

Western Refining High-Deductible Health Plan/HSA



Your Guide to a
Consumer-Directed Health Plan



**Blue Cross and Blue Shield
of New Mexico**

Contents

- Western Refining HSA Gives You Choices1
- Benefits Overview 2
- How the Western Refining HSA Works6
- Frequently Asked Questions8

Western Refining High-Deductible Health Plan/HSA

Gives You Choices

If you like to take charge of your health, be responsible for how you spend your health care dollars, and enjoy using the power of the Internet to your advantage, then the HSA could be the right choice for you.

Western Refining High-Deductible Health Plan/HSA combines a Preferred Provider Option (PPO) with a tax-free Health Savings Account (HSA) to help cover the health care expenses you pay out of pocket, such as copayments and deductibles.

The Western Refining HSA health benefit plan has four important components:

- **Preventive care and wellness visits** for adults and children are covered when you use in-network providers. You don't need to meet the deductible to enjoy these benefits.
- **PPO benefits** begin after you meet the deductible. You have the freedom to choose any licensed doctor for covered benefits whenever you need care.
- **Health Savings Account** funds can be used to pay for health care expenses. PPO-eligible medical expenses paid from the HSA count toward your annual deductible.
- **Online decision tools** help increase your awareness and knowledge of health issues and help you keep track of your health care expenses.

An HSA gives you the edge on health care

Anyone enrolling in this health plan should be aware of the IRS regulations. Under IRS regulations, any adult can contribute to an HSA if he/she:

- Has coverage under an HSA-qualified high-deductible health plan (HDHP)
- Has no other first-dollar medical coverage (other types of insurance such as specific injury insurance or accident, disability, dental care, vision care, or long-term care insurance are permitted)
- Is not enrolled in Medicare
- Cannot be claimed as a dependent on someone else's tax return

There are other regulations regarding contributions and distributions. If you are enrolling in a health plan that includes a Health Savings Account, you should first seek professional tax counsel to determine if your individual situation permits use of an HSA.



Benefits Overview

The PPO network gives you direct access to contracting hospitals, physicians, therapists, chiropractors, behavioral health professionals, and other specialists.

The HSA gives you freedom of choice, flexibility, and a broad range of benefits. When you receive care from PPO network providers, your benefits are paid at the highest level. You do not have to complete claim forms. Since PPO providers agree to the allowable amount as full payment, you are not responsible for any charges above the BCBSNM negotiated allowable amount when you receive care in the network. And you do not need a referral to see the doctor of your choice (however, some services may require prior approval).

PPO Network

If you need medical care within the BCBSNM network, use the Provider Finder® at www.bcbsnm.com to see if your doctor is in the network or to search for another network physician. If you are outside the network (e.g., traveling out of state), call BlueCard® Access toll free at 1-800-810-BLUE (2583) for provider information, or visit www.bcbs.com. Once you become a member, you can also call the toll-free customer service number on the back of your member ID card for assistance in finding a doctor or hospital. Your employer may also have a printed directory of contracting PPO providers.

Once your PPO coverage begins, your out-of-pocket expenses include your deductible and plan-specific coinsurance. You always have the option to receive care from providers outside the network, but your benefits will be paid at a lower level and you may be responsible for charges in excess of the allowable amount.

Health Savings Account

An HSA is a tax-exempt savings account that may be available to you when you are covered by a high-deductible health plan such as the Western Refining plan. Contributions, potential interest gains, and distributions from HSAs are tax-free when they are used for qualified HSA medical expenses. Funds in the account can be used to pay for qualified medical expenses. PPO-eligible expenses count toward your annual deductible. HSA balances roll over from year to year and the account is portable, which means that you keep it even if you change jobs or retire.

Your HSA is administered by Mellon Trust of New England, N.A.*

If you have a Flexible Savings Account (FSA), check with your employer to confirm that you are eligible for an HSA. When you have both accounts, the FSA is considered a “limited-purpose” account that can be used only for expenses such as dental and vision.

*The relationship between BCBSNM and Mellon Trust of New England, N.A., is that of independent contractors.





Deductible

You have a deductible to meet each benefit year. The deductible must be satisfied before your PPO benefits begin. PPO-eligible expenses, such as physician office visits, outpatient surgery, and diagnostic testing, are applied toward your deductible. You can use your HSA funds to help meet the deductible.

Emergency Care

If you (as a prudent layperson with an average knowledge of health and medicine) believe that you have an emergency, call 911 or go to the nearest emergency room. Your care will be covered.

National and International Coverage

As a PPO member, you have nationwide access to contracting providers in the PPO networks linked through the BlueCard PPO Program when you or your covered family members live, work, or travel anywhere in the country. You can locate PPO network doctors and hospitals nationwide at www.bcbs.com or by calling 1-800-810-BLUE (2583).

When you use BlueCard PPO providers, you receive the highest level of benefits. You don't have to file claim forms and you take advantage of the savings the local plan has negotiated with area providers.

When you travel outside the United States, you have access to contracting BlueCard Worldwide® providers in more than 200 countries. To locate a provider, call 1-800-810-BLUE (2583) or call collect at 1-804-673-1177. If you receive care from a noncontracting provider, you will have to pay the doctor or hospital for care at the time of service and then submit a claim for reimbursement.

Use HSA funds to help meet your annual deductible or leave them untouched to grow as a savings vehicle.



Benefits Overview *continued*

Medical Care

Your plan includes coverage for:

- well child care
- adult wellness
- physician office visits
- inpatient hospital services
- outpatient surgery and diagnostic tests
- outpatient hospital services
- maternity care
- mental health and chemical dependency
- rehabilitative therapy (such as physical, speech, and occupational therapy)

Online Tools Help You Manage Your Health and Your Health Care

After you've enrolled in the HSA, you can use *Blue Access® for Members*, our secure online service, to review the status and activity of your HSA, check the status of a claim, view your explanation of medical benefits, and confirm who is covered under your plan.

Another feature gives you the option of receiving an e-mail when a claim for you or a dependent has been finalized by BCBSNM. You can access Explanation of Benefits (EOB) information online for up to 12 months and opt out of receiving paper copies.

Other tools for members:

- *Hospital Comparison Tool* — access individual hospital's outcome data for specific diagnoses and procedures. Quickly compare hospital performance factors such as average length of stay, how many procedures the hospital has performed, complication rates, and the cost of various procedures.
- *Treatment Cost Advisor™* — obtain cost information for common health care services based on demographic and geographic data.

The tools you need to help manage both your well-being and your health care dollars are available online. Once you are a member, you'll be able to see medical claims, EOBs, and other information on Blue Access for Members, our secure website.



Prescription Benefits

Retail

You have access to the contracted national pharmacy network. The network includes most national chain and independent pharmacies across the country.

Preventive drugs for such diagnoses as asthma, diabetes, and circulatory disorders are covered at a coinsurance with minimum and maximum copays and are not subject to the deductible under the HSA plan.

Please refer to the Western-Refining-specific page at www.bcbsnm.com. Select *Western Refining* from the “Are you a member of one of our largest groups?” drop-down menu to view the preventive Drug List.

Nonpreventive drugs are covered only after the deductible is met. You will pay for the prescription at the pharmacy, and that will count toward your annual deductible. The price you pay will be the discounted rate that BCBSNM has with the pharmacy. Once the deductible is met, you will be responsible for a coinsurance with minimum and maximum copays for nonpreventive drugs.

Mail Service

You can receive up to a 90-day supply of maintenance medication delivered to your home. Mail service claims are processed based on whether you are receiving a preventive or nonpreventive drug. You can request prescription refills, preregister, and update your registration profile at www.bcbsnm.com.

Visit in-network pharmacies for the lowest out-of-pocket costs and fastest claims processing.





HSA

How it Works¹

Liz has HSA coverage. Her plan is paired with a Health Savings Account administered by Mellon Trust of New England, N.A. Liz can contribute an amount equal to her plan's deductible each year. Mellon Trust issues Liz a debit card that can be used to pay for eligible health care expenses that aren't covered by the PPO.²

Year One

Liz's HSA annual contribution = \$1,500

Liz's annual deductible = \$2,300

Liz had a physical and preventive care lab tests.

- \$225 was paid by the preventive care benefit.

She injured her back and saw a specialist in the PPO network.

- Charges totaled \$315, which Liz paid with her HSA debit card.³ This amount was also applied to her deductible. Her remaining deductible is \$1,985.

She had six physical therapy visits for her back with a physical therapist who is part of the PPO network.

- Each session cost \$175 for a total of \$1,050. Liz paid with her debit card and the total was applied to her remaining deductible of \$1,985. Her deductible is now \$935.
- The total used from her HSA so far is \$1,365, leaving a balance of \$135.

Liz broke her leg.

- Total charges were \$3,000. Liz paid \$135 from her debit card, which was applied to her remaining deductible of \$935, leaving a deductible balance of \$800. Liz paid the \$800 out of her pocket and has now met both her \$2,300 deductible and her out-of-pocket maximum. The plan will pay 100 percent of the remaining charges – a total of \$2,065.
- Liz has no more out-of-pocket expenses for any services for the remainder of the calendar year for covered in-network expenses.

Year Two

Liz's HSA annual contribution = \$1,500

Liz's annual deductible = \$2,300

She had an annual physical and several preventive care lab tests.

- \$325 was paid by the PPO preventive care benefit.

She purchased a knee brace based on her doctor's recommendation.

- Total charges were \$320, which Liz paid with her debit card, leaving a balance of \$1,180.³

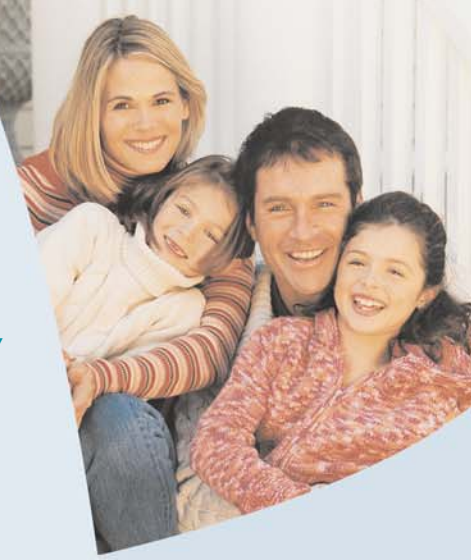
At the end of the year, Liz changed jobs. Her HSA is completely portable, so she kept the unspent funds to be used tax-free for qualified medical expenses.

¹ The following examples are not a description of benefits. Ask your employer for detailed information about your plan.

² The provider should first submit your claim for processing so that you receive benefits at the Blue Cross and Blue Shield negotiated rate. You may then use the debit card or checks to pay any balance due to the provider.

³ Funds must be available in your Health Savings Account before you can use them to pay for medical services. Western Refining will deposit funds to your account weekly.





Frank and Christine and their two children have HSA family coverage through Christine's employer. The plan is paired with a Health Savings Account that includes a debit card and a checkbook from the HSA administrator, Mellon Trust of New England, N.A.¹ At the beginning of the year, Frank and Christine put \$5,950 into their HSA, which is the maximum amount they are allowed to contribute.

Year One

Christine's HSA annual contribution = \$5,950
Christine's annual family deductible = \$6,900
However, if one family member meets the individual \$2,300 deductible, then benefits will be available for that person.

Frank and Christine had physicals and preventive care lab tests.

- \$580 was paid by the PPO preventive care benefit.

Both children had annual physicals and routine immunizations.

- \$320 was paid by the PPO preventive care benefit.

Frank tore a ligament in his knee that required surgery.

- Charges of \$675 for the emergency room visit were paid with the HSA debit card. The charges count toward the deductible.²
- Surgery charges were \$6,000. Frank paid \$1,625 with the debit card and has now met the \$2,300 individual deductible within the family deductible of \$6,900. Of the remaining \$4,375, the PPO paid 100 percent of the covered charges.
- The HSA balance is now \$3,650 (\$5,950 - \$675 - \$1,625).

Christine saw a dermatologist and had several moles removed.

- Charges were \$1,200, paid by the HSA debit card.

The balance left in Christine's HSA is \$2,450, which will roll over to the next year.

Year Two

Frank and Christine decide to contribute \$5,950 once again to their HSA at the beginning of the year; plus they have a remaining balance of \$2,450 from the previous year for a total HSA balance of \$8,400.

Frank and Christine had physicals and preventive care lab tests.

- \$525 was paid by the PPO preventive care benefit.

Both children had annual physicals.

- \$275 was paid by the PPO preventive care benefit.

Christine saw her dermatologist for a follow-up visit.

- She paid for the \$175 visit with the HSA debit card, which also counts toward the deductible.

Christine fractured her ribs and had an emergency room visit.

- Charges were \$450, and she paid for it with a check from the HSA. This expense counts toward the deductible.

At the end of year two, \$7,775 remains in the HSA and this rolls over to the next year. Frank and Christine can contribute the maximum, if they choose, of an additional \$5,950 to the account in year three.

¹ The provider should first submit your claim for processing so that you receive benefits at the Blue Cross and Blue Shield negotiated rate. You may then use the debit card or checks to pay any balance due to the provider.

² Funds must be available in your Health Savings Account before you can use them to pay for medical services. Western Refining will deposit funds to your account weekly.

FAQ

Frequently Asked Questions

Your Health Is a Personal Matter

We understand that your health care information should be treated confidentially, so we have procedures in place to help ensure that occurs.

Your doctors and other contracting providers must also comply with applicable laws, professional standards, and policies regarding the confidential treatment of medical information.

How can I decide if an HSA is right for me?

A high-deductible health insurance plan with an HSA is probably right for you if:

- You want affordable premiums and a wide range of benefits.
- You don't expect to have a lot of medical expenses.
- You have enough money saved just in case you have to pay unexpected out-of-pocket health care expenses.
- You want control over your health care choices and spending as well as your current and future finances.

If I have family coverage, does my entire family have to meet the deductible before the plan will pay a portion or all of the charges for covered services?

No, if you have family coverage and one individual meets the individual deductible, that person's plan benefits will begin even though the rest of the family has not met the family deductible.

What applies to the out-of-pocket maximum?

The deductible, nonpreventive prescription amounts, and any coinsurance amounts will apply to the out-of-pocket maximum. The out-of-pocket maximum excludes penalty amounts, noncovered amounts, and any preventive drug copays.

What happens once I have met my out-of-pocket maximum?

You will have 100 percent coverage for the remainder of the calendar year for covered services. If the services are received from a non-PPO provider at the out-of-network level, the 100 percent payment is based on the allowable charge and you could be balance-billed the portion over that allowable charge.

How does my prescription drug coverage work under the HSA plan?

You have a 3-Tier prescription drug coinsurance plan with minimum and maximum copays that allows you to get a prescription drug even if it's not on the BCBSNM Drug List (formulary). This Drug List is the list of approved drugs that are covered by your plan.

The amount you will pay is based on whether you are receiving a generic drug or a brand-name drug AND whether the drug is on our Drug List.



Tier 1: You pay this amount when you receive a generic drug.

Tier 2: You pay this amount when you receive a brand-name drug that is on our Drug List and no generic is available.

Tier 3: You pay this amount when you receive a brand-name drug that is not on our Drug List.

Your prescription drug benefits also feature Preventive Drug coverage for certain classes of medicines (e.g., drugs for asthma, diabetes, cholesterol-lowering, contraceptives, and osteoporosis). These Preventive Drugs are available at a lower out-of-pocket expense to you based on which tier they are under on our formulary.

See your Prescription Drug Plan Rider for details including copay and coinsurance amounts, limitations, and exclusions.

Are out-of-network benefits covered?

Please refer to your Summary of Benefits for benefits that are not covered out-of-network.

Do I have preventive coverage under the Western Refining HSA plan?

Yes.

In-Network: Adults and children age 7 and older – the plan pays 100 percent after the office visit copay, not subject to the deductible. Children under age 7 – the plan pays 100 percent with no limit, not subject to the deductible.

Out-of-Network: Adults and children age 7 and older – the plan pays 70 percent based on the allowable charge, not subject to the deductible. Children under age 7 – the plan pays 100 percent based on the allowable charge with no limit, not subject to the deductible.



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