

**GRACE COTTAGE  
EMPLOYEE GROUP MEDICAL PLAN(S)  
SUMMARY OF MATERIAL MODIFICATIONS**

The Medical Benefit Plan(s) offered by Grace Cottage and administered by Health Plans, Inc. are amended to include a revised definition of Allowed Amount to clarify how payment for Out-of-Network Emergency Care services is made under the Plans; and to clarify that the Plan excludes claims related to state-mandated auto insurance for which the policy provides optional coverage to the extent the Covered Person elects such optional coverage; and to reflect revised administrative practices related to precertification requirements for chemotherapy and radiation therapy services. The provisions below are in addition to and supersede any contrary provisions detailed in the Plan Document(s) and/or Summary Plan Descriptions.

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**The Plan(s) are hereby amended to update the provisions below, effective as of the date specified for each provision:**

**The current definition of Allowed Amount is replaced with the following:**

**Allowed Amount** – the maximum amount the Plan will pay an Out-of-Network Provider for Covered Services minus any applicable Coinsurance, Co-payment or Deductible a Covered Person may be responsible for under the Plan. Covered Persons may be responsible for paying the balance of these claims after the Plan pays its portion, if any. The Allowed Amount for services received from an Out-of-Network Provider depends upon where the services are provided.

**Out-of-Network non-Emergency Care Received In New England**

If non-Emergency Care is received from an Out-of-Network Provider in New England, the Allowed Amount is defined as follows:

An amount that is consistent with historically accepted reimbursements, commercial pricing benchmarks, accepted Medicare rates, preferred provider contractual reimbursements and geographic adjustments

**Out-of-Network non-Emergency Care Received Outside New England**

If non-Emergency Care is received from an Out-of-Network Provider located outside of New England, payment of the Allowed Amount is applied based on the following order of payment:

- Fee(s) that are negotiated with the Physician or facility;
- 200% of the published rates allowed by the Centers for Medicare and Medicaid Services (CMS) for Medicare for the same or similar service within the geographic area; or
- 50% of the billed charges

The specific reimbursement formula used for services provided by an Out-of-Network Provider located outside of New England will vary depending upon the Physician or facility providing the service(s) and the type of service(s) received.

**Out-of-Network Emergency Care**

If Emergency Care is received in the emergency department of an Out-of-Network Hospital, the Plan will cover the services at the In-Network Deductible, Co-payment and Coinsurance levels, as applicable, and the Out-of-Network Provider will be paid an Allowed Amount defined as an amount based on either: i) a discount agreement; ii) a provider network rate; or iii) a negotiated amount. If the claim cannot be priced at one of the foregoing amounts, the Allowed Amount will be paid at billed charges.

**Effective January 1, 2018**

The following provisions related to mandatory no-fault automobile insurance are replaced with the following:

#### MEDICAL LIMITATIONS AND EXCLUSIONS

Expenses incurred in connection with an automobile accident for which benefits payable hereunder are, or would be otherwise covered by, mandatory no-fault automobile insurance or any other similar type of personal injury insurance required by state or federal law, without regard to whether or not the Covered Person actually had such mandatory coverage. Any claims which arise in connection with an automobile accident for which the policy provides an option for medical coverage are excluded to the extent the Covered Person elects such optional medical coverage. This exclusion does not apply if the injured Covered Person is a passenger in a non-family owned vehicle or a pedestrian.

#### COORDINATION OF BENEFITS

##### Vehicle Limitation

When medical payments are available under any vehicle insurance, this Plan shall pay excess benefits only, without reimbursement for vehicle plan and/or policy deductibles. This Plan shall always be considered secondary to such plans and/or policies and will exclude benefits subject to the Medical Limitations and Exclusions provisions set forth in this Plan. This applies to all forms of medical payments under vehicle plans and/or policies regardless of their names, titles or classifications.


Effective January 1, 2021

Precertification requirements for chemotherapy and radiation therapy services are revised as follows:

- Precertification is not required for chemotherapy support drugs; precertification is required for all other chemotherapy services, including services administered in a physician's office
- Precertification is required for Intensity-Modulated Radiation Therapy (IMRT)

Effective October 1, 2021

Accepted by:  
Grace Cottage

  
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Authorized Signature  
Jennifer Newman  
\_\_\_\_\_  
Print Name

Director of HR  
\_\_\_\_\_  
Title  
9/27/2021  
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Date