Premera Network Tiering: Balance Small Group Plans Example

The Balance small group plans use a tiered provider network structure. The value of the discounts Premera has negotiated in other networks applies and caps most out-of-network charges to the allowed amount. **Assumptions:** This example assumes the deductible has been met and the service received is subject to coinsurance, not office visit copays. Contract allowed amounts may vary by service.

<table>
<thead>
<tr>
<th>Tier &gt;</th>
<th>In-Network Tier</th>
<th>Out-of Network-but-contracted tier</th>
<th>Out-of-Network, no-contract-at-all tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider’s Contract</td>
<td>Contracted to be in the Heritage Signature network.</td>
<td>Not in Heritage Signature, but contracted with Premera Blue Cross or LifeWise in the Global, Heritage, Foundation, or LifeWise Preferred network.</td>
<td>Not contracted in any Premera or LifeWise provider network.</td>
</tr>
<tr>
<td>Network Status</td>
<td>In-Network</td>
<td>Out-of-Network - Contracted</td>
<td>Out-of-Network – Non-contracted</td>
</tr>
<tr>
<td>Benefit Level</td>
<td>80% / “Contract Allowed” applies</td>
<td>50% / “Contract Allowed” applies</td>
<td>50% / “Balance Billing” applies</td>
</tr>
</tbody>
</table>
| Balance Plan | “Allowed” = $70  
PBC pays $56  
Member pays $14  
Provider write-off = $30 | “Contract Allowed Max” = $70  
PBC pays $35  
Member pays $35  
Provider write-off = $30 | “Allowed” does not apply  
PBC pays $35 (joint payee)  
Member pays $65 - Member pays 50% and “balance billed” $15. No provider write off. |

Services are in-network costs, all medical and pediatric dental (embedded in the medical plan) co-pays, deductibles and coinsurance apply toward the out-of-pocket maximum.

Services are out-of-network costs based on Premera negotiated contracts. Member cannot receive a “balance” bill for the additional costs. All member costs incurred **DO NOT** apply toward the out-of-pocket maximum.

True out-of-network costs that **DO NOT** apply to the out-of-pocket maximum. VERY few providers are not contracted in any Premera network.