

Annual Plan Deductible Options

\$0 • \$100 • \$150 • \$250 • \$500 • \$750 • \$1000 • \$1500 • \$2000 • \$2500 • \$3000 • \$4000

MEDICARE PART A

Hospitalization

Semi-private room and board, general nursing and miscellaneous services and supplies.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
First 60 days	All but \$1,216	\$1,216 - Part A Deductible	\$0 After You Have Satisfied Your Annual Plan Deductible
Days 61 through 90	All but \$304 per day	\$304 per day	
Days 91 through 150 (60 lifetime reserve days)	All but \$608 per day	\$608 per day	
Additional 365 days	\$0	100% of Medicare Eligible Expenses	

Private Duty Nursing Benefits Available with Seniors Choice Optional Plans

Skilled Nursing Facility

You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare approved facility within 30 days after leaving the hospital.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
First 20 days	All approved amounts	\$0	\$0 After You Have Satisfied Your Annual Plan Deductible
Days 21 through 100	All but \$152 per day	Up to \$152 per day	
Days 101 and after	\$0	\$0	100%

Additional Skilled Nursing Facility Benefits Available with Seniors Choice Optional Plans

Blood

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
First 3 pints	\$0	100%	\$0 After You Have Satisfied Your Annual Plan Deductible
Additional Amounts	100%	\$0	

All Medicare deductibles are included in plan deductible(s).
Co-payments apply after the Annual Plan Deductible has been satisfied

Medical Services

In or out of the hospital and Outpatient Hospital Treatment - All Part B services covered after Annual Plan Deductible has been satisfied and the co-payment amount has been paid. Medicare Part B deductible is included in the Annual Plan Deductible.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
First \$147 of Medicare approved amounts	\$0	\$147	Co-pay After You Have Satisfied Your Annual Plan Deductible
Remainder of Medicare approved amounts	80%	20%	
Part B Excess charges - above Medicare approved amounts	\$0	100%	
*Medical Services Co-payment Amounts by Service			
Doctor's Office Visit per visit			\$10 Co-pay
X-rays or Lab Work in Doctor's Office per visit			\$10 Co-pay
X-rays or Lab Work in Outpatient Facility per visit			\$20 Co-pay
Outpatient Services per visit			\$20 Co-pay
Durable Medical Equipment			\$10 Co-pay
Co-payments apply after the Annual Plan Deductible has been satisfied.			

Emergency Room

SERVICES	YOU PAY
Emergency Room Professional Services per visit for non-hospital admission (Applies to both co-pay and no co-pay plans)	\$100 Co-pay

Blood

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
First 3 pints	\$0	100%	\$0 After You Have Satisfied Your Annual Plan Deductible
Additional Amounts	80%	20%	

Clinical Laboratory Services

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
Blood tests for Diagnostic Services	100%	0%	\$10 After You Have Satisfied Your Annual Plan Deductible

MEDICARE PARTS A & B

Home Health Services

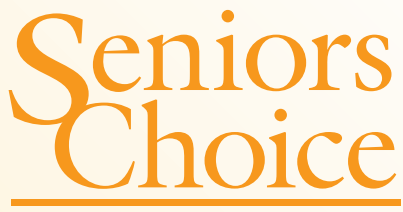
Covered when provided by a Medicare certified Home Health Agency.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
Limited to reasonable and necessary part-time or intermittent skilled care	100%	\$0	\$0 After You Have Satisfied Your Annual Plan Deductible
Health equipment not limited to hospital beds, oxygen and medical supplies for use at home	80%	20%	

At Home Recovery Benefits Available with Seniors Choice Optional Plans

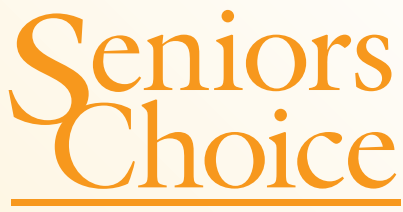
Foreign Travel Emergency Care

Benefits provided for Medicare approved expenses during first 60 days of a trip outside USA. After a \$250 calendar year deductible, Seniors Choice Plan pays at 80%, up to \$50,000 lifetime maximum.



Group Retiree Medical Eligibility Guidelines

1. Seniors Choice is a Group Retiree Medical program sponsored by an employer group or similar organization. These sponsoring entities may have as few as one (1) employee, retiree, or owner.
2. Seniors Choice may be sold to Proprietorships, Partnerships, LLC's, Corporations, Unions, Government entities, non-profit organizations, and in some cases, associations. MBA, Inc. is required to verify documentation submitted by a sponsoring entity to confirm that it is a legitimate entity and that it qualifies for the Seniors Choice Group Retiree Medical Plan underwritten by Guarantee Trust Life. The following documentation is required:
 - a. Proprietorship/Corporations – Schedule C or Occupational/Business License or Federal Tax documents verify business status.
 - b. Partnership or LLC – Form 1065 or other Federal Tax documents verifying business status.
 - c. Unions – Letter of Resolution and Federal Documents verifying status. By-laws may be required to verify that a union associated entity has authority to negotiate for benefits on behalf of the Union.
 - d. Government – Municipal, State or Federal Documents verifying status.
 - e. Non-profit/Religious Organization – Letter of Authority or Federal Documents verifying non-profit or religious based status.
 - f. Associations – Association Charter & By-laws, based on type of association and prior approval by MBA, Inc.
3. The sponsoring entity must complete and sign the Employer Trust Participation Agreement (ETPA). The signatory must be authorized to sign the ETPA and may include an Owner, Corporate Officer, Board Member, Trustee, Legal Counsel or Human Resource Executive. In some cases, a Letter of Authority must be submitted on Group letterhead advising that the signer is authorized to sign the ETPA.
4. The ETPA and Member Enrollment Forms must be received by the 5th day of the coverage month in order to enroll participants in the medical plan for that coverage month.
5. Coverage with previous insurance carriers should not be cancelled until approval has been received in writing from MBA, Inc.
6. The sponsoring entity can select which optional benefits they wish to offer; however, enrollment in these chosen optional benefit plans is mandatory for all participants regardless of who pays the premium.
7. Groups with less than 20 employees may enroll eligible employees who are 65 and older, with Medicare Parts A and B, and currently eligible for an employer sponsored group health plan (See TEFRA and Medicare Secondary Payer Guidelines).



Group Retiree Medical Eligibility Guidelines

8. Groups who currently employ, or have employed 20 or more part-time and full-time employees combined during the previous calendar year, may not enroll anyone 65 and over who is currently eligible for the employer group sponsored plan.
9. Eligible participants include:
 - a. Retirees/employees at least 65 years old and enrolled in Medicare Parts A and B.
 - b. Current and surviving spouses or domestic partners at least 65 years old enrolled in Medicare Parts A and B. An affidavit of Domestic Partnership is required to be submitted with the enrollment application for those enrollees adding a domestic partner.
 - c. Retirees/employees not eligible for Medicaid.
 - d. Non-TEFRA-eligible active employees at least 65 years old enrolled in Medicare Parts A and B.
 - e. Retirees/employees not covered under a Medicare Supplement policy, certificate or any other plan that is secondary to Medicare. However, if the retiree/employee is cancelling the other coverage, proof of cancellation will be required within 30 days of the effective date of enrollment in a Seniors Choice plan.
 - f. Retirees/employees not covered by an employer's health plan which is primary to Medicare due to that retiree's/employee's employment. However, if the retiree/employee or employer group is cancelling the other coverage, proof of cancellation will be required within 30 days of the effective date of enrollment in a Seniors Choice plan.
 - g. Retirees/employees who are not confined to a Hospital or Skilled Nursing Home on the effective date of coverage. If a retiree/employee or dependent spouse is confined to such a facility on the effective date of coverage, coverage will be delayed until the first day of the month that follows the date of release from the facility.
10. Eligible participants may enroll in a plan at plan inception, within 30 days of retirement, upon age-in to Medicare or when terminating from another plan or during the annual open enrollment period.
11. Participants in groups with multiple plan offerings may switch to a higher deductible plan during the annual open enrollment period.
12. Monthly premium rates will be based on the rating area of the sponsoring entity, not on the location of the individual plan participants.
13. If the program is employer paid, the employer must submit the first month's premium for the participating retiree(s) with the ETPA and enrollment form(s). If the program is retiree paid, each enrollee must submit premium with the enrollment form. Premium remittance should include a \$10 per member per month administration fee. Checks are to be made payable to Seniors Choice.
14. Groups with 250 or more eligible retirees, when at least 50% of the premium is paid by the group, must be submitted by the agent to MBA for acceptance, in advance of signature of the ETPA. Custom rates and plan designs may be available for such groups.

How Deductibles Work

Seniors Choice Group Retiree Medical Plans allow the member to choose their own deductible. When services are obtained from a physician or facility that accepts Medicare, the member first meets their plan deductible and then benefits are paid per the benefit summary. The Medicare deductibles are paid by the plan. Please see the example below for an illustration of how the plan works:

Example

Enrolled in Seniors Choice \$500 Deductible Plan Option Medicare Part B (Outpatient Charges)

Medicare Part B Deductible is \$147. This must be satisfied before Medicare pays 80%. The Seniors Choice Plan Deductible includes the \$147 Medicare Part B Deductible.

Member incurs \$1,000 in Physician Services

MEMBER'S OUT-OF-POCKET CALCULATION	
Physician's Services	\$1,000
Subtract Medicare Part B Deductible (Member pays this amount)	(\$147)
Remaining Balance	\$853
Subtract the 80% that Medicare Pays	(\$682.40)
Amount Remaining After Medicare Pays (Member pays this amount)	\$170.60
Member's Total Out-of-Pocket	\$317.60

Of the original \$1,000 charges for Physician's Services, \$682.40 has been paid by Medicare with the remaining \$317.60 the responsibility of the member.

REMAINING ANNUAL DEDUCTIBLE CALCULATION	
Seniors Choice Annual Plan Deductible	\$500
Subtract Out-of-Pocket amount paid by member which includes the Medicare Part B Deductible	(\$317.60)
Remaining Annual Plan Deductible	\$182.40

Medicare Part A (Inpatient Charges)

Member incurs \$200 in Inpatient charges.
Member's Out-of-Pocket cost would be \$200.
This \$200 would satisfy part of the Seniors Choice Annual Plan Deductible.
\$300 of the Original \$500 Annual Plan Deductible would remain to be used across both Medicare Part A and Part B.