



## **Health Insurance Specialist**

**Ronald Bommarito | President | Licensed Insurance Counselor**

**P (800) 982-8282 | F (866) 373-0416**

**[www.healthspecialist.com](http://www.healthspecialist.com)**

## **Applying for Coverage**

### **Am I eligible for IC Blue coverage?**

You must be a Michigan resident for at least six months out of the year and you cannot be eligible for group health insurance.

**Note:** Group conversion members must be enrolled in a group plan for at least 90 days to be eligible for group conversion coverage. If you purchased COBRA, you must exhaust this coverage prior to enrolling in group conversion coverage.

### **Can I be denied coverage because of a medical condition?**

Blue Cross Blue Shield of Michigan individual health care plans are not medically underwritten. This means you will not be excluded from coverage because of medical history or current health status.

### **Is there a preexisting waiting period?**

Our nongroup Blue coverage requires a 180-day preexisting exclusion period. This means if you had a medical condition for which medical advice, care or treatment was recommended or received 180 days before your enrollment date, any services you receive to treat that condition within the first 180 days after your enrollment date will not be paid by your IC Blue coverage.

**Note:** You may be eligible to receive credit for prior health care coverage if you meet [certain criteria](#).

### **Can I get this coverage if I live in Canada?**

No. You must live in Michigan to receive this coverage.

## **What is the difference between group conversion and nongroup coverage and why are the monthly rates for group conversion lower?**

Individuals converting to IC Blue from a Blues group plan are referred to as "group conversion." Individuals can convert when group health care coverage through an employer expires or is terminated. Group conversion rates are subsidized by most of our group customers, so the rates are less than those for nongroup plans.

## **What does it mean to be age rated?**

Age rating means that we will base your premiums on your age.

## **Since premium rates are determined by age, will the rates be based on me, my spouse or my dependents?**

Rates are based on the individual applying as the contract subscriber. Since dependents are defined as the spouse and children by blood, marriage, guardianship and adoption, the contract must be based on the head of household.

## **Can I cancel my coverage and reapply under my spouse?**

You may cancel your coverage at any time. However, you may have a lapse in coverage and you may also be subject to the 180-day preexisting condition waiting period. Also note that the prescription drug maximum is based on the annual payment by BCBSM for each member on the contract. That maximum will be carried for each member, even if the member has transferred to a different contract. If you cancel your coverage under IC Blue, you must wait one year from the cancellation date to reapply.

## **Can I cover my child who is over the age of 19?**

Yes. Coverage for dependent children beyond the end of the calendar year in which they turn 19 is available under the Family Continuation rider. To receive this coverage, the child to be covered must meet all of these requirements:

- Be related to you by blood, marriage or legal adoption or guardianship
- Be between 19 and 25 years of age
- Be unmarried

- Live with you, unless they reside somewhere else temporarily (as in the case of college students)
- Receive more than half of his or her financial support from you
- Be a full-time student for at least five months of the year or have a gross annual income less than four times the personal exemption amount allowed by the IRS

**Note:** Personal exemption amounts change annually. Please call customer service at 800-869-BLUE for the current amount and for additional information on payments, limitations and exclusions regarding Family Continuation coverage.

### **When will my coverage become effective?**

After your application is reviewed and approved, you will receive a bill. A start date for your coverage will be assigned as close as possible to the date you requested on your application. Your coverage will become effective upon receipt of payment. If you do not receive a billing statement within 45 days of submitting your application, please call customer service at 800-982-8282.

### **Once I enroll, can I change my mind about the plan I selected?**

You may change your selection before your first bill is paid. However, your selection is normally effective for the 12-month period following your decision. You will be notified should special circumstances arise that allow our members to make a change in their plan outside their cycle. For more information, please call customer service at 800-982-8282.

### **What happens if my application is rejected?**

If your application is rejected, we will provide the reason to you in writing.

### **When will I get my Blue Cross Blue Shield of Michigan ID card?**

We will mail your ID card within 30 days of receiving your first payment.

## **Billing Questions**

### **Should I send a payment with my application?**

No. You will be billed for coverage once your application is approved and processed. Please do not send any money with your application form.

### **Why am I billed every two months?**

Individual contracts are billed on a bimonthly basis. You will receive one bill every two months.

**Note:** Payments cannot be submitted or reimbursed by an employer or paid with a business or corporate check.

### **Can I pay my premium electronically or through automatic withdrawal?**

Yes. You can have premiums automatically deducted from personal checking accounts. To enroll, complete the [Automatic Payment Enrollment form \(PDF\)](#) and mail it to us per the mailing instructions on the form. You can also fax it to us at 313-983-2605.

### **Can I pay more or less than the amount on the billing statement?**

It is recommended that you pay only for the period and the amount shown on your billing statement to avoid any potential servicing issues.

### **What happens if I'm late with my premium payment?**

Individual Care Blue is a pre-paid plan. If payment is not received by the end date of your current coverage period, you may experience limited access to your benefits. If payment is not submitted by the date indicated on your bill, your coverage will not be in effect and your doctor, hospital or pharmacy will be advised that your coverage is not active. If you have questions about your bill, please call customer service at the number listed on the bottom of your card. [Learn more about how to make a payment.](#)

### **If my coverage is cancelled for nonpayment, can I reapply?**

Yes, but you could have a lapse in coverage of up to one year before your new contract goes into effect.

### **On my next birthday, I will be eligible for the next band of age rating. When will my rates change?**

The rates are quoted on the age of the subscriber at the time of enrollment. The rates will change as the subscriber's age increases to a new age band. This rate change will occur on the first billing cycle after the subscriber's date of birth, when the subscriber's age exceeds the age in the current age band.

## **Using Your Health Plan Coverage**

### **How does the Individual Blue plan work?**

Individual Blue is a Preferred Provider Organization (PPO) plan. PPO plans are designed to provide you with the highest level of benefits and the lowest out-of-pocket costs when you receive care from providers who are part of our PPO network.

### **Do I still have coverage if I go outside the PPO network?**

Yes, but you share more of the cost of your care through higher copays. You may also be responsible for any differences between what the provider charges and our approved amount for the service.

### **What is a deductible? Do I have one with this plan?**

A deductible is an amount you must pay each year before your plan begins to pay for a particular service. IC Blue does not have a deductible for either health or prescription drug coverage.

## What is a copayment?

A copayment is a flat dollar amount or a percentage of the approved amount that is your responsibility. For example, for services received from a PPO provider, you have a 30 percent copay in-network and a 50 percent copay if services are received out-of-network.

## What is the copay dollar maximum?

The copay dollar maximum is the total dollar amount you are responsible for paying before your plan pays 100 percent. For example, once your copayments have totaled \$2,500 per family, covered services will be paid at 100 percent of the BCBSM-approved amount for the remainder of the year.

## Do the out-of-network copayments also apply toward the out-of-pocket maximum?

No. Only in-network copayments are applied toward the copay maximum.

## If I had a \$1,000 surgery, what would I owe?

Using \$1,000 as an example, here is what you might expect to pay:

	In-Network	Out-of-Network
Provider's charge	\$1,000	\$1,000
BCBSM approves	\$800	\$800
BCBSM pays	70% of \$800 = \$560	50% of \$800 = \$400
<b>Your copayment</b>	30% of \$800 = <b>\$240</b>	50% of \$800 = <b>\$400*</b>

\* This amount may be higher if a nonparticipating provider chooses to balance bill you. Please see the next question on balance billing.

## What is a balance billing?

A balance billing is when the provider bills for the difference between their charges and BCBSM's approved amount. PPO network and participating providers will not bill for this difference. However, if you choose to use a non-network, nonparticipating provider, you are responsible for this difference.

### **How can I find a PPO provider?**

You can [use our Physician Search](#) to find a PPO doctor. If you have difficulty locating a PPO provider, please call our customer service office at 800-869-BLUE.

### **Am I covered in-network if I travel out-of-state?**

When you're a Blue Cross Blue Shield member, you take your health care benefits with you — across the country and around the world. [Find a network doctor now](#), or if you need help finding a doctor or hospital while you're traveling, call our BlueCard program at 800-810-BLUE.

## **Using Your Prescription Drug Coverage**

### **What's MedImpact? I thought my insurance was with BCBSM?**

Blue Cross Blue Shield of Michigan administers your prescription drug benefit. MedImpact processes your pharmacy claims and helps manage other aspects of your pharmacy benefit. For example, MedImpact helps ensure that your prescriptions are checked online at the pharmacy for any potential drug interactions.

### **Do I need a new prescription from my doctor to use my new ID card?**

No. Just present your new BCBSM ID card to refill your current prescription. The pharmacy will submit the claim for processing and you will be asked to pay only your appropriate copayment.

### **What is my copayment for prescriptions?**

Your copayment is 50 percent of the amount BCBSM has agreed to pay for the prescribed drug. Your minimum copayment is \$10 and the maximum copayment you would pay is \$100.

## How are copayments calculated under this plan?

If you go to a network pharmacy, here are some examples of how your prescription copayments will be calculated:

### If the approved amount is: Then the member's copay is:

- \$8 \$8 (the approved amount is less than the \$10 copay minimum)
- \$18 \$10 (50% of the approved amount is less than the \$10 copay minimum)
- \$30 \$15 (50% of the approved amount falls between the \$10 minimum and \$100 maximum.)
- \$300 \$100 (50% of \$300 exceeds the \$100 maximum)

## Is my pharmacy participating in this program?

As long as you are going to a pharmacy in the Preferred Rx network in Michigan or a pharmacy participating in the MedImpact network used by BCBSM outside of Michigan, your claims will be paid according to your Individual Care Blue benefit plan. Approximately 98 percent of Michigan pharmacies participate in the Preferred Rx network.

## What if the pharmacy is not a network pharmacy?

You will have to pay for the prescription and then submit the pharmacy receipt and completed direct claim form to BCBSM for reimbursement. Emergency services will be reimbursed at 100 percent of the approved amount, minus your copayment. For non-emergency prescriptions, you will have an additional 25 percent copayment as shown in the example below.

Pharmacy's Charge	BCBSM Approved Amount	Out-of-Network Payment	Your Copayment	Your Payment from BCBSM
\$100	\$80	75% of \$80 = \$60	50% of \$80 = \$40	\$20

## **Is my annual prescription drug benefit maximum of \$2,500 based on all members on my contract, or is it \$2,500 per member?**

The annual prescription drug benefit maximum is \$2,500 per member, not \$2,500 per contract.

## **How does the prescription drug benefit maximum work?**

With IC Blue, you pay a 50 percent copayment and BCBSM pays the other 50 percent for each prescription. Only BCBSM's payments accumulate toward a \$2,500 prescription drug benefit maximum per member per calendar year. In other words, once BCBSM's payments reach \$2,500, your prescription drug benefit is exhausted and you are responsible for 100 percent of the BCBSM-approved amount for each prescription thereafter.

## **BCBSM sent a letter about my prescription drug benefit maximum. What does it mean?**

We send these letters as a courtesy to keep you updated on the status of your prescription drug benefit maximum. You will receive a reminder letter when you reach \$1,800 of your maximum and again when you reach the total \$2,500 maximum.

## **What happens if my benefit maximum is reached halfway through a claim payment?**

We'll illustrate what happens using the following example:

- The member has \$50 remaining on their benefit maximum (has met \$2,450)
- The approved amount for the drug is \$150
- BCBSM pays \$50, reaching the member's \$2,500 maximum
- Member pays \$75 copayment (50 percent of \$150), plus \$25 (the amount remaining of what would have been BCBSM's obligation if the benefit maximum hadn't been reached)
- Member pays: \$100

### **When will my annual prescription drug benefit maximum start over?**

Your \$2,500 annual prescription maximum starts over each Jan. 1 as long as your premiums are paid up to date.

### **Can I carry over any unused portion of the prescription drug benefit maximum toward subsequent years?**

No. You will start a new prescription drug benefit maximum at the beginning of each calendar year.

### **What happens when I meet my annual prescription drug benefit maximum?**

Once you meet your prescription drug maximum, continue to show your pharmacist your Blues ID card to receive the Blue Cross Blue Shield of Michigan negotiated rate for the prescription. This rate may be lower than the rate charged to customers not enrolled with IC Blue.

### **Will I get a discount every time I go to the pharmacy?**

No. Sometimes the pharmacy may already offer a savings for a particular drug that may be better than the savings offered through your IC Blue plan. Occasionally, the amount Blue Cross Blue Shield of Michigan pays pharmacies is the same amount you would normally pay for certain drugs, so no savings would apply.

### **What drugs are covered under the program?**

Drugs covered under the program include most "Rx only" drugs (drugs that require a prescription to be dispensed), state-controlled drugs and insulin.

### **What's the difference between a brand-name and generic drug?**

The brand name of a drug is the product name under which the drug is advertised and sold. Many product brands have become household names through advertising. Generic drugs, on the other hand, have no public image. However, generic equivalent drugs have the same active ingredients and are subject to the same rigid U.S. Food and Drug Administration standards for quality, strength and purity as their brand-name counterparts.

### **Can generic drugs lower my copayment?**

Since generic drugs generally cost significantly less than brand-name drugs, your copayment percentage should be less, too.

### **Can I get the brand-name drug?**

You can get the brand-name drug, but if your physician did not indicate "Dispense as Written" on the prescription, you will be responsible for your copayment, plus the cost difference between the BCBSM-approved amount for the brand-name and generic drug.

### **What is a formulary?**

A formulary is a preferred list of high quality, cost-effective medications. Blue Cross Blue Shield of Michigan encourages doctors to prescribe from this list. [Learn more about BCBSM's formularies.](#)

### **Can I get more than a 34-day supply of my medication?**

Covered drugs may be dispensed in quantities no greater than a 34-day supply, or for certain maintenance drugs, 100- or 200-unit doses, whichever is greater. Vacation overrides can be granted for a maximum of a three-month supply, however, they cannot exceed the paid to date of your contract and the override can only be performed once per calendar year. You will be responsible for the appropriate copay for the vacation supply dispensed.

### **Are compound prescriptions covered?**

Yes. If the prescription contains at least one "Rx only" drug ingredient and the compound is FDA-approved for the treatment of your medical condition (i.e., it meets all of the requirements outlined in the certificate), it will be covered. Your copayment liability and other terms of your contract would apply. There are two ways to submit claims for compound medications:

- The easiest way is to have the participating retail pharmacy submit the claim to MedImpact electronically. This way, you will pay your copayment at the time of service. The pharmacy will be reimbursed based on your plan's contracted rate.
- You may also submit a direct claim to BCBSM. This is necessary anytime you pay the entire cost of the medication at a nonparticipating retail pharmacy. Please understand

that if you submit a direct claim, you will be responsible for any cost differences between what the pharmacy charges and what your plan allows for reimbursement.

### **Are contraceptive medications covered?**

Yes. "Rx only" contraceptive medications are covered with the exception of contraceptive implants.

### **Can I get infertility, impotence, smoking cessation or weight loss products under this coverage?**

Yes. Infertility, impotence, weight loss and smoking cessation drugs are covered.

### **Do I have prescription coverage outside of Michigan?**

Yes. To receive full benefits, you must go to a pharmacy participating in the MedImpact network outside of Michigan. If you go to a nonparticipating pharmacy, claims will be reimbursed at 75 percent of the approved amount, minus the copayment. You are responsible for additional charges between the amount charged by the pharmacy and BCBSM's approved amount.

### **Do I have prescription coverage outside of the country?**

The following applies to prescriptions filled outside of the country:

- If you live in Michigan and travel to another country to purchase drugs, the out-of-network copayment is applied and claims will be reimbursed at 75 percent of the approved amount, minus the copayment.
- If you live in Michigan and travel to another country and require prescription drugs due to an emergency, the claim will be reimbursed at 100 percent of the approved amount, minus the copayment.
- If you temporarily live in another country, the claim is reimbursed at 100 percent of the approved amount, minus the copayment.

### **Can I get my prescription through the mail?**

No. This program does not include mail order prescription drug coverage.