

## YOUR GROUP POLICY

This is your Group Policy. We feel certain that you will be pleased with this new format.

Your Group Policy consists of:

- a policy “shell” containing general provisions relating to policyholder/insurance company matters, and

- a certificate (including the Schedule of Benefits) containing the complete plan of benefits.

As changes in the plan occur, new or replacement pages will be issued and, when necessary a new or replacement certificate, Schedule of Benefits (SOB) or amendment which will be attached to a cover rider to the policy.



(GR-29N-01-01-01)

## Group Life and Accident Insurance Policy

This Policy is entered into by and between

**Aetna Life Insurance Company**  
(Aetna, We, Us, or Our)

and

**State Of Nebraska**  
(the Policyholder)

Policy Number: GP-473449  
Date of Issue: April 10, 2013  
Effective Date: July 1, 2013

This Policy shall be effective on the Effective Date and shall continue in force until terminated as provided herein.

In consideration of the mutual promises hereunder and the payment of Premiums and fees when due, We will pay benefits in accordance with the terms, conditions, limitations and exclusions set forth in this Policy. Benefits will be paid in accordance with the reasonable exercise of Our business judgment, consistent with applicable law. The duties and the rights of all persons will be based solely on the terms of this Policy.

Upon receipt of the Policyholder's signed Group Application, and upon receipt of the required initial Premium, this Policy shall be considered to be agreed to by the Policyholder and Us, and is fully enforceable in all respects against the Policyholder and Us.

Term of Policy: The Initial Term shall be:  
The 12 consecutive month period beginning on the Effective Date.  
  
Thereafter, Subsequent Terms shall be:  
The 12 consecutive month period beginning on July 1 of each year.

Premium Due Dates: July 31, 2013 and the last day of each succeeding calendar month.

This Policy is non-participating.

This Policy is governed by applicable federal law and the laws of Nebraska.

Signed at **Aetna's** Home Office 151 Farmington Avenue Hartford, Connecticut 06156 on the date of issue.

A handwritten signature in black ink, appearing to read 'Mark T. Bertolini', with a stylized flourish at the end.

Mark T. Bertolini  
Chairman, Chief Executive Officer and President

Aetna Life Insurance Company  
(A Stock Company)

# **Aetna Life Insurance Company**

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# Special Notice (GR-29N-02-01-05 NE)

## Important Information Regarding Your Insurance

### Insurance Contact Notice

In the event you need to contact someone about this insurance for any reason please contact your sales agent or broker. If no sales agent or broker was involved in the sale of this insurance, or if you have additional questions you may contact Us at the following address and telephone number:

**Aetna** Life Insurance Company  
151 Farmington Avenue  
Hartford, CT 06156  
1-800-872-3862

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your sales agent, broker or Us, have your policy number available.

### Fraud Notice

Any person who knowingly and with intent to injure; defraud; or deceive; any insurer files a statement of claim or an application containing any:

- false;
- incomplete; or
- misleading
- information may be guilty of a felony of the third degree.

## Definitions (GR-29N-03-01-01)

Defined terms as used throughout this Policy appear in bolded print. Some of the terms are defined in this section while others are defined in the *Glossary* section of the Booklet-Certificate.

**Associated Companies.** This term means any company which is a subsidiary to or affiliated with the Policyholder for the purpose of providing benefits under This Policy.

**Employee.** This term is defined in the *Eligibility, Enrollment and Effective Date of Your Coverage* Section of the Certificate.

If the Policyholder is a partnership or proprietorship, each of its natural-person partners, or the proprietor, will be deemed to be an employee.

If an eligible person is covered under any other group health plan issued to the Policyholder by Us, or any other health benefit plan established and maintained by the Policyholder, they will not be considered eligible for health coverage under this Policy.

An employee is eligible only for the coverages shown in the Certificate which applies to his or her class.

# Policy Contents

This Policy consists of all provisions set forth in this document as well as the provisions found in the Certificate, including the *Schedule of Benefits*, issued to covered employees under the group plan. Any amendment changing the provisions of the Certificate is also made part of this Policy as of the effective date of the amendment.

Certificate means each certificate included in the Policy as follows:

<b>Identification</b>	<b>Issue Date</b>	<b>Effective Date</b>	<b>Eligible Group and/or Type of Coverage</b>
Cert. Base: 1	April 10, 2013	July 1, 2013	Life and ADPL
SOB: 1A	April 10, 2013	July 1, 2013	Closed Group - Active NDOL Employees
Cert. Base: 2	April 10, 2013	July 1, 2013	Life and ADPL
SOB: 2A	April 10, 2013	July 1, 2013	Active Permanent Employees
Cert. Base: 3	April 10, 2013	July 1, 2013	Retiree Life
SOB: 3A	April 10, 2013	July 1, 2013	Closed Group - NDOL Retirees

## Premiums and Fees (GR-29N-05-01-03 NE)

**Premiums Rates.** The premium charges will be determined in accordance with the Premium Rates in effect on the Premium Due Date. The initial monthly Premium Rates are set forth in the Schedule of Premiums and Fees.

However, any other method may be used which: (a) yields about the same total amount; and (b) is agreeable to both the Policyholder and Us.

If the Policyholder so agrees, We may determine the Premium Rates:

- On the basis of an examination of the experience of the risk assumed; and
- On reasonable assumptions as to interest, mortality and expense.

The rate is subject to change as provided in this Policy. The Premium Rate is for a period of one month.

**Premiums Due – Experience Rating.** The Premium due under this policy on any Premium Due Date will be the sum of the premium charges for the coverages provided under this Policy. Covered employees and dependents as of each Premium Due Date will be determined by Us in accordance with Our records. A check does not constitute payment until it is honored by a bank. We may return a check issued against insufficient funds without making a second deposit attempt. We may accept a partial payment of Premium without waiving our right to collect the entire amount due.

If premiums are payable monthly, any insurance becoming effective will be charged for from the first day of the policy month on or right after the date the insurance takes effect. Premium charges for insurance which terminates will cease as of the last day of the policy month on or right after the date the insurance terminates. If premiums are payable less often than monthly, premium charges or credits for a fraction of a premium-paying period will be made on a pro rata basis for the number of policy months between the date premium charges start or cease and the end of the premium-paying period. If this policy is changed to provide more coverage to take effect on a date other than the first day of a premium-paying period, a pro rata premium for the coverage will be due and payable on that date. It will cover the period then starting and ending right before the start of the next premium-paying period.

If the sum of employee contributions which have been made for group insurance exceeds the sum of premiums which have been paid for group insurance, the excess will be applied by the Policyholder for the sole benefit of employees. We will not have to see to the use of such excess.

**Grace Period.** The "Grace Period" means the 45 consecutive day period immediately following the Premium Due Date. The Policy will remain in force during the Grace Period. If We have not received all Premiums and fees due by the end of the Grace Period, this Policy will automatically terminate at the end of the Grace Period.

We will mail a written notice to the Policyholder at least 10 days prior to the end of the Grace Period informing the Policyholder that the premium was not received and that the Policy will be terminated as of the premium due date if the premium is not received by the end of the 45 day Grace Period.

**Payment of Premiums and Fees.** The Policyholder will pay premiums and fees by the Premium Due Date. Payment occurs when we receive good funds. They must be paid at Our home office or its authorized agent.

## **Premium Waiver**

### **Payment of Premiums**

Notwithstanding any provision in the Policy to the contrary, We may waive up to one month's billed premium during any policy term. If, after that month's premium has been billed, employees are added to or removed from plan coverage for that month of coverage, the premium waiver will not apply for those employees and additional premium will be due or credited, as applicable.

*(GR-29N-05-03-04 NE)*

**Unpaid Premium.** Upon the payment of a claim under this Policy, any premium due and unpaid may be deducted.

*(GR-29N-05-03-03 NE)*

**Premium Rate Reduction For Failure to Meet Performance Guarantees.** We may reduce the Policyholder's premium due to Our failure to provide the agreed upon levels of service. Such service levels are guaranteed by Us and agreed to in writing by Us and the Policyholder.

The reduction is based upon a percentage of the projected annual premium which is due over the term of the period for which service levels are guaranteed. The reduction amount will be credited, toward either future or prior premiums, at the end of the policy year.

The reduction will apply only to all coverages used under the plan issued under this policy.

The terms of the Performance Guarantees are set forth in the Service Agreement.

# Premiums and Fees (Continued)

**Schedule of Premiums and Fees.** The initial monthly Premium Rates are as follows:

Life Insurance	Unit Benefit	Active NDOL Employees	Active Eligible Permanent Employees	NDOL Retirees
Basic	Per \$1,000 Of Insurance	\$0.167	\$0.096	\$0.190

# Premiums and Fees (Continued)

**Schedule of Premiums and Fees.** The initial monthly Premium Rates are as follows:

Accidental Death and Personal Loss	Per \$1,000 of Coverage	<b>Active NDOL Employee:</b> \$0.013	<b>Supplemental Employee:</b> \$0.100
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# Premiums and Fees (Continued)

## Employee Supplemental Life Insurance - Table of Premium Rates

Age Last Birthday	Monthly Premium Per \$1,000 of Insurance
0-25	\$0.024
25-29	\$0.024
30-34	\$0.032
35-39	\$0.049
40-44	\$0.073
45-49	\$0.105
50-54	\$0.178
55-59	\$0.381
60-64	\$0.729
65-69	\$1.191
70-74	\$1.620
75-79	\$3.677
80+	\$7.444

With respect to Permanent Employees:

### **Optional Dependent Spouse and Child Life Insurance:**

#### ***Low Option (\$5,000)***

Under Age 70 - Premium per Unit of Life Insurance - \$1.540

Age 70 or Older - Premium per Unit of Life Insurance - \$4.100

#### ***High Option (\$10,000)***

Under Age 70 - Premium per Unit of Life Insurance - \$3.000

Age 70 or Older - Premium per Unit of Life Insurance - \$8.220

With respect to NDOL Dependents:

### **Dependent Spouse and Child Supplemental Life Insurance:**

Premium per Unit of Life Insurance - \$0.380

## Responsibilities of the Policyholder (GR-29N-06-01-02 NE)

**Records.** The Policyholder will furnish to Us such information as We may reasonably require to administer this Policy. This will occur on a monthly basis or as otherwise required. This data may be on our form or by fax. It may also be on such other form or means as We may reasonably approve. This includes, but is not limited to:

- Data needed to enroll the Policyholder's covered persons and their dependents;
- Process terminations;
- Effect changes in family status; and
- Transfer of employment of covered persons.

The Policyholder represents that all enrollment and eligibility information that has been; or will be; supplied to Us is correct. The Policyholder acknowledges that We can; and will; rely on such enrollment and eligibility data to determine whether a person is eligible for coverage under this Policy. To the extent such data is supplied to Us by the Policyholder (in electronic or hard copy format), the Policyholder agrees to:

- Maintain a reasonably complete record of such data in the same format. This includes:
  - Evidence of coverage elections;
  - Evidence of eligibility;
  - Changes to such elections; and
  - Terminations.
- Records must be kept for at least seven years or until the final rights and duties under this Policy have been resolved.
- Make such data available to Us upon request.
- If it applies, obtain from all covered persons and their dependents a, "*Disclosure of Healthcare Information*" authorization in the form currently being used by Us in the enrollment process (or such other form as We may reasonably approve).

We will not be liable to covered persons for the fulfillment of any obligation prior to information being received in a form which We will accept. For the purpose of termination of coverage under this Policy, the Policyholder must notify Us of the date in which:

- a covered person's status, or employment, ceases; or
- a dependent loses eligibility under the Plan;

The Policyholder must notify persons of the termination of the Policy in compliance with all laws that apply. However, We reserve the right to notify covered persons of termination of the Policy for any reason. This includes non-payment of premium. The Policyholder shall provide written notice to covered persons of their rights when coverage stops.

The Policyholder must notify Us when a request for retroactive termination is a result of a covered person:

- performing an act; practice; or omission that constitutes fraud; or
- making an intentional misrepresentation of material fact as prohibited by the Certificate.

**Access.** Make payroll and other records directly related to a covered person's coverage under this Policy available to Us for inspection. This will occur:

- upon reasonable advance request;
- at Our expense;
- at the Policyholder's office; and
- during regular business hours.

This provision shall survive termination of this Policy.

**Forms.** Distribute materials to persons regarding enrollment and coverage features. This includes Certificates as described in the Certificates provision of the Policy Section 7; *General Provisions*.

**Policies and Procedures; Compliance Verification.** Comply with all policies and procedures established by Us in administering and interpreting this Policy. The Policyholder shall, upon request, provide a certification of its compliance with Our participation and contribution requirements. The Policyholder shall, upon request, submit proof that it continues to meet the definition of an eligible group as provided under any law or regulation that applies.

**Continuation Rights and Conversion.** Notify all eligible covered persons of their right to continue coverage pursuant to the continuation provisions in the Certificate and any law that applies; and provide notification to each covered person after termination of coverage of their conversion right. This includes:

- A description of plans available;
- Premium Rates; and
- Application forms.

# Termination

**Termination by Policyholder.** This Policy, or any coverage included may be terminated by the Policyholder. The Policyholder may terminate this Policy as to all or any class of its employees. **Aetna** must be given written notice. The notice must state when such termination shall occur. 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.

**Termination by Us.** This policy may be terminated upon written notice if the Policyholder fails to make payments by the end of the Grace Period.

**Effect of Termination.** No termination of this Policy will relieve either party from any obligation incurred before the date of termination. When terminated, this Policy and all coverage provided hereunder will end at 12:00 midnight on the effective date of termination. Upon termination, We will provide employees and their dependents with Certificates of Creditable Coverage which will show evidence of their prior health coverage under this Policy for a period of up to 18 months prior to the loss of coverage.

We may, at Our sole discretion, reinstate terminated coverage provided any past due premium and reinstatement fees are paid.

**Notice to employees.** It is the responsibility of the Policyholder to notify employees of the termination of the Policy in compliance with all applicable laws. However, We reserve the right to notify employees of termination of the Policy for any reason, including non-payment of Premium. In accordance with the Certificate, the Policyholder shall provide written notice to employees of their rights upon termination of coverage.

## General Provisions (GR-29N-09-01-01)

**Policy.** The entire Policy consists of:

- This Policy;
- The application, copy attached;
- The current rates on file with the Policyholder;
- The attached Certificate(s); and
- Any riders, endorsements, insert attachments or amendments to this Policy or Certificate.

**Certificates.** Our method of providing the Policyholder with Certificates will be electronic. But We will provide a supply of paper copies to the Policyholder upon request. The Policyholder shall make available or distribute the Certificates to each insured employee. The insurance in force will be set forth in the Certificate. Statements as to whom benefits are payable will appear. Any applicable Conversion Privilege will also be described.

**Policies and Procedures.** We have the right to adopt reasonable policies, procedures, rules, and interpretations of this Policy and the Certificate in order to promote orderly and efficient administration.

**Policy Changes.** This Policy shall be deemed to be automatically amended to conform with the provisions of applicable laws and regulations. This Policy may also be amended by Us:

- By written agreement between Us and the Policyholder.

The consent of any employee or other person is not needed. All agreements made by Us are signed by an authorized executive officer of **Aetna**. No one other than an authorized officer of **Aetna** may change or waive any of the Policy terms or make any agreement binding Us.

The Policyholder will have to give written agreement of a change in the Policy:

- That reduces or eliminates benefits or coverage; or
- That increases benefits or coverage with a concurrent increase in premium during the Policy term, except if the increased benefits or coverage is required by law.

Payment of the applicable premium after notice of the proposed changes will be deemed to constitute the Policyholder's written agreement of those changes on behalf of all persons covered under this Policy.

*(GR-29N-09-02-01 NE)*

**Delegation and Subcontracting.** The Policyholder acknowledges and agrees that We may enter into arrangements with third parties to delegate functions hereunder such as utilization management, quality assurance and provider credentialing, as We deem appropriate in Our sole discretion and as consistent with applicable laws and regulations. The Policyholder also acknowledges that Our arrangements with third party vendors (e.g. pharmacy, behavioral health) are subject to change in accordance with applicable laws and regulations.

**Prior Agreements; Severability.** As of the Effective Date, this Policy replaces and supersedes all other prior agreements between the Parties. If any provision of this Policy is deemed to be invalid or illegal, that provision shall be fully severable and the remaining provisions of this Policy shall continue in full force and effect.

**Clerical Errors.** A clerical error in keeping records; or a delay in making an entry; will not alone decide if insurance is valid. An equitable adjustment in premiums will be made when the error or delay is found.

*(GR-29N-09-03-01)*

**Misstatements.** If any fact as to the Policyholder or any employee or dependent is found to have been misstated, a fair change in premiums may be made. If the misstatement affects the existence or amount of coverage, the true facts will be used in determining whether coverage is or remains in force and its amount.

All statements made by the Policyholder or an employee shall be deemed representations and not warranties. No written statement made by an employee shall be used by Us in a contest unless a copy of the statement is or has been furnished to the employee or his beneficiary, or the person making the claim.

Our failure to implement or insist upon compliance with any provision of this Policy at any given time or times, shall not constitute a waiver of Our right to implement or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of premiums. This applies whether or not the circumstances are the same.

**Incontestability.** *(GR-29N-09-03-01)*

**As to Life Insurance.** The validity of this Policy shall not be contested, except for non-payment of premiums, after it has been in force for 2 years. No statement made by an employee about his insurability shall be used by Us in contesting the validity of the insurance as to which such statement was made if the insurance has been in force prior to the contest for 2 years during the employee's lifetime; or if the insurance under the Policy may be increased upon the application of the employee and the production of evidence of good health if the increase have been in force prior to the contest for 2 years during the employee's lifetime; nor unless such statement is contained in a written form signed by him or her.

**As to Accident and Health Benefits.** Except as to a fraudulent misstatement, or issues concerning Premiums due:

- No statement made by the Policyholder or any employee or dependent shall be the basis for voiding coverage or denying coverage or be used in defense of a claim unless it is in writing.
- No statement made by the Policyholder shall be the basis for voiding this Policy after it has been in force for 2 years from its effective date.
- No statement made by an eligible employee or dependent shall be used in defense of a claim for loss incurred or starting after coverage as to which claim is made has been in effect for 2 years.

**Assignability.** No rights or benefits under this Policy are assignable by the Policyholder to any other party unless approved by Us.

**Waiver.** Our failure to implement, or insist upon compliance with, any provision of this Policy or the terms of the Certificate incorporated hereunder, at any given time or times, shall not constitute a waiver of Our right to implement or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of Premiums or benefits. This applies whether or not the circumstances are the same.

**Notices.** Any notice required or permitted under this Policy shall be in writing and shall be deemed to have been given on the date when delivered in person; or, if delivered by first-class United States mail, on the date mailed, proper postage prepaid, and properly addressed to the address set forth in the face page of the Policy, or to any more recent address of which the sending party has received written notice or, if delivered by facsimile or other electronic means, on the date sent by facsimile or other electronic means.

**Third Parties.** This Policy shall not confer any rights or obligations on third parties except as specifically provided herein.

**Non-Discrimination.** In the management of this Policy, the Policyholder and the Member Employers:

- Will make no attempt, whether through differential contributions or otherwise, to encourage or discourage enrollment in the coverages provided by the Policy based on health status or health risk; and
- Will act so as not to discriminate unfairly between persons in like situations at the time of the action.

We can rely on such action and will not have to probe into the details.

**Use of Our Name and all Symbols, Trademarks, and Service Marks.** We reserve the right to control the use of Our name and all symbols, trademarks, and service marks presently existing or subsequently established. The Policyholder agrees that it will not use such name, symbols, trademarks, or service marks in advertising or promotional materials or otherwise without Our prior written consent and will cease any and all usage immediately upon Our request or upon termination of this Policy.

**Workers' Compensation.** The Policyholder is responsible for protecting Our interests in any Workers' Compensation claims or settlements with any eligible individual. We shall be reimbursed for all paid medical expenses which have occurred as a result of any work related **injury** that is compensable or settled in any manner.

On or before the Effective Date of this Policy and upon renewal, the Policyholder shall submit proof of their Workers' Compensation coverage or an exclusion form which has been accepted by the applicable regulatory authority governing Workers' Compensation. Upon Our request, the Policyholder shall also submit a monthly report to Us listing all Workers' Compensation cases. Such list will contain the name, social security number, date of loss and diagnosis of all applicable eligible individuals.