



Attention Pool Members Enrolled in the \$1,000, \$2,500, \$5,000 or \$7,500 Medical Deductible Plans:

If you plan to continue your Pool coverage beyond December 31, 2013, the enclosed Pool Policy Amendment applies to your Pool policy. The Amendment prorates your calendar year medical deductible so that you must satisfy only 25% of the total annual deductible amount during the first quarter of 2014. For example, if you are enrolled in the Pool's \$1,000 deductible plan, your deductible amount for the first quarter of 2014 will be \$250.

Your outpatient pharmacy drug benefit is **not** being prorated. If you are retaining Pool coverage next quarter, you must still satisfy your full Y2014 pharmacy deductible (\$200 or \$500, depending on your plan) before you begin paying copayments for your prescriptions.

Attention Pool Members Enrolled in the \$3,000 HSA-Qualified Deductible Plan:

The Pool's medical deductible proration amendment does not apply to the Pool's \$3,000 Health Savings Account-Qualified health plan. Such proration would invalidate that plan's tax-advantaged status with the Internal Revenue Service. If you are enrolled in the \$3,000 HSAQ deductible plan, please disregard the enclosed Amendment as it does not apply to your policy. If proration of the deductible is more important to you than the tax benefits provided by your Pool HSAQ plan, you can move to either the \$5,000 or \$7,500 medical deductible, non-HSAQ policies, effective January 1, 2014, but you must submit your request to the Pool's Administrator by December 31, 2013. To further discuss such a plan change, contact the Administrator at 1.888.398.3927.

Important Reminders for All Pool Members:

All Pool coverage is scheduled to end at 11:59 pm March 31, 2014. The current deadline for enrollment in new coverage, to replace your Pool coverage effective April 1, 2014, is March 15, 2014. If you enroll in replacement coverage from an insurance company that will begin prior to April 1, 2014, please send us a written cancellation request so that we can discontinue your premium billing. You may also send your cancellation request by email to texashealthpool@bcbstx.com. Remember that Pool premium bank drafting will be discontinued after December 2013. During the first quarter 2014 Pool coverage extension period, you will receive premium billing statements by mail.

We encourage you to enroll in a new health insurance plan as soon as possible because any deductibles, coinsurance or copayments that you incur before March 31, 2014, while you are still covered by the Pool, will not credit to the Y2014 calendar year out-of-pocket maximum of the replacement health coverage you obtain after Pool coverage terminates.

Visit the Pool's website at www.txhealthpool.org for the latest information and updates.

TEXAS HEALTH INSURANCE POOL

**Policy Administered By:
Blue Cross Blue Shield of Texas *
P. O. Box 6089
Abilene, Texas 79608-6089
Toll Free Number: 1-888-398-3927**

AMENDMENT TO THIP POLICY 03/2013

Effective Date: January 1, 2014

SECTION 8. BENEFITS PROVISIONS is hereby amended as follows:

1. The subsection entitled “**Calendar Year Deductible**” is hereby deleted and replaced with the following:

Calendar Year Deductible means the amount of Covered Expenses for each Insured Person You must pay each calendar year before benefits are available. Effective January 1, 2014, the Calendar Year Deductible amount will be prorated. The amount that must be satisfied for the first quarter of 2014 will be 25% of the Calendar Year Deductible amount shown in the Policy Schedule and on your identification card.

The Calendar Year Deductible amount selected may not be changed to a lower amount after the Policy is issued. You may request to change to a higher Calendar Year Deductible, if offered by the Pool, but only one such change will be allowed in a calendar year. The change will be effective on the first of the month following the date the Pool receives Your written request for such change or on a later date, if You request it. Covered Expenses are applied toward the Calendar Year Deductible in the calendar year in which they are incurred.

2. The Prescription Drug Deductible, in Item 24, is unchanged.