

Notice: This Contract is subject to: (1) Calendar Year and Lifetime Maximums, (2) premium increases, and (3) termination of coverage provisions as specified in this Contract.

NOTICE OF 10-DAY RIGHT TO EXAMINE CONTRACT

Within ten days after its delivery to You, this Contract may be surrendered by delivering or mailing it to Us at Our Administrative Office, branch office, or agent through whom it was purchased. Upon such surrender, any premiums paid will be returned.



**BlueCross BlueShield
of Texas**

Has issued this
Dental Indemnity Insurance Contract
Providing
Scheduled Dental Benefits
To

The Subscriber named on the Identification Card issued for this Contract.

This Contract is effective from 12:01 a.m. on the Effective Date shown on the Identification Card.

In consideration of the payment of premiums in accordance with the provisions hereof, We agree to provide benefits to the Subscriber under the terms of this Contract as recited on this and the following pages from the Contract Effective Date and for consecutive premium payment periods thereafter, unless this Contract is terminated as provided in the **Termination of Coverage** section of this Contract.

This Contract is issued in the State of Texas and is governed in accordance with the laws of this State.

A handwritten signature in black ink, appearing to read 'W. J. F...', is positioned above the title of the President.

President of Blue Cross and Blue Shield of Texas

THIS IS NOT A CONTRACT OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS CONTRACT AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKER'S 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.

IMPORTANT NOTICE

To obtain information or make a complaint:

- You may call Blue Cross and Blue Shield of Texas toll-free telephone number for information or to make a complaint at:

1-888-697-0683

- You may also write to Blue Cross and Blue Shield of Texas at:

P. O. Box 2035
Aurora, Illinois 60507-2035

- You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

- You may write the Texas Department of Insurance at:

P. O. Box 149104
Austin, Texas 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

- **PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.
- **ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

- Usted puede llamar al numero de telefono gratis de Blue Cross and Blue Shield of Texas para informacion o para someter una queja al:

1-888-697-0683

- Usted tambien puede escribir a Blue Cross and Blue Shield of Texas al:

P. O. Box 2035
Aurora, Illinois 60507-2035

- Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al :

1-800-252-3439

- Puede escribir al Departamento de Seguros de Texas:

P. O. Box 149104
Austin, Texas 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

- **DISPUTAS SOBRE PRIMAS O RECLAMOS:** Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).
- **UNA ESTE AVISO A SU POLIZA:** Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

NOTICE OF ANNUAL MEETING

You are hereby notified that You are a Member of Health Care Service Corporation, a Mutual Legal Reserve Company, and You are entitled to vote in person, or by proxy, at all meetings of Health Care Service Corporation. The annual meeting is held at our principal office at 300 East Randolph, Chicago, Illinois at 12:30 p.m. on the last Tuesday in October.

NOTICE OF ANNUAL MEETING

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Article I — Definitions

Whenever used in this Contract and unless otherwise expressly stated in writing:

ADA Code means the American Dental Association Code assigned to a particular dental procedure.

Authorized Administrator means Dental Network of America.

BCBSTX, We, Us, or Our means Blue Cross and Blue Shield of Texas, A Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association.

Calendar Year means the period commencing on a January 1, and ending on the next succeeding December 31, inclusive.

Contract Month means each succeeding monthly period beginning on the Contract Effective Date.

Deductible means the dollar amount of Eligible Expenses that must be incurred by a Participant before benefits under this Contract will be available.

Dentist means a person, when acting within the scope of his license, who is a Doctor of Dentistry (D.D.S. or D.M.D. degree) and shall also include a person who is a Doctor of Medicine or a Doctor of Osteopathy.

Dependent means Your:

1. Spouse; or
2. Unmarried child who is under 25 years of age.

Child means Your:

- a. The natural child of the Subscriber; or
- b. A legally adopted child of the Subscriber (including a child for whom the Subscriber is a party in a suit in which the adoption of the child is being sought); or
- c. A stepchild; or
- d. A child for whom the Subscriber has received a court order or an order requiring that Participant have financial responsibility for providing health insurance; or

- e. A grandchild of the Subscriber who is dependent upon the Subscriber for Federal income tax purposes at the time application for coverage is made.

Eligible Expenses means covered dental expenses as described in this Contract.

Participant means You or a Dependent for whom application has been made by You and accepted by Us.

Probationary Period means the amount of time a Participant must have been continuously covered under this Contract before the Participant is eligible for a certain class of benefits. The Probationary Period for each class of benefits is shown in the Coverage Schedule.

Scheduled Benefit means the specific benefit amount for each particular dental procedure shown in the attached Coverage Schedule.

You, Your, Yours means the Subscriber to whom this Contract is issued.

Article II — Effective Date of Dependent Coverage

1. *Newborn Child*

Coverage of Your natural child born after Your Effective Date will be in effect from the date of birth through the 31st day following the date of birth.

To continue coverage beyond 31 days, You must make application for coverage on a form approved by BCBSTX and pay the required premium within that 31-day period. If notification is received by BCBSTX after the 31-day period, coverage shall be contingent upon the Subscriber's making application for such coverage on a form approved by BCBSTX. The application form must be submitted to the Administrative Office of BCBSTX. Subject to BCBSTX approval of the application, and payment of the first full month's premium, coverage shall become effective of the first day of the month following the date BCBSTX approves the application.

2. Court Ordered Coverage for Dependents

If You have coverage under this Contract and if You are required to provide coverage for a minor child as a result of a medical support order issued under the requirements of Section 14.061, Family Code, coverage will be automatic for the first 31 days following the date on which the court order is issued.

To continue coverage beyond 31 days, You must make application for coverage on a form approved by BCBSTX and pay the required premium within that 31-day period. If notification is received by BCBSTX after the 31-day period, coverage shall be contingent upon the Subscriber's making application for such coverage on a form approved by BCBSTX. The application form must be submitted to the Administrative Office of BCBSTX. Subject to BCBSTX approval of the application, and payment of the first full month's premium, coverage shall become effective of the first day of the month following the date BCBSTX approves the application.

3. Other Dependents

- a. Coverage for a Dependent (other than a newborn child or a court ordered child) shall be contingent upon You making application for such coverage on a form approved by BCBSTX. The application form must be submitted to the Administrative Office of BCBSTX. Subject to approval of the application and payment of the required premium, coverage for each Dependent listed on Your initial application for coverage shall become effective on the Contract Effective Date.
- b. Coverage for a Dependent (other than a newborn child) of a Contractholder already having coverage under this Contract shall be contingent upon You making application for such coverage on a form by BCBSTX. The application form must be submitted to the Administrative Office of BCBSTX. Subject to BCBSTX approval of the application and payment of the required premium, coverage shall become effective on the first day of the Contract Month following the date We approve the application.

Article III — Premiums and Reinstatement Provisions

1. Premiums

The premium applicable to this Contract is determined by Your place of residence on each premium due date, and the number and classification of the family members covered. You must notify BCBSTX in writing of any change in Your place of residence within 30 days of the date of change.

Your place of residence means the address where You principally reside and regularly maintain physical presence.

a. *Change in Premium Upon Notice*

We reserve the right to adjust the premium upon 30 days written notice to You. Such adjustments in rates shall become effective on the date specified in said notice. Except for a change in the number and classification of a family member, or changes in premium resulting from a change in residence under Paragraph (b), below, no adjustment in premium rate shall be made within 12 months of the initial premium rate.

b. *Change of Residence*

If You change Your place of residence and such change results in a change in premium, the premium applicable to this Contract shall automatically change to the rate applicable to the new place of residence effective on the first day of the Contract Month following the date of change in residence; provided that if such change is to a lower premium rate and You fail to notify Us in writing of such change prior to the date of change, Your right to refund of overpayment shall be limited to the overpayment for the six months immediately preceding the date of notification to Us.

2. Payment of Premium

Coverage does not become effective until payment of the first month's premium. Premiums are due on the first day of the month and may be paid to on a

monthly or quarterly basis. Your premium payments should be submitted to BCBSTX at the address shown on the billing statement.

3. **Grace Period**

Grace Period: A grace period of: (a) ten days for monthly, or (b) 31 days for quarterly payment of premiums shall be allowed from the due date of each premium payment, during which grace period this Contract will continue in force, subject to its termination in accordance with the provisions hereof.

4. **Reinstatement**

If default is made in the stipulated premium payments for this Contract, the subsequent acceptance of such premium payments by BCBSTX shall reinstate this Contract. For purposes of reinstatement, mere receipt and/or negotiation of a late premium shall not constitute acceptance. The reinstated Contract shall not cover loss due to covered dental expenses incurred after the date of termination. In all other respects, the Subscriber shall have the same rights under the Contract as they had immediately before the due date of the defaulted premiums, including Your right to apply the period of time this Contract was in effect immediately before the due date of the defaulted premiums toward satisfaction of any Probationary Period or benefits, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.

Article IV — Payment of Benefits; Participant/Provider Relationship

- a. When benefits are payable, We will pay either You or the Dentist. This payment constitutes Our full responsibility to You under this Contract.
- b. Except as provided above, the rights and benefits of this Contract shall not be assignable, either before or after services and supplies are

provided. However, if a written assignment of benefits is made by a Participant to a Dentist and the written assignment is delivered to Us with the claim for benefits, We will make any payment directly to the Dentist.

- c. Any benefits payable to You shall, if unpaid at Your death, be paid to Your surviving beneficiary; if there is no surviving beneficiary, then such benefits shall be paid to Your estate.

Article V —Dental Benefit Information

We will pay Eligible Expenses incurred by You or on behalf of You or any insured Dependent. Expenses must be incurred while the Contract is in force and after the Probationary Period, if applicable, and while the person is covered by this Contract. Any Deductible and Calendar Year and lifetime benefit maximums are shown in the Coverage Schedule.

1. **Deductibles**

- a. The Deductible is the dollar amount of Eligible Expenses that must be incurred by a Participant during a Calendar Year for which no benefits will be paid. The amounts applied to the Deductible are based on the benefit allowance in the Coverage Schedule. The following Deductibles will apply:
 - 1) An individual Deductible as indicated in the Coverage Schedule.
 - 2) A family Deductible as shown in the Coverage Schedule. When the family Deductible equals the amount indicated in the Coverage Schedule, all Participants will be deemed to have satisfied their Deductible for the remainder of that Calendar Year. No one Participant is allowed to satisfy more than the individual Deductible amount.
- b. The Deductibles will not apply to expenses incurred for Preventive and Diagnostic services or Orthodontics.

2. **Maximum Calendar Year Benefit**

The maximum benefits payable during a Calendar Year for any one Participant under this Contract for all Eligible Expenses, except for orthodontic procedures, is shown in the Coverage Schedule.

3. **Lifetime Maximum Benefits**

The maximum lifetime benefit, if any, payable for any one Participant under 19 years of age for orthodontic procedures is shown in the Coverage Schedule.

4. **Probationary Period**

There is a 12-month Probationary Period for certain classes of benefits as indicated in the Coverage Schedule. The Probationary Period applies to each Participant separately and begins for each Participant on his effective date of coverage under this Contract. If this Contract is terminated for any reason, refer to the **Reinstatement Provisions**.

5. **Eligible Expenses**

To be an Eligible Expense, the dental service must be performed by a Dentist, or licensed dental hygienist acting under the supervision and direction of a Dentist.

Eligible Expenses are deemed incurred on the earlier of:

- a. The date the final impression is taken for full and partial dentures,
- b. The date the teeth are first prepared for fixed bridges, crowns, inlays and onlays,
- c. The date the pulp chamber is opened for root canal therapy,
- d. The date surgery is performed for periodontal surgery,
- e. The date the appliance or bands are inserted or on the date a one step orthodontic procedure is performed for orthodontic services, and

- f. On the date the service is performed for all other services.

Article VI — Limitations and Exclusions

The benefits described in this Contract for dental procedures or services are subject to the following:

1. **Limitations**

- a. Replacement of prosthetic devices or dental restorations along with the addition of teeth to existing prosthetic devices will be covered:
 - (1) Following the Participant's continuous coverage under this Contract for the Probationary Period stated in the Coverage Schedule and after 5 years have lapsed since such prosthetic device or dental restoration was placed if the existing prosthetic device or dental restoration is unsatisfactory and cannot be made satisfactory; and
 - (2) Services which are necessary to make an appliance satisfactory will be provided in accordance with the terms of this Contract.
- b. A crown or cast restoration is a covered benefit only when required for restorative reasons (decay or fracture) and only when the tooth cannot be restored with amalgam, silicate, or composite filing.
- c. "Personalized" restorations or specialized techniques will be paid at the level payable for standard procedures and materials.
- d. Prophylaxis, periodic oral evaluations, and bitewing x-rays are limited to 2 per Calendar Year.
- e. Sealants for application to the occlusal surface of permanent first and second molars, which are free of decay and restorations, are covered for Participants under the age of 18. Coverage is limited to 1 sealant per tooth during the lifetime of the Participant.
- f. Fluoride treatments are covered for Participants under the age of 18 and are limited to 1 treatment per Calendar Year.

- g. Full-mouth x-rays and panoramic x-rays are limited to 1 each 36 months.
- h. In all cases in which there are alternative methods of treatment carrying different treatment costs, payment will be made only for the least costly, professionally acceptable method of treatment. Any balance of the treatment cost remains Your responsibility.
- i. Orthodontic diagnostic procedures and treatment are covered only for Dependent Children under the age of 19. Benefits, not to exceed the orthodontic lifetime maximum, will be divided into equal quarterly payments for the total months of active treatment, not to exceed 24 months.
- j. Charges for missed appointments, completion of forms, telephone consultations, or obtaining dental records.
- k. Any dental treatment started prior to the Participant's eligibility to receive benefits under this Contract, not completed by the end of the month in which coverage terminates, or started after a Participant's termination.
- l. Replacement of prosthetic devices, dental restorations, or orthodontic appliance due to theft, loss, or misplacement.
- m. Appliances, restorations, or special equipment used to increase vertical dimension, correct or determine proper occlusion (unless otherwise provided by this Contract) or to correct Temporomandibular Joint (TMJ) Dysfunction or pain syndromes.

2. *Expenses Not Covered*

- a. Services or supplies that are not dentally necessary.
- b. Any portion of a charge for any service in excess of the Scheduled Benefit.
- c. Procedures not listed on the Coverage Schedule.
- d. Services or supplies covered under a medical plan will not be duplicated under this Contract.
- e. Charges that would not be made if You did not have coverage or that You are not legally required to pay.
- f. Major services and orthodontic treatment rendered prior to a period of 12 months of continuous coverage under this Contract.
- g. Services or supplies that do not meet accepted standards of dental practice, including charges for services or supplies that are experimental or investigative in nature or are not approved by the American Dental Association.
- h. Cosmetic procedures unless necessary due to accidental injury while covered under this Contract, athletic mouth guards, over-dentures and related procedures, implants, and precision or semi-precision attachments.
- i. Education, training, or supplies for dietary or nutritional counseling, personal oral hygiene or plaque control.
- n. Duplication of a prosthetic device, dental restoration, or dental appliance.
- o. Services or supplies provided by a person related to the Participant by blood or marriage.
- p. Services or supplies provided for occupational illness or for injuries sustained in the course and scope of employment, whether or not they are covered by Workers' Compensation, Employee Injury Benefit Plan (EIBP) or similar state or federal programs.
- q. Services or supplies for which benefits are available under state or federal laws (except Medicaid).
- r. Services in connection with war or any act of war, whether declared or undeclared, or condition contracted or accident occurring while on full-time active duty in the armed forces of any country or combination of countries.
- s. Treatment performed by someone other than a Dentist, except for x-rays, scaling and cleaning of teeth and topical fluoride applications when performed by a licensed dental hygienist under the guidance of a Dentist.

Article VII —Termination of Coverage

1. The coverage of the Subscriber and all covered Dependents under this Contract will terminate on the earliest of the following dates:
 - a. On the last day of the last period for which the premium for this Contract has been paid to Us, subject to the grace period provided in the section entitled **Premiums** of this Contract; or
 - b. On the last day of any Contract Month upon written request for termination of this Contract made by You and received by Us prior thereto; or
 - c. On the date Your coverage for health insurance cancels or terminates; or
 - d. On the Contract Effective Date for fraudulent or intentional misrepresentation of a material fact; or
 - e. On Your date of death; or
 - f. On the last day of any Contract Month in which You no longer reside, live, or work in an area for which We are authorized to do business; or
 - g. On the date following 90 days advance notice by Us to the Subscriber, but only if We are terminating all other Form No. IND-DEN-2 Plan Contracts.
2. In addition to the provisions of Section 1, above, the coverage of any Dependent under this Contract shall terminate on the earliest of the following dates:
 - a. At the end of the Contract Month in which the Dependent ceases to be a Dependent as defined in the Definitions section of this Contract, provided that:
 - (1) If such date falls within a period for which We have accepted premium, coverage shall not terminate until the last day of such period; or
 - (2) Coverage for any unmarried child who is medically certified as Disabled and dependent upon You shall not terminate upon reaching age 25 if the child continues to be both: (a) Disabled, and (b) dependent upon You for more than one-

half of his support as defined by the *Internal Revenue Code* of the United States.

Disabled means any medically determinable physical or mental condition that prevents the child from engaging in self-sustaining employment. The disability must begin while the child is covered under this Contract and before the child attains 25. You must submit satisfactory proof of the disability and dependency to Us within 31 days following the child's attainment of age 25. As a condition to the continued coverage of a child as a disabled Dependent beyond age 25, We may require periodic certification of the child's physical or mental condition but not more frequently than annually after the two-year period following the child's attainment of age 25.

- b. On the date of death of the Dependent; or
 - c. On the last day of any Contract Month on written request for termination of the Dependent's coverage made by You and received by Us prior thereto; or
 - d. On the last day of any Month in which a Dependent no longer reside, live, or work in an area for which We are authorized to do business.
3. Notwithstanding the provisions of Section 1, above, within 30 days of the death of the Subscriber:
 - a. If there is a surviving spouse, all remaining eligible Dependents may jointly elect in written notice to Us to continue this Contract with the surviving spouse as Subscriber.
 - b. If there is no surviving spouse, each Dependent may elect in written notice to Us to continue this Contract in his own name.
 4. Notwithstanding the provisions of Section 2, above, within 30 days of a divorce, marriage of a child, or a child attaining age 25, the former Dependent losing coverage may elect to apply for coverage in his own name.

Upon timely application, We will allow coverage under the name of the applicant at the then prevailing

premium rate for persons of the same geographical location.

In the case of a change in marital status, the new will have the same Contract Effective Date under which coverage was afforded prior to the loss of coverage. The rights that are provided under this Section 4 shall terminate if We do not receive the application within the 30-day period.

Article VI — Standard Provisions

a. **Claim Forms:** We will furnish to You, Your Physician or Dentist, upon receipt of a notice of claim or prior thereto, such forms as We usually furnish for filing Proof of Loss. If such forms are not furnished within 15 days after receipt of such notice by Us, the Participant shall be deemed to have complied with the requirements of this Contract as to Proof of Loss upon submitting, within the time fixed in the Contract for filing such Proof of Loss, written proof covering the occurrence, the character, and the extent of the loss for which claim is made.

b. **Contract; Amendments**

This Contract and the application or applications for coverage by the Subscriber and any amendments, riders, or endorsements attached hereto, shall constitute the entire Contract. Any statements made shall be deemed representations and not warranties, and no statement made by the Subscriber in the application for this Contract shall be used in any contest or in defense of a claim hereunder unless a copy of the application is attached to this Contract when issued.

Only Our President, Vice President, Secretary, or an Assistant Secretary has the power to change, modify, or waive the provisions of this Contract, and then only in writing prepared at the home office and attached or endorsed hereto. We shall not be bound by any promise or representation heretofore or hereafter made by or to any agent other than as specified above.

c. **Legal Actions:** No action at law or in equity shall be brought to recover on this Contract prior to the expiration of 60 days after written Proof of Loss has been filed in accordance with the requirements

herein and no such action shall be brought at all unless brought within three years from the expiration of the time within which written Proof of Loss is required to be furnished by this Contract.

d. **Notice of Claim:** You shall give or cause to be given written notice to BCBSTX within 30 days or as soon as reasonably possible after any Participant receives any of the services for which benefits are provided herein.

e. **Physical Examinations and Autopsy:** We, at Our own expense, shall have the right and opportunity to examine the person of the Participant for whom claim is made, when and so often as We may reasonably require during the pendency of a claim hereunder and also in case of death, the right and opportunity to make an autopsy where it is not prohibited by law.

f. **Proof of Loss:** Written Proof of Loss must be furnished to BCBSTX, no later than 90 days from the date that the services, supplies or appliances are provided to the Participant. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonably possible to furnish such proof within such time, provided such proof is furnished as soon as reasonably possible and, in no event, except in the absence of legal capacity of the Subscriber, later than one year from the time proof is otherwise required.

General Provisions

1. **Disclosure Authorization:**

a. In consideration of Our having waived physical examination in connection with the application, You, on behalf of Yourself and Your Dependents, shall be deemed to have authorized any attending Physician or Dentist to furnish Us all information and records or copies of records relating to the diagnosis, treatment, or care of any Participant included under this Contract; and such Participants shall, by asserting claim for benefits hereunder, be deemed to have waived all provisions of law forbidding the disclosure of such information and records.

b. As a condition to the continued coverage of a child as a disabled Dependent beyond the age of

25, We shall have the right to require periodic certification of the child's physical or mental condition and dependency, but not more frequently than annually after the two-year period following the child's attainment of age 25.

2. **Rescission of Coverage:** Any omission of a material fact, or fraudulent misstatements, or intentional misrepresentation of a material fact on the Subscriber's application will result in the cancellation of Your coverage (and/or Your Dependent(s)) coverage retroactive to the Effective Date. In the event of such cancellation, Blue Cross and Blue Shield of Texas may deduct from the premium refund any amounts made in claim payments during this period and You may be liable for any claims payment amount greater than the total amount of premiums paid during the period for which cancellation is effected. At any time when BCBSTX is entitled to rescind coverage already in force, BCBSTX may, at its option, make an offer to reform the Contract already in force. This reformation could include, but not be limited to, the addition of exclusion riders and a change in the rating category/level. In the event of reformation, the Contract will be reissued retroactive in the form it would have been issued had the misstated or omitted information been known at the time of application.
3. **Gender:** Use herein of a personal pronoun in the masculine gender shall be deemed to include the feminine unless the context clearly indicates the contrary.
4. **Non-Agency:** The Subscriber understands that this Contract constitutes a contract solely between the Subscriber and BCBSTX. BCBSTX is a Division of Health Care Service Corporation (HCSC). HCSC is an Independent Licensee of the Blue Cross and Blue Shield Association (the Association). The license from the Association permits HCSC to use the Blue Cross and Blue Shield Service Marks in the State of Texas. BCBSTX is not contracting as the agent of the Association. The Subscriber also understands that he has not entered into this Contract based upon representations by a person other than BCBSTX. No person, entity, or organization other than BCBSTX shall be held accountable or liable to the Subscriber for any of its obligations whatsoever on the on the part of

BCBSTX other than those obligations created under other provision of this Contract.

5. **Refund of Benefit Payments:** If and when We determine that benefit payments hereunder have been made erroneously but in good faith, We reserve the right to seek recovery of such benefit payments from the Participant, any other insurance company, or Provider of services to whom such payments were made. We reserve the right to offset subsequent benefit payments otherwise payable by the amount of any such overpayment.

6. **Review of Claim Determinations:**

- a. When a claim is submitted properly and received by Us, it will be processed to determine whether and in what amount benefits should be paid. Some claims take longer to process than others do because they require information not provided with the claim. Examples of such matters include determination of dental necessity.

After processing the claim, We will determine and notify the Participant of the exact amount, if any, being paid on the claim; that the claim is being denied in whole or in part and the reason for denial; or that We require additional information before We can determine Our liability. If additional information is requested, it must be furnished before processing of the claim can be completed.

- b. Any Participant (or a parent if he is a minor) has the right to seek and obtain a full and fair review by Us of any determination of a claim, or any other determination made by Us of the Participant's benefits under this Contract.

If a Participant believes We incorrectly denied all or part of his charges and wants to obtain a review of the benefit determination, he must:

- (1) Submit a written request for review mailed to BCBSTX. The request must state the Participant's full name, Subscriber identification number, dates of service, and the charges on the claim he wants reviewed.

- (2) Include in the written request the items of concern regarding Our determination and all additional information (including medical information) that the Participant believes has a bearing on why the determination was incorrect.

On the basis of the information supplied with the request for review, together with any other information available to Us, We will review Our prior determination for correctness and make a new determination. The Participant will be notified in writing of Our decision and the reasons for it within 60 days of Our receipt of the request for review. This determination will be final unless additional information which has not previously been available for review is provided within 60 days of the Participant's receipt of the determination.

7. State Government Programs

- a. Benefits for services or supplies under this Contract shall not be excluded solely because benefits are paid or payable for such services or supplies under a state plan for medical assistance (Medicaid) made pursuant to 42 U.S.C., Section 1346 et seq., as amended. Any benefits payable under such state plan for medical assistance shall be payable to the Texas Department of Human Services to the extent required by Article 21.4910 of the *Texas Insurance Code*.

- b. All benefits paid on behalf of a child or children under this Contract must be paid to the Texas Department of Human Services where:

- (1) The Texas Department of Human Services is paying benefits pursuant to Chapter 31 or 32 of the *Human Resources Code*; and
- (2) The parent who is covered by this Contract has possession or access to the child pursuant to a court order, or is not entitled to access or possession of the child and is required by the court to pay child support; and
- (3) We receive written notice at Our Administrative Office, affixed to the benefit claim when the claim is first submitted, that the benefits claimed must be paid directly to the Texas Department of Human Services.

Coverage Schedule

Amendments *(If any)*
