

Medical Plan Highlights

Effective April 1, 2018



What's Covered

Two important concepts apply to all coverage under the Plan. Coverage applies only to costs that are:

1 Medically necessary

The preauthorization process (see page 3) allows you to get a decision — before you incur an expense — about whether a treatment is medically necessary under the Plan's rules.

2 Allowable Charges

Allowable Charges are set by the Plan. For Non-Direct providers, they are based on payment rates that are published in our summary plan description (SPD), typically using the Medicare fee schedule as references. For example, the Allowable Charge for routine doctor's office visits is 120% of the Medicare-allowable amount.

If you receive a balance bill for any amounts over the Plan's Allowable Charges, it is very important that you **call Member Services as soon as possible** at (855) 979-5192.

More information and other provisions of the Plan are contained in the benefits handbook at www.CoalBenefits.com.

Deductible, Coinsurance, and Copays

Your costs for most services depend on whether you choose a provider that has an Alliance Coal Direct agreement for the services you receive. The following are the general benefit levels; exceptions are explained below.

| | Alliance Coal Direct providers | Non-Direct providers |
|--|--------------------------------|--------------------------------------|
| First you satisfy an annual deductible... | None | \$400 per person \$800 per family |
| Then you pay... | \$0 | 20% coinsurance |



There are certain exceptions to the benefit levels shown above. The most common are:

| Service | Alliance Coal Direct providers | Non-Direct providers |
|--|---|---|
| Chiropractic Services | Not applicable | You pay 50% coinsurance after deductible |
| Emergency Medical Transportation <i>Ambulance, air transport, etc.</i> | Not applicable | You pay no deductible, copay, or coinsurance |
| Emergency Room Services <i>Based on the number of visits per calendar year for your family</i> | You pay (no deductible): <ul style="list-style-type: none"> • Visits 1-2: \$150 copay • Visits 3-4: \$150 copay plus 20% coinsurance • 5 or more visits: 50% coinsurance | After deductible, you pay: <ul style="list-style-type: none"> • Visits 1-2: \$150 copay • Visits 3-4: \$150 copay plus 20% coinsurance • 5 or more visits: 50% coinsurance |
| Preventive Care | You pay \$0 (no deductible) | You pay no deductible, copay, or coinsurance |



Out-of-Pocket Limits

Out-of-pocket limits provide financial protection for you by limiting certain cost-sharing amounts you must pay for Allowable Charges in a calendar year. The Plan applies two types of out-of-pocket limits, which have different amounts and take into account different expenses.

| | Alliance Coal Direct providers | Non-Direct providers |
|--|---|----------------------|
| Medical Coinsurance | \$2,000 per person | \$4,000 per person |
| Maximum (includes deductible) | \$4,000 per family | \$8,000 per family |
| Combined Medical/Prescription Out-of-Pocket Limit | \$7,350 per person \$14,700 per family (Combined for Alliance Coal Direct and Non-Direct. These limits generally are adjusted each year by the federal government.) | |

The medical coinsurance maximum does *not* include copays or prescription drugs. Neither the medical coinsurance maximum nor the combined medical/prescription limit includes benefit penalties, COBRA premiums, amounts paid above Allowable Charges, covered services not considered essential health benefits by federal law (such as chiropractic and acupuncture), any discounts or similar reductions by providers/manufacturers, or health care the Plan does not cover.

Maximum Days, Visits, and Amounts

Some services, whether provided by Alliance Coal Direct or Non-Direct providers, are covered by the Plan only up to certain maximums. The most common limits are:

| Service | Maximum coverage by the Plan |
|--|---|
| Home health care | 120 visits per year |
| Hospital observation status | 24 consecutive hours |
| Inpatient hospital or residential treatment center | 180 days for the same or related condition |
| Private-duty nursing | \$25,000 lifetime maximum |
| Skilled-nursing facility | 90 days per period of care |
| Speech, occupational, or physical therapy | 25 visits per year for each type of therapy |
| Temporomandibular joint (TMJ) treatment | \$3,500 lifetime maximum |

Preauthorization

To avoid a benefit penalty, you are required to obtain preauthorization for many services and products. For a detailed listing, see www.CoalBenefits.com/appendix-c

To request preauthorization, ask your provider to call Provider Services at **(855) 979-5194**:

- **As soon as possible** before a scheduled, nonemergency procedure
- **Within two business days** after an unscheduled inpatient admission, or a maternity admission that extends beyond 48 hours (96 hours for cesarean) for either the mother or newborn



Failure to obtain preauthorization when required will result in a 25% benefit penalty (100% benefit penalty for transplants — in other words, no coverage).



Centers of Expertise

For certain procedures, the Plan has identified Centers of Expertise.

| Designated Procedure | Plan-Approved Centers of Expertise |
|---|---|
| Certain cardiothoracic procedures (e.g., heart-valve replacement, cardiomyopathy surgery) | Deaconess Health System University of Kentucky |
| Certain spinal procedures (e.g., surgery for neck or back pain) | Deaconess Health System University of Kentucky |
| Cochlear (ear) implants (not covered except at a Center of Expertise) | Surgery Center of Oklahoma |

When you or your provider call to request preauthorization for a service, you will be advised if the service is a designated procedure and which Centers of Expertise are available.

- **When you use a Plan-approved Center of Expertise for a designated procedure**, the Plan pays 100% of eligible expenses. In addition, the Plan reimburses you for pre-approved travel expenses.
- **If you choose a facility that is not a Center of Expertise for a designated procedure**, a 40% benefit penalty will apply.



Care Coordination

Care Coordination is an added benefit that helps participants with complex or chronic health conditions to receive medically necessary treatment and avoid gaps in care. You may request Care Coordination by calling Health Plan Member Services toll-free at **(855) 979-5192**.

For some conditions, Care Coordination is required in order to receive the normal level of benefits. If this applies to you, Care Coordination Services will contact you. If you decline required Care Coordination services, you will be subject to a benefit penalty equal to 40% of the amount the Plan would normally pay.

Health Plan Member Services

Alliance's Health Plan Member Services gives you a single phone number to call to talk with staff on-site in our Tulsa office dedicated to assisting you with your health care benefits. Call Member Services toll-free at **(855) 979-5192** for help with:

| | |
|---|--|
| Providers | <ul style="list-style-type: none">• Selecting Alliance Coal Direct providers where available• Learning whether a specific Non-Direct doctor or facility is likely to accept the Plan's benefit as payment in full• Working to arrange a pre-negotiated agreement (such as a "single case agreement" or "bundled care package") with a health care provider to help you get 100% coverage whenever possible |
| Alliance Coal Direct <i>Opt-In</i> | Helping you encourage your doctor or outpatient provider to join Alliance Coal Direct |
| Eligibility | Understanding what services are covered and confirming eligibility for you or a dependent |
| Preauthorization | Determining whether a service is medically necessary before you incur an expense |
| Care coordination | Assisting members with complex or chronic conditions |
| Billing questions and resolution | Understanding bills you may receive from providers, including any amounts such as coinsurance that you are responsible to pay, and contacting providers for you if necessary regarding balance bills |
| Claims | Understanding your deductibles, copays, coinsurance, and out-of-pocket calculations; any denials; and your rights under the appeal process |

This document only provides brief highlights. For more information about Alliance Coal benefits, see the summary plan description (SPD) contained in the benefits handbook at www.CoalBenefits.com. If you have questions, refer to your SPD, contact your local HR representative, or call Health Plan Member Services at (855) 979-5192. A printed copy of the SPD is available upon request from local HR. If there are any differences between the information in this communication and the official plan documents, the plan documents govern. Benefit plans may change or end at any time. Nothing in this communication provides an offer or guarantee of continued employment.