

NORTH CAROLINA HEALTH INSURANCE RISK POOL, INC.  
d/b/a INCLUSIVE HEALTH

POLICY AMENDMENT

This Amendment revises and becomes a part of the Policy to which it is attached. This Amendment is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Amendment conflict, the terms of this Amendment shall govern. Please read this Amendment carefully.

This Amendment attaches to and is made part of Policy Number [XXXXXX] issued to [XXXXXXXXXX].

It is hereby noted and agreed that the Policy is revised as follows:

1. The heading **Hearing Aids** shall be added to the section entitled **COVERED HEALTH SERVICES** as follows:

**Hearing Aids**

Covered Health Services include all Medically Necessary hearing aids and services ordered by a Health Care Practitioner, including:

- One hearing aid per hearing-impaired ear subject to a maximum of \$2,500 per hearing aid every 36 months for Covered Persons under 22 years of age.
- Initial hearing aids and replacement hearing aids not more frequently than every 36 months.
- A new hearing aid when alterations to the existing hearing aid cannot adequately meet the needs of the Covered Person.
- Services, including the initial hearing aid evaluation, fitting, and adjustments, and supplies, including ear mold.

**EFFECTIVE DATE OF AMENDMENT: [01/01/2011]**

2. The heading **Eligibility** in the section entitled **ELIGIBILITY AND TERMINATION PROVISIONS** is revised to read as follows:

**Eligibility**

In accordance with North Carolina state law, eligibility for coverage provided by this Policy is determined by the statutory eligibility requirements for coverage provided by the Risk Pool. An individual who is and continues to be a Resident of North Carolina is eligible for coverage under this Policy by providing evidence of any of the following:

1. A notice of rejection or refusal to issue substantially similar health insurance coverage for health reasons by an insurer. A rejection or refusal by an insurer offering only stop-loss, excess loss, or reinsurance coverage with respect to the applicant is not sufficient evidence of eligibility;
  2. An offer to issue health insurance coverage only with a conditional rider that limits coverage for the Covered Person's high-risk medical condition;
  3. A refusal by an insurer to issue health insurance coverage except at a rate exceeding the Risk Pool rate;
  4. Diagnosis with a medical or health condition identified by the Risk Pool as establishing eligibility. Such diagnosis establishes eligibility without having to apply for other health insurance coverage.
  5. Qualification as a Federally Defined Eligible Individual, whether or not currently covered by an insurer under that qualification. You must submit a Certificate of Creditable Coverage or other form of acceptable proof of prior coverage in order to be approved by Us for eligibility as a Federally Defined Eligible Individual;
  6. Qualification as an individual who is legally domiciled in North Carolina and is eligible for the credit for health insurance costs under the Trade Adjustment Assistance Reform Act of 2002, section 35 of the Internal Revenue Code of 1986.
  7. The individual has current individual health insurance coverage at a rate exceeding the Risk Pool rate.
  8. The individual is eligible for and has not exhausted current COBRA or state continuation health insurance coverage at a rate exceeding the Risk Pool rate and provides evidence of eligibility for Risk Pool coverage under any of the subdivisions (1) through (4) of this subsection.
3. The heading **Loss of Eligibility** in the section entitled **ELIGIBILITY AND TERMINATION PROVISIONS** is revised to read as follows:

**Loss of Eligibility**

You are not eligible for coverage provided by this Policy or another Policy offered by the Risk Pool if any of the following apply:

1. You have or obtain medical care benefits substantially similar to or more comprehensive than the benefit plans offered by the Risk Pool, or would be eligible to have coverage if You elected to obtain it, except that:
  - (a) You may maintain other coverage for the period of time You are satisfying the Pre-Existing Condition Limitation period under a this Policy; and
  - (b) You may maintain this Policy for the period of time You are satisfying a pre-existing condition waiting period under

another health insurance policy intended to replace this Policy.

- (c) This does not apply to continuation of group coverage under COBRA or state continuation at a rate exceeding the Risk Pool rate.
2. You are determined to be eligible for enrollment in Medicaid or in Medicare, regardless of whether You actually enroll.
  3. You have previously terminated coverage provided by the Risk Pool, unless 12 months have lapsed since the termination, except that this shall not apply if You are a Federally Defined Eligible Individual or are eligible for or receiving benefits under the Trade Adjustment Assistance Program.
  4. You are an inmate or resident of a public institution, unless You are also a Federally Defined Eligible Individual.
  5. Your premiums are paid for or reimbursed under any government-sponsored program or by any government agency or health care provider, except as an otherwise qualifying full-time employee, or dependent thereof, of a government agency or health care provider. This subdivision shall not apply for individuals receiving benefits under the Trade Adjustment Assistance Program or to individuals receiving premium subsidies made available by the State based on individual income levels.
  6. You have in effect on the date this Policy takes effect health insurance coverage from an insurer or insurance arrangement.

If You become ineligible as described above at any time after Your Effective Date, Your Policy will terminate as described in the Policy Termination provision.

This Policy renews automatically upon the Anniversary of the Policy at the option of the Policyholder, except as provided in this section.

4. The following paragraph in the section entitled **PRE-EXISTING CONDITION LIMITATION** are revised to read as follows:

We will not pay benefits for services rendered or expenses incurred for Pre-Existing Conditions during the first 6 months following the Covered Person's Effective Date.

**EFFECTIVE DATE OF AMENDMENT: [07/01/2011]**

5. The following items under the heading **Service Exclusions** in the section entitled **EXCLUSIONS** is revised to read as follows:
- Routine hearing or eye exams, unless specifically described in this Policy or for covered newborn hearing screening.
  - Hearing aids, unless specifically described in this Policy, hair prosthesis, hair transplants or implants, and wigs;

**EFFECTIVE DATE OF AMENDMENT: [01/01/2011]**

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

[Executive Director]