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This Is A Rider to Your Group Plan for New York State Employees

This rider changes your New York State Employee group plan.

The following dependents are eligible for NYSHIP coverage:

1. Your spouse, including a legally separated spouse, is eligible. If you are divorced or your marriage has been annulled, your former spouse is not eligible, even if a court orders you to maintain coverage.
2. Your Domestic Partner. You may cover your same or opposite sex domestic partner as your dependent under NYSHIP. A domestic partnership, for eligibility under NYSHIP, is one in which you and your partner are 18 years of age or older, unmarried and not related in a way that would bar marriage, living together, involved in an exclusive mutually committed relationship and financially interdependent. To enroll a domestic partner, you must have been in the partnership for six months and be able to provide proof of 6 months of cohabitation and 6 months of financial interdependence. There is a one year waiting period from the termination date of your previous partner's coverage before you may again enroll a domestic partner.
3. Your children under 26 years of age are eligible. This includes your natural children, legally adopted children, children in a waiting period prior to finalization of adoption, your stepchildren and children of your domestic partner who are covered without regard to financial dependence, residency with you, student status or employment. Other children who reside permanently with you in your household, who are chiefly dependent on you and for whom you have assumed legal responsibility, in place of the parent, also are eligible; you must verify eligibility and provide documentation to your Employer upon enrollment and every two years thereafter. For "other children," legal responsibility by you must have commenced before the child reached 19.
4. For purposes of eligibility for health insurance coverage as a dependent you may deduct from your dependent's age up to four years for service in a branch of the U.S. Military between the age of 19 and 25 for those dependents that return to school on a full time basis, are unmarried and are otherwise not eligible for employer group coverage. You must be able to provide written documentation from the U.S. Military. Proof of full-time student status at an accredited secondary or preparatory school, college or other educational institution will be required by the HMO for verification.
5. Your unmarried dependent children 26 or over who are incapable of self-sustaining employment by reason of mental illness, developmental disability, mental retardation as defined in the mental hygiene law, or physical handicap who became so incapable prior to attainment of the age at which dependent coverage would otherwise be terminated are eligible.

The HMO will accept determinations of total disability under the above standards made by other group health plans provided that there has not been a break in coverage between plans.

6. Your unmarried children, including adopted, step children and children of your domestic partner through age twenty-nine ("Young Adult"), who live, work, or reside in New York State or the service area of the HMO's network-based NYSHIP policy and who:
 - a. are not insured by or eligible for coverage through the Young Adult's own employer-sponsored health plan, whether insured or self-funded, provided that the health plan includes both hospital and medical benefits, and
 - b. are not covered under Medicare;

are eligible for coverage under the Young Adult Option.

In addition:

- c. the Young Adult need not live with the parent, be financially dependent upon the parent, or be a student;
- d. the Young Adult's eligibility for health insurance coverage through a former employer under federal COBRA or State continuation coverage does not disqualify the Young Adult from electing the young adult option under NYSHIP;
- e. the Young Adult's children are not eligible for coverage under the Young Adult Option, but may be eligible for health insurance coverage under other programs, such as the Child Health Plus program;
- f. the parent need not have family coverage for the young adult to enroll in the Young Adult Option;
- g. the Young Adult need not have been previously covered under the parent's NYSHIP coverage.

The HMO must accept all NYSHIP determinations of eligibility for enrollment in this coverage. Coverage of a Young Adult as described in this paragraph shall consist of coverage which is identical to the coverage provided to a NYSHIP enrollee. If the parent is enrolled in the HMO, coverage is available for the Young Adult who lives, works or resides outside of the parent's HMO service area but within New York State. However, the parent of the Young Adult need not be enrolled in the HMO in order for the Young Adult to have NYSHIP coverage through the plan in which he/she is enrolling as long as the Young Adult lives, works or resides in that HMO's service area. The parent must only be a NYSHIP enrollee (including under COBRA).

Coverage shall terminate on the first of the following to occur:

- a. the Young Adult voluntarily terminates coverage;
- b. the Young Adult's parent no longer is enrolled in NYSHIP;
- c. the Young Adult no longer meets the eligibility requirements for the Young Adult Option as outlined above;
- d. the NYSHIP premium for the Young Adult is not paid in full within the 30-day grace period;
- e. the group contract is terminated and not replaced

The dependent child does not have a separate federal COBRA or New York State continuation right at the time coverage through this option terminates.

A Young Adult and his/her parent have the following opportunities to enroll in the Young Adult Option:

1. When the Young Adult Would Otherwise Lose Coverage Due to Age

Coverage may be elected within 60 days of the date that the Young Adult otherwise would lose eligibility for coverage as his/her parent's dependent due to age. Coverage is retroactive to the date that the Young Adult otherwise would have lost coverage due to age. This is the only circumstance in which the Young Adult Option will be effective on a retroactive basis.

2. When the Young Adult is Newly Qualified Due to a Change in Circumstances

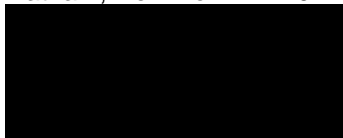
Coverage may be elected within 60 days of the date that the Young Adult newly meets the eligibility requirements for the Young Adult Option, such as due to loss of coverage through his/her employer; moves his/her residence into New York State; or gets divorced. It is possible for a Young Adult to elect coverage under this option on multiple occasions due to changes in the young adult's eligibility over time. Coverage will be effective prospectively, no later than 30 days after NYSHIP receives written notice of the election and payment of the first premium.

3. During the Young Adult Option Annual 30-Day Open Enrollment Period

Coverage may be elected during the Young Adult Option's annual 30-day open enrollment period which is expected to coincide with NYSHIP's Annual Option Transfer Period. Coverage under this option will be effective prospectively.

7. **Other provisions.** All of the terms, conditions, limitations, and exclusions of your group plan also apply to this Rider, except where specifically changed by this Rider.

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