

**4<sup>TH</sup> DISTRICT IBEW HEALTH FUND**

**MEDICARE RETIREE SUPPLEMENT BENEFIT**

**AUGUST 1, 2011**

**SCHEDULE OF BENEFITS**

<b>Part A Deductible Benefit</b>	100% of the Medicare Part A Deductible per Benefit Period.
<b>Hospital Benefits – Part A</b>	100% of the Medicare Part A Eligible Expenses not covered by Medicare for days 61 – 90.  100% of the Medicare Part A Eligible Expenses not covered by Medicare for days 91 – 150.  After use of Lifetime Reserve Days for an additional 365 days, we will pay 100% of the DRG amount or the Part A Medicare Eligible Expenses.
<b>Skilled Nursing Facility Benefit</b>	Actual Expenses, from day 21 through day 100, but not to exceed one-eighth of the Medicare Part A Deductible for each day.
<b>Part B Deductible Benefit</b>	100% of the Medicare Part B Deductible per Calendar Year.
<b>Medical Benefits – Part B</b>	20% of the Medicare Eligible Expenses subject to Deductible.
<b>Foreign Country Travel Benefit Rider</b>	
Benefit Deductible	\$250 per Calendar Year.
Benefit Amount	80% of the Medicare Eligible Expenses.
Lifetime Maximum Benefit Amount	\$50,000.
<b>Part B Additional Coverage Benefit Rider</b>	
Maximum Benefit Amount	100% of the difference between the Medicare Part B billed amount and the Medicare Eligible Expense.
<b>Blood Benefit – Parts A &amp; B</b>	100% of the Actual Expenses, for the first three pints of blood each year.

## **DEFINITIONS**

When used in this Certificate, the following words and phrases have the meaning given. The use of any personal pronoun includes both genders.

**ACTUAL EXPENSES** means the actual charges made by a Physician, Hospital or other medical service provider for services covered by the Plan, not to exceed the charge limitations established by the federal Medicare program or state law.

**BENEFIT PERIOD** means a period of time for which benefits are payable. It begins on the first day the Covered Person is confined in a Hospital and ends after he has been out of the Hospital or Skilled Nursing Facility for 60 consecutive days.

**CALENDAR YEAR** means the period of time from January 1 through December 31 in the same year.

**CONFINED OR CONFINEMENT** means that the Covered Person is a registered bed patient in a Hospital or Skilled Nursing Facility and is charged room and board by the facility. He must be in the facility on the advice of a Physician and under the regular care and treatment of a Physician.

Confinement does not include treatment received in the outpatient department of the facility. Outpatient treatment means service rendered for a period of less than 24 hours.

**COVERED PERSON** means you and your covered Dependent, if any.

**DEPENDENT** means your spouse, unless you are legally separated, who is covered under Parts A and B of Medicare.

**HOSPITAL** means an institution which meets all of the following requirements:

1. it must be operated according to law;
2. it must give 24-hour medical care, diagnosis and treatment to the sick or injured on an in-patient basis for which a charge is made;
3. it must provide diagnostic and surgical facilities supervised by Physicians;
4. Registered Nurses must be on 24-hour call or duty; and
5. the care must be given on the Hospital's premises or in facilities available to the Hospital on a pre-arranged basis.

A Hospital is not a rest, convalescent, extended care, rehabilitation or Skilled Nursing Facility; a place which primarily treats mental illness, alcoholism or drug addiction; nor does it include any ward, wing or other section of the Hospital that is used for such purposes.

A Hospital will include an institution which has an agreement as a provider of hospital services under Section 1866 of Title XVIII.

**INJURY** means bodily injury caused by an accident. The accident must occur while coverage is in force under this Plan. The injury must be the direct cause of loss and must be independent of all other causes. The Injury must not be caused or contributed to by Sickness.

**MEDICALLY NECESSARY** means care which a Physician has determined to be certifiably essential for the diagnosis or treatment of a Sickness or Injury. This determination must be based on objective results produced by an examination of the Covered Persons' demonstrable symptoms. The Physician's treatment plan may be reviewed by an impartial third party whose determination will be binding on us and the Covered Person.

**MEDICARE** means The Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

**MEDICARE ELIGIBLE EXPENSES** means health care expenses of the kinds covered by Medicare, to the extent recognized as reasonable and Medically Necessary by Medicare.

**NURSE** means Registered Graduate Nurse (R.N.), Licensed Practical Nurse (L.P.N.), or Licensed Vocation Nurse (L.V.N). He may not be you or a member of your immediate family.

**PART A DEDUCTIBLE** means the fixed amount Medicare does not pay during the first 60 days of Hospital Confinement during a Benefit Period. This amount is set each year by Medicare.

**PART B DEDUCTIBLE** means the fixed amount Medicare does not pay for Part B Medicare Eligible Expenses during a Calendar Year. This amount is set by Medicare.

**PHYSICIAN** means a person licensed by the state in which he is resident to practice the healing arts. He must be practicing within the scope of his license for the service or treatment given. He may not be you or a member of your immediate family.

**SICKNESS** means an illness or disease which first manifests itself after the effective date of coverage.

**SKILLED NURSING FACILITY** means an institution which meets all of the following requirements:

1. it must be operated pursuant to law;
2. it must be approved for payment of Medicare benefits or be qualified to receive such approval if requested;
3. it must be primarily engaged in providing, in addition to room and board accommodations, Skilled Nursing Services under a licensed Physician's supervision;
4. Registered or Licensed Practical Nurses must supervise 24 hours a day;
5. a daily record for each patient must be maintained.

This definition does not include a:

1. rest home or similar facility;
2. home or facility for the aged;
3. home or facility for drug addicts or alcoholics;

4. home or facility for care or treatment of mental diseases or disorders; or
5. home or facility for custodial or educational care.

**SKILLED NURSING SERVICES** means services furnished pursuant to a Physician's orders which require the skills of technical or professional personnel, such as a Nurse, physical therapist, occupational therapist, speech pathologist, audiologist or similar discipline; and are provided directly by or under the supervision of such personnel.

**TOTAL DISABILITY** means the continuing inability of the Covered Person to engage in the normal daily activities of a person of like age and sex in good health.

### **CHANGES IN COVERAGE**

The effective date of coverage for the Covered Person will be the beginning of the month following our acceptance of the application or change request and any additional required payment.

If a new eligible Dependent is added or if the change request increases the amount of coverage or adds new benefits, the effective date of the coverage will be deferred if the Covered Person is Confined in a Hospital or an institution which provides medical care and treatment on the date coverage would otherwise become effective. The change will be effective the day following formal discharge from the Hospital or institution.

### **LIMITED MEDICAL EXPENSE BENEFITS**

#### **HOSPITAL BENEFITS – PART A**

The Covered Person will receive benefits when we receive proof that, while covered, he was Confined in a Hospital and incurred Part A Medicare Eligible Expenses. Confinement must be for Sickness or Injury. The following benefits are payable during a Benefit Period:

1. From day 61 through day 90, we will pay the Part A Medicare Eligible Expenses to the extent not covered by Medicare.
2. After day 90, while the Covered Person uses his Medicare Lifetime Reserve Days, we will pay the Part A Medicare Eligible Expense to the extent not covered by Medicare for each Medicare Lifetime Reserve Day used.
3. When a Covered Person exhausts all Medicare Part A Hospital benefits, including his Medicare Lifetime Reserve Days, we will pay the Diagnostic Related Group (DRG) day outlier per diem, if established, or other appropriate standard of payment for the Part A Medicare Eligible Expenses, subject to a maximum benefit of an additional 365 days during the Covered Person's lifetime.

## **BLOOD BENEFIT – PART A**

We will pay 100% of the Actual Expenses for the first three pints of blood the Covered Person receives in a Calendar Year while he is confined in a Hospital or Skilled Nursing Facility. Only blood which is not replaced or not already covered by Part B is an eligible expense.

## **MEDICAL BENEFITS – PART B**

The Covered Person will receive a benefit when we receive proof that, while covered, he incurred Part B Medicare Eligible Expenses. The expenses must be for a Sickness or Injury. The benefit is payable regardless of Confinement in a Hospital. The benefits will be paid as follows:

1. Each Covered Person must separately incur a Calendar Year deductible equal to the Medicare Part B Deductible.
2. After a Covered Person's deductible is satisfied, we will pay for Part B Medicare Eligible Expenses which are not paid by Medicare for that Covered Person as shown on the Benefit Schedule.

If the Covered Person discontinues or lapses his Part B Medical Insurance under Medicare, we will not pay any benefits for incurred expenses which would otherwise have been covered under the terms of the Plan.

## **BLOOD BENEFIT – PART B**

We will pay 100% of the Actual Expenses for the first three pints of blood the Covered Person receives in a Calendar Year. Only blood which is not replaced or not already considered under Part A is an eligible expense. Reimbursement for the first three pints of blood will not be subject to the Part B deductible or any additional payment not covered by Medicare.

Additional Medicare eligible blood charges will be subject to the Part B deductible and paid the same as any other Part B Medicare Eligible Expense.

## **OTHER BENEFIT PROVISIONS**

The benefits provided under the Plan will automatically change to coincide with any changes in the Medicare deductible or any additional payment not covered by Medicare.

Any benefit paid will not exceed the expense actually incurred and will not duplicate payments made under any other provisions or by Medicare.

## **EXCLUSIONS**

Benefits will not be paid for any expenses which are not determined to be Medicare Eligible Expenses by the Federal Medicare Program or its administrators, except as otherwise specified.