

## 2005 Group Agreement Summary of Changes and Clarifications

The following is a summary of the most important changes and clarifications that we have made to the enclosed 2005 *Group Agreement*, including the *Evidence of Coverage* documents. This summary does not include any changes we have made at your Group's request. Please refer to the "Dues" section in the *Group Agreement* for the dues that are effective on your Group's renewal anniversary date.

Unless otherwise indicated, the changes will be effective on your Group's renewal anniversary date and apply to each type of coverage purchased by your Group. Please read the *Group Agreement* for the complete text of these changes, as well as changes not listed in the summary below.

### **Group Agreement Redesigned**

We are pleased to inform you that we have made some improvements to our 2005 *Group Agreement* in response to feedback from purchasers. Specifically, we have added a benefit summary to the beginning of the 2005 *Evidence of Coverage* documents. Many purchasers stated that a high-level summary in the front of the *Evidence of Coverage* would help them navigate the *Group Agreement* by identifying the benefit plan that applies to each *Evidence of Coverage*. Also, we heard from some purchasers that separate "Copayment and Coinsurance" and "Benefits" sections made understanding benefits and their cost-sharing challenging. Therefore, we have integrated the "Benefits" and the "Copayment and Coinsurance" sections into one section so that readers will have benefit and cost-sharing information in one combined section.

In addition, we have changed the *Evidence of Coverage* documents to a two-column format to improve readability and reduce the amount of paper needed to print the *Group Agreement*.

### **Changes to the Group Agreement, including the Evidence of Coverage**

#### **Group appointments**

Some group appointments will be covered at half the Copayment that applies to an individual office visit (rounded down to the nearest whole dollar). A group medical appointment meets under the direction of a Plan Provider and it provides an opportunity to integrate clinical services, education, and support for a group of patients with a similar condition. Some examples of conditions that lend themselves to group medical appointments include maintenance of asthma, diabetes, and chronic pain.

#### **Nonemergency ambulance**

The Copayment for nonemergency ambulance Services will be the same as the Copayment for emergency ambulance Services (previously they were covered at no charge).

#### **Participation requirements**

The participation requirements in the "Contribution and Participation Requirements" section of the *Group Agreement* have been revised to require that the Group have at least one employee who lives or works inside our Service Area and is eligible to enroll as a Subscriber.

#### **Skilled nursing facility care**

If an *Evidence of Coverage* has a benefit period limit for covered skilled nursing facility care, the limit to the number of days we will cover in a benefit period will include any days we covered under any other *Evidence of Coverage*, including another group's *Evidence of Coverage*. This new law does not apply to Kaiser Permanente Senior Advantage.

#### **Traditional Plan Evidence of Coverage**

The Traditional Plan is not a federally qualified health benefit plan.

## **Legislative Changes to the Evidence of Coverage**

### **Completion of Services**

The Traditional Plan *Evidence of Coverage* has been changed to address revisions to Section 1373.96 of the California Health and Safety Code. The new requirements are described under "Completion of Services from Non-Plan Providers" in the "How to Obtain Services" section.

### **State continuation coverage**

A new state law (AB 254) stops new enrollment in state continuation coverage effective January 1, 2005. We will not accept any new applications for coverage effective on or after January 1, 2005 for continuation of group coverage under Section 1373.621 of the California Health and Safety Code (Senior Cal-COBRA).

## **Clarifications to the Group Agreement, including the Evidence of Coverage**

### **Continuation of membership**

If Members want to continue their membership under our Individual-Conversion Plan or Cal-COBRA group continuation coverage, they must submit their application to us within 63 days either after the Member receives our termination letter or after their termination effective date, whichever is later.

### **Domestic partners**

The definition of Spouse has been revised to include a registered domestic partner who meets all the requirements of Section 297 of the California Family Code.

### **Emergency, post-stabilization, and urgent care**

We have clarified the "Emergency, Post-stabilization, and Urgent Care" section to more clearly describe when Post-stabilization Care and transportation are covered, and that Post-stabilization Care follows an Emergency Medical Condition but not urgent care. We have also revised the definition for Out-of-Area Urgent Care to include pregnancies in accord with recent California regulations.

### **Group Agreement signature page**

We have added the following underlined text to the Signature Page for clarity:

Group may **not** change this *Agreement* by adding or deleting words, and any such addition or deletion is void. Health Plan might not respond to any changes or comments submitted on or with this Signature Page. Group may not construe Health Plan's lack of response to any submitted changes or comments to imply acceptance. If Group wishes to change anything in this *Agreement*, Group must contact its Health Plan account manager. Health Plan will issue a new *Agreement* or amendment if Health Plan and Group agree on any changes.

### **Kaiser Permanente Senior Advantage**

Senior Advantage eligibility requirements have been clarified to reflect the current practice that allows enrollment of Members without Medicare Part A. Persons without Medicare Part A may enroll upon payment of the applicable Dues by Group. Also, CMS has changed the name of its Medicare contracts from Medicare+Choice to Medicare Advantage.

### **Moved text**

The following text in the *Evidence of Coverage* has been moved to a new location in the document, but it has not been substantively changed:

- The "Definitions" section has been moved toward the front of the *Evidence of Coverage*
- Drugs administered during an office visit or home health visit and immunizations have been moved from the drug section to the list of covered care described under "Outpatient Care"
- Descriptions about inpatient durable medical equipment, drugs, imaging, laboratory, and special procedures have been moved from their respective sections to the list of covered care described under "Inpatient Care"
- The section describing drugs, supplies, and supplements has been renamed and includes information only about outpatient items. The new name is either "Outpatient Drugs, Supplies, and Supplements" if the *Evidence of Coverage*

# Agreement Signature Page

## Acceptance of Agreement

Group acknowledges acceptance of this *Agreement* by signing the Signature Page and returning it to Health Plan. If Group does not return it to Health Plan, Group will be deemed as having accepted this *Agreement* if Group pays Health Plan any amount toward Dues.

Group may **not** change this *Agreement* by adding or deleting words, and any such addition or deletion is void. Health Plan might not respond to any changes or comments submitted on or with this Signature Page. Group may not construe Health Plan's lack of response to any submitted changes or comments to imply acceptance. If Group wishes to change anything in this *Agreement*, Group must contact its Health Plan account manager. Health Plan will issue a new *Agreement* or amendment if Health Plan and Group agree on any changes.

## Binding Arbitration

Disputes between Members, their heirs, or associated parties (on the one hand) and Health Plan, its health care providers, or other associated parties (on the other hand) for alleged violation of any duty arising out of or related to this *Agreement*, including any claim for medical or hospital malpractice, for premises liability, or relating to the coverage for, or delivery of, services or items pursuant to this *Agreement*, irrespective of legal theory, must be decided by binding arbitration and not by lawsuit or resort to court process, except as applicable law provides for judicial review of arbitration proceedings. Members enrolled under this *Agreement* thus give up their right to a court or jury trial, and instead accept the use of binding arbitration as specified in the applicable *Evidence of Coverage* except that the following types of claims are not subject to binding arbitration:

- Claims within the jurisdiction of Small Claims Court
- Claims subject to a Medicare appeals procedure as applicable to Kaiser Permanente Senior Advantage and Medicare Cost Members
- If the Member's Group must comply with the Employee Retirement Income Security Act (ERISA) requirements, the claim is a benefit-related request that constitutes a "benefit claim" in Section 502(a)(1)(B) of ERISA. Note: Benefit claims under this Section of ERISA are excluded from this binding arbitration requirement only until such time as the United States Department of Labor regulation prohibiting mandatory binding arbitration of this category of claim (29 CFR 2560.503-1(c)(4)) is modified, amended, repealed, superseded, or otherwise found to be invalid. If this occurs, these claims will automatically become subject to mandatory binding arbitration without further notice

## Signatures

SAN MATEO COUNTY

Kaiser Foundation Health Plan, Inc.  
Northern California Region



Authorized Group officer signature

Jerry Fleming  
Authorized officer  
Senior Vice President and Health Plan Manager

Please print your name and title

Executed in San Diego, CA effective 1/1/05  
Date: 10/26/04

Date signed

Please sign and mail us this copy of the Signature Page in the enclosed envelope to our California Service Center at P.O. Box 23448, San Diego, CA 92193-3448.