

Blue Shield of California Life & Health Insurance Company

Vision Plan Proposal

For groups with 2-50 enrolling employees

Prepared for:

Company name

Prepared by Date

Thank you for considering Blue Shield of California Life & Health Insurance Company (Blue Shield Life) for your group vision coverage.

This proposal is for **Vision Standard, Vision Plus and Vision Deluxe** plans and includes a summary of the underwriting assumptions, vision benefits and a rate quote used in preparing this quote. For further information, please contact your Blue Shield sales representative.

Blue Shield Vision Plan Advantages

We have a portfolio of vision plans to support your company's needs for quality eye care for your employees in a package that's right for your bottom line.

A great benefit for employees

Vision coverage is a valuable component of a complete benefits package. Your employees will benefit from access to vision exams, corrective eyewear and screening for eye diseases and diabetes.

One less obstacle

\$0 eye exam copayments on all vision plans make eye exams more affordable for members.

Promotes good overall health

Routine eye exams provide early detection of eye diseases such as glaucoma and macular degeneration as well as systemic conditions such as diabetes and hypertension. All vision plans include diabetes management referral when the member uses in-network providers. Being proactive about diagnosis and early treatment of vision problems helps keep medical costs down and keep employees healthier, which improves productivity.

Rich benefit for lenses, frames and special vision needs

Our plans with a \$130 frame allowance also include coverage for: progressive lenses, photochromic lenses, and anti-reflective coating. All our vision plans also offer coverage for standard lenses every 12 months with a qualified prescription change. All vision plans also offer coverage for low vision supplemental testing and low vision aids as well as plano (non-prescription) sunglasses for post-laser vision correction surgery patients.

Low out-of-pocket expenses

When members receive their eye examinations and eyewear through the provider network, the member's expense is your plan's chosen copayment and any amount above the allowable amount for eyewear. The copayment is an annual cost applicable to an exam and eyewear.

Extensive provider network¹

Our vision plans offer access and choice, with a provider network that includes more than 5,600 ophthalmologists, optometrists, and opticians in California and nearly 18,000 providers nationwide. Providers must meet stringent NCQA credentialing standards and are regularly reviewed for customer satisfaction and service performance.

Retail providers

Our vision plans offer access to major optical retail chains, including: Wal-Mart, LensCrafters, Target Optical, Sears, Pearle Vision, Site for Sore Eyes, and For Eyes Optical with convenient evening and weekend hours.

Access to non-participating providers

Employees and their families can choose non-participating providers and receive benefits up to the maximum allowance.

It's Blue Shield!

Blue Shield has the reputation and stability you can trust, and we are leading the way to reduce costs and improve care with a comprehensive approach to healthcare management and a caring, personal touch. We have been a healthcare innovator for 70 years, and have been a not-for-profit organization since our inception. Blue Shield is passionate about supporting the overall health and wellness of our member.

¹ Vision plan providers in and out of California are available through a vision plan administrator.

Vision Plan Benefit Summary

When your employees choose a participating provider (and have met the copayment, if applicable) they have no additional out-of-pocket expenses for frames costing up to \$100, \$120 or \$130 and lenses up to 61 mm eyesize. If they select a non-participating provider, they are reimbursed up to the amounts listed below.

Schedule of Allowances

Annual copayment: Eye exam \$0 Materials \$0, \$15, \$25 depending on plan selected Service and eyewear	Plan benefits after payment of applicable copayment	
	Coverage when provided by network providers	Maximum payment when provided by non-network provider
Comprehensive examination – every 12 months		
Ophthalmologic	100%	\$60
Optometric	100%	\$50
Lenses¹ – Every 12 or 24 months² depending on the plan selected		
Single Vision	100%	\$43
Bifocal	100%	\$60
Trifocal	100%	\$75
Aphakic or lenticular monofocal	100%	\$120
Aphakic or lenticular multifocal	100%	\$200
Polycarbonate lens for covered dependent children	Up to \$100	\$75
Progressive lens (no-line bifocal) ³	Up to \$140	\$100
Anti-reflective coating ³	Up to \$50	\$35
Photochromic lenses ³		
Single vision	Up to \$115	\$85
Bifocal	Up to \$130	\$95
Trifocal	Up to \$150	\$110
Progressive	Up to \$200	\$150
Polycarbonate photochromic lens (for covered dependent children) ³	Up to \$160	\$115
Frame – every 12 or 24 months depending on the plan selected	Up to \$130 ⁴	\$40
Contact Lenses⁵ - every 12 or 24 months² depending on the plan selected		
Medically Necessary ⁶		
Hard	100%	\$200
Soft	100%	\$250
Elective contact lenses (Cosmetic/Convenience)	Up to \$120	\$120
Low-vision testing and equipment covered up to \$1,000⁶	75% coverage	Not covered
Plano(non-prescription) sunglasses^{5, 7}	Up to 130 ⁴	Not covered

1 Fit any frame with an eye size less than 61 mm.

2 A change in standard lenses or contacts is permitted per 12-month period if required by qualified prescription change. A change in prescription of 0.50 diopters or more in one or both eyes; a shift in axis of astigmatism of 12 degrees; a difference in vertical prism greater than on prism diopter; or a change in lens type.

3 Available only with plans containing a \$130 frame allowance.

4 When the network provider uses wholesale pricing, the maximum allowable frame allowance will be \$66.04, \$75.47 or \$84.91 depending on the plan, which is the wholesale equivalent to the standard allowance. Network providers using wholesale pricing are identified in the Directory of Network Vision Providers. You pay any cost above the allowed amount.

5 In lieu of lenses and frame.

6 A report from the provider and prior authorization from a Vision plan administrator is required.

7 For employees who have had PRK, LASIK, or custom LASIK vision correction surgery only, this benefit of plano sunglasses allowance equal to the plan's frame allowance. An eye exam by a network provider is required to verify laser surgery or a note from the surgeon who performed the laser surgery is required to verify laser surgery.

This information represents a summary of plan benefits and is not a contract. Please refer to the group policy or certificate of insurance for more details.

Monthly Premiums (prices effective 1/1/10)

Rates for groups with 2 to 50 enrolling employees

Blue Shield Life Vision Standard Plans				
Frequency of coverage	Exam every 12 months	Lens every 24 months	Frame every 24 months	
Plan Name	Employee Only	Employee & Spouse	Employee & Child/ren	Employee & Family
Vision Standard 0/25/100	\$9.00	\$17.00	\$16.10	\$22.40
Vision Standard 0/15/120	\$10.70	\$20.40	\$19.30	\$26.80
Vision Standard 0/25/130	\$11.10	\$21.10	\$20.00	\$27.80
Vision Standard 0/0/130	\$12.50	\$24.10	\$21.20	\$30.80
Vision Standard Voluntary 0/25/120	\$14.20	\$27.00	\$25.60	\$35.50

Blue Shield Life Vision Plus Plans				
Frequency of coverage	Exam every 12 months	Lens every 12 months	Frame every 24 months	
Plan Name	Employee Only	Employee & Spouse	Employee & Child/ren	Employee & Family
Vision Plus 0/25/100	\$9.70	\$18.40	\$17.50	\$24.20
Vision Plus 0/15/120	\$11.80	\$22.40	\$21.20	\$29.40
Vision Plus 0/25/130	\$12.20	\$23.20	\$21.90	\$30.50
Vision Plus 0/0/130	\$13.90	\$26.30	\$23.60	\$34.70

Blue Shield Life Vision Deluxe Plans				
Frequency of coverage	Exam every 12 months	Lens every 12 months	Frame every 24 months	
Plan Name	Employee Only	Employee & Spouse	Employee & Child/ren	Employee & Family
Vision Plus 0/25/100	\$11.00	\$20.90	\$19.80	\$27.50
Vision Plus 0/15/120	\$13.40	\$25.50	\$24.10	\$33.50
Vision Plus 0/25/130	\$13.90	\$26.50	\$25.10	\$34.90
Vision Plus 0/0/130	\$15.70	\$29.00	\$25.90	\$39.20

Underwriting Assumptions

This proposal and rate quote was prepared by underwriting based on the assumptions listed below. Any material change in facts or information provided by the employer group or the producer which affects these assumptions may affect the offer of this proposal, the term and conditions contained within the proposal, or the rates quoted herein. Blue Shield Life reserves the right to rescind this proposal and rate quote at any time prior to its acceptance by the employer group.

Rates quoted will remain valid for a period of three months from issuance, and may only be extended upon Blue Shield Life Underwriting approval. The following guidelines apply:

1. A minimum of 75% of the employer group's enrolling employees must participate in the vision benefit plan, except Voluntary (see below).
2. The employer must contribute 25% or more of the premium. For Voluntary, this quote assumes the plan is contributory with a minimum of 10 employees participating and the employer contribution percentage is less than 25%.
3. The employer group has a minimum of 2 enrolled employees.
4. Only active, full-time employees working a minimum of 30 hours per week ("enrolling employee") and their eligible dependents are eligible for coverage.
5. Retirees are not eligible for coverage.
6. Rates are quoted based on coverage for a fully-insured vision benefit plan.
7. The rates quoted are based on information including anticipated enrollment provided by the producer or employer group and relied upon by Blue Shield Life in preparing this proposal and rate quote. Any changes to this information, including actual enrollment data, may affect the rates quoted herein.
8. Once the policy is issued, rates will remain unchanged for a period of two years from the effective date of the policy unless benefits or other terms of the policy are changed by mutual agreement between the policyholder (employer group) and Blue Shield Life.
9. The group policy and certificate of insurance will define and govern the terms and conditions of coverage.
10. The vision plan is available to all industries and employer groups. This proposal and rate quote does not apply to unions trust plans, Taft-Hartley groups, and retirees; such groups may be issued a vision plan quote only subject to Blue Shield Life Underwriting's prior approval.