Summary of Features

HMO PLANS

Small Group EmployeeElect Saver $40 HMO

Helping you stay healthy all year long
Saver $40 HMO: low premiums + high benefits = an affordable solution

It’s all about you.
- You receive unlimited lifetime coverage for most in-network benefits.
- You have predictable, low out-of-pocket costs and no annual medical deductible.
- You choose your own medical group and primary care doctor from our large network.
- You get the freedom from claim filing when using a network provider.

Your plan is packed with valuable programs and services.

Great Ways to Save!

Anthem Blue Cross is working hard to help you save money on health care costs. One of the easiest and most convenient ways to save is by ordering maintenance medications through our mail-order pharmacy. Your medications are delivered right to your door, and with our lower mail-order pharmacy benefits, you can save as much as $80 or more per year on prescription costs! And now, your plan offers generic medications at a $10 copay, saving you even more.

You can save over 66 percent on pharmacy costs using mail order!

Our mail-order service pharmacy is a proven money saver. Get a 90-day mail-order supply for the same cost as a 30-day retail supply for generics! Go with brand formulary or brand nonformulary medications and get a 90-day supply for the same cost as a 60-day retail supply. Mail order slashes prescription costs by giving you greater supplies of maintenance medications for as little as one-third the cost.

Anthem 360° Health®: Optimize Your Health

360° Health offers you valuable tools, resources and support to help you to live healthier, starting today. And it’s all available through one centralized resource. Whether you are healthy and want to stay that way or you need help managing a chronic condition, 360° Health is here to help you reach your personal health goals.

Access Tools and Resources

At anthem.com/ca, 360° Health brings together:
- Online resources (like helpful decision-making tools and valuable health information).
- Interactive health programs.
- Personal guidance.
- Discounts on health-related products.
- MyHealth@Anthem, your personal online resource for member health and wellness information. Our trusted site has interactive tools that help you check your health status and learn what you can do to improve it.

Get Guidance

Sometimes you need expert information and support from a trusted source. We provide programs to address your concerns and give you the assistance you need in reaching your health goals.
Manage a Condition
Our ConditionCare programs can help you better manage chronic conditions including asthma, diabetes, heart failure, coronary artery disease and chronic obstructive pulmonary disease. Visit anthem.com/ca today to learn more about how 360° Health can help you live better today and in the future.

We’re dedicated to improving your health.
With Anthem Blue Cross, you’ll have peace of mind knowing that you’re covered by one of the most trusted names in health care coverage, and that you’re getting more value in so many ways. We still have the same commitment to you that we’ve had to all Californians over the last 70 years — to deliver high-quality, affordable health coverage and help you be as healthy as you can be. As the health care plan more Californians depend on, we look forward to serving your health care needs.

Have a question? We’re here to help. Just call Small Group Customer Service at 800-627-8797.

Coverage you can trust. An affordable solution with low premiums and high benefits. That’s what makes our Saver $40 HMO plan simple and consistent.

Your plan is easy to use
Your Anthem Blue Cross HMO plan coordinates health care services with you, your participating medical group and your primary care doctor.

Choose a doctor
When enrolling in this plan, you choose a doctor for yourself (and for each enrolled family member) from a participating medical group in our network. The doctor you choose is called your primary care physician, and this doctor is responsible for managing your health care needs. Generally, primary care doctors specialize in internal medicine, general practice, family practice or pediatrics.

Get medical care
Just call your primary care doctor, and he or she will help you get the care you need. Women may go to an OB/GYN specialist in our Anthem Blue Cross HMO network without a referral. To receive care provided by other specialists, you will need a referral from your participating medical group before you receive services. This includes hospitalizations, except in emergencies.

In an emergency
If you need emergency care, call 911 or go to the nearest emergency room. If you have an emergency condition and are admitted to the hospital, you or a member of your family must notify your primary care doctor within 48 hours.

SpeedyReferral™ and DirectAccess programs
Many medical groups participate in these two programs. SpeedyReferral makes the referral process faster and easier. DirectAccess allows you to self-refer to participating doctors who specialize in allergy, dermatology and ear/nose/throat health conditions. Before contacting a specialist directly, confirm that your participating medical group participates in the program.
# Small Group Saver $40 HMO

All amounts listed are the member’s responsibility to pay after deductible(s), unless otherwise noted.

<table>
<thead>
<tr>
<th>CORE FEATURES</th>
<th>IN NETWORK</th>
<th>OUT OF NETWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Deductible</strong></td>
<td>$3,500 per member</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Applies to inpatient and outpatient facility services, ambulatory surgical centers and dialysis centers, except medical emergencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lifetime Covered Charges Paid by Anthem Blue Cross</strong></td>
<td>Unlimited (in network only, unless medical emergency)</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>Annual Out-of-Pocket Maximum</strong></td>
<td>$4,000 per member</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Per family amount is aggregate, i.e., when one or more family members’ eligible covered expenses (combined) meet this amount, the requirement is satisfied for all covered family members</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>$8,000 per family (one or more members - aggregate)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Office Visits</strong></td>
<td>$40 copay - Primary care visits</td>
<td>Not covered</td>
</tr>
<tr>
<td>Includes office visits for maternity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not subject to annual deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$50 copay - Specialist or Referral visits</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other Professional Services</strong></td>
<td>No charge except for $100 copay for complex radiology services (MRI/CT/CAT/PET/ Nuclear Cardiac) obtained in a non-hospital-based facility</td>
<td>Not covered</td>
</tr>
<tr>
<td>Includes maternity, diagnostic lab and X-rays</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hospital Inpatient Facility Services</strong></td>
<td>No charge after annual deductible</td>
<td>Not covered, except for emergency services</td>
</tr>
<tr>
<td>Pre-service Review required</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hospital Inpatient Professional Services</strong></td>
<td>No charge</td>
<td>Not covered, except for emergency services</td>
</tr>
<tr>
<td>(lab, physician, anesthesia)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outpatient Facility Services</strong></td>
<td>No charge after annual deductible</td>
<td>Not covered, except for emergency services</td>
</tr>
<tr>
<td>Pre-service Review required for certain surgical services and diagnostic procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ambulatory Surgical Centers and Dialysis Centers</strong></td>
<td>No charge after annual deductible</td>
<td>Not covered, except for emergency services</td>
</tr>
<tr>
<td>Pre-service Review required</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Prescription Drugs</strong></td>
<td>Generic: $10 copay</td>
<td>50% of drug limited fee schedule plus 100% of excess charges if filled within California after annual $250 brand-name prescription drug deductible per member, in network and out of network combined</td>
</tr>
<tr>
<td>Amounts shown are for a 30-day retail supply; mail-order service available</td>
<td>$250 brand-name prescription drug deductible applies</td>
<td></td>
</tr>
<tr>
<td>Annual $250 brand-name prescription drug deductible per member applies to brand-name drugs in network and out of network combined</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand name:</td>
<td>$25 copay for formulary</td>
<td></td>
</tr>
<tr>
<td>$250 brand-name prescription drug deductible applies</td>
<td>$40 copay for non-formulary</td>
<td></td>
</tr>
<tr>
<td>Self-injectable (except insulin):</td>
<td>30% of negotiated fee up to $100 per fill</td>
<td></td>
</tr>
<tr>
<td>30% of negotiated fee up to $100 per fill (subject to brand-name prescription drug deductible, if applicable)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Services that do not apply to the annual out-of-pocket maximum include, but are not limited to: copay paid or the brand-name prescription drug deductible applied under the pharmacy benefit; infertility copay; copay for not obtaining pre-service review; non-covered services.

2 Infertility Drugs: Infertility drug lifetime maximum Anthem Blue Cross payment is $1,500 in network and out of network combined. Classified specialty drugs must be obtained through the Specialty Pharmacy Program and are subject to the terms of the program.

3 Copays listed apply when generic equivalent is not available. If member selects a brand-name drug when a generic equivalent drug is available, even if the physician writes a “dispense as written” or “do not substitute” prescription, the member will be responsible for the generic copay plus the difference in cost between the brand-name drug and the generic-equivalent drug. The amount paid does not apply to the member’s brand-name deductible.
This is an overview of coverage. A comprehensive description of coverage, benefits and limitations is contained in the Combined Evidence of Coverage and Disclosure Form. Review the Exclusions and Limitations prior to applying for coverage.

<table>
<thead>
<tr>
<th>ADDITIONAL FEATURES</th>
<th>IN NETWORK</th>
<th>OUT OF NETWORK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well-Baby Immunizations and Adult Screening Tests</td>
<td>$40 copay per office visit</td>
<td>Not covered</td>
</tr>
<tr>
<td><strong>Emergency Care</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Professional services</td>
<td>No charge</td>
<td>No charge</td>
</tr>
<tr>
<td>• Facility fees</td>
<td>$150 emergency room copay - waived if admitted</td>
<td>$150 emergency room copay - waived if admitted</td>
</tr>
<tr>
<td><strong>Ambulance</strong></td>
<td>No charge if ordered by the primary care physician or in an emergency</td>
<td>Not covered, except for medical emergency services or authorized referral</td>
</tr>
<tr>
<td><strong>Skilled Nursing Facility</strong></td>
<td>No charge</td>
<td>Not covered</td>
</tr>
<tr>
<td>100 days per year in a two-bed room Pre-service Review required</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Home Health Care</strong></td>
<td>No charge if ordered by the Primary Care Physician</td>
<td>Not covered</td>
</tr>
<tr>
<td>Up to 3 two-hour visits per day Pre-service Review required</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Physical/Occupational Therapy</strong></td>
<td>No charge if ordered by the Primary Care Physician</td>
<td>Not covered</td>
</tr>
<tr>
<td>Up to 60 consecutive days following an illness or injury</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Chemical Dependency/Inpatient</strong></td>
<td>No charge after annual deductible</td>
<td>Not covered</td>
</tr>
<tr>
<td>Detoxification for alcohol or drug abuse (acute stage only)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mental Health/Outpatient Professional Services</strong></td>
<td>$50 copay</td>
<td>Not covered</td>
</tr>
<tr>
<td>One visit per day, 20 visits per year</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Infusion Therapy/Chemotherapy</strong></td>
<td>No charge</td>
<td>Not covered</td>
</tr>
<tr>
<td>Preservice Review required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Professional services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Facility fees</td>
<td>No charge after annual deductible</td>
<td>Not covered</td>
</tr>
<tr>
<td><strong>Infertility Services</strong></td>
<td>50% copay. Maximum lifetime Anthem Blue Cross payment of $2,000.</td>
<td>Not covered</td>
</tr>
</tbody>
</table>

**NOTE:** Services must be authorized by the primary care physician and/or medical group.

1 Except for coverage of severe mental illness and serious emotional disturbances of a child.
Exclusions and Limitations

Following is an abbreviated list of exclusions and limitations; please see the Combined Evidence of Coverage and Disclosure Form for comprehensive details.

- Any amounts in excess of maximums stated in the Combined Evidence of Coverage and Disclosure Form
- Services or supplies that are not medically necessary
- Services received before your effective date
- Services received after your coverage ends
- Any conditions for which benefits can be recovered under any workers’ compensation law or similar law
- Services you receive for which you are not legally obligated to pay
- Services for which no charge is made to you in the absence of insurance coverage
- Services not listed as covered in the Combined Evidence of Coverage and Disclosure Form
- Services from relatives
- Vision care except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Eye surgery performed solely for the purpose of correcting refractive defects
- Hearing aids. Routine hearing tests, except as specifically stated in the Certificate
- Sex changes
- Dental and orthodontic services except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Cosmetic surgery
- Routine physical examinations except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Treatment of mental or nervous disorders (including nicotine use) or psychological testing, except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Custodial care
- Experimental or investigational services
- Services provided by a local, state or federal government agency, unless you have to pay for them
- Diagnostic admissions
- Telephone or facsimile machine consultations
- Personal comfort items
- Health club memberships
- Commercial weight loss programs
- Medical supplies and equipment/durable medical equipment, except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Specialty drugs, except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Any services to the extent you are entitled to receive Medicare benefits for those services without payment of additional premium for Medicare coverage
- Food or dietary supplements, except as specifically stated in the Combined Evidence of Coverage and Disclosure Form or as required by law
- Genetic testing for non-medical reasons or when there is no medical indication or no family history of genetic abnormality
- Outdoor treatment programs
- Replacement of prosthetics and durable medical equipment when lost or stolen
- Any services or supplies provided in connection with a surrogate pregnancy
- Immunizations solely for travel outside the United States
- Educational services except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Infertility services (including sterilization reversal) except as specifically stated in the Combined Evidence of Coverage and Disclosure Form.
- Care provided in a non-contracting hospital
- Private duty nursing
- Services primarily for weight reduction except medically necessary treatment of morbid obesity
- Outpatient drugs, medications or other substances dispensed or administered in any outpatient setting
- Contraceptive devices unless your physician determines that oral contraceptive drugs are not medically appropriate
- Care not authorized by your PMG or IPA
- Amounts in excess of customary and reasonable charges for non-emergency care rendered by a non-participating provider without an authorized referral from your PMG or IPA
- Rehabilitative care, such as physical therapy, occupational therapy and speech therapy, except as specifically stated in the Combined Evidence of Coverage and Disclosure Form
- Conditions of the jaw or teeth secondary to malocclusion or orthognathic conditions.
- Growth hormone treatment
- Acupuncture/acupressure

General Provisions

Member Privacy

Our complete Notice of Privacy Practices provides a comprehensive overview of the policies and practices we enforce to preserve our members’ privacy rights and control use of their health care information, including: the right to authorize release of information; the right to limit access to medical information; protection of oral, written and electronic information; use of data; and information shared with employers. This notice can be downloaded from our website at anthem.com/ca or obtained by calling Small Group Customer Service at 800-627-8797.

Utilization Review

The Anthem Blue Cross Utilization Review Program helps members receive coverage for appropriate treatment in the appropriate setting. Four review processes are included: 1) Pre-service Review assesses medical necessity before services are provided; 2) Admission Review determines at the time of admission if the stay or surgery is Medically Necessary in the event Pre-service Review is not conducted; 3) Continued Stay Review determines if a continued stay is Medically Necessary; 4) Retrospective Review determines if the stay or surgery was Medically Necessary after care has been provided if none of the first three reviews were performed. Utilization Review is not the practice of medicine or the provision of medical care to you. Only your doctor can provide you with medical advice and medical care.
Specialty Pharmacy Program
Specialty medications are usually dispensed as an injectable drug, but may be available in other forms, such as a pill or inhalant. They are used to treat complex conditions. Prescriptions for a specialty pharmacy drug are covered only when ordered through the specialty pharmacy program, unless you are given an exception from the specialty drug program (see your Combined Evidence of Coverage and Disclosure Form for details). The specialty pharmacy program will deliver your medication to you by mail or common carrier (you cannot pick up your medication).

You may have to pay the full cost of a specialty pharmacy drug, if it is not obtained from the specialty pharmacy program. Specialty drugs are limited to a 30-day supply for each fill.

Grievances
All complaints and disputes relating to a member's coverage must be resolved in accordance with Anthem Blue Cross’ grievance procedure. You can report your grievance by phone or in writing; see your Anthem Blue Cross ID card for the appropriate contact information. All grievances received by Anthem Blue Cross that cannot be resolved by phone (when appropriate) to the mutual satisfaction of the member and Anthem Blue Cross will be acknowledged in writing, together with a description of how Anthem Blue Cross proposes to resolve the grievance. Grievances that cannot be resolved by these procedures shall be resolved as indicated through binding arbitration, or if the plan you are covered under is subject to the Employee Retirement Income Security Act of 1974 (ERISA), in compliance with ERISA rules.

If the group is subject to ERISA, and a member disagrees with Anthem Blue Cross’ proposed resolution of a grievance, the member may submit an appeal by phone or in writing by contacting the number (888-HMO-2219), and TDD line (877-628-9891) for the hearing- and speech-impaired. The department’s Internet website, www.hmohelp.ca.gov, has complaint forms, IMR application forms and instructions online.

Binding Arbitration
If the plan is subject to ERISA, any dispute involving an adverse benefit decision must be resolved under ERISA claims procedure rules, and is not subject to mandatory binding arbitration. Members may pursue voluntary binding arbitration after they have completed an appeal under ERISA rules. If the member has another dispute that does not involve an adverse benefit decision, or if the group does not provide a plan that is subject to ERISA, then the member and Anthem Blue Cross agree to resolve any and all disputes through binding arbitration pursuant to the binding arbitration agreement that the member signs upon enrollment.

Medicare
Under TEFRA/DEFRA, Medicare is the primary coverage for groups of less than 20 employees. Anthem Blue Cross coverage is considered primary coverage for groups of 20 or more employees. This Anthem Blue Cross coverage is not a supplement to Medicare, but provides benefits according to the non-duplication of Medicare clause.

If Medicare is a member's primary health plan, Anthem Blue Cross will not provide benefits that duplicate any benefits you are entitled to receive under Medicare.

This means that when Medicare is the primary health coverage, benefits are provided in accordance with the benefits of the plan, less any amount paid by Medicare. If you are entitled to Part A and B of Medicare, you will be eligible for non-duplicate Medicare coverage, with supplemental coordination of benefits. However, if you are required to pay the Social Security Administration an additional premium for any part of Medicare, then the above policy will only apply if you are enrolled in that part of Medicare. Note: Medicare-eligible employees/dependents enrolled in plans where Medicare is primary may obtain an Individual Anthem Blue Cross Medicare Supplement plan with the pre-existing condition exclusion waived.

Coordination of Benefits
The benefits of a member's plan may be reduced if the member has other group health, dental, drug or vision coverage, so that benefits and services the member receives from all group coverages do not exceed 100 percent of the covered expense.

Third-Party Liability
If a member is injured, the responsible party may be legally obligated to pay for medical expenses related to that injury. Anthem Blue Cross may recover benefits paid for medical expenses if the member recovers damages from a legally liable third party. Examples of third-party liability situations include car accidents and work-related injuries.
Voiding Coverage for False and Misleading Information
False or misleading information or failure to submit any required enrollment materials may form the basis for voiding coverage from the date a plan was issued or retroactively adjusting the premium to what it would have been if the correct information had been furnished. No benefits will be paid for any claim submitted if coverage is made void. Premiums already paid for the time period for which coverage was rescinded will be refunded, minus any claims paid.

Incurred Medical Care Ratio
As required by law, we are advising you that Anthem Blue Cross and its affiliated companies’ incurred medical care ratio for 2008 was 83.4 percent. This ratio was calculated after provider discounts were applied.
In our efforts to better serve you, Anthem Blue Cross and Anthem Blue Cross Life
and Health Insurance Company now offer a Language Assistance Program to our
members. Our language assistance program provides free oral interpretations in
many languages, and free written translation assistance is available in Spanish,
Chinese, Tagalog, Korean and Vietnamese for this and other health-related
documents. If you need written translation assistance for health-related documents,
call Customer Service toll free at 800-627-8797, and a language representative will
assist you.

This information will not be used in determining eligibility or insurability.

Language Assistance Services

**English**
Can you read the attached document? If not, we can have somebody help you read it.
You may also be able to get this written in your language. For free help, please call right
away at 800-627-8797.

**Spanish**
Puede usted leer este documento anexo? Si no, podemos asignarle alguien que le
ayude. También puede recibir esto escrito en su idioma. Para obtener ayuda gratuita,
llame ahora mismo al 800-627-8797.

**Chinese (Traditional)**
您能讀懂所附文件嗎? 如果無法閱讀，我們將為您提供專員協助服務。我們也能將此信翻譯成您所使用的語言。欲洽詢免費服務，請立即致電 800-627-8797。

**Korean**
첨부 서류를 읽으실 수 있습니까? 만일 어려움이 있다면 이
서신을 잘 읽을 수 있도록 도움을 드릴 수 있습니다. 또한
여러분은 이 서신의 한국어 번역본을 제공받으실 수 있습니
다. 이 무료 서비스를 원하시는 분은 지금바로 800-627-8797
로 전화하십시오.

**Vietnamese**
Quý vị đọc được tài liệu đính kèm không? Nếu không, chúng tôi có thể
nhờ người giúp quý vị đọc thư. Quý vị cũng có thể nhận thư này bằng
tiếng Việt. Để được giúp đỡ miễn phí, xin gọi ngay số 800-627-8797.

**Tagalog**
Kaya mo bang basahin ang nakakabit na dokumento? Kung hindi, makakakuha kami ng
taong makatulong sa inyo na basahin ito. Maaari ninyo ring makuha ang liham na ito
sa inyong wika. Para sa libreng tulong, mangyaring tumawag kaagad sa 800-627-8797.

If you have any questions regarding our language assistance program or need more
information, contact 800-627-8797 or visit anthem.com/ca.

We hope this program will assist you in providing the language services you need.
Anthem Blue Cross and its branded affiliate, Anthem Blue Cross Life and Health Insurance Company, are NCQA Accredited health plans.

Goods and services available through discount programs are not benefits of coverage. Anthem Blue Cross does not endorse or recommend any goods or services provided at a discount by these vendors or practitioners. These programs may be changed or withdrawn at any time without notice by the offering vendor or practitioner.

Saver $40 HMO Plan is offered by Anthem Blue Cross.

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anthem.com/ca