

**CareFirst of Maryland, Inc.**  
doing business as  
**CareFirst BlueCross BlueShield (CareFirst)**  
10455 Mill Run Circle  
Owings Mills, MD 21117-5559

A private not-for-profit health service plan incorporated under the laws of the State of Maryland

An independent licensee of the Blue Cross and Blue Shield Association

**NOTICE TO EMPLOYER OF COVERAGE UNDER SUCCEEDING POLICY**

You are hereby notified of certain policy provisions that limit or exclude coverage in your proposed CareFirst group health benefit plan (the "Evidence of Coverage"). This notice is provided prior to entering into the Evidence of Coverage, in accordance with Section 15-415 of the Maryland Insurance Article.

You are urged to read the Evidence of Coverage whose terms will govern your benefits.

**I. Exclusions from Coverage.**

The following provisions limit or exclude benefits under the Evidence of Coverage.

- **Medical Necessity and Appropriateness.** Benefits will not be provided for services, tests, procedures or supplies which CareFirst determines are not necessary for the prevention, diagnosis or treatment of the Member's illness, injury or condition. Although a service or supply is listed as covered, benefits will be provided only if it is medically necessary and appropriate in the Member's particular case. A service or supply is medically necessary and appropriate only if, in CareFirst's judgment, it is:
  - A. In accordance with generally accepted standards of medical practice;
  - B. Clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for a patient's illness, injury or disease;
  - C. Not primarily for the convenience of a patient or health care provider; and
  - D. Not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results in the diagnosis or treatment of that patient's illness, injury, or disease.

"Generally accepted standards of medical practice" means standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, physician specialty society recommendations and views of health care providers practicing in relevant clinical areas, and any other relevant factors.

Coverage of inpatient ancillary services may not be denied solely based on the fact that the denial of the hospitalization day was appropriate. A denial of inpatient ancillary services must be based on the medical necessity of the specific ancillary service. In determining the medical necessity of an ancillary service performed on a denied hospitalization day, consideration will be given to the necessity of providing the ancillary service in the acute setting for each day in question.

- **Accepted Medical Practice.** Benefits will not be provided for any treatment, procedure, facility, equipment, drug, drug usage, device or supply which, in CareFirst's judgment, is experimental, investigational, or not in accordance with accepted medical or psychiatric practices or standards in effect at the time of treatment. Services or supplies that do not meet all five of the criteria listed below are deemed to be experimental or investigational:
  - A. The Technology\* must have final approval from the appropriate government regulatory bodies;

- B. The scientific evidence must permit conclusions concerning the effect of the Technology on health outcomes;
- C. The Technology must improve the net health outcome;
- D. The Technology must be as beneficial as any established alternatives; and,
- E. The improvement must be attainable outside the Investigational settings.

\*Technology includes drugs, devices, processes, systems, or techniques.

- **Free Care.** Payment will not be made for services which, if the Member were not covered under the Evidence of Coverage, would have been provided without charge, including any charge or any portion of a charge which, by law, the provider is not permitted to bill or collect from the patient directly. In addition, payment will not be made for services rendered by a health care provider who is the Member's spouse, parent, child, grandparent, grandchild, sister, brother, great grandparent, great grandchild, aunt, uncle, niece, or nephew, or resides in the Member's home.
- **Routine Care of Feet.** Benefits will not be provided for any services in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain, symptomatic complaints of the feet or partial removal of a nail without the removal of its matrix. However, benefits will be provided for these services if CareFirst determines that medical attention was needed because of a medical condition affecting the feet, such as diabetes, and that all other conditions for coverage have been met.
- **Dental Care.** Any type of dental care (except treatment of accidental injuries, oral surgery, and cleft lip or cleft palate or both, as described in the Evidence of Coverage) including extractions, treatment of cavities, care of the gums or bones supporting the teeth, treatment of periodontal abscess, removal of impacted teeth, orthodontia, false teeth, or any other dental services or supplies, unless provided in a separate rider or amendment to the Evidence of Coverage. Benefits for oral surgery are stated in the Evidence of Coverage. All other procedures involving the teeth or areas surrounding the teeth, including shortening of the mandible or maxillae for cosmetic purposes or for correction of malocclusion unrelated to a functional impairment, are excluded.
- **Oral Surgery.** Benefits are limited to non-dental surgical procedures for congenital defects, such as hare lip or cleft palate, and for medically necessary diagnostic and surgical procedures occurring within or adjacent to the oral cavity or sinuses. These include, but not limited to: (1) procedures to correct accidental injuries of the jaw, cheeks, lips, tongue, roof and floor of the mouth when such injuries occurred while covered under this Evidence of Coverage; (2) the reduction of, dislocation of, or excision of temporomandibular joints; (3) procedures involving accessory sinuses, salivary glands or ducts; excision of tumors and cysts of the jaw, cheeks, roof and floor of the mouth when pathological examination is required; (4) excision of exostosis of the jaw and hard palate when not related to the fitting of dentures; and (5) extraoral incision and drainage of abscesses with cellulitis. All other procedures involving the teeth or areas surrounding the teeth, including shortening of the mandible or maxillae for cosmetic purposes or for correction of malocclusion, Temporomandibular Joint Syndrome (TMJ) treatment or treatment for craniomandibular pain syndrome (CPS), will not be covered. However, benefits will be provided for surgical services for TMJ and CPS, if medically necessary, and if there is a clearly demonstrable radiographic evidence of joint abnormality due to an illness.
- **Cosmetic Services.** Benefits will not be provided for cosmetic surgery (except for reconstructive breast surgery or reconstructive surgery as stated in the Evidence of Coverage) or other services primarily intended to correct, change, or improve appearances. Cosmetic means a service or supply which is provided with the primary intent of improving appearances and not for the purpose of restoring bodily function or correcting deformity resulting from disease, trauma, or previous therapeutic intervention, as determined by CareFirst.
- **Prescription Drugs.** Except as provided in the Evidence of Coverage or in a separate rider or endorsement to the Evidence of Coverage, benefits will not be provided for any prescription drugs, unless administered to the Member in the course of covered outpatient or inpatient treatment or unless the prescription drug is specifically identified as covered in the Evidence of Coverage. Take-

home prescriptions or medications, including self-administered injections which can be administered by the patient or by an average individual who does not have medical training, or medications which do not medically require administration by or under the direction of a physician are not covered, even though they may be dispensed or administered in a physician or provider office or facility, unless the take-home prescription or medication is specifically identified as covered. Benefits for prescription drugs may be available through a rider or endorsement purchased by the Group and attached to the Evidence of Coverage.

- **Organ Transplants.** Benefits will not be provided for the following:
  - A. Non-human organs and their implantation. This exclusion will not be used to deny medically necessary non-experimental or investigational skin grafts that are covered under the Evidence of Coverage.
  - B. Any hospital or professional charges related to any accidental injury or medical condition for the donor of the transplant material.
  - C. Any charges related to transportation, lodging, and meals unless authorized or approved by CareFirst.
  - D. Services for a Member who is an organ donor when the recipient is not a Member.
  - E. Donor search services.
  - F. Any organ transplant or procurement done outside the United States unless authorized or approved by CareFirst.
  - G. Any service, supply, or device related to a transplant that is not listed as a benefit in the Evidence of Coverage.
- **Inpatient Hospital Services.** Benefits are either not provided or, if applicable, are reduced, for the following:
  - A. Private room, unless medically necessary and/or authorized or approved by CareFirst. If a private room is not authorized or approved, the difference between the charge for the private room and the charge for a semiprivate room will not be covered.
  - B. Non-medical items and convenience items, such as television and phone rentals, guest trays, and laundry charges.
  - C. Except for covered emergency services and maternity care, a health care facility admission or any portion of a health care facility admission (other than medically necessary ancillary services) that had not been approved by CareFirst, whether or not services are medically necessary and/or meet all other conditions for coverage.
  - D. Private duty nursing.
- **Home Health Care Services.** Benefits are not provided for:
  - A. Private duty nursing.
  - B. Custodial care.
- **Hospice Care Services.** Benefits will not be provided for:
  - A. Services, visits, medical equipment, or supplies not authorized by CareFirst.
  - B. Financial and legal counseling.
  - C. Any services for which a qualified hospice care program does not customarily charge the patient or his or her family.

- D. Reimbursement for volunteer services.
  - E. Chemotherapy or radiation therapy, unless used for symptom control.
  - F. Services, visits, medical equipment, or supplies not required to maintain the comfort and manage the pain of the terminally ill Member.
  - G. Custodial care, domestic, or housekeeping services.
- **Medical Devices and Supplies.** Benefits will not be provided for purchase, rental, or repair of the following:
    - A. Convenience Items. Equipment that basically serves comfort or convenience functions or is primarily for the convenience of a person caring for a Member (e.g., an exercycle or other physical fitness equipment, elevators, hoist lifts, shower/bath bench).
    - B. Furniture items, movable objects or accessories that serve as a place upon which to rest (people or things) or in which things are placed or stored (e.g., chair or dresser).
    - C. Exercise equipment. Any device or object that serves as a means for energetic physical action or exertion in order to train, strengthen or condition all or part of the human body, (e.g., exercycle or other physical fitness equipment).
    - D. Institutional equipment. Any device or appliance that is appropriate for use in a medical facility and not appropriate for use in the home (e.g., parallel bars).
    - E. Environmental control equipment. Equipment that can be used for non-medical purposes, such as air conditioners, humidifiers, or electric air cleaners are excluded from coverage. These items are not covered even though they may be prescribed, in the individual's case, for a medical reason.
    - F. Eyeglasses or contact lenses, dental prostheses or appliances (except as otherwise provided herein for cleft lip or cleft palate or both), or hearing aids (except as otherwise provided herein for minor children).
    - G. Corrective shoes (unless required to be attached to a leg brace), shoe lifts, or special shoe accessories.
    - H. Medical equipment/supplies of an expendable nature, except those specifically listed as a covered medical supply in the Evidence of Coverage. Non-covered supplies include incontinence pads or ace bandages.
  - **General Exclusions.** Benefits will not be provided for the following:
    - A. Any service, supply, or procedure that is not specifically listed in the Evidence of Coverage as a covered benefit or that does not meet all other conditions and criteria for coverage as determined by CareFirst.
    - B. Services or supplies received before the effective date of your coverage under the Evidence of Coverage.
    - C. Services that are beyond the scope of the license of the health care provider performing the service.
    - D. All non-prescription drugs, medications, biologicals, and over-the-counter disposable supplies routinely obtained and self-administered by the Member, except for the CareFirst benefits described in the Evidence of Coverage or in a separate rider or endorsement to the Evidence of Coverage.
    - E. Foods or formulas consumed as a sole source of or supplemental nutrition, except as stated in the Evidence of Coverage.

- F. Any procedure or treatment designed to alter an individual's physical characteristics to those of the opposite sex.
- G. Treatment of sexual dysfunctions or inadequacies including, but not limited to, surgical implants for impotence, medical therapy, and psychiatric treatment.
- H. Fees and charges relating to fitness programs, weight loss or weight control programs, physical or other programs involving such aspects as exercise, physical conditioning, use of passive or patient-activated exercise equipment or facilities and self-care or self-help training or education, except for diabetes outpatient self-management training and educational services. Medically necessary and approved pulmonary rehabilitation and cardiac rehabilitation services are covered as stated in the Evidence of Coverage.
- I. Medical or surgical treatment for obesity, weight reduction, dietary control or commercial weight loss programs. This exclusion does not apply to:
  - 1. Surgical procedures for the treatment of Morbid Obesity;
  - 2. Well child care visits for obesity evaluation and management;
  - 3. Evidence-based items or services for preventive care and screening for obesity that have in effect a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force (USPSTF);
  - 4. For infants, children, and adolescents, evidence-informed preventive care and screening for obesity provided for in the comprehensive guidelines supported by the Health Resources and Services Administration;
  - 5. Office visits for the treatment of childhood obesity; and
  - 6. Professional Nutritional Counseling and Medical Nutrition Therapy as described in this amendment.
- J. Medical or surgical treatment of myopia or hyperopia, including radial keratotomy and other forms of refractive keratoplasty or any complications thereof. Benefits for vision correction may be available through a rider or endorsement purchased by the Group and attached to the Evidence of Coverage.
- K. Any claim, bill, or other demand or request for payment for health care services determined to be furnished as a result of a referral prohibited by Section 1-302 of the Maryland Health Occupations Article.
- L. Services that are solely based on court order or as a condition of parole or probation, unless approved by CareFirst.
- M. Health education classes and self-help programs, other than birthing classes or those for the treatment of diabetes.
- N. Acupuncture services, except when approved or authorized by CareFirst when used for anesthesia.
- O. Any service related to recreational activities. This includes, but is not limited to, sports, games, equestrian, and athletic training. These services are not covered unless authorized or approved by CareFirst even though they may have therapeutic value or be provided by a health care practitioner.
- P. Any service received at no charge to the Member in any federal hospital or facility, or through any federal, state, or local governmental agency or department, not including Medicaid. This exclusion does not apply to care received in a Veteran's hospital or facility unless that care is rendered for a condition that is a result of the Member's military service.

- Q. Private duty nursing.
- R. Non-medical services, including but not limited to:
  1. Telephone consultations, failure to keep a scheduled visit, completion of forms, copying charges, or other administrative services provided by the health care practitioner or the health care practitioner's staff.
  2. Administrative fees charged by a physician or medical practice to a Member to retain the physician's or medical practice services, e.g., "concierge fees" or boutique medical practice membership fees. Benefits under Evidence of Coverage are available for covered services rendered to the Member by a health care provider.
- S. Speech Therapy, Occupational Therapy, or Physical Therapy, unless CareFirst determines that the condition is subject to improvement. Coverage does not include non-medical ancillary services such as vocational rehabilitation, employment counseling, or educational therapy.
- T. Services or supplies for injuries or diseases related to a Member's job to the extent the Member is required to be covered by a workers compensation law.
- U. Services or supplies resulting from accidental bodily injuries arising out of a motor vehicle accident to the extent the services are payable under a medical expense payment provision of an automobile insurance policy, excluding no fault insurance.
- V. Travel (except for medically necessary air transportation and ground ambulance, as determined by CareFirst, and travel services related to transplants stated in the Evidence of Coverage), whether or not recommended by a health care practitioner.
- W. Services or supplies received from a dental or medical department maintained by or on behalf of an employer, mutual benefit association, labor union, trust, or similar persons or groups.
- X. Contraceptive drugs or devices, unless specifically identified as covered in the Evidence of Coverage or in any attached rider or amendment.
- Y. Any illness or injury caused by war (a conflict between nation states), declared or undeclared, including armed aggression.
- Z. Services, drugs, or supplies the Member receives without charge while in active military service.
- AA. Habilitative services delivered through early intervention and school services.
- BB. Custodial care.
- CC. Durable medical equipment or supplies associated or used in conjunction with non-covered items or services.
- DD. Services required solely for employment, insurance, foreign travel, school, camp admissions or participation in sports activities.
- EE. Work Hardening Programs. Work Hardening Program means a highly specialized rehabilitation programs designed to simulate workplace activities and surroundings in a monitored environment with the goal of conditioning the participant for a return to work.

## **II. Pre-existing Conditions Exclusion Period**

A Member's coverage under the Evidence of Coverage may be subject to a pre-existing condition exclusion period. This pre-existing condition exclusion period will apply if a Member fails to enroll within certain time frames stated in the Evidence of Coverage. A pre-existing condition means a condition (whether physical or mental, and regardless of the cause of the condition) for which medical advice, diagnosis, care or treatment was recommended or received by a health care practitioner within a 6-month period ending on the Member's enrollment date. If a pre-existing condition exclusion period applies, CareFirst will not provide benefits to a Member for any services in connection with a Member's pre-existing condition for a specified time following the Member's enrollment date as stated in the Evidence of Coverage. A pre-existing condition exclusion period does not apply to Members who are under the age of 19 and will not apply to services furnished to any Member for pregnancy or newborns. A pre-existing condition exclusion period may be reduced, or eliminated, if the Member produces appropriate evidence of prior creditable coverage.