

MEDICA®

MINNESOTA



## MEDICA DIRECT SHORT-TERM<sup>SM</sup>

Health plans as individual as you and your family.

For coverage beginning July 1, 2009 through June 30, 2010.

Dear Prospective Member:

Thank you for your interest in Medica Direct Short-Term.<sup>SM</sup> We believe that this plan represents one of the best values in the marketplace, from a trusted name, and backed by superior service.

In the next pages you will find benefit details and learn how to apply for coverage. After you review the plan highlights and other information in this brochure, please work with your Medica broker or call us if you have questions to ensure you understand all that this plan has to offer.

Again, thank you for your interest in Medica. We look forward to hearing from you!

Sincerely,

A handwritten signature in black ink, appearing to read "Craig".

Craig Ashby  
Director, Individual Products  
Medica



## For times of transition.

A job search. A layoff. Graduation from college. A new business venture. Whatever the reason, there are times when you find yourself without health care coverage. Yet without a comprehensive health plan, you can jeopardize your future financial well being.

That's why there's Medica Direct Short-Term, a plan for individuals and families who need quality health care coverage during times of transition. By offering 30, 60 or 90 days of coverage, this innovative plan provides everything you need to avoid the financial risk associated with major medical expenses.

## Three easy steps to peace of mind:

- Step 1.** Choose the deductible level that fits your needs: \$1,000, \$1,500, \$2,000 or \$2,500.
- Step 2.** Choose the length of time you or your family will be covered: 30, 60 or 90 days.
- Step 3.** Decide when you need coverage to start: Either the day we receive your completed application and payment or any date you choose within 60 days of signing the application.

## Who is eligible?

You are eligible for Medica Direct Short-Term if you reside in Minnesota and are age 18 through age 64, and not covered by Medicare. Dependent children are covered up to age 25.

## Get started now.

To apply for a Medica Direct Short-Term health plan, simply follow these steps:

- Step 1.** Fill out an application completely. You can obtain an application online at [medica.com](http://medica.com), by calling your broker, or by contacting Medica's Sales Department.
- Step 2.** Include all dependents to be covered on the application.
- Step 3.** Include your full policy payment with the application. Your application will not be accepted if payment is not received in full. Refer to the premium chart when calculating your premium or contact Medica to determine your rate.
- Step 4.** Submit your completed application online or mail it to the address provided on the form.



## Rate guide

Your premium depends upon age, length of contract, and the individual/family deductible amount that you choose. To calculate your premium, **use the rate chart below**. Your application will be returned if full payment is not submitted.

### Determining Your Premium:

First, find your deductible level and contract length of time. Then, add the rates for yourself and (if applicable) spouse and dependent children. The premium amount is the amount you must send with your application. Note that if you and/or your spouse have a birthday during the first month of coverage, you should use the new age(s) to determine your rate.

DEDUCTIBLE LEVELS												
Age	\$1,000			\$1,500			\$2,000			\$2,500		
	30 Day	60 Day	90 Day	30 Day	60 Day	90 Day	30 Day	60 Day	90 Day	30 Day	60 Day	90 Day
18-24	\$51.73	\$103.46	\$155.19	\$44.72	\$89.44	\$134.16	\$38.61	\$77.22	\$115.83	\$33.95	\$67.90	\$101.85
25-29	\$51.73	\$103.46	\$155.19	\$44.72	\$89.44	\$134.16	\$38.61	\$77.22	\$115.83	\$33.95	\$67.90	\$101.85
30-34	\$56.99	\$113.98	\$170.97	\$49.27	\$98.54	\$147.81	\$42.54	\$85.08	\$127.62	\$37.41	\$74.82	\$112.23
35-39	\$63.57	\$127.14	\$190.71	\$54.96	\$109.92	\$164.88	\$47.45	\$94.90	\$142.35	\$41.72	\$83.44	\$125.16
40-44	\$71.54	\$143.08	\$214.62	\$61.85	\$123.70	\$185.55	\$53.40	\$106.80	\$160.20	\$46.95	\$93.90	\$140.85
45-49	\$82.68	\$165.36	\$248.04	\$71.48	\$142.96	\$214.44	\$61.72	\$123.44	\$185.16	\$54.27	\$108.54	\$162.81
50-54	\$111.42	\$222.84	\$334.26	\$96.33	\$192.66	\$288.99	\$83.17	\$166.34	\$249.51	\$73.13	\$146.26	\$219.39
55-59	\$134.55	\$269.10	\$403.65	\$116.33	\$232.66	\$348.99	\$100.43	\$200.86	\$301.29	\$88.31	\$176.62	\$264.93
60-64	\$154.22	\$308.44	\$462.66	\$133.33	\$266.66	\$399.99	\$115.11	\$230.22	\$345.33	\$101.22	\$202.44	\$303.66
1 child	\$40.17	\$80.34	\$120.51	\$34.72	\$69.44	\$104.16	\$29.98	\$59.96	\$89.94	\$26.36	\$52.72	\$79.08
2 children	\$80.34	\$160.68	\$241.02	\$69.44	\$138.88	\$208.32	\$59.96	\$119.92	\$179.88	\$52.72	\$105.44	\$158.16
3+ children	\$120.51	\$241.02	\$361.53	\$104.16	\$208.32	\$312.48	\$89.94	\$179.88	\$269.82	\$79.08	\$158.16	\$237.24

**Note:** Newborns under 90 days are not eligible for coverage.

### Self-only Example:

A person age 28 who wants coverage for 90 days with the \$2,000 deductible level would pay:

Applicant	\$115.83
Total Amount to Submit:	\$115.83

### Family Example:

A family with age 30 applicant, age 28 spouse and 2 children for 60 days with the \$1,500 deductible level:

Applicant	\$98.54
Spouse	+ \$89.44
2 children	+ \$138.88
Total Amount to Submit:	\$326.86

**Refunds:** Once you have been accepted into the Medica Direct Short-Term plan, your premium will not be refunded.

Rates are valid for policies with an effective date of July 1, 2009 through June 30, 2010.

**Medica Direct Short-Term**

	Lowest deductible	Middle deductibles		Highest deductible
<b>Deductible</b>	\$1,000 Family maximum of 3 times	\$1,500 Family maximum of 3 times	\$2,000 Family maximum of 3 times	\$2,500 Family maximum of 3 times
<b>Out-of-pocket maximum*</b>	\$2,000 Family maximum of 3 times	\$2,500 Family maximum of 3 times	\$3,000 Family maximum of 3 times	\$3,500 Family maximum of 3 times
<b>Lifetime maximum per person</b>	\$1 million			
<b>Immunizations to age 18 and child health supervision to age 6,</b> includes preventive services, developmental assessments and lab service	100% (deductible doesn't apply)			
<b>Pre-natal care</b>				
<b>Office visits for sickness and injury</b>				
<b>Inpatient and outpatient hospital services</b>				
<b>Inpatient and outpatient X-ray and lab services</b>				
<b>Emergency care and ambulance service</b>				
<b>Medical supplies</b>	80% after deductible			
<b>Chiropractic, occupational, physical and speech therapy</b>				
<b>Home health care up to \$25,000 for the policy term</b>				
<b>Skilled nursing facility services</b>				
<b>Formulary prescription drugs</b>				
<b>Delivery and post-delivery care</b>	No coverage			
<b>Office visits for screenings and physicals</b>				

\*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 or coinsurance, and the difference between Medica's non-network reimbursement amount (generally based on a fee schedule) and the non-network provider's billed charges. The difference between Medica's non-network reimbursement amount and the non-network provider's billed charges does not apply to your out-of-pocket maximum.

**Pre-existing conditions:** No coverage for pre-existing conditions during the entire term of the policy. Pre-existing conditions are physical or mental conditions for which you had medical treatment, symptoms or any manifestations before your enrollment date.

**Exclusions:** Services not covered include pre-existing conditions; mental health; pregnancy and childbirth (prenatal care is covered); contraceptives; smoking cessation drugs; private-duty nursing; custodial care or rest care; eye wear; most dental services; cosmetic services; refractive eye surgery; infertility services; services that are investigational, not medically necessary or received on military duty; care outside the United States and physical examinations.

**This is only a summary. Refer to the Medica Direct Short-Term policy for a detailed description of what is and is not covered. If you have questions, call Medica's Sales Department at 952-992-2080 or 1-800-670-5935.**

You should read your policy carefully. This summary of benefits provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will determine your benefits. The policy itself sets forth in detail the rights and obligations of both you and Medica Insurance Company. It is therefore important that you read your policy carefully.

### Visit [MainStreetMedica.com](https://www.MainStreetMedica.com) for important online tools

This resource can help you stay in control and make informed decisions, including:

- Personalized health information for each covered family member
- Decision-support tools:
  - Treatment cost estimator — you choose how much to spend
  - Quality data on hospitals, physicians, clinics, radiology centers, surgery centers, pharmacies and other healthcare providers
  - Health-related news and articles
- The Medica Prescription Drug Formulary List (for covered drugs)
- Find a Doctor locator

### Network Choice

You may see medical providers of your choice. More than 96% of Minnesota providers are in Medica's network. You receive the highest level of benefits and the lowest out-of-pocket costs when you use providers that are part of the Medica network. If you choose to receive services or supplies from a non-network provider, you are responsible for both any deductible, coinsurance or copayment owed and the difference between Medica's non-network reimbursement amount (generally based on a fee schedule) and the charges amount billed by the non-network provider.





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

### **Coinsurance**

This is a percentage of the covered amount that you pay yourself for certain healthcare services.

### **Deductible**

The fixed-dollar amount you pay each plan year before the plan begins to pay for covered services. Charges that aren't covered by your plan don't count toward satisfying the deductible.

### **Formulary**

A list of covered prescription drugs. The Medica Formulary is the expansive list of drugs approved by Medica's independent review team of physicians and pharmacists for treatment of a wide variety of conditions.

**Network Provider**

A term used to describe a provider who has entered into a written agreement with Medica or has made other arrangements with Medica to provide benefits to you. The network of providers will change from time to time.

**Pre-existing condition**

A pre-existing condition is a health condition in which you required medical treatment or exhibited any symptoms at any point before your enrollment date. Pre-existing conditions are not covered under the Medica Direct Short-Term plan.

**Policy term and termination**

The policy is issued for the number of days you select: 30, 60 or 90 days. You may terminate the policy if we receive written notification within 10 days of the effective date only. This policy may not be renewed but you may re-apply as long as you do not exceed Minnesota's short-term coverage limit of no more than 365 days within a 555 day period. The subsequent policy will not be a continuation of the first policy. Any condition which may have been covered by the first policy will be considered a pre-existing condition and will not be covered by a subsequent policy.

## Contact us.

For more information contact your local Medica broker or give Medica a call at:

952-992-2080 or 1-800-670-5935

TTY: 952-992-3650 or 1-800-234-8819

8 a.m. – 5 p.m. Monday – Thursday;

9 a.m. – 5 p.m. Friday.

You may also visit us at [www.medica.com](http://www.medica.com) or e-mail us at [medicaidindividualproducts@medica.com](mailto:medicaidindividualproducts@medica.com).



## Notice concerning policyholder rights in an insolvency under the Minnesota Life and Health Insurance Guaranty Association law

If the insurer that issued your life, annuity, or health insurance policy becomes impaired or insolvent, you are entitled to compensation for your policy from the assets of that insurer. The amount you recover will depend on the financial condition of the insurer.

In addition, residents of Minnesota who purchase life insurance, annuities, or health insurance from insurance companies authorized to do business in Minnesota are protected, subject to limits and exclusions, in the event the insurer becomes financially impaired or insolvent. This protection is provided by the Minnesota Life and Health Insurance Guaranty Association.

### **Minnesota Life and Health Insurance Guaranty Association**

4760 White Bear Parkway

Suite 101

White Bear Lake, MN 55110

Telephone: 651-407-3149

Fax: 651-407-3150

The maximum amount the guaranty association will pay for all policies issued on one life by the same insurer is limited to \$300,000. Subject to this \$300,000 limit, the guaranty association will pay up to \$300,000 in life insurance death benefits, \$100,000 in net cash surrender and net cash withdrawal values for life insurance, \$300,000 in health insurance benefits, including any net cash surrender and net cash withdrawal values, \$100,000 in annuity net cash surrender and net cash withdrawal values, \$300,000 in present value of annuity benefits for annuities which are part of a structured settlement or for annuities in regard to which periodic annuity benefits, for a period of not less than the annuitant's lifetime or for a period certain of not less than ten years, have begun to be paid on or before the date of impairment or insolvency, or if no coverage limit has been specified for a covered policy or benefit, the coverage limit shall be \$300,000 in present value. Unallocated annuity contracts issued to retirement plans, other than defined benefit plans, established under section 401, 403(b), or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1992, are covered up to \$100,000 in net cash surrender and net cash withdrawal values, for Minnesota residents covered by the plan provided, however, that the association shall not be responsible for more than \$7,500,000 in claims from all Minnesota residents covered by the plan. If total claims exceed \$7,500,000, the \$7,500,000 shall be prorated among all claimants. These are the maximum claim amounts. Coverage by the guaranty association is also subject to other substantial limitations and exclusions and requires continued residency in Minnesota. If your claim exceeds the guaranty association's limits, you may still recover a part or all of that amount from the proceeds of the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The guaranty association assesses insurers licensed to sell life and health insurance in Minnesota after the insolvency occurs. Claims are paid from this assessment.

The coverage provided by the Guaranty Association is not a substitute for using care in selecting insurance companies that are well managed and financially stable. In selecting an insurance company or policy, you should not rely on coverage by the Guaranty Association.

This notice is required by Minnesota state law to advise policy holders of life, annuity, or health insurance policies of their rights in the event their insurance carrier becomes financially insolvent. This notice no way implies that the company currently has any type of financial problems. All life, annuity, and health insurance policies are required to provide this notice.



**MEDICA**<sup>®</sup>

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