

Aetna Life Insurance Company
151 Farmington Avenue, Hartford, Connecticut 06156

Group critical illness and cancer insurance policy

The words which appear in **bold** type are defined in the *Glossary* section of the certificate.

The group critical illness and cancer insurance **policy** (“this **policy**”) is by and between

Aetna Life Insurance Company
(**Aetna**, we, us, or our)

and

Chapel Hill Independent School District
(**Policyholder**)

Policy number:	802900
Policy issue date:	April 25, 2022
Policy effective date	September 1, 2022
Original effective date	September 1, 2022

This **policy** begins on the **policy** effective date at 12:01 a.m. at the **policyholder's** address. We must receive the **policyholder's** signed group application and the initial **premium** for it to take effect.

Term of this policy

The initial term is the 12 consecutive months period beginning on the **policy**, effective date. Subsequent terms are the 12 consecutive month period beginning with the renewal date.

Premium due dates

The **policy**, effective date and the 15th day of each succeeding calendar month.

This **policy** is a non-participating policy and does not share in the company’s surplus.

This **policy** is governed by applicable federal law and the laws of the state of Texas.

**THIS IS A SUPPLEMENT TO HEALTH INSURANCE AND IS NOT A SUBSTITUTE FOR MAJOR
MEDICAL COVERAGE. THIS PLAN DOES NOT COUNT AS MINIMUM ESSENTIAL
COVERAGE UNDER THE AFFORDABLE CARE ACT.**

This is a critical illness and cancer plan. This plan provides limited benefits. It pays a fixed dollar benefits for covered benefits without regard to the provider’s actual charges. The benefit payments are not intended to cover the full cost of medical care. You are responsible for making sure the provider's bills get paid. These benefits are paid in addition to any other health coverage you may have.

PLEASE READ THIS POLICY CAREFULLY

Notice of 10-day right to examine this policy

The **policyholder** has 10 days from the date of delivery of this **policy** to examine it. If the **policyholder** is not satisfied for any reason, this **policy** may be returned within 10 days to us at our home office or to the writing agent. We will refund the **premium** paid and this **policy** will be void from its beginning.

THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.



Dan Finke

President

Aetna Life Insurance Company

(A Stock Company)

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This policy – entire contract

This **policy** consists of these documents:

- The **policyholder's** application
- This **policy**
- The certificate
- Any amendments and riders to this **policy** or the certificate

These documents are the entire contract between us and the **policyholder**.

Policyholder questions or comments

If the **policyholder** has questions or comments about this **policy**, the **policyholder** may contact their agent. If an agent was not used, the **policyholder** may contact us at: **Aetna**, P.O. Box 14079, Lexington, KY 40512. When contacting us, we will ask for the **policy** number. It is on the front page of this **policy**.

Eligible classes

All classes of **employees** defined in this **policy** are eligible. An **employee** is eligible only for the coverage shown in the certificate which applies to his or her class.

Premium

Premium – rates

The current **premium** rates for all of the benefits provided under this **policy** are on record with both us and the **policyholder**.

Premium payments

Premiums will be paid in advance. They may be paid to Aetna Inc., PO Box 536919, Atlanta GA 30353-6919 or by agreed upon electronic means or to our authorized agent.

A **premium** is due to be paid on the 15th of each month, this is called the **premium** due date.

Grace Period

A grace period of 45 days after the **premium** due date will be allowed for the payment of each **premium**. During this time, this **policy** will remain in full force. If a past due **premium** is not paid by the end of the grace period, this **policy** will end as of the **premium** due date.

Premium rate changes

We have the right to change the **premium** rates by giving the **policyholder** at least 60 days advance written notice. The notice will include the date the change will take place.

Return of premiums

If this **policy** ends, we shall promptly return on a pro-rata basis the unearned **premium** paid, if any, and the **policyholder** shall promptly pay on a pro-rata basis the earned **premium**.

Unpaid premium

Any unpaid **premium** due under this **policy** may be recovered by us by offsetting against amounts otherwise payable under this **policy**.

Responsibility for conduct

Our agents and employees

We are responsible to the **policyholder** for what our agents and employees do.

We are not responsible to the **policyholder** for what is done by others that are not our agents or employees. We contract entities such as Third Party Administrators; these entities are what the law calls our independent contractors. That means we have a business relationship with them and they are not our agents or employees.

Some of our other responsibilities

We will prepare the certificate that is part of this **policy**. We will

- Provide it to the **policyholder** in electronic form
- Provide it to the **policyholder** in paper form when requested
- Administer the coverage stated in the certificate

We will protect the personal health information of **covered person** as required by federal and state laws. We will use it and share it with others as needed for their care and treatment. We will also use and share it to help us process claims and otherwise help us administer this policy. For a copy of our Notice of Privacy Practices, call our toll-free number 1-800-872-3862 or log on to www.aetna.com.

This provision survives if this policy ends.

Some policyholder requirements and responsibilities

Distribution of the certificate

The **policyholder** will give the certificate attached to this **policy** to each **covered person**.

Information – access

The **policyholder** must make payroll and other records directly related to a person's coverage under this **policy** available to us for inspection. This will occur:

- Upon our reasonable advance request
- At our expense
- At the **policyholder's** office
- During regular business hours

This provision survives if this **policy** ends.

Information – eligibility

The **policyholder** must send us eligibility information we request to administer this **policy**. We may request the information monthly or as otherwise required. The **policyholder** will send us the information on our form, or through such other means, as we require.

The eligibility information includes but is not limited to data needed to:

- Enroll the **policyholder's** eligible employees and their eligible dependents
- Enroll the **policyholder's** eligible employees
- Process the end of a **covered person's** coverage
- Process coverage changes
- Make family status changes

By sending the information to us, the **policyholder**:

- Represents that it is correct
- Acknowledges that we can and will rely on the information

The **policyholder** must:

- Maintain a reasonably complete record of the information the **policyholder** sends us for at least seven years, and until the final rights and duties under this **policy** have been resolved.
- Send us information that was sent us before, upon request.

We will not start covering a person under this **policy** until the **policyholder** sends us the information to enroll that person, if needed, to start their coverage. Subject to applicable federal and state laws and this **policy**, we will not stop covering a person until the **policyholder**:

- Sends us the notice to end coverage

The **policyholder** must notify us within 31 business days of the date in which:

- An **employee's** employment ceases, or
- An **employee's** dependent who is a **covered person** is no longer eligible

Notices – when coverage ends

The **policyholder** will tell **covered persons** in writing of their rights when coverage under this **policy** ends. In particular, the **policyholder** will tell all **covered persons** of their right to keep coverage pursuant to the *Portability* section in the certificate

The **policyholder's** duties and our rights within this provision survive if the **policy** ends.

Ending this policy

When the policyholder ends this policy

The **policyholder** may end this **policy** as to all or any class of its **employees**. We must be given written notice. The notice must state the end date. It must be a date after the notice. It shall not be effective during a period for which a **premium** has been paid to us for the coverage.

When we end this policy

We may end this **policy**:

- At any time after the initial term by giving the **policyholder** written notice at least 31 days in advance.
- If **premium** is not paid by the **policyholder** as detailed in the *Grace period* provision of this **policy**.

This **policy** will end at midnight at the **policyholder's** address.

Intentional deception

If we learn that the **policyholder** or a **covered person** defrauded us or that a **covered person** intentionally misrepresented material facts, we can and may take actions that can have serious effects on the **policyholder's** coverage. These serious effects include, but are not limited to:

- Loss of coverage going forward
- Denial or termination of benefits
- Recovery of amounts we already paid
- Reduced benefits

We also may report fraud to law enforcement.

General provisions

Content and interpretation of this policy

Compliance with law

We interpret this **policy** so that it complies with applicable federal and state laws. The **policyholder** must do the same.

Applicable law means all federal and state laws that apply to the matters covered by this **policy**. Federal and state laws mean statutes, regulations, official agency direction and guidance, and judicial decisions and orders, as they may be passed or issued, or as they may be amended, from time to time.

If this **policy** omits or misstates any right or duty under applicable federal and state laws, the **policyholder** and we shall implement this **policy** as though the right or duty is stated correctly in this **policy**.

If any provision of this **policy** is invalid or illegal, the **policyholder** and we shall implement this policy as though the provision is not in this **policy**.

Changes to the group policy

This **policy** may be amended in writing to which we and the **policyholder** consent.

We may end some or all coverage under this **policy** by written notice, if we act as required by applicable federal and state laws.

If we change the **policy**, we will give the **policyholder** 90 days advance written notice. Changes to this **policy** do not require the **policyholder's** consent. All agreements made by us are signed by one of our authorized officers. Only an authorized officer of **Aetna** may change or waive any of the **policy** terms or make any agreement binding us.

Third parties rights

This **policy** does not give any rights or impose any duties on third parties except as specifically stated.

Administration of this policy

Aetna name, symbols, trademarks and service marks

We control the use of our name and of our symbols, trademarks and service marks. The **policyholder** may not use any of them in advertising or promotional materials or in any other way without our prior written consent. The **policyholder** must stop any use immediately upon our direction or when this **policy** ends.

Additional covered persons

Additional **covered persons** may be added to this **policy**, in accordance with this **policy's** provisions.

Necessary information

We must receive sufficient information to administer this **policy** and compute the **premium**. We have the right to inspect any of the **policyholder's** records as required to carry out the provisions of this **policy** at any time.

Claim determinations – ERISA claim fiduciary

We are a fiduciary for the purpose of section 503 of Title 1 of the Employee Retirement Income Security Act of 1974. We have complete authority to review all denied claims for benefits under this **policy**. In exercising this fiduciary responsibility, we have authority to:

- Determine whether and to what extent **covered persons** are entitled to benefits
- Construe any disputed or doubtful terms under this **policy**. We shall be deemed to have properly exercised our authority unless we abuse our discretion by acting arbitrarily and capriciously.

Our review of claims for benefits may include the use of software and other tools to take into account factors such as:

- A **covered person's** claim history
- A **provider's** billing patterns
- Complexity of the service or treatment
- Amount of time and degree of skill needed
- The manner of billing

Correcting our administrative errors

A clerical error in keeping records or a delay in making an entry will not alone determine whether there is coverage. We will determine the facts and decide if coverage is in force and its amount. We will make a fair adjustment in **premium** if correction changes coverage.

We may correct, withdraw, or replace this **policy**, any certificate, and any other document issued with an error or issued in error.

Correcting mistakes

Any statement the **policyholder** or a **covered person** makes in a signed application for coverage is considered a representation and not a warranty.

If the **policyholder** or any **employee** make a mistake of fact, we may make a fair change in **premium**. If the misstatement affects the existence or amount of coverage, we will use the true facts to decide if coverage is or remains in effect and its amount.

Discrimination prohibited

The **policyholder** must:

- Not encourage or discourage enrollment in coverage by this **policy** because of health risks.
- Act so as not to discriminate unfairly between persons in like situations at the time of the action.

Incontestability

We will not use any **policyholder** statement to void this **policy** after it has been in force for 2 years from its effective date.

We will use only a statement in writing that the **policyholder** or a **covered person** makes, to do any of the following:

- Void coverage of the **covered person**
- Deny coverage of the **covered person**
- Deny a claim for benefits by the **covered person**

We will not use a statement by a **covered person** to deny a claim for benefit more than 2 years after the statement was made.

Financial sanctions exclusions

No coverage based on United States (U.S.) trade sanctions:

If U.S. trade sanctions consider the **policyholder** or a beneficiary a blocked person; the plan cannot provide benefits to the **policyholder**. If the **policyholder** travels to a country sanctioned by the U.S., the plan in most cases cannot provide benefits to the **policyholder**. For more information on U.S. trade sanctions, visit www.treasury.gov/resource-center/sanctions/Pages/default.aspx.