

MEDICA®

MINNESOTA

Medica Direct
ValueSM
for Individuals



Health plans as individual
as you and your family.

Medica Direct
ValueSM
for Individuals



For the times when you're picking up the tab.

There are times when you don't have access to traditional employer-sponsored benefits. Yet without a comprehensive health plan, you can jeopardize your future financial well being.

That's why there's Medica Direct ValueSM for Individuals, a flexible plan for individuals, families and small business owners who are paying for their own coverage. By offering a variety of cost, coverage and deductible levels, Medica Direct Value has all the coverage you need at a price you can afford.

Your monthly premium is based on your age, deductible level and the county you live in. The higher your deductible, the lower your premium. Decide that tobacco use, substance abuse and mental health coverage isn't a need, you save money.

Whatever the design of your plan, you'll enjoy access to 96 percent of the primary care and specialty practitioners in Minnesota, standard preventive care and pharmacy benefits. You even have optional mental health care and substance abuse benefits. All with a maximum lifetime benefit of \$5 million per person and a virtually paper-free claims process.

For the times when you need flexibility and affordability

Unexpected emergency room visits. Extended hospital stays. Expensive prescription drugs. The need for quality health care doesn't stop just because you don't have an employer to help pay for it.

Medica Direct Value offers flexibility and affordability. First, you can choose your own deductible: \$150, \$500, \$1,000, \$1,500, \$2,500 or \$5,000. The higher your deductible, the lower your premium.

Second, once your chosen deductible is met, you have 80 percent coverage for eligible in-network care. And because your plan is based on an extensive provider network, choosing to stay within it is easy and you can save yourself money. To confirm your physician is part of the Medica network, visit our Web site at www.medica.com or call Medica CallLink[®] at 1-866-715-0915.

Finally, after your deductible has been met, there's a maximum on your additional out-of-pocket expense for eligible charges. For individual plans, the maximum you pay for is 20 percent of the next \$5,000 of eligible expenses or \$1,000, plus your deductible. For family plans, it's a maximum of 20 percent of the next \$15,000 of eligible expenses or \$3,000, plus your family deductible.

Who is eligible?

Medica Direct Value is designed for U.S. citizens and their dependents up to 65 years of age who are Minnesota residents. You are not eligible for coverage on this plan if you:

- Work at a job we consider hazardous.
- Want the coverage for traveling or extreme sports.
- Were previously refused coverage due to a health condition.
- Are already covered by Medicare.

For the times when you need a little something extra.

Medica Direct Value offers a variety of extras at no extra cost, from our easily accessible customer service team to online tools that all provide useful information to help you make wiser health care decisions:

- The 24-hour CallLink® nurse line, featuring telephone access to a registered nurse 24 hours a day, 365 days a year.
- A Health Information Library with more than 1,000 audio tapes.
- Online events, forums and interactive discussion groups at Healthforums.com.SM
- Access to drug database and extensive information about individual drugs and health education data available at www.healthforums.com.
- Healthwise Handbook reference guide for at-home use.
- Quarterly member newsletter.



How to apply.

Get started now. To apply for a Medica Direct Value health plan, simply follow these steps:

1. Review the summary of benefits chart and select the deductible level that fits you and/or your family.
2. Complete the application form.
3. Determine your monthly premium using the enclosed rate charts. If you need assistance, call Medica's Sales Department at 952-992-2080 or 1-800-670-5935.
4. Return the application form* along with your initial monthly premium payment.
5. Return an automatic payment form if you'd like to arrange for your monthly premium to be deducted from your checking or savings account each month.

In approximately 3-4 weeks you'll receive written notice from Medica with a decision about your coverage.

Want to know more?

Call your independent insurance agent or talk with one of Medica's Sales Department experts, available to help from 8 a.m. to 5 p.m. Monday through Thursday, as well as Friday, 9 a.m. – 5 p.m.

952-992-2080

(TTY) 952-992-3650

1-800-670-5935

(TTY) 1-800-234-8819

*A completed application does not mean you will be approved.

Medica Direct ValueSM for Individuals

A summary of benefits to help you understand your health plan coverage.

The following is a summary of benefits for the Medica Direct Value plan. It is a high level overview and not meant to be all-inclusive. If you have questions, call Medica's Sales Department at 952-992-2080 or 1-800-670-5935.

PLAN HIGHLIGHTS

Lifetime maximum per person

Office visits for sickness, injury, screenings and physicals

Inpatient and outpatient X-ray and lab services

Inpatient and outpatient hospital services

Emergency room care and ambulance service

Medical supplies

Chiropractic, occupational, physical and speech therapy

Well-child services to age 6, immunizations to age 18

Home health care up to \$25,000 a year

Formulary prescription drugs

Behavioral health care

Substance abuse

Prenatal care

Delivery and post-delivery care

Note: Pre-existing conditions that you had within the six months before your enrollment date may not be covered during the first 18 months following your enrollment date. However, if you have maintained continuous health care coverage, the pre-existing condition limitation applies during the first 12 months following your enrollment date. In addition, this 12-month period may be reduced by the amount of time you maintained qualifying coverage before your enrollment date.

\$150 to \$500 options
Most benefits paid at 80%*

| Deductible | Out-of-pocket Maximum |
|------------|-----------------------|
| \$150 | \$1,150 |
| \$500 | \$1,500 |

A separate \$250 pharmacy deductible applies to prescription drugs for the \$500 deductible plan.**

Limit of three deductibles per family each year.
 Family out-of-pocket costs limited to three times the out-of-pocket maximum.

- _____ \$5 million
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 100% (deductible doesn't apply)
- _____ 80% after deductible
- _____ You pay a \$15 copayment or 20% after deductible
- _____ 80% after deductible
- _____ 80% after deductible (optional)
- _____ 100% (deductible doesn't apply)
- _____ First 12 months, 0% coverage; thereafter, 80% after deductible

\$1,000 to \$5,000 options
Most benefits paid at 80%*

| Deductible | Out-of-pocket Maximum |
|------------|-----------------------|
| \$1,000 | \$2,000 |
| \$1,500 | \$2,500 |
| \$2,500 | \$3,500 |
| \$5,000 | \$6,000 |

Limit of three deductibles per family each year.
 Family out-of-pocket costs limited to three times the out-of-pocket maximum.

- _____ \$5 million
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 80% after deductible
- _____ 100% (deductible doesn't apply)
- _____ 80% after deductible
- _____ You pay a \$15 copayment or 20% after deductible
- _____ 80% after deductible (optional)
- _____ 80% after deductible (optional)
- _____ 100% (deductible doesn't apply)
- _____ First 12 months, 0% coverage; thereafter, 80% after deductible

* You receive the highest level of benefits and the lowest out-of-pocket costs when you use a network provider. If you choose to receive services from a non-network provider, you will be responsible for any deductible, coinsurance or copayment, and the difference between Medica's non-network reimbursement amount (generally based on a fee schedule) and the non-network provider's billed charges.

** You must satisfy both the pharmacy and plan deductible before receiving prescription drug benefits.

Services not covered include private-duty nursing; custodial care or rest cares; eyewear; dental services; services that are investigational, not medically necessary or received while on military duty.

This is only a summary. Your policy will provide a detailed description of what is and is not covered.

A glossary of terms for the times when you need clarity.

DEDUCTIBLE

Deductible is the fixed dollar amount of eligible charges you will pay each policy year before your Medica Direct ValueSM plan begins to pay. With our Medica Direct Value plan, you have deductible options as low as \$150 and up to \$5,000. If you are purchasing a family plan, the deductible amount is the same for all family members with a limit of three deductibles per family each policy year.

COINSURANCE

Coinsurance is the percentage amount of eligible charges you are responsible to pay the provider after you have met your deductible. If you select the 80 percent coinsurance plan, Medica Direct Value pays 80 percent for all eligible charges for covered services obtained from network providers and non-network providers. The remaining percentage amount of normally 20 percent is your coinsurance.

PROVIDER NETWORK

Medica has an extensive provider network. Actually, 96 percent of the physicians in the state of Minnesota are contracted with Medica. There is a good chance your current physician is part of the network. You receive the highest level of benefits and lower out-of-pocket expenses when you use network providers. Call Medica CallLink at 1-866-715-0915 or visit us at www.medica.com to see if your doctor is in our network.

Medica does not want to get between you and your physician, so in most circumstances, we do not require our members to obtain prior approval to obtain coverage for services from non-network providers. **You can seek services from providers who are not contracted with Medica, but you will be required to pay the difference between Medica's non-network reimbursement amount (generally based on a fee schedule) and the charges your non-network provider bills (in addition to the deductible and coinsurance). This amount will not count towards your deductible or out-of-pocket maximum.**

ELIGIBLE CHARGES

Medica Direct Value eligible charges are paid generally based on Medica's fee schedule. This is the amount that Medica's network providers have agreed to accept for eligible services rendered to Medica members.

If you receive services from a non-network provider, you will also pay the difference between Medica's non-network reimbursement amount (generally based on a fee schedule) and the charges your non-network provider bills. This amount could be significant and will not count towards your deductible or out-of-pocket maximum.

DRUG FORMULARY

The Medica Formulary is a list of generic and brand name outpatient prescription medications which are covered. A team of physicians and pharmacists meet regularly to review and update the list to be sure the Formulary remains responsive to the needs of our members and providers throughout the year. Your doctor can use this list to select covered medications for your health care needs, while helping you maximize your prescription drug benefit.

If you use a network pharmacy and your prescribed drug is on Medica's Formulary, the prescription will be filled and dispensed to you for your applicable copayment or coinsurance. As with all drugs, your doctor will need to determine if a generic drug is the best drug for you to take. If the prescribed drug is not on the Formulary, you are responsible for the cost of the drug. In some instances, you can request a Formulary exception through Medica's Formulary Exception process.

If you want to confirm if your physician is a Medica provider, please contact Medica CallLink at 1-866-715-0915 or visit us at www.medica.com.

So how does it work?

Below are examples of how the deductible and coinsurance work for an individual and a family of three (based on covered services).

INDIVIDUAL:

Total eligible Medica charges incurred for your policy year were \$15,000.

You have chosen the \$2,500 deductible plan.

You pay:

- \$2,500 deductible
- 20%* of the next \$5,000 eligible charges, or \$1,000.
- 0%* for the next \$7,500 of eligible charges.

Overall, your out-of-pocket expense for eligible charges is \$3,500. Medica Direct Value pays \$11,500.

* Your out-of-pocket expenses could vary if you choose to go out of network.

FAMILY OF THREE:

Total eligible Medica charges incurred for your policy year were \$40,000 cumulative for all members.

You have chosen the \$1,000 deductible plan.

Your family pays:

- \$3,000 deductible (3 x \$1,000)
- 20%* of the next \$15,000 eligible charges, or \$3,000.
- 0%* for the next \$22,000 of eligible charges.

Overall, your family out-of-pocket expense for eligible charges is \$6,000. Medica Direct Value pays \$34,000.

* Your out-of-pocket expenses could vary if you choose to go out of network.

Medica Direct for Individuals

Health plans created just for you.

MEDICA®

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