

## **Insurance Definitions**

***Accident:*** An occurrence which (a) is unforeseen, (b) is not due to or contributed to by Sickness or disease of any kind, and (c) causes Injury.

***Actual Charge:*** The Actual Charge made for a covered service by the provider that furnishes it.

***Aggregate Maximum:*** The maximum benefit that will be paid under this Policy for all Covered Medical Expenses incurred by a Covered Person from one Policy Year to the next.

***Brand-Name Prescription Drug or Medicine:*** A Prescription Drug which is protected by trademark registration.

***Copay:*** The amount that must be paid by the Covered Person at the time services are rendered by a Preferred Provider. Copay amounts are the responsibility of the Covered Person.

***Covered Medical Expenses:*** Those charges for any treatment, service, or supplies covered by the Policy which are: (a) not in excess of the Reasonable Charges, or (b) not in excess of the charges that would have been made in the absence of this coverage, and (c) incurred while this Policy is in force as to the Covered Person except with respect to any expenses payable under the Extension of Benefits provision.

***Covered Person:*** A covered student or dependent whose coverage is in effect under the Policy. See the Eligibility sections of this Brochure for additional information.

***Deductible:*** A specific amount of Covered Medical Expenses that must be incurred, and paid for, by the Covered Person before benefits are payable under the Plan. Deductible amounts are the responsibility of the Covered Person.

***Elective Treatment:*** Medical treatment which is not necessitated by a pathological change in the function or structure in any part of the body occurring after the Covered Person's effective date of coverage. Elective treatment includes, but is not limited to: tubal ligation; vasectomy; breast reduction; sexual reassignment surgery; submucous resection and/or other surgical correction for deviated nasal septum, other than necessary treatment of covered acute purulent sinusitis; treatment for weight reduction; learning disabilities; temporomandibular joint dysfunction (TMJ); immunization; treatment of infertility; and routine physical examinations.

***Emergency Medical Condition:*** This means a recent and severe medical condition, including, but not limited to, severe pain, which would lead a prudent layperson possessing an average knowledge of medicine and health, to believe that their condition, Sickness, or Injury is of such a nature that failure to get immediate medical care could result in:

- Placing the person's health in serious jeopardy; or
- Serious impairment to bodily function; or
- Serious dysfunction of a body part or organ; or
- In the case of a pregnant woman, serious jeopardy to the health of the fetus.

It does include an Accident or serious illness such as heart attack, stroke, poisoning, loss of

consciousness or respiration, and convulsions. It does not include elective care, routine care, or care for non-emergency illness.

***Generic Prescription Drug or Medicine:*** A Prescription Drug that is not protected by trademark registration, but is produced and sold under the chemical formulation name.

***Injury:*** Bodily Injury caused by an Accident. This includes related conditions and recurrent symptoms of such Injury.

***Medically Necessary:*** A service or supply that is necessary and appropriate; for the diagnosis or treatment of a Sickness or Injury; based on generally accepted current medical practice. In order for a treatment, service, or supply to be considered Medically Necessary, the service or supply must:

- Be care or treatment which is likely to produce as significant positive outcome as any alternative service or supply; both as to the Sickness or Injury involved and the person's overall health condition. It must be no more likely to produce a negative outcome than any alternative service or supply; both as to the Sickness or Injury involved and the person's overall health condition;
- Be a diagnostic procedure which is indicated by the health status of the person. It must be as likely to result in information that could affect the course of treatment as any alternative service or supply; both as to the Sickness or Injury involved and the person's overall health condition. It must be no more likely to produce a negative outcome than any alternative service or supply; both as to the Sickness or Injury involved and the person's overall health condition; and
- As to diagnosis, care, and treatment; be no more costly (taking into account all health expenses incurred in connection with the treatment, service, or supply) than any alternative service or supply to meet the above tests.

In determining if a service or supply is appropriate under the circumstances; Aetna will take into consideration:

- Information relating to the affected person's health status;
- Reports in peer reviewed medical literature;
- Reports and guidelines published by nationally recognized health care organizations that include supporting scientific data;
- Generally recognized professional standards of safety and effectiveness in the United States for diagnosis; care; or treatment;
- The opinion of health professionals in the generally recognized health specialty involved; and
- Any other relevant information brought to Aetna's attention.

In no event will the following services or supplies be considered to be Medically Necessary:

- Those that do not require the technical skills of a medical; mental health; or dental professional; or
- Those furnished mainly for the personal comfort or convenience; of the person; any person who cares for him or her; or any person who is part of his or her family; any health care provider; or health care facility; or

- Those furnished solely because of the setting if the service or supply could safely and adequately be furnished; in a Physician's or a dentist's office; or other less costly setting.

***Negotiated Charge:*** The maximum charge a Preferred Care Provider has agreed to make as to any service or supply for the purpose of the benefits under the Plan.

***Non-Preferred Care:*** A health care service or supply furnished by a health care provider that is not a Preferred Care Provider, if, as determined by Aetna: (a) the service or supply could have been provided by a Preferred Care Provider; and (b) the provider is of a type that falls into one or more of the categories of providers listed in the Directory.

***Non-Preferred Care Provider (or Non-Preferred Provider):*** A health care provider that has not contracted to furnish services or supplies at a Negotiated Charge.

***Non-Preferred Pharmacy:*** A Pharmacy not party to a contract with Aetna, or a Pharmacy that is party to such a contract but which does not dispense Prescription Drugs in accordance with its terms.

***Pharmacy:*** An establishment where Prescription Drugs are legally dispensed.

***Physician:*** A legally qualified Physician licensed by the state in which they practice, and any other practitioner that must, by law, be recognized as a doctor legally qualified to render treatment.

***Preferred Care:*** Care provided by a Preferred Care Provider; or any health care provider for an emergency condition when travel to a Preferred Care Provider is not feasible.

***Preferred Care Provider (or Preferred Provider):*** A health care provider that has contracted to furnish services or supplies for a Negotiated Charge, but only if the provider is, with Aetna's consent, included in the Directory as a Preferred Care Provider for the service or supply involved, and the class of which the Covered Person is a member.

***Preferred Pharmacy:*** A Pharmacy which is party to a contract with Aetna to dispense drugs to persons covered under the Policy, but only while the contract remains in effect; and when the Pharmacy dispenses a Prescription Drug under the terms of its contract with Aetna.

***Prescription:*** An order of a prescriber for a Prescription Drug. If it is an oral order, it must be promptly put in writing by the Pharmacy.

***Pre-Existing Condition:*** Any Injury, Sickness, or condition that was diagnosed or treated, or would have caused a prudent person to seek diagnosis or treatment, within 12 months prior to the Covered Person's effective date of insurance. Under the Policy, expenses incurred by a Covered Person for a Pre-Existing Condition will not be considered a covered expense unless the Covered Person has been covered under the Policy for 12 consecutive months.

***Reasonable Charge:*** Only that part of a charge which is reasonable is covered. The Reasonable

Charge for a service or supply is the lowest of:

- The provider's usual charge for furnishing it; and
- The charge Aetna determines to be appropriate; based on factors such as the cost of providing the same or a similar service or supply and the manner in which charges for the service or supply are made; and
- The charge Aetna determines to be the prevailing charge level made for it in the geographic area where it is furnished.

In some circumstances; Aetna may have an agreement; either directly or indirectly through a third party; with a provider which sets the rate that Aetna will pay for a service or supply. In these instances; in spite of the methodology described above; the Reasonable Charge is the rate established in such agreement.

In determining the Reasonable Charge for a service or supply that is:

- Unusual; or
- Not often provided in the area; or
- Provided by only a small number of providers in the area.

Aetna may take into account factors, such as:

- The complexity;
- The degree of skill needed;
- The type of specialty of the provider;
- The range of services or supplies provided by a facility; and
- The prevailing charge in other areas.

***Sickness:*** A disease or illness, including related conditions and recurrent symptoms of the Sickness. Sickness also includes pregnancy and complications of pregnancy.