



Notice Regarding Your Benefits

The Affordable Care Act was signed into law on March 23, 2010, and will result in changes to your outline of coverage. This Notice is to inform you that for policy years beginning on or after September 23, 2010, Blue Cross and Blue Shield of Texas will administer your benefits in accordance with the terms of your policy and the Affordable Care Act. Blue Cross and Blue Shield of Texas will send you a new outline of coverage once it has been approved by the Texas Department of Insurance. Prior to issuance of an approved outline of coverage, the following will apply to your policy:

Coverage of Children

If a policy makes available dependent coverage of children, the policy will make such coverage available for your children who have not attained age 26 regardless of the presence or absence of the child's financial dependency, residency, student status, employment, or any combination of those factors. In addition, the policy will not deny or restrict coverage of such children based on eligibility for other coverage.

Rescissions

Coverage under the policy, with respect to an individual, will be cancelled retroactive to the effective date of coverage if the individual (or a person seeking coverage on behalf of the individual) performs an act, practice or omission that constitutes fraud, or makes an intentional misrepresentation of a material fact, as prohibited by the terms of coverage. At least 30 days advance written notice will be provided before any such cancellation.

Lifetime Maximums

Benefits that are considered essential benefits (as that term is defined in the Affordable Care Act and applicable regulations) will not be subject to any lifetime limit on the dollar value of such benefits for any individual.

Preexisting Condition Waiting Period

A preexisting condition waiting period will not apply to enrollees who are under 19 years of age.

Preventive Services

The policy will provide coverage for those preventive items and services required to be covered by the Affordable Care Act and applicable regulations and will not impose any cost sharing requirements (for example, coinsurance, deductible, copayment) with respect to those items and services, when delivered by a network provider.

Annual Benefit Maximums

Although under the Affordable Care Act a restricted annual limit on the dollar value of essential health benefits (as that term is defined in the Affordable Care Act and applicable regulations) may be applied prior to 2014, benefits under this policy that are considered essential health benefits will not be subject to any annual limit on the dollar value of such benefits for any individual.