

HORIZON HEALTHCARE SERVICES, INC.

RIDER FORM (OVER-AGE DEPENDENTS)

Group	Policy No.	Rider No.	Effective Date
UNION TWNSP. B.O.E.	85922	NJCROD	May 12, 2006, or, if later, the effective date of the Group Policy

As of the above Effective Date, the Group Policy is changed to provide that the following provision is added to the section "General Information or ":

Continued Coverage for Over-Age Dependents

Under this provision, an Employee's Over-Age Dependent has the opportunity to elect continued coverage under this Policy after his/her group health coverage ends due to attainment of a specific age.

For the purposes of this provision, an "Over-Age Dependent" is an Employee's child by blood or law who:

- is less than 30 years of age;
- is not married;
- has no dependents of his/her own;
- is either a New Jersey resident or enrolled as a full-time student at an accredited school;
- is not covered under any other group or individual health benefits plan; group health plan; church plan; or health benefits plan; and is not entitled to Medicare.

If an Over-Age Dependent's group health coverage ends or has ended due to his/her attainment of a limiting age under that coverage, he/she may elect to continue such benefits until his/her 30th birthday, subject to the following provisions.

Conditions for Election

An Over-Age Dependent is only entitled to make an election for continued coverage pursuant to this provision if all of these conditions are met.

- The group policy under which the child was covered immediately prior to reaching the limiting age must have been a fully insured group policy issued in New Jersey.

- The child must actually have been covered under that group policy on the date he/she reached the policy's limiting age.
- Unless the parent of an Over-Age Dependent has no other Dependents eligible for coverage under this Policy, he/she must be enrolled for Dependents coverage under this Policy at the time the Over-Age Dependent elects continued coverage.

Election of Continuation

To continue group health benefits, the Over-Age Dependent must make written election to Horizon BCBSNJ. If this is done, the effective date of the continued coverage will be the latest of these dates:

- ❑ The date the Over-Age Dependent gives written notice to Horizon BCBSNJ.
- ❑ The date the Over-Age Dependent pays the first premium for it.
- ❑ The date the Over-Age Dependent would otherwise lose coverage due to attainment of the limiting age.

For a Dependent whose coverage has not yet terminated due to attainment of the limiting age, the written election must be made within 30 days prior to termination of the coverage due to that attainment.

For a person who did not qualify as an Over-Age Dependent due to failure to meet the necessary conditions, but who later meets all of those conditions, the written election must be made within 30 days after the date the person first meets those conditions, as follows:

- ❑ If the person did not qualify because he/she was married, the notice must be given within 30 days of the date he/she is no longer married.
- ❑ If the person did not qualify because he/she had a dependent, the election must be made within 30 days after the date he/she no longer has a dependent.
- ❑ If the person did not qualify because he/she either was not a New Jersey resident or not a full-time student at an accredited school, the election must be made within 30 days after the date he/she either becomes a New Jersey resident or such a full-time student.
- ❑ If the person did not qualify because he/she was covered under another group or individual health benefits plan; group health plan; church plan; or health benefits plan; or because he/she was entitled to Medicare, the election must be made within 30 days of the date he/she is either no longer covered under such a plan or entitled to Medicare.

Each year, there will be an open enrollment period, established by the Policyholder, during which an Over-Age Dependent who previously did not elect to continue coverage may make such an election.

Application of a Pre-Existing Conditions Exclusion

An Over-Age Dependent who was covered under prior Creditable Coverage that ended no more than 90 days prior to making an election for continuation under this provision will be given credit for the time he/she was covered under the Creditable Coverage toward the application of any Pre-Existing Conditions exclusion under this Policy.

Payment of Premiums

Horizon BCBSNJ will set the premiums for the continued coverage, in a manner that is consistent with the requirements of applicable New Jersey law.

The first month's premium must be paid within 30 days of the date the Over-Age Dependent elects continued coverage.

Subsequent premiums must be paid monthly, in advance, and will be remitted by the Policyholder.

Grace Period for the Payment of Premiums

An Over-Age Dependent's premium payment is timely as follows:

- With respect to the first due payment, if it is made within 30 days after the election for continued coverage;
- With respect to later payments, if they are made within 30 days of the date they become due.

Scope of Continued Coverage

The continued coverage will be identical to the coverage provided to the Over-Age Dependent's parent who is covered as an Employee under this Policy and will be evidenced by a separate Booklet-Certificate and ID card being issued to the Over-Age Dependent. Subject to the following subsection, if this Policy's coverage for other dependents who are Covered Persons is modified, the coverage for Over-Age Dependents will be modified in like manner. Evidence of insurability is not required for the continued coverage.

Single Coverage for Over-Age Dependents

The continued coverage for an Over-Age Dependent is single coverage. Any Deductible, Coinsurance and/or Copayment required of and payable by an Over-Age Dependent during a period of continued coverage pursuant to this provision is independent of any Deductible, Coinsurance and/or Copayment required of and payable by the other covered family members. Regardless of anything above to the contrary, any current or future provision of the Policy allowing for a family deductible limit, family out-of-pocket maximum or any other similar

provision that aggregates the experience of a covered family does not apply to the continued coverage for the Over-Age Dependent.

When Continuation Ends

An Over-Age Dependent's continued coverage ends as of the first to occur of the following:

- The date on which the Over-Age Dependent fails to meet any one of the conditions to be an Over-Age Dependent.
- The end of a period during which a required premium payment for the continued coverage is not made when due, subject to the "Grace Period for the Payment of Premiums" subsection above.
- The date on which the Employee's coverage ends.
- The date on which the Policy's coverage for Dependents is ended.
- The date on which the Employee waives this Policy's Dependents coverage. However, if the Employee has no other Dependents, the Over-Age Dependent's coverage under this Policy will not end due to that waiver.

Inapplicability of Other Continuation Provisions

Regardless of anything in this Policy to the contrary, for an Over-Age Dependent who has continued coverage pursuant to this provision, this provision supersedes any other continuation right(s) that would otherwise be available to him/her under this Policy. Such an Over-Age Dependent is not entitled to continuation under any such other provision either while this provision's continuation is in force or after it ends.

All other benefits and terms of the Group Policy not changed by this Rider remain in full force and effect. Attach this Rider to your Member Handbook and Evidence of Coverage.