Shopping for a health care plan can be confusing. Let us help.

3 things you can do right now:

1. See why you need coverage
2. Understand how changes in health care affect you
3. Get answers to your questions
With all the changes in health care, we know this can be a confusing time. We’re here to help.

When 2014 comes, and you’re required by law to have health coverage, we can help you feel confident you’ve got a health coverage plan that’s right for you.

1. See why you need coverage

Protection from the unexpected
You can be careful every day and still have an accident or get sick. Health coverage protects you from the big medical bills. In the U.S., health care costs an average of $7,681² per person each year and these costs are expected to rise through 2018.³

Being healthy is easier
Preventive care services are covered at no cost to you when received from an in-network doctor. These services include annual checkups, flu shots, routine vaccinations, mammograms, screenings and more.

Average cost of care

- **1-day hospital stay**: $1,910⁴ (Physician, drugs and treatment costs not included)
- **5-day hospital stay**: $9,550⁵ (Physician, drugs and treatment costs not included)
- **Broken leg (no surgery)**: $2,500 or more⁶
- **Broken leg (with surgery)**: $17,000-35,000⁶

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¹Getting the most for our health care dollar, AMA.
³The Unsustainable Cost of Health Care, Social Security Advisory Board.
⁴statehealthfacts.org, The Henry J. Kaiser Family Foundation.
⁵National Hospital Discharge Survey, Centers for Disease Control and Prevention.
Here’s how every $1.00 you pay in premiums is spent:

- **83.3 cents** pays for services like doctor visits and prescription drugs.
- **3.4 cents** pays for federal and state taxes on the premiums you pay us.
- **8.8 cents** goes toward the costs to operate our business.
- **4.5 cents** is left for our profit.

Helpful terms to know

We’ve included these common health coverage terms for your convenience. Some of the meanings have changed with the new health care law.

**Premium**
The amount that must be paid for your health coverage or plan. Your employer may handle this through a pre-tax payroll deduction. Otherwise, you usually pay it monthly, quarterly or yearly.

**Primary Care Physician (PCP)**
A physician (M.D. — Medical Doctor or D.O. — Doctor of Osteopathic Medicine) who directly provides or coordinates a range of health care services for a patient.

**Pre-existing condition**
A health condition or illness that you have had before your first day of coverage on a new plan. Starting in 2014, pre-existing conditions don’t matter because you can’t be turned down for coverage, regardless of your medical history or health status. Plus, plans can’t charge different rates because of health status or gender.

**Co-payment**
A fixed fee that you pay out-of-pocket for each visit to a health care provider. For example, if your co-payment is $30, then you pay $30 when you see your doctor — usually at the time you receive treatment. The amount of your co-payment sometimes varies by the type of health care service you receive.

**Deductible**
This is a set amount that you pay before your plan starts paying for covered services. For example, if your deductible is $1,000, your plan won’t pay anything until you’ve met your $1,000 deductible for covered health care services subject to the deductible. The deductible may not apply to all services.

**Co-insurance**
This is the percentage of the cost of covered services that is shared by you and your insurance company after you’ve met your deductible. So if your co-insurance is 20%, your insurance company pays 80% of the cost of in-network care and you pay the remaining 20%. For example, if a doctor’s office visit costs $100, your co-insurance payment would be $20.

**Out-of-pocket limit**
The most you pay for in-network deductibles, co-insurance and co-payments during a policy period (usually a year) before your health coverage or plan begins to pay 100% of the allowed amount. This limit does not include your premium, balance-billed charges, out-of-network charges or health care your insurance or plan doesn’t cover.

Go to anthem.com and click on Health Care Reform for You
2. How changes in health care affect you

If you can’t get health coverage through your employer, you can buy an individual plan directly from an insurer like Anthem — or on a new state or federal Health Insurance Marketplace.

Changes you’ll like in 2014
• Your coverage is guaranteed, regardless of your health.
• There are no lifetime dollar limits on covered services.
• You get preventive care at no additional cost.

Financial help is available
Starting in 2014, the federal government will help some Americans pay for part, or in some cases all, of their health insurance premium. That’s called a subsidy. To be eligible, you cannot have affordable coverage through an employer or qualify for coverage through Medicare or Medicaid, and your household income must be below 400% of the federal poverty level.

If you don’t get a health plan in 2014 ...
You may have to pay a penalty, unless you qualify for an exemption. In 2014, the penalty is the greater of $95 per adult and $47.50 per child (up to $285 per family) or 1% of your annual income. By 2016, the penalty increases to the greater of $695 or 2.5% of income.4

If you don’t have a health care plan by:

<table>
<thead>
<tr>
<th>Year</th>
<th>Penalty</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>Greater of $95 or 1% of taxable income</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>Greater of $325 or 2% of taxable income</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>Greater of $695 or 2.5% of taxable income</td>
<td></td>
</tr>
<tr>
<td>2017 and beyond</td>
<td>Yearly adjustments</td>
<td></td>
</tr>
</tbody>
</table>

1Less than 400% of the federal poverty level as of 2012.
3Less than 250% of the federal poverty level as of 2012.
4Unless you qualify for an exemption.

By 2016, a couple with an annual household income of $60,000 could pay a penalty of $1,500 if they don’t have health coverage.

Go to anthem.com and click on Health Care Reform for You
3. Get answers to your questions

Q. What’s a provider network?
A: It’s a group of doctors, hospitals and other medical providers that agree to accept lower rates for covered services of a health plan. You save money by choosing providers in your plan’s network.

Q: Do I have to meet my deductible before my benefits start?
A: It depends on the type of plan you choose. Preventive care benefits start as soon as you enroll. Some plans just require a co-payment for an office visit, even if the deductible has not been met yet.

Q: What exactly is preventive care?
A: It’s the care that helps you stay healthy. You get it in every bronze, silver, gold and platinum plan at no additional cost.¹

- Annual checkups
- Routine vaccinations
- Screenings, like cholesterol tests
- Flu shots
- Mammograms
- Vision exams for kids

Q. What do I need to know about bronze, silver, gold and platinum plans?
A. If you buy individual coverage, you get basic benefits and preventive care with all of these plans. Your benefit coverage and costs go up with each level:

<table>
<thead>
<tr>
<th>BRONZE</th>
<th>SILVER</th>
<th>GOLD</th>
<th>PLATINUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest rates</td>
<td>Average rates</td>
<td>Higher rates</td>
<td>Highest rates</td>
</tr>
<tr>
<td>60% coverage*</td>
<td>70% coverage*</td>
<td>80% coverage*</td>
<td>90% coverage*</td>
</tr>
<tr>
<td>You would pay 40% of your health care costs</td>
<td>You would pay 30% of your health care costs</td>
<td>You would pay 20% of your health care costs</td>
<td>You would pay 10% of your health care costs</td>
</tr>
</tbody>
</table>

*Based on a standard population, the plan pays this percentage of health care expenses.

¹Nationally recommended preventive care services received in-network have no co-pay and no deductible requirement.

Continued on next page
Get answers (cont.)

Q: Can I get prescription drug benefits?
A: All health plans include some prescription drug coverage, but specific benefits vary. See if the plan covers medications you take regularly and review all types of medications covered. If convenience is important to you, find out if the plan offers a home delivery program.

Q: What if I want specific benefits like dental coverage that aren’t part of a medical plan?
A: As part of the new health care laws, dental and vision benefits for kids will be either included in your health plan or available as a separate policy. We also offer dental and vision plans for adults.

Q. How can I find out if I’m eligible for financial help on my health care plan?
A. You can use our easy Subsidy Estimator anytime to find out if you qualify for financial help. Check back soon at anthem.com for the latest updates.

Helpful tools at your fingertips

If you’re buying an individual health plan, these tools will make it easier to understand health care changes and how they may affect you. Check anthem.com for our latest tools to help guide you through the changes in health care.

**Health Care Reform Hub**
Get the latest news and information, including details about coverage in your state, at anthem.com.

**Step-by-Step Checklist**
Use the checklist on the opposite page to get ready for changes in health care.

**Interactive Shopping Guide**
Compare different types of health coverage plans in no time. Available in fall 2013.

**Subsidy Estimator**
See if you qualify for financial help with our easy-to-use estimator. Available in fall 2013.

**Free Instant Quote**
Shop for quality health plans and get a free instant quote — with no obligation. Available in fall 2013.
Step-by-Step Checklist

Use this helpful checklist to get ready for changes in health care.

- **Review basic health coverage terms and their meanings.** See page 3 of this guide. This will help you understand benefits and compare plans.

- **See if you qualify for financial help for your health coverage costs.** Start gathering basic information about your household income. If you qualify to get a break on costs, you’ll need income information to find out how much you’re eligible for. You can use our Subsidy Estimator starting in fall 2013.

- **Decide if you want to add adult dental and vision coverage.**

- **Review your budget to figure out how much you can pay for a plan.**

- **Make a list of questions to ask before buying a plan, including:**
  - Can I keep my current doctor?
  - Does the plan cover health coverage in another state or country when I’m traveling?
  - Does the plan work with a health savings account (HSA)?
  - How will the plan cover my pre-existing condition?
    
    *Write your pre-existing condition(s) here:* __________________________________________________________
  
  - What kind of prescription drug coverage does it offer? Does it cover my prescriptions?
    
    *Write any additional questions here:*

    __________________________________________________________

    __________________________________________________________

- **Know your options and watch for more information.** Starting in October 2013, you can find out more about all the plans available to you. In the meantime, continue to visit anthem.com for more information.

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Go to anthem.com and click on Health Care Reform for You
We’re here to help

Americans have trusted Anthem Blue Cross and Blue Shield for generations. We’re here to protect you from the high cost of health care — and give you access to quality health care from quality doctors. Plus you can count on us to help you make sense of the latest changes in health care so you can make the right choice for you and your family.

Go to anthem.com and click on Health Care Reform for You
Or call us anytime at the number listed on your ID card