

# **BCN Service Company**

A Licensed Third Party Administrator

## **Complementary Medicare Amendment**

This Amendment is issued to you in connection with your Benefit Document. It is effective on the date indicated in notice to your Group. This amends your Benefit Document to provide services to Members who are entitled to and enrolled in Medicare Parts A and B.

### **Chapter 1 (General Provisions)**

Section 1 entitled Eligibility, Enrollment and Effective Date of Coverage is amended by adding the following:

For Members entitled to and enrolled in Medicare Parts A and B, the benefits described in the Benefit Document are reduced to the extent that they are covered by Medicare Parts A and B. Members are entitled to all of the benefits in the Benefit Document to the extent that such benefits do not duplicate Medicare benefits.

For such Members, BCN Service Company provides Coverage for Deductibles and Coinsurance that are the responsibility of the Member under Medicare Parts A and B less any applicable Deductible, Coinsurance and Copayments due to Providers under the Benefit Document so long as the Benefits are approved by Medicare and are Covered Health Services.

If Member does not maintain Medicare Parts A and B during the Coverage period, Benefits will be paid under the plan as if the Member is enrolled under both Medicare Part A and Part B. As a result, the Member will be responsible for the costs that Medicare would have paid and will incur a larger out of pocket cost.

Enrollment of eligible dependents is determined by Michigan State University. The enrollment of previously eligible dependents at the time of retirement can only occur following the involuntary loss of other coverage. Dependents who were covered by the Group Health Plan at the time of retirement can continue to be covered, as long as they satisfy the Michigan State University's eligibility requirement.

### **Limitation**

Upon enrollment and every year thereafter Members not entitled to nor enrolled in Medicare Parts A and B are not eligible for Coverage under this Amendment.

### **Chapter 2 Your Benefits**

July 1, 2010

Chapter 2 of the Benefit Document is hereby amended to the following:

### **8.11 Skilled Nursing Facility Services**

**Benefit Period** as defined by Medicare is a period that begins on the first day you go to a Medicare covered Skilled Nursing Facility. The Benefit Period ends when you haven't been an inpatient at any SNF for 60 days in a row. If you go to a SNF after one Benefit Period has ended, a new Benefit Period begins. There is no limit to the number of benefit periods you can have.

Skilled Nursing Facility Services are covered up to a total cumulative maximum of 100 days per Benefit Period when Medically Necessary for recovery from surgery, disease or injury.

Note: All other provisions related to Skilled Nursing Facility Services remain unchanged.

### **8.13 Hospice Care**

In Network and Out of Network Hospice Care is covered in full after Deductible.

Note: All other provisions related to Hospice Care remain unchanged.

### **8.14 Mental Health Care**

Medicare provides a 190 day lifetime benefit for inpatient psychiatric treatment subject to the annual Medicare Deductible. Under your Benefit Document we pay this Deductible for you. This Amendment gives you additional benefit days beyond the Medicare maximum when authorized by BCN Behavioral Health Management.

Note: All other provisions related to Mental Health Care remain unchanged.

## **GENERAL PROVISIONS**

1. In the event a Member's coverage under the Benefit Document terminates, this Amendment will terminate automatically without further action or notice by BCN Service Company or Michigan State University.
2. Until further notice, all terms, limitations, exclusions, and conditions of the Benefit Document remain unchanged except as provided in this Amendment.