully as if the payment had been made directly to the insured or the assignee or beneficiary of the insured. If Hometown Health pays benefits to the insured or the assignee or beneficiary of the insured, in excess of the amount which would have been payable if the existence of other valid coverage had been disclosed, this insurer shall have a right of action against the insured or the assignee or beneficiary of the insured to recover the amount which would not have been paid had there been a disclosure of the existence of the other valid



coverage. The amount of other valid coverage which is on a provision of service basis shall be computed as the amount the services rendered would have cost in the absence of such coverage.

#### **F. Determination Rules**

The Policy determines the order of benefit determination using the first of the following that applies:

1. **No Coordination of Benefits Provision.** If another Plan does not contain a provision coordinating its benefits with those of this Policy, then the benefits of such other plan will always be determined before the benefits of this Policy.
2. **Dental Plans.** If a claim for services provided by an oral or maxillofacial surgeon is submitted and the Member is also covered under a Dental Plan, then the Dental Plan is the Primary Plan.
3. **Non-Dependent/Dependent.** The benefits of the Plan that covers a person as a Subscriber are Primary to those of the Plan that covers the person as a dependent. The benefits of the plan that covers a newborn, adopted child or child placed for adoption as the enrolled Subscriber or enrolled dependent are primary to the Plan that is required to cover such individuals pursuant to NRS 689A.043, 689B.033 or similar requirement but has not received the required notification and applicable payment to continue coverage beyond 31 days after the date of birth, adoption or placement for adoption.
4. **Dependent Child/Parents Not Separated or Divorced.** When this Policy and another Plan cover the same child as a dependent of different persons, called “parents”:
  - a. The Plan of the parent whose birthday falls earlier in the calendar year is Primary to the Plan of the parent whose birthday falls later in the year; and
  - b. If both parents have the same birthday, the benefits of the policy that covers a parent longer is the Primary Plan.
5. **Dependent Children/Separated or Divorced Parents.** If two or more plans cover a person as a dependent child of divorced or separated parents, benefits for the child are determined in this order:
  - a. First, the Plan of the parent with custody of the child;
  - b. Then, the Plan of the spouse of the parent with custody of the child; and
  - c. Finally, the Plan of the parent not having custody of the child;

With respect to 1, 2, and 3 above, if there is a court decree that would otherwise establish financial responsibility for the health care expenses with respect to the child, the benefits of a plan that covers the child as a dependent of the parent with such financial responsibility will be determined before the benefits of any other plan that covers the child as a dependent child.

6. **Active/Inactive Employee.** A Plan that covers a person who is neither laid off nor retired (or that eligible employee’s dependents) is primary to a plan that covers that person as a laid off or retired eligible employee (or that eligible employee’s dependents). If the other plan does not have this rule, and if, as a result, the plans do not agree about the benefits, this rule is ignored;

7. Longer/Shorter Length of Coverage. When none of the above applies, the Plan in effect for the longest continuous period of time pays first. (The start of a new Plan does not include a change in the amount or scope of the Plan's coverage, a change in the entity that pays, provides, or administers the plan's coverage, or a change from one type of plan to another.)

**G. Right to Receive and Release Information**

To decide if this coordination of benefits section (or any other plan's coordination of benefits section) applies to a claim, we (without the consent of or notice to any person) have the right to:

1. Release to any person, insurance company, or organization, the necessary claim information;
2. Receive from any person, insurance company, or organization, the necessary claim information; and
3. Require any person claiming benefits under this Policy to give us any information needed by us to coordinate those benefits.

**H. Right to Recover Payment**

If the amount of benefit payment exceeds the amount needed to satisfy our obligation under this section, we have the right to recover the excess amount from one or more of the following:

1. Any persons to or for whom such payments were made;
2. Any group insurance companies or service plans; and
3. Any other organizations.

## **XIV. MEDICARE COORDINATION OF BENEFITS**

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Except as otherwise provided by applicable law, the benefits under this Policy for Members otherwise covered by Medicare, do not duplicate any benefit to which such Members are entitled to Medicare, including Medicare Parts B and D.

If you are age 65 or older, entitled to benefits under Medicare, and work for an employer that did not employ 20 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, then Medicare is the primary payer for you and your spouse. The benefits of this Policy will then be the secondary form of coverage.

If you or your spouse are age 65 or older, entitled to benefits under Medicare, and work for an employer that employed 20 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, the following rules apply:

1. This Policy is primary payer for any person age 65 or older who is an active employee or the spouse (if your employer offers coverage to spouses) of an active employee of any age.
2. You may decline coverage under the Group contract and elect Medicare as the primary form of coverage. If you elect Medicare as the primary form of coverage, the Policy, by law, cannot pay benefits secondary to Medicare for Medicare-covered Members. However, your will continue to be covered by the Policy as primary unless:
  - a. We are notified in writing, that you do not want benefits under the Policy; or
  - b. You otherwise cease to be eligible for coverage under the Policy.

### **A. Disability**

If you are under age 65, have current employment status with an employer with fewer than 100 employees, and become disabled and entitled to benefits under Medicare due to such disability, then Medicare will be primary for you and this Policy will be the secondary form of coverage.

If you are under age 65, have current employment status with an employer with at least 100 employees, and you become disabled and entitled to benefits under Medicare due to such disability (other than ESRD, as discussed below) this Policy will be primary for you and Medicare will be the secondary form of coverage.

### **B. End Stage Renal Disease (ESRD)**

This Policy will remain primary for the first 30 months of your eligibility or entitlement to Medicare due to end stage renal disease. However, if this Policy is currently paying benefits as secondary to Medicare for you, this Policy will remain secondary upon your entitlement to Medicare due to ESRD.

**XV. DOUBLE COVERAGE**

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**A. Workers' Compensation**

The benefits provided in this Policy are not designed to duplicate any benefit to which such Members are eligible under applicable workers' compensation laws. Coverage under this Policy is not in lieu of, and will not affect any requirements for coverage under such workers' compensation laws.

## XVI. MEMBER CLAIMS AND APPEAL PROCEDURES

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Concerns about medical services are best handled at the medical service site level before being brought to our attention. If you contact us regarding an issue related to the medical service site and have not attempted to work with the site staff, you may be directed to that site to try to solve the problem there.

The procedures outlined in this chapter will be followed if a medical service site matter cannot be resolved at the site or if the concern involves a claim for benefits.

### A. Definitions

Some of the words used in this section have a special meaning to meet the needs of this section. These words and their meanings when used in this section are:

***1st Level Formal Appeal*** – An appeal filed in writing that our customer services department investigates. If a 1st Level Formal Appeal is not resolved to your satisfaction, you may then file a 2nd level formal appeal.

***2nd Level Formal Appeal*** – An appeal submitted in writing on a request for formal hearing before and reviewed by the Grievance Committee. The 2nd level formal appeal is voluntary on your part as you may go directly to an external review process.

***Adverse Benefit Determination*** – Any of the following:

- Our rescission of your coverage;
- Our denial, reduction, or termination of, or failure to provide or make payment (in whole or in part) for, a benefit including a denial, reduction, or termination or failure to provide or make payment that is based on a determination of your or your beneficiary's eligibility for coverage under this Policy;
- Our denial, reduction, or termination of, or failure to provide or make payment (in whole or in part) for, a benefit resulting from the application of our utilization management program; or
- Our failure to cover an item or service for which benefits are otherwise provided because we determine that such item or service is experimental or investigational or is not Medically Necessary.

***Appeal*** – The formal process you can use to request review of an adverse benefit determination.

***Authorized Representative*** – A person that you designate to act on his or her behalf in pursuing a claim for benefits or an appeal of an adverse benefit determination.

For the purpose of submitting a request for an external review for a final adverse determination, an authorized representative means a person who has obtained the consent of an insured to represent him in an external review of a final adverse determination conducted under applicable law.

You must designate your authorized representative in writing unless the claim or appeal involves an Urgent Care claim and a health care Professional with knowledge of your medical condition is seeking to act on your behalf. You must send your designation to our customer service department.

***Claim for Benefits*** – A request for a benefit or benefits under this Policy made by you, including any pre-service claims (requests for prior authorization or pre-determination) and any post-service claims.

***Expedited Appeal*** – The process that you can use to request a review of an adverse benefit determination of an Urgent Care claim.

***Final Internal Adverse Benefit Determination*** – An adverse benefit determination that we have upheld at the completion of our internal review process.

***Grievance Committee*** – A committee that makes determinations of coverage for any 2<sup>nd</sup> level formal appeal. The Grievance Committee is comprised of three or more persons, the majority of which must be Members insured by us. The Grievance Committee is chaired by one of our executives or board members, or his or her designee, and is comprised of such other persons as the chairperson deems appropriate.

***Informal Appeal*** – An appeal that you direct to our Customer Services department via phone or in person. If an informal appeal is resolved to your satisfaction, the matter ends. The informal appeal is a voluntary level of appeal.

***Urgent Care Claim*** – A claim for medical care or treatment for which the application of the time periods for making non-Urgent Care determinations could seriously jeopardize your life, health, or ability to regain maximum function or, in the opinion of a Physician with knowledge of your medical condition, would subject you to severe pain that cannot be adequately managed without the care or treatment that is the subject of the claim. The determination of whether a claim is an Urgent Care Claim will be made by an individual acting on our behalf applying the judgment of a prudent layperson who possesses an average knowledge of health and medicine.

## **B. Internal Claims and Appeals Procedures**

### **1. Failure to Obtain Prior Authorization**

If you fail to follow our procedures for filing a pre-service claim, we will notify you of the failure and the proper procedures to be followed if your communication to us is received by a person or department customarily responsible for handling benefit matters and the communication specifically names your name, the specific medical condition or symptom, and the specific treatment, service, or product for which approval is requested. We will provide you with this notification as soon as possible, but no later than five days (72 hours in the case of an Urgent Care claim) following the failure. Our notification may be oral unless you specifically requested in writing.

### **2. Full and Fair Review**

We will permit you to review your claim file and to present evidence and testimony as part of our internal claims and appeals procedure. Specifically:

- a. We will provide you, free of charge and sufficiently in advance of the date on which we provide a final adverse benefit determination to give you a reasonable opportunity to respond with any new or additional evidence that we consider, rely upon, or generate in connection with your claim; and

- b. Before we issue a final adverse benefit determination based on a new or additional rationale, we will provide you with such rationale sufficiently in advance of the date on which we provide a final adverse benefit determination to give you a reasonable opportunity to respond.
3. Timing of Notification of Benefit Determination

a. Urgent Care Claims

If the claim involves an Urgent Care claim, we will notify you of the benefit determination (whether adverse or not) as soon as possible taking into account the medical exigencies, but not later than 72 hours after receipt of the claim, unless insufficient information to determine whether, or to what extent, benefits are covered or payable under this Policy.

If we receive insufficient information to decide your claim, we will notify you as soon as possible, but not later than 72 hours after receipt of the claim, of the specific information necessary to complete the claim. You will have a reasonable amount of time, taking into account the circumstances, but not less than 48 hours, to provide the specified information. We will notify you of the benefit determination as soon as possible, but in no case later than 48 hours after the earlier of:

- i. Our receipt of the specified information; or
- ii. The end of the period afforded you to provide the specified information.

b. Concurrent Care Decisions

If we have approved an ongoing course of treatment to be provided over a period of time or number of treatments and reduces or terminates coverage of such course of treatment (other than by plan amendment or termination) before the end of such period of time or number of treatments, we will notify you at a time sufficiently in advance of the reduction or termination to allow you to appeal and obtain a determination before the benefit is reduced or terminated.

We will decide any request by you to extend the course of treatment beyond the period of time or number of treatments for an Urgent Care claim as soon as possible. We will notify you within 72 hours after our receipt of the claim if we receive the request at least 24 hours prior to the expiration of the authorized period of time or number of treatments.

c. Pre-Service Claims

We will notify you of our benefit determination (whether adverse or not) within a reasonable period appropriate to the medical circumstances, but not later than 15 days after our receipt of the request. We may extend this period one time for up to 15 days if the extension is necessary due to matters beyond our control and we notify you prior to the expiration of the initial 15-day period, of the circumstances requiring the extension and the date by which the Policy expects to make a decision. If the extension is necessary due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically

describe the required information and you have at least 45 days from receipt of the notice to provide the information.

d. Post-Service Claims

We will notify you of any denial of a post-service claim within a reasonable period, but no later than 30 days after receipt of the claim. We may extend this period one time for up to 15 days if the extension is necessary due to matters beyond our control and we notify you prior to the expiration of the initial 30-day period, of the circumstances requiring the extension and the date by which we expect to render a decision. If the extension is necessary due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the required information and you will be afforded at least 45 days from receipt of the notice to provide the information.

4. Informal Appeal

If you question the manner that a claim for benefits is decided, you may file an informal appeal. You must make all informal appeals to our customer services department within 60 days of an adverse benefit determination. If you do not file an informal appeal in a timely manner, we will deem your appeal waived. The informal appeal is a voluntary level of appeal and you may immediately make a 1st level formal appeal.

Upon the initiation of an informal appeal, our customer services department will record at least the following information:

- a. Name of person on whose behalf the appeal is filed (complainant);
- b. Complainant's name and membership number;
- c. Name of person(s) involved;
- d. Date(s) of occurrence;
- e. Location;
- f. Nature of appeal; and
- g. Name of person filing the appeal.

Our Customer Services department representative will inform you of the resolution or proposed resolution of the appeal within 20 working days, unless more time is required for fact-finding.

5. 1st Level Formal Appeal

If we do not resolve an informal appeal to your satisfaction or if you choose not to file an informal appeal, you may file a 1st level formal appeal. You must submit the 1st level formal appeal in writing (or orally, at your option, in the case of an appeal of an Urgent Care claim) to the customer services department within 180 days after we inform you of our resolution of the informal appeal or within 180 days of the adverse benefit determination if the 1st level formal appeal is your initial appeal. There is an exception to the 180-day filing timeframe; if you are able to demonstrate that you were incapacitated and unable to file an appeal within the standard timeframe, we will grant you a reasonable extension. If you do not file a 1st level formal appeal in a timely



manner, we will deem your appeal waived with respect to the adverse benefit determination to which the appeal relates.

The formal appeal must contain, at least:

- a. Your name (or name of you and your authorized representative), address, and telephone number;
- b. Your membership number; and
- c. A brief statement of the nature of the matter, the reason(s) for the appeal, and why you feel that the adverse benefit determination was wrong.

Additionally, you may submit any supporting medical records, Physicians' letters, or other information that explains why we should cover the claim for benefits.

You can ask for an expedited appeal of an Urgent Care claim. Expedited appeals are not available for appeals regarding post-service claims.

If your Physician requests an expedited appeal, or supports your request for an expedited appeal, and indicates that waiting for 15 days could seriously harm your health or subject you to unmanageable severe pain, we will automatically grant an expedited appeal.

If you submit a request for an expedited appeal without the support of your Physician, we will decide whether your health requires an expedited appeal. If we do not grant an expedited appeal, we will provide a decision within 15 days, subject to the above.

We will review your appeal. The review will be made by an individual who is neither the individual who made the initial adverse benefit determination nor the subordinate of such individual and will not afford deference to such adverse benefit determination.

When the review is complete, we will inform you in writing of the resolution no later than:

- a. 72 hours, in the case of an expedited appeal;
- b. 15 days, in the case of an appeal of a pre-service claim; or
- c. 20 days, in the case of an appeal of a post-service claim.

Limited extensions may be required if additional information is required.

If the proposed resolution to the 1st level formal appeal is not acceptable to you, you are entitled to file a 2nd level formal appeal or proceed directly to external review. We will inform you of this right at the time we inform you of the resolution of your 1st level formal appeal.

You may receive, free of charge, reasonable access to, and copies of, all documents and records and other information in our possession relevant to the adverse benefit determination including, but not limited to, any applicable internal rule or guideline of ours on which we relied in making the adverse benefit determination and, if the adverse benefit determination related to medical necessity, a statement of the scientific or clinical judgment for the determination applying the terms of the EOC to your medical circumstances.

6. 2nd Level Formal Appeal

When a 1st level formal appeal is not resolved in a manner to your satisfaction, you may initiate a 2nd level formal appeal to the Grievance Committee. This level of appeal is optional or you may proceed directly to external review. You or your authorized representative must submit this appeal in writing on a request for formal hearing form, which will be attached to 1st level formal appeal decision letter, within 60 days after you have been informed of the resolution of the 1st level formal appeal.

Exhaustion of the 1st level formal appeal procedure is a precondition to filing a 2nd level formal appeal. If you do not file your 2nd level formal appeal in a timely manner, we will deem it waived with respect to the adverse benefit determination to which it relates.

The 2nd level formal appeal is voluntary for Urgent Care claim appeals.

You are entitled to receive the same reasonable access to, and copies of documents, referenced above under the 1st level formal appeal.

The Grievance Committee will determine if a formal presentation is appropriate and, if so, will make every reasonable effort to schedule one at a time mutually convenient to the parties. Repeated refusal on your part to cooperate in the scheduling of the formal presentation shall relieve the Grievance Committee of the responsibility of hearing a formal presentation, but not of reviewing the 2nd level formal appeal. If the Grievance Committee determines that a formal presentation is appropriate, we will permit you to have assistance in presenting the matter to the Committee, including representation by counsel. However, you must notify us at least one week before the date of the scheduled formal presentation of your intent to be represented by counsel or to have others present during the formal presentation.

Upon receipt of the request for formal hearing form, the request will be forwarded to the Grievance Committee along with all available documentation relating to your appeal.

The Grievance Committee will consider the 2nd level of appeal, schedule a formal presentation if applicable, obtain additional information from you or others, as it deems appropriate. The Grievance Committee will not include any individuals who made the initial adverse benefit determination or decided the 1st level formal appeal nor will it include the subordinate of such individuals. The Grievance Committee will not afford deference to the initial adverse benefit determination or 1st level formal appeal decision.

When the Grievance Committee's review is complete, we will inform you in writing of the resolution no later than:

- a. 15 days, in the case of an appeal of a pre-service claim; or
- b. 20 days, in the case of an appeal of a post-service claim.

7. Conflicts of Interest

We will ensure that we adjudicate all claims and appeals in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual will not be based upon the likelihood that the individual will support a denial of benefits.

8. Compliance with Law

In all circumstances, our internal claims and appeals process will initially incorporate the internal and external claims and appeals procedures (including urgent claims) set forth in regulation<sup>18</sup> and will update such process in accordance with any applicable standards established by the U.S. Department of the Treasury, U.S. Department of Labor, the U.S. Department of Health and Human Services.

**C. External Review**

1. Submitting Claims for External Review

If, upon our review, either first or second level (if you chose to pursue a 2nd level appeal) we deny your claim for benefits and you disagree with our decision, you or your authorized representative may submit your claim to the external review process described below. This step is not mandatory. The external review process is only available for an adverse benefit determination in which we determine that an admission, availability of care, continued stay, or other health care service that is covered under this Policy has been reviewed and, based on the information provided, does not meet our requirements for medical necessity, appropriateness, health care setting, level of care, or effectiveness, and the requested service is therefore denied, reduced or terminated.

In most circumstances, before you may submit your claim to the external review process, you must exhaust the portions of our internal claims procedure that are not voluntary. In certain circumstances, however, you may receive an expedited external review (as described below). Also, if we do not provide you with a written decision on your claim (except in the case of a retrospective review determination) within 30 days from the date your claim for benefits was filed, you may not have to exhaust the internal claims process before filing a request for external review.

Within four (4) months of the date you receive an adverse benefit determination or final adverse benefit determination, you or your authorized representative may file a request for external review by contacting the Nevada Office for Consumer Health Assistance (OCHA) toll free at 888-333-1597.

2. Expedited External Review

You or your authorized representative may make a written or oral request for an expedited external review if you have received an adverse benefit determination of an Urgent Care claim and:

- a. You have a medical condition where the time for completing the internal review process would seriously jeopardize your life, health, or ability to regain maximum function; and
- b. You have filed a request for an expedited internal appeal.

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<sup>18</sup> [26 CFR § 54.9815-2719T](#) – Internal claims and appeals and external review processes; [29 CFR § 2560.503-1](#) – Claims procedure; [29 CFR § 2590.715-2719](#) – Internal claims and appeals and external review processes; [45 CFR § 147.136](#) – Internal claims and appeals and external review processes

You or your authorized representative may also make a written or oral request for an expedited external review if you have received a final adverse benefit determination and:

- a. You have a medical condition where the time for completing the internal review process would seriously jeopardize your life, health, or ability to regain maximum function; or
- b. The final adverse benefit determination concerns the admission, availability of care, continued stay, or health care item or service for which you received services, but you have not been discharged from a facility.

In addition, you or your authorized representative may submit your claim to the external review process if you receive an adverse benefit determination or final adverse benefit determination that involves a denial of coverage based on a determination that a recommended or requested health care service or treatment is experimental or investigational. In such a case, you or your authorized representative may make an oral request for an expedited external review if your treating physician certifies in writing that the recommended or requested service or treatment would be significantly less effective if not promptly initiated.

You can initiate an expedited external review by calling the Office of Consumer Health Assistance (OCHA) toll free at 888-333-1597. If you are not entitled to an expedited internal review, you will be notified as expeditiously as possible.

### 3. Standard and Expedited External Review Timeframes

Should you or your authorized representative file a request for a standard or expedited external review by the OCHA, you can anticipate the timeframe for review to be as follows:<sup>19</sup>

- a. Within five (5) days after receiving your request for external review, OCHA will notify Hometown Health that the request has been filed (within 72 hours for expedited requests).
- b. As soon as practicable after receiving your request, OCHA will assign an Independent Review Organization (IRO). OCHA will assign the IRO within one (1) business day for expedited requests.
- c. Within five (5) days after receiving notification from OCHA, Hometown Health will provide to the IRO all documents and materials relating to the adverse determination (within 24 hours for expedited requests).
- d. Within five (5) days after receiving the request, the IRO will:
  - i. Review the request, documents and materials submitted; and
  - ii. Notify you if any additional information is required to conduct the review.
- e. You must provide that information to the IRO within five (5) days after receiving the request for additional information. Any information submitted to the IRO by you after five (5) business days has passed, MAY be considered as well. The IRO

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<sup>19</sup> NRS 695G.251 through 695G. 271

will forward to Hometown Health any additional information provided to them within one (1) day of receipt.

- f. If we fail to provide the information within the specified time, the IRO may terminate the review and reverse the adverse determination. The IRO must notify us, you and the OCHA of its decision to do so.
  - g. Upon receipt of the information, we may reconsider our original determination or terminate the review and immediately provide coverage for the service. We must notify the IRO, you and OCHA of our decision to do so.
  - h. The IRO will approve, modify or reverse the adverse determination within fifteen (15) days (within 48 hours for expedited requests). The IRO will submit its determination to you, your physician, if necessary, and Hometown Health. For expedited requests, you, your physician and Hometown Health will be notified within 24 hours of completion of the review and a written notice will be provided within 48 hours.
  - i. We will immediately approve the coverage or recommended treatment upon receipt of a notice reversing the adverse determination.
4. Authorization for Release of Medical Records

When filing a request for external review, you or your authorized representative will be required to authorize the release of any of your medical records that may be required to be reviewed for the purpose of reaching a decision on the external review.

5. Independent Review Organizations

An independent third party with clinical and legal expertise and with no financial or personal conflicts with us will conduct all external reviews. These third parties are known as “independent review organizations.” The reviewer will not defer to the decisions made during the internal review process and will look at your claim anew. The reviewer will consider all the information and documents that it receives in a timely manner when making its decision.

The independent review organization will provide written notice of the final external review decision within 45 days after it receives the request for external review. If the independent review organization reverses our denial of your claim, the decision will be final and we must immediately provide coverage or payment.

**D. Notice of Appeal Rights**

*You have a right to appeal any decision we make that denies payment on your claim or your request for coverage of a health care service or treatment.*

*You may request additional explanation when your claim or request for coverage of a health care service or treatment is denied or the health care service or treatment you received was not fully covered. Contact us when you:*

1. Do not understand the reason for the denial;
2. Do not understand why the health care service or treatment was not fully covered;

3. Do not understand why a request for coverage of a health care service or treatment was denied;
4. Cannot find the applicable provision in your EOC or Certificate of Coverage;
5. Want a copy (free of charge) of the guideline, criteria or clinical rationale that we used to make our decision; or
6. Disagree with the denial or the amount not covered and you want to appeal.

If your claim was denied due to missing or incomplete information, you or your health care provider may resubmit the claim to us with the necessary information to complete the claim.

1. Appeals

All appeals for claim denials (or any decision that does not cover expenses you believe should have been covered) must be sent to 10315 Professional Circle, Reno, NV 89521 within 180 days of the date you receive our denial. We will provide a full and fair review of your claim by individuals associated with us, but who were not involved in making the initial denial of your claim. You may provide us with additional information that relates to your claim and you may request copies of information that we have that pertains to your claims. We will notify you of our decision in writing within 30 days of receiving your appeal. If you do not receive our decision within 30 days of receiving your appeal, you are entitled to file a request for external review.

2. External Review

If we have denied your request for the provision of or payment for a health care service or course of treatment, you may have a right to have our decision reviewed by independent health care professionals who have no association with us if our decision involved making a judgment as to the medical necessity, appropriateness, health care setting, level of care or effectiveness of the health care service or treatment you requested by submitting a request for external review within 4 months after receipt of this notice to:

Office for Consumer Health Assistance  
555 East Washington #4800  
Las Vegas NV 89101

(702) 486-3587 (office)  
(888) 333-1597 (toll free)  
(702) 486-3586 (fax)

<http://dhhs.nv.gov/Programs/CHA/>

For standard external review, a decision will be made within 45 days of receiving your request. If you have a medical condition that would seriously jeopardize your life or health or would jeopardize your ability to regain maximum function if treatment is delayed, you may be entitled to request an expedited external review of our denial. If our denial to provide or pay for health care service or course of treatment is based on a determination that the service or treatment is experimental or investigational, you also may be entitled to file a request for external review of our denial. For details, please review this EOC or Certificate of Coverage, contact us, the Office for Consumer Health Assistance or contact the Nevada Division of Insurance.

## **XVII. GENERAL PROVISIONS**

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### **A. Assignment**

You may not assign this EOC or any of the rights, interests, claims for money due, benefits, or obligations hereunder without our prior written consent.

### **B. Authorization to Examine Medical Records**

By accepting benefits under this Policy, you consent to and authorize all health care Providers including, but not limited to, Physicians, Hospitals, skilled nursing facilities, and other Providers to permit the examination and copying of any portion of the your Hospital and medical records in accordance with applicable law, when requested by us.

### **C. Balance Billing**

If the billed charges exceed the contracted amount agreed to by a Participating Provider for Covered Services that you receive, such Provider is prohibited from billing you for the difference. Because this Provider is a Participating Provider, you are not responsible for the difference between the billed charges and the contracted charges.

### **D. Charge for Service or Purchase**

We will deem the charge for service or purchase to have been incurred on the date the service is performed or the date the purchase occurs.

### **E. Clerical Error**

Clerical errors or delays in keeping or reporting data relative to coverage will neither invalidate coverage that would otherwise be validly in force nor continue coverage that would otherwise be validly terminated. Upon discovery of such errors or delays, an equitable adjustment of Premiums will be made. In no event will credits be made retroactive more than two Premium due dates prior to the date that we are notified in writing in a form satisfactory to us of a requested addition/deletion to, or change in, your coverage status.

### **F. Entire EOC**

This EOC, the Group Subscription Agreement, the Schedule of Benefits, riders, questionnaires, and applicable attachments if any, constitute the entire contract between the parties. As of the effective date of coverage, it supersedes all other agreements between the parties. Any statements made to us by the Member shall, in the absence of fraud, be deemed representations and not warranties. No such statement, unless it is contained in a written application for coverage, may be used in defense to a claim under this Policy.

### **G. Form or Content of EOC**

No agent or employee of us is authorized to change the form or content of this EOC. Such changes can be made only through endorsement signed by an authorized officer of us.

## **H. Gender**

The use of any gender herein shall include the other gender and the use of the singular shall include the plural (and vice versa).

## **I. Governing Law**

Except as preempted by federal law, this EOC will be governed in accordance with the laws of the state of Nevada and any provision that is required to be in this EOC by state or federal law shall bind us and each Member whether or not set forth in this EOC.

## **J. Membership Card**

Cards that we issue to Members are for identification only. Possession of a membership card confers no right to services or other benefits under this Policy. To be entitled to such services or benefits, the holder of the card must, in fact be an eligible Member on whose behalf all applicable Premiums due under this Policy have actually been paid. Any person receiving services or other benefits to which he or she is not entitled pursuant to the provisions of this Policy and any Member assisting such person shall be liable for the actual cost of such services or benefits.

## **K. Modifications**

This EOC shall automatically be modified to comply with provisions of applicable federal and Nevada law. By electing medical and Hospital coverage under this Policy or accepting this Policy's benefits, all Members legally capable of contracting, and the legal representative of all Members incapable of contracting, agree to all terms and conditions hereof.

## **L. Notice**

You may give any notice under this Policy by United States mail, first class, postage prepaid, addressed as follows:

Hometown Health  
Attention: Customer Services Department  
10315 Professional Circle  
Reno, Nevada 89521.

We will send our notices to you to the most recent address that we have on file. You are responsible for notifying our customer services department of any change in address.

## **M. Notice of Claim**

If submission of a claim is required to receive benefits under this Policy, such claim will be allowed only if notice of the claim is submitted to us within 120 days from the date on which the covered expenses were first incurred. However, if it was not reasonably possible to give notice within the above time limit, and notice was furnished, as soon as was reasonably possible, the submission date will be extended accordingly. However, in no event will we pay benefits if notice of claim is made beyond one year from the date on which the expense was incurred.



**N. Policies and Procedures**

We may adopt reasonable policies, procedures, rules, and interpretations to promote the orderly and efficient administration of this Policy.

**O. Nondiscrimination**

We do not discriminate in the delivery of services on the basis of sex, age, race, religion, national origin, sexual orientation, or genetic information.

**P. Return of Overpayment**

Payment made for charges must be returned to us if found that such charges were paid in error.

Hometown Health is licensed by:

State of Nevada  
Department of Business and Industry  
Division of Insurance  
1818 East College Parkway  
Carson City, Nevada 89706  
(888)872-3234  
Monday – Friday, 8 a.m. – 5 p.m. PST