

PacifiCare Life and Health Insurance Company
("The Company")
3100 West Lake Center Drive
Santa Ana, CA 92704

Secure Horizons Prescription Advantages Plan Individual Insurance Policy Outpatient Prescription Drug Benefit Plan

I. READ YOUR POLICY CAREFULLY. This Outline of Coverage provides a very brief description of some important features of your Policy. This is not the insurance Policy and only the actual Policy provisions will control. The Policy itself sets forth, in detail, the rights and obligations of both you and Us. It is, therefore important that you READ YOUR POLICY CAREFULLY!

II. This policy is designed to provide you with coverage for outpatient Prescription Drug expenses not covered by Medicare, that you incur for necessary treatment and services rendered as a result of an injury or sickness.

Coverage is provided for benefits outlined in Paragraph III. The benefits described in Paragraph III may be limited by Paragraph V.

III. Benefits

PacifiCare Life and Health Insurance Company has contracted with Prescription Solutions and licensed pharmacies to provide outpatient Prescription Drug benefits to eligible individuals.

A. Copayment Amount

For Retail Pharmacy (30-day supply) benefits, a \$15 Copayment for medications costing \$45* or less; and a \$30 Copayment for medications costing more than \$45.*

For Mail-Service Pharmacy (90-day supply) benefits, a \$30 Copayment for medications costing \$45* or less; and a \$60 Copayment for medications costing more than \$45.*

The copayment amount is subject to change on January 1st based upon the change in the Producer Price Index published by the U.S. Bureau of Labor Statistics.

*The cost of the medication represents the approved ingredient cost, dispensing fee and the sales tax, if applicable.

B. Calendar Year Maximum and Policy Benefit

Calendar Year Maximum Benefit: Unlimited

The Policy provides for unlimited outpatient Prescription Drug coverage while insured, as determined by the covered Prescription Drug List.

C. Eligible Expenses

Eligible expenses include outpatient Prescription Drugs as indicated on the Covered Medications List and dispensed by a licensed pharmacy. The outpatient Prescription Drug benefit will be provided as set forth in the Schedule of Benefits for the following medications when ordered by a Physician:

1. Federal Legend Drugs: any medicinal substances which bear the legend "Caution: Federal law prohibits dispensing without a prescription."
2. State Restricted Drugs: any medicinal substance, which may be dispensed by prescription only according to state law.

D. Covered Refills

Refills are covered (provided the refills are dispensed within twelve (12) months of the initial prescription date) if allowed by law, ordered by a Physician, and the Policyholder remains eligible for benefits under the Policy.

IV. Discounts

Up to a 15% discount on retail and up to a 30% discount on mail-service of the usual customary charges for name brand prescriptions not covered under the Outpatient Prescription Drug policy and dispensed at selected retail pharmacies or the Prescription Solutions Mail-Service Pharmacy. To obtain mail order services, contact Prescription Solutions at 1-800-562-6223 or www.rxsolutions.com. The discount services are not part of the insurance plan.

V. Exclusions and Limitations

No benefits are payable for any of the following:

1. Drugs or medicines purchased and received prior to the Policyholder's

effective date or subsequent to the Policyholder's termination date.

2. Therapeutic devices or appliances, even though they may require a prescription. This includes: hypodermic needles; syringes; support garments; and other non-medical substances.
3. All non-prescription contraceptive jellies, ointments, foams or devices.
4. Drugs dispensed by a Hospital, rest home, sanitarium, Skilled Nursing Facility, convalescent care facility, nursing home or similar institution while confined as a patient.
5. Drugs or medicines delivered or administered to the Policyholder by the Physician or the Physician's staff.
6. Dietary supplements, including: vitamins and fluoride supplements (except prenatal); health or beauty aids; diet pills; dental related products, such as topical fluoride; and medicated dental rinses.
7. Medication which may be properly received without charge under local, state or federal programs or which is reimbursable under other insurance programs including Workers' Compensation.
8. Medications prescribed for experimental or non-FDA approved indications unless prescribed in a manner consistent with a specific indication in Drug Information for the Health Care Professional, published by the United States Pharmacopeial Convention or in the American Hospital Formulary Services edition of Drug Information; medications limited to investigational use by law.
9. For patent drugs or medications available without a prescription (over-the-counter) or for which there is a non-prescription equivalent available.

10. Drugs or medicines used or taken primarily to improve or otherwise modify the Policyholder's external appearance.
11. Nicotine gum or any other drug containing nicotine or other smoking deterrent medications.
12. Administration or injection of any drug.
13. Immunizing agents, injectables, biological sera, blood plasma or medication prescribed for parenteral use.
14. Any applicable sales tax or surcharge.
15. Outpatient Prescription Drugs determined not to be effective for the specific diagnosis or which do not follow community practice standards.
16. Injectable infertility drugs.
17. Federal Legend oral contraceptives, prescription diaphragms and oral infertility drugs.
18. Prescription medication for the treatment of sexual dysfunction, including erectile dysfunction, impotence and anorgasmia or hyporgasmia.
19. Elective or voluntary enhancement procedures, services, supplies and medications including, but not limited to: weight loss, hair growth, sexual performance, athletic performance, cosmetic purposes, anti-aging and mental performance.
20. New prescription medications or supplies until they are reviewed for safety, efficacy and cost effectiveness, and approved by the Company.
21. Drugs not listed on the Covered Prescription Drug List.
22. Anabolic steroids.
23. Drug infusion/metering devices.

24. Growth hormones.
25. A charge for anything other than a Covered Prescription Drug.
26. Compound Medication: any medicinal substance that is extemporaneously prepared in a pharmacy.
27. Prescription medication, which represents a replacement of a previous prescription order, and/or medication that was lost, spilled, stolen, or otherwise misplaced.
28. Prescription Drug charges incurred outside the United States.