Anthem.

Lumenos® with HSA Plan Overview

The Lumenos with HSA plan gives you medical coverage coupled with a Health Savings Account (HSA) that you can fund with pre-tax contributions. You can use money in your HSA to pay for your medical care, including prescriptions. It is part of our family of plans designed to help you learn more about your health care options and take greater control of your health care spending (called consumer-driven health plans).

Your Lumenos with HSA plan includes a traditional health coverage component that helps protect you against further health expenses. You also get personalized health services and online tools to help you manage your health, health decisions and health care dollars.

Health Savings Account (HSA)

Q: Who is eligible to open an HSA?

A: To be eligible, you must meet these criteria:

- You must be covered by an HSA-compatible health plan, such as the Lumenos plan, and you cannot be covered by any other medical plan that is not an HSA-compatible health plan. This would include being enrolled in your spouse's plan as secondary coverage, or an executive medical plan. Note: Federal law requires minimum deductible levels for individual and family coverage for HSA-compatible health plans.
- You must be enrolled in the plan on the first day of the month (otherwise, your eligibility to make contributions to your HSA begins the first day of the following month). You may make the maximum annual HSA contribution for the year regardless of the month you become eligible.
- You must not be enrolled in Medicare.
- You must not be eligible to be claimed as a dependent on another individual's tax return.
- You must be a U.S. resident, and not a resident of American Samoa.
- If you are a veteran, you may not have received veterans' benefits within the last three months.
- You must not be active military.

Q: What is the difference between an HSA and a health care flexible spending account (FSA)?

A: Both HSAs and FSAs can be funded with pre-tax dollars and be used to pay for medical expenses. However, HSA balances can roll over from year to year, while FSA money is forfeited if it is not spent during a 12-month period. And, if you leave your employer, your HSA dollars are yours to keep. FSA dollars are forfeited.

Q: Can I have an HSA and an FSA?

A: You are eligible to have both an HSA and an FSA only if the FSA has been defined as either a Limited/Special Purpose FSA, which may be limited to dental and/or vision services or dependent care only or a Limited Purpose High-Deductible FSA, which also allows for dental and/or vision services, as well as payment for the coinsurance under the traditional health component of the plan, after meeting the deductible.

Contributions to your Health Savings Account (HSA)

Q: How is my HSA funded?

A: Your HSA is funded by your own pre-tax contributions, up to a certain annual limit. You may also contribute post-tax money to your HSA. Others (including your employer) may contribute to your account as well. You can earn additional dollars for your HSA by taking certain steps to improve your health. The total of all contributions cannot exceed the maximums defined by the U.S. Treasury and the Internal Revenue Service (IRS). (See the question below: How much can I contribute to my HSA? for details.)

Q: How do I make contributions to my HSA?

A: The easiest way is through pre-tax payroll deductions, if allowed by your employer. However, you may also contribute directly to your HSA post-tax, by sending a check to the address printed on your HSA checkbook.

Q: How much can I contribute to my HSA?

A: The annual contribution maximum set by the U.S. Treasury and the IRS is $3,100 for individual coverage and $6,250 for family coverage. The contribution maximums set by the U.S. Treasury and the IRS may be increased for inflation annually. Check anthem.com for the most current maximum amounts.

Q: Can I ever contribute more than the annual limit?

A: Yes, people age 55 and older who are not enrolled in Medicare are eligible to contribute an additional $1,000 above the regular limits (called a catch-up contribution). These individuals can make catch-up contributions each year until they enroll in Medicare.

Only the account holder (subscriber) can make catch-up contributions, and amounts allowed may be prorated if you are enrolled in the plan less than 12 months. Catch-up contributions can be made in the same way your regular contributions are made.

Q: What if I contribute too much to my account during a year and exceed the annual maximum contribution?

A: If you contribute too much to your account, IRS rules will require you to pay regular income tax plus a 20% tax penalty on the excess amount you contributed. (Note: Different rules apply if you contributed too much because you left the plan during the year. See the question below: What if I terminate coverage prior to the end of the year? for details.)

Q: How much may I contribute if I join the plan after the start of the plan year?

A: Employees may enroll in the HSA plan only during open enrollment or when they begin employment (may be subject to a waiting period). If you join the plan mid-year, you can generally contribute up to the annual contribution maximum. However, to be eligible to contribute up to the full amount, you must have enrolled in the plan by December 1, and you must stay in the plan and remain eligible to contribute to an HSA for the entire 12 months of the following year.

Q: What if I terminate coverage prior to the end of the year?

A: If you end employment with your employer, you can continue contributing to your HSA *only* if you continue participating in an HSA-compatible health plan. If you leave during the year and do not enroll in another HSA-compatible plan, the annual contribution maximum is prorated based on the number of months that you were enrolled. If you fund your account for the entire year then leave the plan and do not join another HSA-compatible health plan, you will need to withdraw excess contribution dollars before the end of the tax year and treat these funds as taxable income if you have over-funded the account. Otherwise, you may face tax penalties.

Q: What if my spouse has an HSA, too?

A: If your spouse has an HSA and either of you is covered under the other's plan, your combined HSA contributions are limited to the annual contribution maximum for family coverage.

Q: What if I have money left in my HSA at the end of each plan year?

A: Whatever you don't spend is yours to keep and save year after year. Your HSA can help you pay for future medical expenses.

Q: Can I roll over or transfer funds from my IRA to my HSA?

A: The Tax Reform and Health Care Act of 2006 authorized a one-time transfer of funds from an IRA to an HSA. The transferred amount, when combined with other HSA contributions for the year, may not exceed the annual contribution maximum. Also, after making such a transfer, you must continue to participate in a qualifying HSA-compatible health plan for 13 consecutive months, beginning in the month of the IRA to HSA transfer. Otherwise, you will be subject to income taxes and a 20% penalty tax on the transferred amount, except in the case of death or disability.

You can make an IRA transfer by requesting it through the institution that holds your IRA.

Q: I already have an HRA established by my employer. Can those funds be transferred to my HSA?

A: You can only roll over your HRA account to your HSA if your employer has offered this option to you.

Q: Where can I get more information on HSA regulations?

A: You can visit the U.S. Treasury website at treas.gov and type "HSA" in the search box.

Lumenos covered services

Q What is traditional health coverage?

A: Similar to a PPO or HMO plan, after you meet your deductible, you pay coinsurance (a percentage of the provider's charges) when you visit a network provider. You'll pay more if you visit an out-of-network provider. Check your Plan Summary for more information on coinsurance amounts.

Q: What services does the Lumenos plan cover?

A: The Lumenos plan covers expenses, covered by a typical health plan — from office visits and prescription drugs to major surgery. When you use your HSA to pay for services covered by the Lumenos plan, the expense is applied toward your deductible and out-of-pocket maximum. Check your Plan Summary to see some of the services covered by your plan.

You can also use your HSA to pay for certain additional qualified medical expenses not covered by the Lumenos plan. Qualified medical expenses are defined in section 213d of the IRS code. For a list of qualified medical expenses, please visit the IRS website at www.irs.gov and type "Publication 502" in the search box. When you use the HSA to pay for qualified medical expenses that are not covered by the Lumenos plan, those expenses will not apply toward your deductible and out-of-pocket maximum.

Q: What about preventive care services like mammograms and physicals?

A: The Lumenos plan covers preventive care services like physical exams, immunizations and mammograms at 100% in network. You won't have to pay anything out of your own pocket, when you receive care from a network provider. If you use an out-of-network provider, your deductible and out-of-network coinsurance will apply. You may choose to use your HSA dollars to cover these costs.

Q: Does the Lumenos plan cover prescription drugs?

A: Yes. You can first choose to pay for your prescription drugs from your HSA. If you have depleted your HSA — or choose not to use these funds — you will have to pay out of pocket until you satisfy your annual deductible before the traditional health coverage part of the plan begins. Then, you will pay the applicable coinsurance or copay for any of your prescription drugs. Check your Plan Summary for more information about your prescription drug benefits.

Q: Do I have coverage for pre-existing conditions?

A: If you have a medical condition before joining this plan, you may have to wait a certain period of time before the plan will cover that condition. This limitation does not apply to pregnancy.

Q: What if I use HSA funds to pay for non-qualified medical expenses?

A: The amount you spend on the non-qualified expense will be considered part of your taxable income. You will also owe a 20% penalty on that amount. In addition, non-qualified expenses will not apply toward your deductible.

Choosing health care providers

Q: What is the difference between network and out-of-network providers?

A: Network providers are doctors, hospitals, facilities and other health care providers who participate in Anthem's network. That means they have contracted with us and will accept our payments as payment in full for specific covered services. Our extensive network includes many different providers and specialists, so it's generally easy to find the care you need.

You can even find network care when you're traveling through the nationwide BlueCard® PPO network, which is included with your plan. Just call 1-800-810-BLUE if you need care away from home.

Out-of-network providers do not have contracts with us and have not agreed to accept our payments as payment in full for specific covered services. Out-of-network providers may charge more for services than what our network providers have agreed to accept. If you choose an out-of-network provider, you will be responsible for any additional amount they may charge.

Q: How do I know if my doctor is in the network?

A: Search the Online Provider Directory at anthem.com.

Q: If my doctor isn't in the network, can I still use his or her services?

A: You can visit any doctor you choose; you never need a referral to see a specialist. You'll save money, though, when you visit a network doctor. Also, if you see an out-of-network doctor you may have to file a claim yourself. You can download a claim form at anthem.com.

Q: Can I visit any doctor or hospital while traveling?

A: Yes. You may see any doctor or use any hospital. Many providers throughout the country participate in the BlueCard PPO® network. To find a network doctor or hospital while traveling, call 1-800-810-BLUE.

Paying for medical care and prescriptions[1]

Q: Can other family members use my debit card and checks?

A: Yes. Anyone who is an eligible participant on your account can use your debit card provided the person is listed as a signatory on the account.

Q: How do I add, replace or delete people who are eligible to use my account?

A: Your name, as the account holder, will be the only name on the HSA account. However, you can authorize other individuals to sign checks drawn on the account or request additional debit cards for eligible family members. For additional debit cards, you must provide authorized signatures for all who participate in the account. To add or delete a person from your account, contact Member Services.

Q: Do I have to use funds from my HSA to pay for medical expenses and prescriptions?

A: No. You may pay out of pocket with after-tax dollars and let your HSA balance grow tax-free.

Q: Does Anthem require pre-authorization for hospitalizations?

A: Yes. Your doctor should notify us before you're hospitalized, so we can coordinate care and offer you assistance from a health coach.

Q: Is there a preferred drug list for Lumenos plans?

A: No, our Lumenos plans do not require you to use medications from a preferred drug list.

Q: Do I need to get pre-authorization for any drugs?

A: Yes, some drugs require pre-authorization. Just call Member Services at the number on your ID card to find out if a particular drug requires pre-authorization.

Q: Will I get a discount for using mail order?

A: You'll pay the amount the mail order pharmacy charges for the drug, which may be less than what you'd pay at a retail pharmacy. You may also be able to get greater supplies at a time through mail order.

Q: Do I need to use a particular pharmacy for specialty drugs?

A: Please contact Member Services for details about specialty drug coverage.

360° Health® and rewards

Q: What is 360° Health?

A: 360° Health surrounds you with resources, tools, guidance and support to help you manage your health – and help you make more informed health care decisions. Just a few of the tools and health coaching programs are described below. Register and log on at anthem.com for more details.

Q: What are rewards?

A: Rewards are one of the ways the Lumenos plan supports your healthy choices. This program gives you additional HSA dollars when you take certain steps to maintain or improve your health.

Q: Do the rewards count toward my annual HSA contribution limit?

A: Yes.

Q: What is MyHealth Assessment?

A: MyHealth Assessment is an online health profile that you can complete in a few minutes. It helps you identify possible risk factors based on your current health, family history, lifestyle and other factors. And, like all tools at anthem.com, MyHealth Assessment is confidential. Your information is protected by the highest level of online security, and will not be shared with your employer. You and your covered family members may complete MyHealth Assessment to get a snapshot of your health status and potential health risks.

Q: How does the MyHealth Assessment help me earn rewards?

A: You are eligible to earn $50 for completing the MyHealth Assessment.

Q: What are health coaching programs?

A: The health coaching programs – available at no extra cost to you – team members with certain or ongoing health concerns with a registered nurse. The programs include:

- ConditionCare — helps members manage chronic conditions such as asthma, diabetes, heart failure, coronary artery disease (CAD) and chronic obstructive pulmonary disease (COPD).
- MyHealth Coach — helps members with other concerns, such as high blood pressure, high cholesterol, low back pain, pre- and post-surgery support, and certain types of cancer and musculoskeletal/arthritis conditions.
- Future Moms — helps mothers-to-be make informed decisions for a healthy pregnancy and delivery.
- ComplexCare — supports members who have multiple ongoing health conditions.

Q: How do the health coaching programs help me earn rewards?

A: If you or your covered family members have an eligible condition and qualify to participate in a health coaching program, you'll receive $100 for enrolling in the program (one reward per covered person per year). You'll receive $200 for achieving your health goals and graduating from the program (one reward per covered person per year).

Q: Do health coaches actually provide care?

A: No, but your health coach may discuss treatment plans with you and your doctor to help you receive the best care – and help you stay on track with your doctor's advice.

Q: How can I contact a health coach?

A: There are several ways:

- Follow the hospital notification requirements printed on the back of your ID card. A health coach may work with you to coordinate care.
- If you are pregnant or have diabetes, heart disease, asthma, cancer or other chronic or serious conditions, call Member Services and ask about health coaching.
- If you are facing an elective surgical procedure such as back or joint surgery, call Member Services and ask about the MyHealth Coach program for education on these types of procedures
- If you get a call or letter from a health coach, call back. It just takes a few minutes to get started and could be just the help you need.

Q: Will my employer know if I am enrolled in a health coaching program?

A: No. The only way your employer will know is if you tell them. Information shared by you or your doctor will not be released unless you have given written permission.

Q: What is the 24/7 NurseLine?

A: 24/7 NurseLine is a service you can call to get answers to your immediate health care questions. Registered nurses are on hand to answer your calls 24 hours a day, 7 days a week.

Q: What is the Healthy Lifestyles: Tobacco-Free Program?

A: The Tobacco-Free Program is a step-by-step program that uses proven techniques and personalized support to help you stop using tobacco and improve your health for total well-being. It features one-on-one telephone counseling sessions to help you develop your own Tobacco-Free plan, including determining what nicotine-replacement products may work best for you. The program also includes coverage for nicotine-replacement products (gum or patch). You and your covered family members over age 18 or older are eligible for this program.

Q: How does the Tobacco-Free Program help me earn rewards?

A: You and your covered spouse are eligible to receive $50 for completing this program (one reward per person per lifetime).

Q: What is the Healthy Lifestyles: Healthy Weight Program?

A: Our Healthy Weight Program includes one-on-one telephone counseling sessions to help you achieve a healthy weight. Working with a registered dietitian and health educator, you'll have confidential phone sessions to discuss topics like healthy eating, physical activity and exercise, stress management, maintenance and relapse. It's available to you and your covered family members age 18 or older who have a Body Mass Index (BMI) of 25 or higher.

Q: How does the Healthy Weight Program help me earn rewards?

A: You and your covered spouse are eligible to receive $50 in your HSA for completing the program (one reward per person per lifetime).

Managing the money in your HSA[1]

Q: Who holds the money in my HSA?

A: A qualified financial institution will hold and invest the money. If your employer selects an Anthem partner bank, Anthem will handle all of the enrollment administration for you.

Q: How do I find out my HSA balance?

A: It's easy. First register then log on at anthem.com. You can keep track of your HSA activity and balance, as well as get details on all of your medical claims.

Q: Will my HSA earn interest?

A: Yes. The HSA is an interest-bearing checking account.

Q: Can I invest my HSA?

A: Yes. You'll need to reach a minimum balance in your HSA before you can begin investing. You must maintain that minimum balance in your account, and then you can invest any additional amount in the investment funds available. When you are ready to invest, all you need to do is request a prospectus from the HSA custodian (or the financial institution administering your HSA) for each fund that will provide more details.

Q: Are the interest and investment earnings in my HSA tax-free?

A: Yes, when the funds are distributed and used for a qualified medical expense. Interest and investment earnings grow tax-deferred in the account.

Q: Are any administrative fees charged to my HSA?

A: Typical banking fees will apply, such as charges for new checks, overdraft charges or charges for replacement debit cards. Upon enrollment in the program, you will receive information about the account, including the Health Savings Account Deposit Agreement and Disclosure Statement. Please refer to the Health Savings Account Deposit Agreement and Disclosure Statement for details on the fees.

Q: Is there a time restriction on when I may use the funds in the account?

A: No. There is no time restriction on when funds may be used. Once funds have been contributed into the HSA, they may be used at any time in the future for qualified medical expenses.

Q: If I leave the Lumenos plan, what happens to my HSA?

A: You own your HSA. So, if you leave the Lumenos plan or even leave your employer, you can take the account with you. You can even use it after you retire — for example, to pay Medicare premiums. You may choose to keep the funds in your account or roll the funds into a different account. If you leave the funds in your account, maintenance fees will apply. Please refer to the Health Savings Account Deposit Agreement and Disclosure Statement for a list of these fees. Note: If you keep your HSA after leaving the plan, you cannot continue to contribute to it unless you enroll in another HSA-compatible plan.

Q: Can I roll funds from my HSA over to another HSA if I leave the program?

A: Yes.

Tax issues

Q: What are the tax benefits of an HSA?

A: There are several benefits:

- Contributions to the account are (federal) tax-deferred or tax-advantaged.
- Withdrawals from the account for qualified medical expenses are (federal) tax-free.
- Any investment and interest earnings in your account are (federal) tax-deferred.
- Depending on the state where you live, you may save on your state tax as well.

Q: How does the money I contribute to my HSA help me save on taxes?

A: Any money you contribute to your HSA is considered (federal) tax-deferred. That is, it is not counted as taxable income for the year. So if you contribute $1,000 to your HSA, your adjusted gross income for the year is reduced by $1,000 which could save what you owe for taxes, depending on your tax status.

Q: What should I do with my receipts?

A: You should keep your receipts for services you've received. Since you own the HSA, you are responsible for providing documentation to the IRS, if you ever need to, for the expenses charged to your HSA.

Q: Are there any special instructions for filing my taxes?

A: Yes. You will receive a 1099 form and a 5498 form in the mail near tax time, so you can file your taxes. You will have to complete an 8889 form when you file your taxes. In addition, you need to keep track of your receipts for anything you pay for from your account in the event you need to provide documentation to the IRS to show you used any HSA funds on qualified medical expenses. Please consult a tax advisor to ensure you file your taxes correctly.

Your privacy

Q: Is the online health site secure?

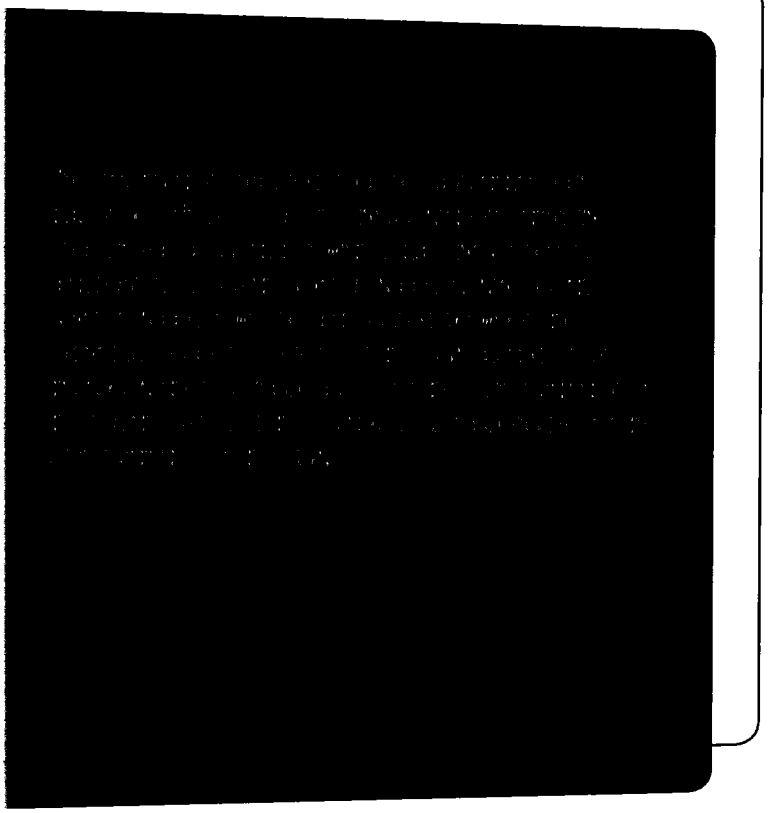
A: Yes. Our customers-only health site is secure and password-protected. Your personal data is encrypted using the highest encryption level currently available.

Q: What is your privacy policy?

A: You can read the Privacy Policy anytime at anthem.com.

We're here to help

Please contact us with any questions you have about your plan. You can reach Member Services by calling 888-224-4896 or visiting anthem.com . You and your family members should receive your Anthem ID cards by your effective date of coverage. If you don't receive them, or if you misplace one, please contact us.



Anthem.

1 If your employer has selected a financial institution to administer your HSA that is not one of Anthem's partner banks, or you choose to have your HSA at a different financial institution, you will not have access to HSA information through Member Services or anthem.com. Administration of your account and investment rules and fees for your account may also vary.

Anthem Blue Cross and Blue Shield is the trade name of: In Connecticut: Anthem Health Plans, Inc. In Maine: Anthem Health Plans of Maine, Inc. In New Hampshire: Anthem Health Plans of New Hampshire, Inc. Independent licensees of the Blue Cross and Blue Shield Association. ® ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are the registered marks of the Blue Cross and Blue Shield Association.