

Group Number: 26M11ERC
Rate Effective Date 10/01/2016



DAMMON ENGINEERING
ATTN CHARLES K DAMMON
554 OLD SPANISH TRAIL
SLIDELL, LA 70458

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July 05, 2016

DAMMON ENGINEERING
ATTN CHARLES K DAMMON
554 OLD SPANISH TRAIL
SLIDELL, LA 70458

Group Number: 26M11ERC
Rate Effective Date: 10/01/2016

Dear Group Administrator:

Thank you for choosing the Cross and Shield to provide benefit solutions to your employees. As you review these renewal materials, please know that we strive to provide your group with access to quality care, and we are grateful for the opportunity to continue to partner with you.

With your renewal information, you will find:

- Your group's rate illustration page(s), which outline any rate adjustments for your group's product(s) that will apply on the effective date stated above.
- Your group's Notice of Plan Changes, which outlines specific benefit changes.

This group packet may also include form letters required by the Centers for Medicare and Medicaid Services (CMS) for groups with members enrolled on small group medical products and/or groups with a Medical Loss Ratio (MLR) count of 100 or fewer. If your group does not meet these criteria, some information in the CMS-required letters may not apply to you. For example, groups with a MLR count of 101 or more are not eligible to purchase a plan on SHOP.

Making changes to your plan

If you do nothing, your plan will automatically renew on the date listed above. If you would like to make any changes, we must receive these changes to your plan 20 days before your renewal date. Also, if you have a grandfathered plan, you should be aware that any changes you make could affect your grandfathered status.

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**We're here to help!**

We hope that the information included in this group renewal packet will help guide you through this year's policy renewal. If you have additional questions, contact your producer or Blue representative.

Your producer:

Please contact your producer, Adam Bruckman.

Phone number: 877-904-1713

Your local representative:

If your producer is not available, contact your regional office representative, Monica Decker at monica.decker@bcbsla.com.

If you or any employee has a disability or prefers to use a language other than English, please contact your regional office representative. We'll be happy to help you at no cost.

As always, thank you for your loyalty. We look forward to continuing to serve you and your employees through the changes of healthcare reform and beyond.

Sincerely,

A handwritten signature in cursive script that reads "Brian P. Keller".

Brian P. Keller
Senior Vice President
& Chief Marketing Officer

Important: We're Continuing to Offer Your Group Health Coverage.



Dear: DAMMON ENGINEERING

Your group health insurance coverage is coming up for renewal. **On 10/01/2016, your group members will be automatically re-enrolled and can keep your group's current coverage.** Below are changes we'll be making to your plan and options to consider to possibly lower your costs or choose a new plan.

Changes we're making to your group's current health coverage

- Premium:
 - Your new premium starts in October. Your monthly premium will be \$750.37.

This is an estimate based on current enrollment. This amount may change depending on individuals who actually enroll in the plan.

Check to see if you have other options at: www.HealthCare.gov.
- Name of new plan: Blue POS Copay 100/70 Plan ID: 19636LA0250004
- Benefit Changes:
 - Addition of telehealth benefits using the BlueCare platform, where your group members are able to get convenient healthcare services virtually, without having to be physically located with a provider.
 - Non-grandfathered plans only: Additional preventive services governed by USPSTF (U.S. Preventive Services Task Force) have been added to Preventive and Wellness benefits.
 - Non-grandfathered Blue Saver plans only: A single deductible and out of pocket amount of no more than \$6,850 will now apply to each person on a family Blue Saver policy.
 - Please refer to the separate letter we have sent, which lists additional changes to your plan.

This plan may not be offered through the Small Business Health Options (SHOP) Marketplace. However, if you are eligible for a small business health care tax credit, you can get that credit only if you buy insurance from the SHOP Marketplace.

What if I want to change plans?

- You may be able to choose a new health plan, or offer your employees a choice of plans, through different insurance companies, through the SHOP Marketplace. If you have fewer than 25 full-time-equivalent employees, you might qualify for a small business health care tax credit if you buy insurance through the SHOP Marketplace.
- You can choose to buy a new health plan outside the SHOP Marketplace - directly from an insurance company or with the help of an agent or broker. But remember: If you're eligible for a small business health care tax credit, you usually can get the credit only if you buy a plan through the SHOP Marketplace.



- You generally can buy coverage anytime. If group members are enrolled 15 days prior to the billing cycle, coverage can begin the following month.

What else should I look at before deciding to keep or change my plan?

Call or visit the plan's website to check which doctors, other health care providers, and prescription medications are covered by the plan. This is an important step when choosing a plan that meets the needs of your group members.

Questions?

- Call Customer Service at 1-800-495-2583 between 8 a.m. and 5 p.m., Monday through Friday.
- Visit www.HealthCare.gov or call 1-800-318-2596 (TTY: 1-855-889-4325) to learn more about the Health Insurance Marketplace.

Group Name: DAMMON ENGINEERING
 Group Number: 26M11ERC
 Rate Effective Date: 10/1/2016



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NOTICE OF PLAN CHANGES for 2016

Fully Insured Groups

Blue Cross and Blue Shield of Louisiana and HMO Louisiana, Inc. have built our reputations on providing **quality service and solutions to our members**. We're committed to providing coverage for the healthcare needs and budgets of Louisiana families for generations to come.

We work hard to show our commitment by finding ways to trim costs, improve the quality of care and provide you and your employees with the information you need to stay healthy. While doing this, we must also stay current with all federal and state laws and regulations.

As we continue to comply with the Affordable Care Act (ACA), we are implementing the benefit changes outlined below for Fully Insured Groups. **These changes will become effective upon your group's renewal date in 2016.**

Please read this information carefully.

CHANGES APPLICABLE TO BOTH GRANDFATHERED AND NON-GRANDFATHERED PLANS:

Updated Prescription Drug Step Therapy Language	If your pharmacy plan has our Step Therapy program, there will be changes to the language in your policy as follows: Certain drugs and drug classes are subject to Step Therapy. In some cases, we may require the Member to first try a different Prescription Drug or multiple different Prescription Drugs to treat a medical condition before we will cover another Prescription Drug for that condition.
Changes to the Authorization Requirement for Compound Drugs	Today, Compound prescription drugs require an authorization when the cost of the compound is \$250 or more. We will now require an authorization when the cost of the compound drug is \$100 or more.
Exclusion Language for Combination Drugs	Prescription drug products that contain more than one active ingredient (sometimes known as "combination drugs") not listed as covered in the Prescription Drug Formulary are excluded from your policy. Products include but are not limited to Vimovo®, Duexis®, TussiCaps®.
Addition of Ambulance Services When No Transport is Made	Coverage will be provided for ground ambulance services when treatment is rendered at the scene and no transportation is provided.



BENEFIT CHANGES APPLICABLE TO NON-GRANDFATHERED PLANS ONLY:

<p>Addition of Brand Buy-Up to Prescription Drug Benefits that Feature a 4-Tier Pharmacy Benefit</p>	<p>For plans that have a 4-Tier Pharmacy benefit, there will be changes to the way Multi-Source Brand Drugs pay. When a brand-name drug is dispensed and a generic equivalent exists, we will require the member to pay the generic copayment, plus the difference in cost between the brand-name drug dispensed and its generic equivalent.</p>
<p>Additional Preventive Services Governed by USPSTF (U.S. Preventive Services Task Force)</p>	<p>ACA requires preventive and wellness service coverage per U.S. Preventive Services Task Force (USPSTF) recommendation levels 'A' and 'B'. Upon renewal, please note the services listed below will be added to policies for 2016. These preventive and wellness services will be covered at first dollar when provided by a Network provider. Additional services may be added as required by law and also includes enhancements to existing services.</p> <ul style="list-style-type: none"> • <u>Preeclampsia Prevention</u>- provides coverage to women age less than 55, use low-dose generic aspirin (81 mg/d) as a prevention medication after 12 weeks of gestation for women who are at high risk. • <u>Cardiovascular Disease Counseling</u>- provides coverage for intensive behavioral interventions to promote a healthful diet and physical activity for adults 18 and older who are overweight or obese and have additional CVD risk factors. • <u>Childhood Obesity</u>- provides coverage for children 6-18 years old to be screened by clinicians and offer or refer them to comprehensive programs to improve weight status. The benefit period for this addition is 6 consecutive months.
<p>Changes to the Cost of Specialty Drugs on 4-Tier Pharmacy Plans</p>	<p>Currently, the maximum cost of specialty drugs is \$100. The maximum cost is increasing to \$150 per fill of a pharmacy prescription.</p>



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BENEFIT CHANGES APPLICABLE TO NON-GRANDFATHERED BLUESAVER PLANS:

<p>Changes to the Deductible and Maximum Out-of-Pocket on BlueSaver Plans Covering More Than One Individual</p>	<p>Today, BlueSaver policies covering more than one person have only an aggregate family deductible and family out-of-pocket. Upon renewal, no one person on a family BlueSaver policy can contribute no more than \$6,850 to the family deductible and/or maximum out-of-pocket (either your current policy limits or \$6,850 will apply, whichever is less). These deductibles and out-of-pocket amounts will continue to accrue to the family deductible and maximum out-of-pocket.</p>
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CHANGES APPLICABLE TO NON-GRANDFATHERED SMALL GROUP MEDICAL PLANS

Removal of Out of Network Benefits for Pediatric Vision	<p>Small group medical plans will no longer include out of network benefits for pediatric vision services.</p>
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PLAN CHANGES TO APPLICABLE EXISTING BLUE CROSS DENTAL PLANS 1 – 7

Changes to Blue Cross and Blue Shield of Louisiana Dental Plans	<p>Any group currently on a Blue Cross dental plan 1- 7 will be moved to a new Blue Dental Plan B, with benefits that most closely match current coverage. Groups will also have the option to select Blue Dental A or C.</p>
Addition of the Advantage Plus Dental Network	<p>At renewal, members will use providers included in the Advantage Plus* dental network instead of the BCBSLA dental network for covered dental services. When care is given outside the Advantage Plus network, the member may be balance billed.</p> <p><small>*Advantage Plus network is administered by United Concordia Companies, Inc. United Concordia is an independent company that administers dental benefits on behalf of Blue Cross and Blue Shield of Louisiana members.</small></p>
Removal of TMJ Benefits	<p>Upon renewal, benefits are being eliminated for treatment of temporomandibular joint (TMJ) syndrome.</p>
Preventive Care Incentives	<p>Charges for diagnostic and preventive services, like cleanings and x-rays, will not count toward the annual maximum, leaving more benefit dollars for other covered dental procedures.</p>

As always, your satisfaction is our top priority. Please contact your regional office representative if you have any questions about this Notice of Plan Changes. Thank you again for allowing us the opportunity to serve you.

Alexandria: 318.448.1660
 Baton Rouge: 225.295.2556
 Houma: 985.853.5964
 Lafayette: 337.232.7527

Lake Charles: 337.562.0595
 Monroe: 318.323.1479
 New Orleans: 504.832.5800
 Shreveport: 318.795.0573



Rate Illustration



Group Name: DAMMON ENGINEERING
 Group Number: 26M11ERC
 Rate Effective Date: 10/01/2016
 Rate Adjustment: 6.4%
 Anniversary Date: 10/01
 Product Code: L16X01A0
 Product: POS

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MEDICAL PLAN

Several factors affect your rate change from year to year. The possible reasons for the change in your rates beginning on your Rate Effective Date are listed below:

- Actual and expected claims costs
- Anticipated medical trend
- Taxes and fees, including those applicable under the Affordable Care Act
- Changes in member cost share and/or benefit plan design
- Changes in area rating factors

Due to the complexities of illustrating age-based rates, please see the census page included in this package to see each member's new rates.

The rate adjustment illustrated on this page is applicable to each specific age band. Final rates will be based on the member's age at the time of the renewal calculation, plus the rate adjustment applied to each age band and any family composition changes.

The detailed rate-by-product information is in the group reporting portal which can be accessed by logging into AccessBlue at www.bcbsla.com.



Medical Benefits

Group Name: DAMMON ENGINEERING
 Group Number: 26M11ERC
 Rate Effective Date: 10/01/2016
 Anniversary Date: 10/01
 Rate Adjustment: 6.4%



MEDICAL PLAN

Medical Benefits

	Current	Effective 10/01/2016
Product	Blue POS	Blue POS
Product Plan	Blue POS Copay 100/70	Blue POS Copay 100/70
Level	Platinum	Platinum
INN Deductible	None	None
INN Family Deductible	None	None
OON Deductible	\$1,000	\$1,000
OON Family Deductible	\$3,000	\$3,000
INN Coinsurance	100%	100%
OON Coinsurance	70%	70%
PCP Copayment	\$25	\$25
INN Out of Pocket	\$2,000	\$2,500
INN Family Out of Pocket	\$4,000	\$5,000
OON Out of Pocket	\$4,000	\$5,000
OON Family Out of Pocket	\$8,000	\$10,000
ER Copay	\$150	\$150
Drug	7/30/70/10%	7/30/70/10%
Pediatric Dental	Included	Included
Pediatric Vision	Included	Included
Status	Non-Grandfathered	Non-Grandfathered

There may be other product options available to you that will result in premium savings.

Please contact your producer or regional office for more information.

The benefits illustrated in this packet are subject to terms and conditions of the master contract. Please contact your producer or your Regional Office Representative for more details on the above benefits and for additional benefit or enrollment changes. If an alternative plan of benefits is selected, a completed and signed benefit change form must be received by our office no later than 20 calendar days prior to your anniversary date.

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Rate Illustration

Group Name: DAMMON ENGINEERING
 Group Number: 26M11ERC
 Rate Effective Date: 10/01/2016
 Anniversary Date: 10/01
 Product Code: G16ZA3A0
 Product: Preferred Plus Certified



DENTAL PLAN

	Current	Effective 10/01/2016
Plan Name:	*Preferred Plus Certified	*Preferred Plus Certified
Contact Year Deductible Per Insured Person:	\$50	\$50
Annual Maximum Benefit Per Member Age 21 and over:	\$1,500	\$1,500
Annual Maximum Benefit Per Member under Age 21:	Unlimited	Unlimited
Traditional Orthodontics Per Member under Age 21:	\$1,000 Lifetime Max	\$1,000 Lifetime Max

Rates Effective 10/01/2016

Preferred Plus Certified

Age Brackets \$50 Deductible Per Insured Person
 \$1,500 Annual Maximum Per Member 21 and over
 \$1,000 Lifetime Max Traditional Ortho Per Member Under Age 21

0-20	\$24.19
21-25	\$17.81
26-39	\$18.92
40-49	\$22.26
50-63	\$26.16
64+	\$26.71

Benefit Options

Preferred Certified Plan

Essential Certified Plan

Age Brackets	Preferred Certified Plan	Essential Certified Plan
	\$50 Deductible Per Insured Person	\$75 Deductible Per Insured Person
	\$1,000 Annual Maximum Per Member 21 and over	\$1,000 Annual Maximum Per Member 21 and over
	\$1,000 Lifetime Max Traditional Ortho Per Member Under Age 21	\$1,000 Lifetime Max Traditional Ortho Per Member Under Age 21

0-20	\$24.19	\$24.19
21-25	\$16.98	\$14.50
26-39	\$18.05	\$15.40
40-49	\$21.23	\$18.12
50-63	\$24.95	\$21.29
64+	\$25.48	\$21.74

The Affordable Care Act requires small employers to offer pediatric dental essential health benefits (PDEHB). All Blue Cross qualified health plans include these required benefits. If a small group purchases health insurance without the required PDEHB, this group may be asked to provide their medical carrier reasonable assurance that they have purchased a qualified stand-alone dental plan that is Exchange-certified and meets Affordable Care Act requirements. The Preferred Plus, Preferred and Essential Blue Dental plans meet these requirements.





Group Name: DAMMON ENGINEERING
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DENTAL PLAN OPTIONS

Traditional Group Dental Plans available for 2016 effective dates

Our Blue Dental Traditional dental plans offer tier rating, comprehensive benefits, orthodontia coverage and no waiting periods for any services.

Blue Dental plans include preventative care benefits to encourage routine oral care. Charges for diagnostic and preventative services, like cleanings and x-rays, will not count toward the annual maximum, leaving more benefit dollars for other covered dental procedures.

DENTAL PLAN OPTIONS

	Plan A	Plan B	Plan B with Ortho	Plan C	Plan C with Ortho
Deductible (per member/per family) ¹	\$50/\$150	\$50/\$150	\$50/\$150	\$50/\$150	\$50/\$150
Annual Benefit Maximum (per member)	\$1000, \$1500 or \$2000	\$1000, \$1500 or \$2000	\$1000, \$1500, \$2000 or \$2500 ¹	\$1000, \$1500 or \$2000	\$1000, \$1500, \$2000 or \$2500 ¹
Out of Pocket Maximum (per member/per family)	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Orthodontic (Lifetime Maximum)	N/A	N/A	\$1000, \$1500 or \$2000 ¹	N/A	\$1000, \$1500 or \$2000 ¹
Contract Pays					
DIAGNOSTIC & PREVENTATIVE SERVICES²					
Routine Oral Exams and Cleanings	100%	100%	100%	100%	100%
Oral X-Rays	100%	100%	100%	100%	100%
Flouride Treatments, Sealants	100%	100%	100%	100%	100%
Palliative Treatment (Emergency)	100%	100%	100%	100%	100%
BASIC SERVICES					
Space Maintainers	80%	80%	80%	80%	80%
Basic Restorative (Amalgam, Resin Fillings)	80%	80%	80%	80%	80%
Oral Surgery, Surgical Extractions	80%	80%	80%	80%	80%
Simple Extractions	80%	80%	80%	80%	80%
Endodontics, Periodontics	80%	80%	80%		
MAJOR SERVICES					
Crowns, Inlays, Onlays	0%	50%	50%	50%	50%
Prosthetics (Bridges, Dentures)	0%	50%	50%	50%	50%
Endodontics, Periodontics				50%	50%
Implants ³ (Large Group option)	0%	50%	50%	50%	50%
ORTHODONTICS					
Traditional - Dependents up to age 19	N/A	N/A	50%	N/A	50%
Traditional - Adult ³ (Large group option)	N/A	N/A	50%	N/A	50%

¹ Maximum options available for groups with 50+ enrolled employees.

² Deductible does not apply to diagnostic and preventative services.

³ Optional implants and adult orthodontic benefits are available upon request for large group employers who meet underwriting criteria.

Please contact your producer or regional office for more information on these Blue Dental plans.





Group Name: DAMMON ENGINEERING
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 Rate Effective Date: 10/01/2016

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VISION BENEFITS YOU CAN SEE

Your employees want vision benefits, and with Vision from Blue Cross and Blue Shield of Louisiana you can offer this coverage at a price that's right.

We've created plans that drastically cut how much your employees would usually pay to see clearly. And they can use their vision benefits at more than 45,000 Davis Vision network providers and retailers nationwide.

Standard Vision Benefits

(When visiting a Davis Vision network provider)

- Eye exams** Your employees pay little or no copayment for a comprehensive eye exam.
- Eyeglass lenses** Your employees pay little or no copayment that covers the cost of single vision, bifocal or trifocal lenses.
- Eyeglass frames** Your employees pay little or no copayment for frames from the Davis Vision Collection, or receive a \$150 allowance toward the cost of other frames.
- Contact lenses** Your employees pay little or no copayment for contact lenses from the Davis Vision Collection, or receive a \$130 allowance toward the cost of contact lenses.
- Lasik surgery** Your employees may access discounts from participating providers; but, this is not an insured benefit.

IN-NETWORK BENEFITS	VISION PLAN OPTIONS		
	PLAN 1	PLAN 2	PLAN 3
	Frequency - Once Every:		
Eye Health Examination Including Dilation (when professionally indicated)	12 Months	12 Months	12 Months
Spectacle Lenses	12 Months	12 Months	12 Months
Frame	12 Months	24 Months	24 Months
Contact Lens Evaluation, Fitting and Follow Up	12 Months	12 Months	12 Months
Contact Lenses (in lieu of eyeglasses)	12 Months	12 Months	12 Months
Copayments			
Eye Health Examination	\$0	\$0	\$10
Eyewear (Spectacle Lenses and/or Frames)	\$0	\$15	\$25
OUT-OF-NETWORK BENEFITS	INCLUDED		

Please contact your producer for more information on Vision.

Davis Vision is an independent company that provides an extensive network of vision care providers on behalf of Blue Cross and Blue Shield of Louisiana.





Census

Group Name: DAMMON ENGINEERING
 Group Number: 26M11ERC
 Rate Effective Date: 10/01/2016
 Anniversary Date: 10/01

Name	Age	Gender	Product	Dependents Enrolled	Current Premium	Premium Effective 10/01/2016	Total Premium Effective 10/01/2016
DAMMON, CHARLES	54	M	POS	0	\$673.94	\$750.37	\$776.53
			Dental	0	\$26.16	\$26.16	

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Group Premiums by Product Detail

Group Name: DAMMON ENGINEERING

Group Number: 26M11ERC

Rate Effective Date: 10/01/2016

Anniversary Date: 10/01

Product	Product ID	Subscribers Enrolled	Total
POS	L16X01A0	1	\$750.37
Dental	G16ZA3A0	1	\$26.16
			\$776.53

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