BlueOptions
School Master Policy
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Chairman of the Board & Chief
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This Policy Contains Deductible
Provisions
For Customer Service Assistance:
800-352-2583

BlueCross BlueShield
of Florida
An Independent Licensee of the
Blue Cross and Blue Shield Association
# Table of Contents

## School Administrative Provisions
- Introduction ............................................................................................................................. SC-1
- Definitions ............................................................................................................................... SC-1
- Terms of the School Master Policy ......................................................................................... SC-2
- Prior Carrier Responsibilities under an Extension of Benefits ................................................ SC-3
- Commencement of Coverage ................................................................................................. SC-3
- Voluntary Termination by the School ...................................................................................... SC-3
- Conditions of Renewal and Termination ................................................................................. SC-3
- Termination Based on Discontinuation of Form ...................................................................... SC-3
- Termination by Us for Non-payment of Premium .................................................................... SC-4
- Notification of Termination to Covered Students .................................................................... SC-4
- Representations Made By, and Obligations of, the School ..................................................... SC-4
- Effective Date for Eligible Students ......................................................................................... SC-4

## School Payment Provisions
- Premium Payment Due Date .................................................................................................. SC-5
- Grace Period ........................................................................................................................... SC-5
- Changes in Premium .............................................................................................................. SC-5
- Other Rules Regarding the Payment of Premiums ................................................................. SC-5

## General School Provisions
- Administration ......................................................................................................................... SC-6
- Assignment and Delegation .................................................................................................... SC-6
- Membership Provision ............................................................................................................ SC-6
- Changes to the School Master Policy ..................................................................................... SC-6
- Enrollment Records ................................................................................................................ SC-6
- Entire Agreement .................................................................................................................... SC-7
- Financial Responsibilities of the School ................................................................................ SC-7
- Indemnification ....................................................................................................................... SC-7
- Benefit Booklet ....................................................................................................................... SC-7
- Representations on the Student Health and Accident Blanket Insurance Application .......... SC-7
- Reservation of Right to Contract ............................................................................................ SC-7
- Service Mark .......................................................................................................................... SC-8
- Third Party Beneficiary .......................................................................................................... SC-8

## BlueCard®
- Liability Calculation Method Per Claim ................................................................................ SC-9
- Return of Overpayments ........................................................................................................ SC-10
School Administrative Provisions

Introduction

Thank you for choosing Blue Cross and Blue Shield of Florida’s (“BCBSF”) BlueOptions. For over 50 years, BCBSF has been a leader in health care financing solutions. BlueOptions continues this tradition by combining the quality coverage and benefits you have come to expect with an innovative and affordable choice of Providers.

References to “we”, “us”, and “our” throughout this School Master Policy refer to BCBSF. We may also refer to ourselves from time to time as “BCBSF”.

This document (“School Master Policy” or “Policy”) is evidence of the existence of the blanket accident and health Insurance Plan and describes the rights and obligations which you and BCBSF have with respect to the coverage and benefits to be provided by BCBSF.

In exchange for the payment of the Premiums by your Servicing Agent on behalf of your Covered Students, we agree to provide the coverage and benefits specified in the Benefit Booklet, which is attached to and made a part of this School Master Policy. The health care coverage and benefits to be provided under this School Master Policy will be subject to all the requirements set forth in this Policy, including the Benefit Booklet and any Endorsements issued by BCBSF.

This School Master Policy is divided into two parts. The first part contains various administrative and other provisions relating to your agreement with us. You should make sure that you read and understand these provisions as they describe important obligations applicable to you and us. The second part of the School Master Policy is the Benefit Booklet. The Benefit Booklet describes the coverage, benefits, exclusions, and limitations under this School Master Policy. The Benefit Booklet includes the Schedule of Benefits, and any Endorsements to the Benefit Booklet or the School Master Policy. Any Endorsements issued by us modifying the Benefit Booklet or the first part of this School Master Policy are also part of this School Master Policy.

Definitions

Certain terms defined in the first part of the School Master Policy are also used and defined (for the convenience of Covered Persons) in the Benefit Booklet. If a word or phrase starts with a capital letter, it is either the first word in a sentence, a proper name, a title, or a defined term. In addition to the definitions set forth in the Benefit Booklet, the following terms apply to this School Master Policy:

Anniversary Date means the date, one year after the Effective Date, stated on the Student Health and Accident Blanket Insurance Application and subsequent annual anniversaries or such other date as mutually agreed to in writing by the parties.

Covered Dependent means an Eligible Dependent who meets and continues to meet all applicable eligibility requirements and who is enrolled, and actually covered, under the School Master Policy other than as a Covered Student (see the Eligibility Requirements for Dependent(s) subsection of the “Eligibility for Coverage” section for further information).

Covered Person means a Covered Student or a Covered Dependent.

Covered Student(s) means an Eligible Student who meets and continues to meet all applicable eligibility requirements and who is enrolled, and actually covered, under the School Master Policy other than as a Covered Dependent (See the Eligibility Requirements for Covered Students subsection of the “Eligibility for Coverage” section for further information).
**Effective Date** means, with respect to the School, 12:01 a.m. on the date specified on the Student Health and Accident Blanket Insurance Application. With respect to individuals covered under this School Master Policy, 12:01 a.m. on the date the School specifies that the coverage will commence as specified in the “When Coverage Begins and Ends” section of the Benefit Booklet.

**Eligible Dependent** means a Covered Student’s:

1. legal spouse under a legally valid, existing marriage; or
2. natural, newborn, Adopted, Foster, or step child(ren); or
3. a child for whom the Covered Student has been court-appointed as legal guardian or legal custodian;

who meets and continues to meet all of the eligibility requirements set forth in the “Eligibility for Coverage” section in the Benefit Booklet.

Eligible Dependent also includes a newborn child of a Covered Dependent child. Coverage for such newborn child will automatically terminate 18 months after the birth of the newborn child. Refer to the “Eligibility for Coverage” section for limits on eligibility.

**Eligible Student** for purposes of this School Master Policy means an individual who meets and continues to meet all of the eligibility requirements set forth in the Eligibility Requirements for Covered Students subsection of the “Eligibility for Coverage” section in the Benefit Booklet and is eligible to enroll as a Covered Student. Any individual who is an Eligible Student is not a Covered Student until such individual has actually enrolled with and been accepted for coverage as a Covered Student by us.

**Grace Period** means the time period, indicated on the Student Health and Accident Blanket Insurance Application, beginning on the date the Premium is due.

**Premium** means the amount required to be paid to us in order for there to be coverage under this Policy.

**School** means the college or university through which coverage and benefits are issued by us, and through which Covered Students and Covered Dependents become entitled to coverage and benefits for the Covered Services described herein.

**Note:** References to “you” or “your” throughout the first part of the School Master Policy also refer to the School. References to “you” or “your” in the Benefit Booklet refer to Eligible Students, Eligible Dependents, Covered Students and/or Covered Dependents depending on the context and intent of the specific provision.

**School Master Policy** means this document which is the agreement between the School and us whereby coverage and benefits will be provided to Covered Persons. The School Master Policy includes the Benefit Booklet (including the Schedule of Benefits), the Student Health and Accident Blanket Insurance Application, and any Endorsements to the Benefit Booklet or the School Master Policy.

**Terms of the School Master Policy**

This School Master Policy shall become effective as of the Effective Date provided that:

1. BCBSF accepts your Student Health and Accident Blanket Insurance Application; and
2. the required initial Premium specified by us is paid.

This Policy shall continue in effect until the first Anniversary Date following the Effective Date unless terminated earlier as permitted by its terms. After the initial term, this Policy shall automatically renew each succeeding year on
the Anniversary Date for an additional one-year period unless:

1. at least 45 days prior to such Anniversary Date, you notify us that you do not want the Policy to automatically renew; or

2. it is terminated as permitted by its terms.

If this Policy renews as specified above, all of its terms and provisions (including the Premium due) shall govern coverage, as of the Anniversary Date, unless we give written notice of a modification or revision to you at least 45 days prior to the Anniversary Date. In the event that we give such written notification, you may elect not to renew this Policy effective as of the Anniversary Date by giving us written notice at least 10 days prior to the Anniversary Date. If you fail to give us written notice as required, this Policy shall renew on the Anniversary Date with the modified or revised terms. Nothing in this subsection shall prohibit us from amending, at the time of renewal, the coverage and benefits to be provided by us. We may modify the Premium at any time in accordance with the applicable provisions of this Policy and Florida law.

Prior Carrier Responsibilities under an Extension of Benefits

Your prior carrier, if any, may be required to provide certain benefits to certain individuals covered by this Policy under an extension of benefits provision. We are not responsible for the payment of any claims which are payable under any extension of benefits provision in the prior carrier’s plan.

Commencement of Coverage

Our coverage, in accordance with the terms of this Policy, begins on the Effective Date (see the “When Coverage Begins and Ends” section in the Benefit Booklet). We are not required to pay for health care expenses incurred prior to the Effective Date.

Voluntary Termination by the School

The School may terminate this Policy at any time by giving us at least 45 days prior written notice. Coverage will not be provided on or after such termination date. Nothing in this subsection shall affect a Covered Person’s right to an extension of benefits, if applicable, in accordance with the “Extension of Benefits” section in the Benefit Booklet.

Conditions of Renewal and Termination

This Policy is conditionally renewable. This means that it automatically renews each year on your Anniversary Date unless terminated earlier in accordance with its terms. We may terminate this Policy or an individual Covered Student or refuse to renew it if:

1. you and/or the Servicing Agent perform an act, or engage in any practice, that constitutes fraud or make an intentional misrepresentation of material fact; or

2. you and/or the Servicing Agent fail to comply with a material provision which relates to rules for School contributions or Covered Student participation.

3. you, the Covered Student and/or the Servicing Agent fail to pay Premiums in accordance with its terms or we have not received timely Premium payments;

If we decide to either terminate the Policy or not renew it, based on one or more of the circumstances mentioned above, we will give you at least 45 days advance written notice except in the case of failure to pay Premiums. Refer to the “Termination By Us for Non-Payment of Premium” subsection.

Termination Based on Discontinuation of Form

We may decide to discontinue this form, which means this Policy is terminated, but may do so only if:
1. we cease to offer this form in the large-group market in accordance with the Florida Insurance Code;  
2. we provide notice to all schools and individuals having coverage under this form of the discontinuation of this form at least 90 days prior to the date of non-renewal; and  
3. we offer to all schools having coverage under this form the option to purchase any other insurance form currently being offered for purchase by us in the blanket accident & health insurance market.

**Termination by Us for Non-payment of Premium**

This Policy will automatically terminate as of the applicable Premium due date if we do not receive the full Premium payment prior to the end of the Grace Period (see the Grace Period subsection of the “Payment Provisions” section). In the event of such a termination you and/or the Servicing Agent are obligated to pay the following:

1. any portion of the Premium due for coverage provided by us prior to termination;  
2. the amount of any payments made by us for health care expenses incurred by persons who were covered under the policy; and  
3. any amounts otherwise due us.

We will mail to you a written notification prior to 45 days after the date the Premium is due that this Policy has terminated. This notification will tell you the reasons for termination.

**Notification of Termination to Covered Students**

It is your responsibility to immediately notify each Covered Student of termination of this Policy for any reason.

**Representations Made By, and Obligations of, the School**

In agreeing to provide coverage in accordance with the terms of this Policy, we rely on the representations which you made when you applied for coverage with us and your representation that you have authority to act on behalf of all Covered Students and Covered Dependents with respect to the School Master Policy. Consequently, every act by, agreement with, or notice given to you, will be binding on all Covered Persons. You agree that you will offer to all Eligible Students the opportunity to become a Covered Student under the School Master Policy.

You agree that, if requested by us, you will distribute to Covered Persons the Benefit Booklet (and any Endorsements to it) and other coverage materials.

**Effective Date for Eligible Students**

Subject to the eligibility requirements set forth in the “Eligibility for Coverage” section in the Benefit Booklet (and any Endorsements), an Eligible Student becomes eligible for coverage on the date established by you, provided the appropriate enrollment information is submitted to us within 30 days of the date the Eligible Employee first meets the applicable eligibility requirements.
School Payment Provisions

Premium Payment Due Date
Premium payment is due at the intervals specified on the Student Health and Accident Blanket Insurance Application. The Premium is due and payable on or before the first day of each payment period as indicated on the Student Health and Accident Blanket Insurance Application, to which such payments apply.

Grace Period
This School Master Policy has a Premium payment Grace Period which is indicated on the Student Health and Accident Blanket Insurance Application and begins on the date the Premium payment is due. If we do not receive the required Premium payment on or before the date it is due, it may be paid during this Grace Period. Coverage will stay in force during the Grace Period. If Premium payments are not received by the end of the Grace Period, coverage will automatically terminate effective as of the applicable due date.

Changes in Premium
We may modify the amount of Premium at any time after the initial policy periods indicated on the Student Health and Accident Blanket Insurance Application. We shall provide at least 45 days prior written notice to you of any such change. Premium payments submitted to us following receipt of any such written notice of change constitutes your acceptance of any such change. You must immediately notify each Covered Student of any such change which affects the Covered Student’s financial requirement.

If an increase in Premium takes place on a date other than the Premium payment due date, a pro-rated credit will be granted. The pro-rated credit will apply for the decrease from the date of the decrease to the next Premium payment due date.

Other Rules Regarding the Payment of Premiums
1. In the event we do not receive Premium payment prior to the applicable due date, we reserve the right to suspend payment of claims for Health Care Services rendered to a Covered Person, on or after the applicable Premium due date.

2. We are not required to retroactively terminate this Policy or coverage for any Covered Person.
General School Provisions

**Administration**
You and/or your Servicing Agent must provide us with any information we need to administer the coverage and benefits to be provided or needed to compute the Premium due. While this coverage is in force, we have the right, at any reasonable time, to examine your and/or your Servicing Agent's records on any issues necessary to verify information provided by you and/or your Servicing Agent.

**Assignment and Delegation**
You and/or your Servicing Agent may not assign, delegate or otherwise transfer this School Master Policy and the obligations hereunder without our written consent. Any assignment, delegation, or transfer made in violation of this provision shall be void. We may assign, delegate or otherwise transfer this Policy to our successor in interest or an affiliated entity without your consent at any time.

**Membership Provision**
As a holder of an insurance policy issued by us, you are a member of BCBSF. As such you have all the rights, privileges, and obligations provided in the Articles of Incorporation and our Bylaws currently in force and as may be amended from time to time.

The annual meeting of the members shall be held for the purpose of electing the Board of Directors and transacting such other business as may be properly brought before the meeting.

At all meetings of our members, each member shall be entitled to cast a number of votes equal to the amount of Premiums attributed to such member in the month of record, as determined by us (e.g., a Premium of $27.36 in that month will be equal to 27.36 votes). All proxies shall be filed with our Secretary before the meeting at which the proxy is to be voted.

**Changes to the School Master Policy**
No person may change, modify, or revise the written terms or provisions of this Policy unless such change is made by a written Endorsement signed by one of our duly authorized officers. This is the only manner in which a change may be made to this Policy. For example, no employee or agent of BCBSF or the School can change or waive the written terms or provisions of this Policy except as stated in the first sentence of this paragraph.

**Enrollment Records**
1. Furnishing and Maintaining Enrollment Records:
   You or your designated Servicing Agent must provide any information required by us for the purpose of creating and maintaining enrollment records, processing terminations, and recording changes in family status. In addition, you or your Servicing Agent and each Eligible Student must submit accurate and complete enrollment information on a timely basis. You or your designated Servicing Agent are responsible for collecting the enrollment information, reviewing the information for accuracy and completeness, and forwarding the enrollment information to BCBSF, along with the applicable Premium payment. All enrollment record information, which is relevant to the eligibility or coverage status of any individual, must be made available to us for inspection and copying upon request.

2. Errors or Delays:
   Clerical errors or delays by us in maintaining enrollment records regarding Covered Persons will not invalidate coverage which would otherwise be validly in force, or continue coverage which would otherwise
be validly terminated, provided you or your Servicing Agent have furnished us with timely and accurate enrollment information. Errors or delays by you or your Servicing Agent in furnishing accurate enrollment information to us will not affect our right to strictly enforce any and all eligibility requirements. You are liable to us for any claims payments made by us on behalf of any individual who was not eligible for coverage at the time the Health Care Service was rendered.

**Entire Agreement**

This School Master Policy sets forth the exclusive and entire understanding and agreement between the parties and shall be binding upon all Covered Persons, the parties, and any of their subsidiaries, affiliates, successors, heirs, and permitted assignees. All prior negotiations, agreements, and understandings are superseded hereby. No oral statements, representations, or understanding by any person can change, alter, delete, add or otherwise modify the express written terms of the School Master Policy, which includes the terms of coverage and/or benefits set forth in the Benefit Booklet, the Schedule of Benefits, and any Endorsements.

**Financial Responsibilities of the School**

We reserve the right to recover any benefit payments made to or on behalf of any individual whose coverage has been terminated. Our recovery efforts may relate to benefit payments made for Health Care Services rendered subsequent to the Covered Person’s termination date and prior to the date notice of coverage termination is required to be made by you or your Servicing Agent. Your cooperation and support of such recovery efforts is required.

**Indemnification**

You shall hold harmless and indemnify BCBSF against all claims, demands, liabilities, or expenses (including reasonable attorney’s fees and court costs), which are related to, arise out of, or are in connection with, any of your acts or those of your Servicing Agent or omissions, or acts or omissions of any of your employees, students or agents, in the performance of your obligations under this Policy. We are not your agent, nor are you our agent, for any purpose.

**Benefit Booklet**

We will make available a Benefit Booklet and provide an Identification Card for each Covered Student. The Benefit Booklet will describe the coverage and benefits to be provided to Covered Persons by us.

**Representations on the Student Health and Accident Blanket Insurance Application**

We rely on the information which you and/or your Servicing Agent and your Eligible Students provide to determine whether to issue coverage; the appropriate Rate and financing method; and eligibility for coverage. All such information must be accurate, truthful, and complete. Statements made on the Student Health and Accident Blanket Insurance Application are representations and not warranties.

We may cancel, terminate, or void this Policy if the information which you or your Servicing Agent provides is fraudulent, or if you make an intentional misrepresentation.

**Reservation of Right to Contract**

We reserve the right to contract with any individuals, corporations, associations, partnerships, or other entities, for assistance with the servicing of coverage and benefits to be provided by us, or obligations due, under this School Master Policy.
Service Mark

You, on behalf of the School, your Servicing Agent and your Covered Students, hereby expressly acknowledge your understanding that the School Master Policy constitutes a contract solely between you and us. We are an independent corporation operating under a license with the Blue Cross and Blue Shield Association, an association of independent Blue Cross and/or Blue Shield Plans (the "Association"), permitting us to use the Blue Cross and Blue Shield Service Mark in the state of Florida and that we are not contracting as the agent for the Association. You further acknowledge and agree that you have not entered into this contract based upon representations by any person other than us and that no person, entity, or organization other than us shall be held accountable or liable to you for any of our obligations created under this Policy. This paragraph shall not create any additional obligations whatsoever on our part other than those obligations created under other provisions of this Policy.

Third Party Beneficiary

The School Master Policy was entered into solely and specifically for the benefit of BCBSF and the School. The terms and provisions of the School Master Policy shall be binding solely upon, and inure solely to the benefit of, BCBSF and the School, and no other person shall have any rights, interest or claims thereunder, or under the Benefit Booklet, or be entitled to sue for a breach thereof as a third-party beneficiary or otherwise. BCBSF and the School hereby specifically express their intent that health care Providers that have not entered into contracts with BCBSF to participate in BCBSF’s Provider networks shall not be third-party beneficiaries under the School Master Policy.
Like all Blue Cross and Blue Shield Licensees, BCBSF participates in a program called “BlueCard”. Whenever a Covered Person accesses health care Services outside the geographic area we serve, the claim for those services may be processed through BlueCard® and presented to us for payment in conformity with network access rules of the BlueCard® Policies then in effect (“Policies”). Under BlueCard®, when a Covered Person receives Covered Health Care Services within the geographic area served by an on-site Blue Cross and/or Blue Shield Licensee (“Host Blue”), we will remain responsible to you for fulfilling our contract obligations. However, the Host Blue will only be responsible, in accordance with applicable BlueCard® Policies, if any, for providing such services as contracting with its participating Providers and handling all interaction with its participating Providers. The financial terms of BlueCard® are described generally below.

**Liability Calculation Method Per Claim**

The calculation of a Covered Person’s liability on claims for Covered Health Care Services incurred outside the geographic area we serve and processed through BlueCard® will be based on the lower of the Provider’s billed charges or the negotiated price we pay the Host Blue.

The methods employed by a Host Blue to determine a negotiated price will vary among Host Blues based on the terms of each Host Blue’s Provider contracts. The negotiated price paid to a Host Blue by us on a claim for Health Care Services processed through BlueCard® may represent:

(i) the actual price paid on the claim by the Host Blue to the health care Provider (“Actual Price”), or

(ii) an estimated price, determined by the Host Blue in accordance with BlueCard® Policies, based on the Actual Price increased or reduced to reflect aggregate payments expected to result from settlements, withholds, any other contingent payment arrangements and non-claims transactions with all of the Host Blue’s health care Providers or one or more particular Providers (“Estimated Price”), or

(iii) an average price, determined by the Host Blue in accordance with BlueCard® Policies, based on a billed charges discount representing the Host Blue’s average savings expected after settlements, withholds, any other contingent payment arrangements and non-claims transactions for all of its Providers or for a specified group of Providers (“Average Price”). An Average Price may result in greater variation to you and the Covered Person from the Actual Price than would an Estimated Price.

Host Blues using either the Estimated Price or Average Price will, in accordance with BlueCard® Policies, prospectively increase or reduce the Estimated Price or Average Price to correct for over- or underestimation of past prices. However, the amount paid by the Covered Person is a final price and will not be affected by such prospective adjustment.

Statutes in a small number of states may require a Host Blue either (1) to use a basis for calculating the Covered Person’s liability for Covered Health Care Services that does
not reflect the entire savings realized, or expected to be realized, on a particular claim or (2) to add a surcharge. Should any state statutes mandate liability calculation methods that differ from the negotiated price methodology or require a surcharge, we would then calculate the Covered Person’s liability for any Covered Health Care Services in accordance with the applicable Host Blue state statute in effect at the time the Covered Person received those services.

Return of Overpayments

Under BlueCard®, recoveries from a Host Blue or from participating Providers of a Host Blue can arise in several ways, including, but not limited to, anti-fraud and abuse audits, Provider/Hospital audits, credit balance audits, utilization review refunds, and unsolicited refunds. In some cases, the Host Blue will engage third parties to assist in discovery or collection of recovery amounts. The fees of such a third party are netted against the recovery. Recovery amounts, net of fees, if any, will be applied in accordance with applicable BlueCard® Policies, which generally require correction on a claim-by-claim or prospective basis.