

UNITED HEALTHCARE INSURANCE COMPANY

AMENDMENT TO THE DENTAL CERTIFICATE OF COVERAGE

Group Number: GA-709179

Enrolling Group: Partnership for a Drug Free NC

Effective Date: January 1, 2008

The Dental Certificate of Coverage is amended as described below.

1. The following is added to the **Maximum Benefit** provision in Section 11: Covered Dental Services:

If a family has claims for Covered Dental Services in a calendar year of less than \$500, an additional \$250 will be added to the Maximum Benefit in the next calendar year up to a limit of \$1000 additional Maximum Benefit.

After the first calendar year following the family's Effective Date, the Maximum Benefit per family may be increased by the carry over amount if:

- a.) the family has submitted a claim for an Eligible Expense incurred during the preceding calendar year; and
- b.) the reimbursement for the Eligible Expense incurred in the preceding calendar year did not exceed the benefit threshold.

In each succeeding calendar year in which the reimbursement for Eligible Expenses does not exceed the benefit threshold, the family will be eligible for the carry over amount. The carry over amount can be accumulated from one calendar year to the next up to the maximum carry over amount unless:

- a.) during any calendar year, Eligible Expenses are reimbursed in excess of the threshold. In this instance, there will be no additional carry over amount for the calendar year; or
- b.) during any calendar year, no claims for Eligible Expenses incurred during the preceding calendar year are submitted. In this instance, there will be no carry over amount for the calendar year.

Eligibility for the carry over amount will be established or reestablished at the time for the first claim in a calendar year is received for Eligible Expenses incurred during the calendar year. In order to properly calculate the carry over amount, claims should be submitted timely in accordance with the proof of loss provision found within Section 4: Reimbursement.

You have the right to request review of prior carry over amount calculations. The request for review must be within 24 months from the date the carry over amount was established.

UNITED HEALTHCARE INSURANCE COMPANY



Allen J. Sorbo, President

**UNITED HEALTHCARE INSURANCE
COMPANY**

**UNITED HEALTHCARE DENTAL
INDEMNITY**

GROUP POLICY

FOR

Partnership for a Drug Free NC

GROUP NUMBER: GA-709179

Offered and Underwritten by

UNITED HEALTHCARE INSURANCE COMPANY

UNITED HEALTHCARE INSURANCE COMPANY

GROUP POLICY

This Group Policy ("Policy") is entered into by and between United HealthCare Insurance Company ("Company"), and the "Enrolling Group," as described in Exhibit 1.

Upon receipt of the Enrolling Group's application and payment of the required Policy Charges, this Policy is deemed executed. The Company agrees with the Enrolling Group to provide Coverage for Health Services set forth herein, subject to the terms, conditions, exclusions, and limitations of this Policy. The Enrolling Group's application is made a part of this Policy.

This Policy replaces and supersedes any previous agreements relating to the Coverage of Health Services between the Enrolling Group and the Company. The terms and conditions of this Policy shall in turn be superseded by those of any subsequent agreements relating to the Coverage of Health Services between the Enrolling Group and the Company.

The Company shall not be deemed or construed as an employer for any purpose with respect to the administration or provision of benefits under the Enrolling Group's benefit plan. The Company shall not be responsible for fulfilling any duties or obligations of an employer with respect to the Enrolling Group's benefit plan.

This Policy shall become effective at 12:01 a.m. at the Enrolling Group's address on the date specified in Exhibit 1, and will be continued in force by the timely payment of the required Policy Charges when due, subject to termination of this Policy as provided herein. When the Policy is terminated, as provided for in Article 5, this Policy and all Coverage under this Policy will end at 12:00 midnight on the date of termination.

This Policy is delivered in and governed by the laws of the State of North Carolina.

UNITED HEALTHCARE INSURANCE COMPANY



Allen J. Sorbo, President

Read Your Policy Carefully

This policy is a legal contract between the Employer and United HealthCare Insurance Company

IMPORTANT CANCELLATION INFORMATION: Please refer to the Policy Termination provision.

ARTICLE 1 - DEFINITIONS

The terms used in this Policy have the same meaning given those terms in the Certificate of Coverage, unless otherwise specifically defined in this Policy.

ARTICLE 2 - HEALTH SERVICES

Subscribers and their Enrolled Dependents are entitled to Coverage for Health Services subject to the terms, conditions, limitations and exclusions set forth in the Certificate(s) of Coverage, Amendments and Riders as listed on Exhibit 3. The Certificate(s) describe(s) the Covered Health Services including any optional Riders, required Copayments, and the terms, conditions, limitations and exclusions related to Coverage.

ARTICLE 3 - PREMIUM RATES AND POLICY CHARGE

3.1 Premiums. Monthly Premiums payable by or on behalf of Covered Persons are specified on Exhibit 2 to the Policy entitled "Premiums".

The Company reserves the right to change the schedule of rates for Premiums as described in Exhibit 1.

3.2 Computation of Policy Charge. Each Policy Charge shall be calculated based on the number of Subscribers in each Coverage classification the Company shows in its records at the time of calculation, at the Premiums then in effect. The Policy Charge is calculated as described in Exhibit 1.

3.3 Adjustments to the Policy Charge. Retroactive adjustments may be made for any additions or terminations of Subscribers or changes in Coverage classification not reflected in the Company's records at the time the Policy Charge is calculated by the Company. However, no retroactive credit shall be granted for any change occurring more than 60 days prior to the date the Company received notification of the change from the Enrolling Group, nor shall retroactive credit be granted for any calendar month in which a Subscriber has received Health Services.

The Enrolling Group shall notify the Company in writing within 30 days of the effective date of enrollments, terminations or other changes; provided, however, that the Enrolling Group shall notify the Company in writing each month of any changes in the Coverage classification of any Subscriber.

In the event there is any increase in premium tax, guarantee or uninsured fund assessment or other governmental charges relating to or calculated in regard to Premium, which is directly attributable to the Enrolling Group, such increase shall be automatically added to the Premium.

3.4 Payment of the Policy Charge. The Policy Charge is payable in advance by the Enrolling Group to the Company as described in Exhibit 1, except that a Policy Charge for each conversion policy or certificate issued during a calendar quarter is payable quarterly in arrears. The first Policy Charge is due and payable on the effective date of the Policy. Subsequent Policy Charges are due and payable no later than the first day of each period thereafter that the Policy is in effect. All Policy Charge payments shall be accompanied by supporting documentation which states the names of the Covered Persons for whom payment is made.

The Enrolling Group shall reimburse the Company for attorney's fees and any other costs related to collecting delinquent Policy Charges.

3.5 Grace Period. A grace period of 31 days shall be granted for the payment of any Policy Charge, during which time the Policy shall continue in force. In no event shall the grace period extend beyond the date the Policy terminates.

This Policy shall terminate retroactive to the last paid date of Coverage if the grace period expires and any Policy Charge remains unpaid, or if the Company receives written notice of termination from the Enrolling Group during the grace period.

ARTICLE 4 - ENROLLMENT AND ELIGIBILITY

4.1 Initial Eligibility Period. Eligible Persons and their Dependents may enroll for Coverage under the Policy during the Initial Eligibility Period. The Initial Eligibility Period is stated on the Schedule of Covered Dental Services.

4.2 Open Enrollment. If specified on the Schedule of Covered Dental Services, the Enrolling Group shall provide an Open Enrollment Period as specified on the Schedule of Covered Dental Services, during which Eligible Persons may enroll for Coverage under the Policy.

4.3 Eligibility Conditions. The eligibility conditions stated on the Schedule of Covered Dental Services are in addition to those specified in Section 2 of the Certificate.

4.4 Effective Date of Coverage. Coverage for properly enrolled Eligible Persons and their Dependents shall begin on the date stated on the Schedule of Covered Dental Services.

ARTICLE 5 - POLICY TERMINATION

5.1 Conditions for Termination of This Entire Policy. This Policy and all Coverage under this Policy shall terminate on the earliest of the dates specified below:

- A. At the Company's option, retroactive to the last paid date of Coverage, and after at least a 45-day prior written notice, if the grace period expires and any Policy Charge remains unpaid.
- B. On the date specified by the Enrolling Group, after at least 45 days prior written notice to the Company that this Policy shall be terminated.
- C. On the date specified by the Company after at least a 45-day prior written notice to the Enrolling Group that this Policy shall be terminated, due to the Enrolling Group's violation of participation and contribution rules.
- D. On the date specified by the Company after at least a 45-day prior written notice to the Enrolling Group that this Policy shall be terminated because the Enrolling Group provided the Company with false information material to the execution of this Policy or to the provision of Coverage under this Policy.
- E. On the date specified by the Company, after at least 90 days prior written notice to the Enrolling Group that this Policy shall be terminated because the Company will no longer renew or issue this group health benefit plan.
- F. On the date specified by the Company, after at least 180 days prior written notice to the applicable state authority and to the Enrolling Group that this Policy shall be terminated because the Company will no longer renew or issue any employer health benefit plan within the Enrolling Group's market.

5.2 Payment and Reimbursement Upon Termination. Upon any termination of this Policy, the Enrolling Group shall be and shall remain liable to the Company for the payment of any and all Premiums which are unpaid at the time of termination, including a pro rata fee for any period this Policy was in force during the grace period, if any, preceding the termination.

ARTICLE 6 - GENERAL PROVISIONS

6.1 Entire Policy. The group Policy, including the Certificate of Coverage as Attachment A, the application of the Enrolling Group, any individual Subscriber applications, Amendments and Riders shall constitute the entire Policy between parties. All statements made by the Enrolling Group or by a Subscriber shall, in the absence of fraud, be deemed representations and not warranties.

6.2 Time Limit on Certain Defenses. No statement made by the Enrolling Group shall be used to void this Policy after it has been in force for a period of 2 years.

6.3 Amendments and Alterations. Amendments to this Policy are effective 31 days after Company sends written notice to the Enrolling Group. Riders are effective on the date specified by the Company. No change will be made to this Policy unless made by an Amendment or a Rider which is signed by an executive officer of the Company. No agent has authority to change this Policy or to waive any of its provisions.

6.4 Relationship Between Parties. The relationships between the Company and providers and relationships between the Company and Enrolling Groups, are solely contractual relationships between independent contractors. Providers and Enrolling Groups are not agents or employees of the Company, nor is the Company or any employee of the Company an agent or employee of providers or Enrolling Groups.

The relationship between a provider and any Covered Person is that of provider and patient. The provider is solely responsible for the services provided to any Covered Person. The relationship between any Enrolling Group and any Covered Person is that of employer and employee, Dependent, or other Coverage classification as defined in this Policy. The Enrolling Group is solely responsible for enrollment and Coverage classification changes (including termination of a Covered Person's Coverage through the Company) and for the timely payment of the Policy Charge.

6.5 Records. The Enrolling Group shall furnish the Company with all information and proofs which the Company may reasonably require with regard to any matters pertaining to this Policy. The Company may at any reasonable time inspect all documents furnished to the Enrolling Group by an individual in connection with the Coverage, and the Enrolling Group's payroll, and any other records pertinent to the Coverage under this Policy.

By accepting Coverage under this Policy, each Covered Person, including Enrolled Dependents, whether or not such Enrolled Dependents have signed the application of the Subscriber, authorizes and directs any person or institution that has provided services to the Covered Person, to furnish the Company or any of the Company's designees at any reasonable time, upon its request, any and all information and records or copies of records relating to the services provided to the Covered Person. The original authorization for release of information relating to the services provided to Covered Persons shall remain valid for 30 months. After that time, the Company will request a new authorization.

The Company agrees that such information and records will be considered confidential. The Company and any of the Company's designees shall have the right to release any and all records concerning health care services which are necessary to implement and administer the terms of this Policy or for appropriate medical review or quality assessment.

During and after the term of the Policy, the Company and its related entities may use and transfer the information gathered under the Policy for research and analytic purposes.

6.6 Administrative Services. The services necessary to administer this Policy and the Coverage provided under it will be provided in accordance with the Company's or its designee's standard administrative procedures. If the Enrolling Group requests that such administrative services be provided in a manner other than in accordance with these standard procedures, including requests for non-standard reports, the Enrolling Group shall pay for such services or reports at the Company's or its designee's then-current charges for such services or reports.

6.7 ERISA. When this Policy is purchased by the Enrolling Group to provide benefits under a welfare plan governed by the Employee Retirement Income Security Act 29 U.S.C., 1001 et seq., the Company shall not be named as and shall not be the Plan Administrator or the named fiduciary of the welfare plan, as those terms are used in ERISA.

6.8 Examination of Covered Persons. In the event of a question or dispute concerning Coverage for Health Services, the Company may reasonably require that a Covered Person be examined at the Company's expense by a Physician acceptable to the Company.

6.9 Clerical Error. Clerical error shall not deprive any individual of Coverage under this Policy or create a right to benefits. Failure to report the termination of Coverage shall not continue such Coverage beyond the date it is scheduled to terminate according to the terms of this Policy. Upon discovery of a clerical error, any necessary appropriate adjustment in Premiums shall be made. However, no such adjustment in Premiums or

Coverage shall be granted by the Company to the Enrolling Group for more than 60 days of Coverage prior to the date the Company received notification of such clerical error.

6.10 Workers' Compensation Not Affected. The Coverage provided under this Policy does not substitute for and does not affect any requirements for coverage by workers' compensation insurance.

6.11 Conformity with Statutes. Any provision of this Policy which, on its effective date, is in conflict with the requirements of state or federal statutes or regulations (of the jurisdiction in which delivered) is hereby amended to conform to the minimum requirements of such statutes and regulations.

6.12 Notice. Written notice given by the Company to an authorized representative of the Enrolling Group is deemed notice to all affected Subscribers and their Enrolled Dependents in the administration of this Policy, including termination of this Policy. The Enrolling Group is responsible for giving notice to Covered Persons.

Any notice sent to the Company under this Policy and any notice sent to the Enrolling Group shall be addressed as described in Exhibit 1.

6.13 Continuation Coverage. The Company agrees to provide Coverage under the Policy for those Covered Persons who are eligible to continue Coverage under federal or state law, as described in the Certificate of Coverage.

The Company will not provide any administrative duties with respect to the Enrolling Group's compliance with federal or state law. All duties of the plan sponsor or plan administrator, including but not limited to notification of COBRA and state law continuation rights, and billing and collection of Premium, remain the sole responsibility of the Enrolling Group.

6.14 Subscriber's Individual Certificate. The Company will issue Certificates of Coverage and any attachments to the Enrolling Group for delivery to each covered Subscriber. The Certificate and any attachments will show all the benefits and provisions of the Policy.

EXHIBIT 1 TO GROUP POLICY

1. **Parties.** The parties to this Policy are United HealthCare Insurance Company ("Company") and Partnership for a Drug Free NC ("Enrolling Group").
2. **Effective Date.** The effective date of this Policy is January 1, 2008.
3. **Premiums.** The Company reserves the right to change the schedule of rates for Premiums, after a 45-day prior written notice, and will not change the schedule of rates before the first policy anniversary or more frequently than every six months thereafter.
4. **Computation of Policy Charge.**
A full month's Premium shall be charged for any Covered Person who is Covered under this Policy for any portion of a calendar month.
5. **Payment of the Policy Charge.** The Policy Charge is payable in advance by the Enrolling Group to the Company on a monthly basis.
6. **Minimum Participation Requirements.** The minimum participation requirements are 75% of Eligible Persons enrolled for Coverage under the Policy.
7. **Notice.** Any notice sent to the Company under this Policy shall be addressed to:

**United HealthCare Insurance Company
450 Columbus Blvd.
Hartford, CT 06115-0450**

Any notice sent to Enrolling Group under this Policy shall be addressed to:

Partnership for a Drug Free NC
665 West 4th Street
Winston Salem, NC 27101

ENROLLING GROUP NUMBER: GA-709179

EXHIBIT 2 TO GROUP POLICY

PREMIUMS

Monthly Premiums payable by or on behalf of Covered Persons are specified below:

Employee Only	\$27.47
Employee plus Spouse	\$52.54
Employee plus Child(ren)	\$49.38
Employee plus Family	\$75.43

EXHIBIT 3 TO GROUP POLICY

POLICY CONTENTS

1. All of the Health Services and provisions in the Certificate(s) of Coverage, Amendments and Riders, issued for the Enrolling Group shown below are included and made part of this Policy.
2. The Certificate(s) of Coverage, Amendments and Riders, each identified by Document Number, and the Effective Date(s) of the Certificate(s) of Coverage, Amendments and Riders are shown below. The Effective Date is the date that the benefits and provisions of the Certificate(s) of Coverage, Amendments and Riders are to be included in the Policy.

DOCUMENTS	DOCUMENT NUMBER	EFFECTIVE DATE
United HealthCare Dental Indemnity Plan I1494	636290	January 1, 2008

636291 02/21/2008

END OF POLICY

**NOTICE REGARDING NON-PAYMENT OF PREMIUM WITH RESPECT TO
GROUP HEALTH INSURANCE COVERING LOCATIONS IN NORTH
CAROLINA**

The following notice is required by North Carolina General Statutes Section 58-50-45:

‘UNDER NORTH CAROLINA GENERAL STATUTE SECTION 58-50-40, NO PERSON, EMPLOYER, PRINCIPAL, AGENT, TRUSTEE, OR THIRD PARTY ADMINISTRATOR, WHO IS RESPONSIBLE FOR THE PAYMENT OF GROUP HEALTH INSURANCE OR GROUP HEALTH PLAN PREMIUMS, SHALL: (1) CAUSE THE CANCELLATION OR NONRENEWAL OF GROUP HEALTH OR LIFE INSURANCE, HOSPITAL, MEDICAL, OR DENTAL SERVICE CORPORATION PLAN, MULTIPLE EMPLOYER WELFARE ARRANGEMENT, OR GROUP HEALTH PLAN COVERAGES AND THE CONSEQUENTIAL LOSS OF COVERAGES OF THE PERSONS INSURED, BY WILLFULLY FAILING TO PAY THOSE PREMIUMS IN ACCORDANCE WITH THE TERMS OF THE INSURANCE OR PLAN CONTRACT, AND (2) WILLFULLY FAIL TO DELIVER, AT LEAST 45 DAYS BEFORE THE TERMINATION OF THOSE COVERAGES, TO ALL PERSONS COVERED BY THE GROUP POLICY A WRITTEN NOTICE OF THE PERSON’S INTENTION TO STOP PAYMENT OF PREMIUMS. THIS WRITTEN NOTICE MUST ALSO CONTAIN A NOTICE TO ALL PERSONS COVERED BY THE GROUP POLICY OF THEIR RIGHTS TO HEALTH INSURANCE CONVERSION POLICIES UNDER ARTICLE 53 OF CHAPTER 58 OF THE GENERAL STATUTES AND THEIR RIGHTS TO PURCHASE INDIVIDUAL POLICIES UNDER THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT AND UNDER ARTICLE 68 AND CHAPTER 58 OF THE GENERAL STATUES. VIOLATION OF THIS LAW IS A FELONY. ANY PERSON VIOLATING THIS LAW IS ALSO SUBJECT TO A COURT ORDER REQUIRING THE PERSON TO COMPENSATE PERSONS INSURED FOR EXPENSES OR LOSSES INCURRED AS A RESULT OF THE TERMINATION OF THE INSURANCE.’

Note: If the policy premium is paid entirely from policyholder funds, the penalty for willful non-payment of premiums without proper notice is full restitution of lost benefits.

Your policy provides that discontinuance is automatic if premium is not received by the end of the grace period. In the event that premium is not received, United HealthCare Insurance Company will advise you by letter when the policy will cancel. Since coverage will be provided until the cancellation date, you will be responsible for payment of the premium to the cancellation date. A notice which may be distributed to employees or members whose insurance is terminating will be enclosed with the letter.

North Carolina law gives the Insurance Commissioner of the State of North Carolina the authority to examine the books and records of the person or organization responsible for the payment of premium to the extent of group health insurance transactions. A fine or imprisonment may be imposed upon conviction for refusal to produce books or records or for false information.