

FLORIDA COMBINED LIFE INSURANCE COMPANY, INC.
5011 GATE PARKWAY, BLDG. 200
JACKSONVILLE, FLORIDA 32256

Florida Combined Life Insurance Company, Inc. (referred to as "we," "us," and "our"), has issued a group insurance policy to your employer, the policyholder. The policy is a contract of insurance between the policyholder and us, and through which you are insured.

This is your certificate of coverage, as long as you are eligible for this insurance, become insured, and remain insured. This certificate is a summary of your insurance under the group policy and is not a contract of insurance. This certificate is subject to the terms of the group policy and voids and replaces any prior certificates issued under the group policy number shown on page three.

To present inquiries or to obtain information about coverage, please call us at 1-800-333-3256. To receive claims assistance, please call us at 1-800-696-8562.

Signed for the Florida Combined Life Insurance Company, Inc., at Jacksonville, Florida, on the insured employee's effective date.


SECRETARY


PRESIDENT

Certificate for
Group Voluntary Short Term Disability Insurance

Florida Combined Life Insurance Company, Inc., and its parent, Blue Cross and Blue Shield of Florida, Inc., are Independent Licensees of the Blue Cross and Blue Shield Association

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Florida Combined Life

Florida Combined Life and its parent, Blue Cross and Blue Shield of Florida, are Independent Licensees of the Blue Cross and Blue Shield Association.

Florida Combined Life Insurance Company, Inc.

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Si usted desea una copia de esta notificación en español, por favor comuníquese con un representante de servicio al cliente utilizando el número telefónico indicado en su tarjeta de asegurado.

Health Insurance Portability And Accountability Act- Administrative Simplification (HIPAA-AS) Notice of Privacy Practices

Our Legal Duty

As your health plan, we are required by applicable federal and state laws to maintain the privacy of your protected health information (PHI). We want you to be aware of our privacy practices, our legal duties, and your rights concerning your PHI. We will follow the privacy practices that are described in this notice while it is in effect. This notice took effect **April 14, 2003**, and will remain in effect until a revised notice is issued.

We reserve the right to change our privacy practices and the terms of this notice at any time and to make the terms of our notice effective for all PHI that we maintain.

Before we make a significant change in our privacy practices, we will change this notice and send the new notice to you.

How we can use or disclose PHI without a specific authorization

To You: We must disclose your PHI to you, as described in the Individual Rights section of this notice.

For Treatment: For example: we may disclose your PHI to a doctor, dentist or a hospital when requested, in order for the treating provider to provide treatment to you.

For Payment: For example: we may use and disclose PHI to pay claims for services provided to you by doctors, dentists or hospitals. We may also disclose your PHI to a health care provider or another health plan so that the provider or plan may obtain payment of a claim or engage in other payment activities.

For Health Care Operations: For example: we may use or disclose PHI to conduct quality assessment and improvement activities, to conduct fraud and abuse investigations, to engage in care coordination or case management or to communicate with you about health related benefits and services or about treatment alternatives that may be of interest to you. We may also disclose PHI to another health plan or a health care provider subject to federal privacy laws, as long as the plan provider has or had a relationship with you and the PHI is disclosed only for certain health care operations of that plan or provider.

For Public Health and Safety: We may use or disclose PHI to the extent necessary to avert a serious and imminent threat to the health or safety of you or others. We may also disclose PHI for public health and government health care oversight activities and to report suspected abuse, neglect or domestic violence to government authorities.

As Required by Law: We may use or disclose PHI when we are required to do so by law.

For Process and Proceedings: We may disclose PHI in response to a court or administrative order, subpoena, discovery request, or other lawful process.

For Law Enforcement: We may disclose PHI to a law enforcement official with regard to crime victims and criminal activities.

Special Government Functions: We may disclose the PHI of military personnel or inmates or other persons in lawful custody under certain circumstances. We may disclose PHI to authorized federal officials for lawful national security activities.

To Plan Sponsors (including employers who act as Plan Sponsors): We may disclose certain PHI to the Sponsor of your group health plan to perform plan administration functions. We may also disclose enrollment and disenrollment information or summary health information to the Plan Sponsor so that the Plan Sponsor may:

- Obtain premium bids or
- Decide whether to amend, modify or terminate your group health plan

For Research, Death, and Organ Donation: We may use or disclose PHI in certain circumstances related to research, death or organ donation.

For Underwriting: We may use PHI for underwriting, premium rating or other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits.

For Workers Compensation: We may disclose PHI as permitted by workers' compensation and similar laws.

Uses and disclosures of PHI permitted only after Authorization received

Authorization: You may give us written authorization to use your PHI or to disclose it to anyone for any purpose not otherwise permitted or required by law. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosure permitted by your authorization while it was in effect.

To Family and Friends: While the law permits us in certain circumstances to disclose your PHI to family, friends and others, we will do so only with your authorization. In the event you are unable to authorize such disclosure, but emergency or similar circumstances indicate that disclosure would be in your best interest, we may disclose your PHI to family, friends or others to the extent necessary to help with your health care coverage arrangements.

Individual Rights

To exercise any of these rights, please call the customer service number on your ID card.

Access: With limited exceptions, you have the right to review in person, or obtain copies of your PHI. We reserve the right to impose reasonable fees associated with this access request as allowed by law.

Amendment: With limited exceptions, you have the right to request that we amend your PHI that we have on file.

Disclosure Accounting: You have the right to request and receive a list of certain disclosures made of your PHI. If you request this list more than once in a 12-month period, we may charge you a reasonable, cost-based fee to respond to any additional request.

Use/Disclosure Restriction: You have the right to request that we place certain additional restrictions on our use or disclosure of your PHI. We are not required to agree to a requested restriction.

Confidential Communication: You have the right to request that we communicate with you in confidence about your PHI at an alternative address. To receive confidential communications at an alternative address, please ask for a PHI address when you call the customer service number located on your ID card.

Provider Services and Confidential Communications: If you receive services from any health care providers, you are responsible for notifying those providers directly if you would like to request a PHI address from them.

Privacy Notice: You may request a copy of our notice at any time. For more information about our privacy practices, or for additional copies of or questions about this notice, please contact us using the information listed at the end of this notice.

Organizations Covered by this Notice

This Notice applies to the privacy practices of the organizations listed below:

- Florida Combined Life Insurance Company, Inc.

Complaints

If you are concerned that we may have violated your privacy rights, you may complain to us using the contact information listed at the end of this Notice. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with the address to file your complaint with the U.S. Department of Health and Human Services upon request.

We support your right to protect the privacy of your PHI. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

Contact Office: BCBSF Corporate Compliance Office

Telephone: 888-574-2583

Address: P.O. Box 44283, Jacksonville, FL 32203-4283

Si usted desea una copia de esta notificación en español, por favor comuníquese con un representante de servicio al cliente utilizando el número telefónico indicado en su tarjeta de asegurado.

**THIS CERTIFICATE PROVIDES INSURANCE FOR THE EMPLOYEES AND
DEPENDENTS, IF APPLICABLE, OF**

**THE SCHOOL DISTRICT OF PALM BEACH COUNTY
3370 FOREST HILL BLVD.
WEST PALM BEACH, FL 33406**

FL125

**THE EMPLOYEE SHALL BE GIVEN A COPY OF THE GROUP ENROLLMENT
APPLICATION**

SCHEDULE OF BENEFITS

****** VOLUNTARY SHORT TERM DISABILITY ******

ALL ACTIVE FULL-TIME EMPLOYEES WORKING A MINIMUM OF 20 HOURS PER WEEK

OPTION A (EFFECTIVE JANUARY 1, 2001):

BENEFIT AMOUNT IS 66 2/3% OF THE WEEKLY EARNING (AS LAST REPORTED TO THE COMPANY) TO A MAXIMUM WEEKLY BENEFIT OF \$1,385.

BENEFIT COMMENCES ON THE 1ST DAY OF DISABILITY DUE TO ACCIDENT, 8TH DAY OF DISABILITY DUE TO SICKNESS AND THE 8TH DAY OF HOSPITAL CONFINEMENT, FOR A MAXIMUM BENEFIT PERIOD OF 26 WEEKS.

OPTION B (EFFECTIVE JANUARY 1, 2001):

BENEFIT AMOUNT IS 60% OF THE WEEKLY EARNING (AS LAST REPORTED TO THE COMPANY) TO A MAXIMUM WEEKLY BENEFIT OF \$1,385.

BENEFIT COMMENCES ON THE 15TH DAY OF DISABILITY DUE TO ACCIDENT, 15TH DAY OF DISABILITY DUE TO SICKNESS AND THE 15TH DAY OF HOSPITAL CONFINEMENT, FOR A MAXIMUM BENEFIT PERIOD OF 26 WEEKS.

OPTION C (EFFECTIVE JANUARY 1, 2001):

BENEFIT AMOUNT IS 60% OF THE WEEKLY EARNING (AS LAST REPORTED TO THE COMPANY) TO A MAXIMUM WEEKLY BENEFIT OF \$1,385.

BENEFIT COMMENCES ON THE 61ST DAY OF DISABILITY DUE TO ACCIDENT, 61ST DAY OF DISABILITY DUE TO SICKNESS AND THE 61ST DAY OF HOSPITAL CONFINEMENT, FOR A MAXIMUM BENEFIT PERIOD OF 26 WEEKS.

POLICYHOLDER:	THE SCHOOL DISTRICT OF PALM BEACH COUNTY 3370 FOREST HILL BOULEVARD WEST PALM BEACH, FL 33406
POLICY NUMBER:	FL125ZZZS
CERTIFICATE EFFECTIVE DATE:	OPTION A JUNE 1, 1995, OR THE 1 ST OF THE MONTH AFTER 30 DAYS OF EMPLOYMENT, WHICHEVER IS LATER. OPTION B AND C NOVEMBER 1, 1995, OR THE 1 ST OF THE MONTH AFTER 30 DAYS OF EMPLOYMENT, WHICHEVER IS LATER.

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SECTION I

DEFINITIONS

"Actively at Work" or "Active Work" – Characterizes you, the employee who:

1. is performing the usual and customary duties of your job on a full-time basis at your usual place of work, or at some other place to which your employer requires you to travel; and
2. is compensated by your employer for that work.

You will be deemed to be actively at work:

1. on any day of a paid vacation; or
2. on any regular nonworking day on which you are able to actively work for your employer, that is, you are not disabled.

If you usually work at or from the home, you must be neither:

1. hospital confined; nor
2. disabled and unable to be actively at work at a place of work outside of your home.

"Annual Open Enrollment Period" – A period of not less than thirty (30) consecutive working days occurring prior to the effective date of your employer's policy and, thereafter, occurring annually within the ninety (90)-day period just prior to the policy anniversary. It is a period during which each individual entitled to apply for coverage may complete an employee's application.

"Contributory Insurance" – Insurance for which you must pay a part or all of the premium. All such payments are made directly to your employer and forwarded to us.

"Coverage" – All the benefits, terms, and provisions appearing under Section VI, "Benefit Provisions," and any other benefit incorporated into this certificate by rider, endorsement, or amendment.

"Covered" – Insured under the policy.

"Disability Benefits" – When used with the term "retirement plan," means money which is payable under a retirement plan, due to disability, as defined in that plan. However, if a disability benefit payment reduces the amount of money which would have been paid as a retirement benefit under the plan if the disability had not occurred, then the disability benefit payment will be deemed a retirement benefit, as defined in the policy.

"Earnings" – Your annual gross wages or gross salary from your employer as last reported to us just prior to the date disability begins. Earnings may be reported to us only during your initial enrollment period or during an annual open enrollment period. Any decreases in annual earnings which have not been reported to us will be subject to Section III, "Provisions Relating To Insured Employees," "Increases or Decreases in Weekly Benefit Amount." "Earnings" does not include:

1. overtime pay;
2. bonuses; or
3. any other form of extra compensation.

DEFINITIONS (Continued)

For commissioned employees, monthly commissions received will be averaged for the lesser of:

1. the twelve (12)-month period of employment just prior to the date disability begins; or
2. the period of employment.

The monthly average will then be multiplied by twelve (12) and included in annual earnings.

"Eligible Employee" – An employee who has met the requirements for obtaining coverage under the policy, as described under Section III, "Provisions Relating to Insured Employees."

"Elimination Period" – A period of consecutive days of disability for which no benefit is payable. The elimination period is shown on the Schedule of Benefits and begins on the first day of disability.

For accumulating the elimination period, the following will apply:

1. The disability will be treated as continuous if disability stops during the elimination period for a total number of accumulated days which is not more than the number of days shown in the following schedule:

<u>For elimination period of:</u>	<u>Number of days will be:</u>
60 days	5 days or less
Less than 60 days	3 days or less

2. Days that you are not disabled will not count toward the elimination period.

"Employee" – A person who meets the definition of "actively at work."

"Employee's Application" – Your enrollment form or card and any evidence of insurability.

"Evidence of Insurability" – Information, such as proof of good health, that we may require for determining your insurability upon your applying to become an insured. A requirement of evidence of insurability is a requirement that we find you acceptable for insurance under the policy. Situations requiring evidence of insurability are described under Section III, "Provisions Relating to Insured Employees."

"Full-Time" – Characterizes a permanent employee who is working for the employer for at least 20 hours per week.

"Guaranteed Issue" – The issuance of coverage based on the criteria on the employer's Policy Schedule. No evidence of insurability is required when the coverage is guaranteed issue.

"He," "His," and "Him" – Pronouns which also represent "she," "her or hers," and "her," respectively, when referring to a female.

"Illness" – Sickness, disease, or pregnancy that cause a covered loss while your coverage is in force.

"In Force" – In effect. Premiums are paid and all insuring conditions are met.

"Injury" – Bodily damage which:

1. results directly and independently of all other causes from an accident;
2. occurs on or after the effective date of coverage for such injury; and
3. results in disability.

DEFINITIONS (Continued)

"Insurance Month" – A period that begins on the date that regular monthly premiums are due under the policy and ends on the day just before the same numbered day of the following month.

"Insured" – An insured employee:

1. for whom all conditions under the policy to become insured, including the satisfaction of any enrollment requirements, and payment of all due premiums, have been met; and
2. who has insurance in force under the policy.

"Insured Employee's Effective Date" – The date you become insured under the policy. It is shown on the Schedule of Benefits.

"Notice" – Written notice in a form satisfactory to us for that purpose.

"Other Income Benefits" – Those benefits, as follows:

1. Any amounts which you are receiving from your employer. This includes, but is not limited to, Sick Leave, Sick Leave Pool, Catastrophic Leave, Annual Leave, Personal Leave or any like pay.
2. The amount of any disability income benefits for which you are eligible under any compulsory benefit act or law.
3. The amount of any disability income benefits for which you are eligible under:
 - a. any other group insurance plan; or
 - b. any governmental retirement system, as a result of your job with the employer.
4. The amount of benefits from the employer's retirement plan you:
 - a. receive as disability benefits;
 - b. voluntarily elect to receive as retirement benefits; and/or
 - c. receive as retirement benefits when you reach the greater of age 62 or normal retirement age, as defined in the employer's retirement plan.

(As used here, "receives" does not include any amount rolled over or transferred to any eligible retirement plan, as that term is defined in Section 402 of the Internal Revenue Code of 1986 and any future amendments to Section 402 which affect the definition of an eligible retirement plan.)

5. The amount of disability or retirement benefits under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or any similar plan or act, as follows:
 - a. disability benefits for which you are eligible;
 - b. retirement benefits received by you; or
 - c. the following benefits which apply to your spouse, child, or children:
 - 1) disability benefits for which they are eligible because of your disability; or
 - 2) retirement benefits they receive because of your receipt of your retirement benefits.

These other income benefits, except retirement benefits, must be payable as a result of the same disability for which this certificate pays a benefit.

DEFINITIONS (Continued)

The following items, as described earlier, will not apply to disabilities which begin after age 70, if you are already receiving Social Security retirement benefits while continuing to work beyond age 70:

1. retirement benefits received by you under the aforementioned Acts and Plans; and
2. retirement benefits your spouse, child, or children receive because of your receipt of your retirement benefits.

The following items, as described earlier, will be estimated if such benefits:

1. have not been awarded; and
2. have not been denied; or
3. have been denied and the denial is being appealed:
 - a. disability benefits for which you are eligible under the aforementioned Acts and Plans; and
 - b. disability benefits for which your spouse, child, or children are eligible because of your disability.

"Person" – A term which is used in the singular. There may be more than one person, natural or legal.

"Physician" – A duly licensed physician or surgeon, who is practicing within the scope of his license.

"Proceeds" – The amount of insurance we will pay as a benefit. This amount is shown on the Schedule of Benefits and is subject to the amount that you are eligible for as shown on your employer's Policy Schedule for your class.

"Retirement Benefit" – When used with the term "retirement plan," means money which:

1. is payable under a retirement plan either in a lump sum or in the form of periodic payments;
2. does not represent contributions made by you; and

(Note: Payments which represent contributions made by you are deemed to be received over your expected remaining life, regardless of when such payments are actually received.

3. is payable upon:
 - a. early or normal retirement; or
 - b. disability, if the payment does reduce the amount of money which would have been paid at the normal retirement age under the plan if the disability had not occurred.

"Retirement Plan" – A plan which provides your retirement benefits and which is not funded wholly by your contributions. The term shall not include a profit-sharing plan, a thrift plan, an individual retirement account (IRA), a tax-sheltered annuity (TSA), a stock ownership plan, or a non-qualified plan of deferred compensation.

"Employer's retirement plan" is deemed to include any retirement plan:

1. which is part of any federal, state, county, municipal or association retirement system; and
2. for which you are eligible as a result of employment with the employer or for which you are eligible from a union retirement plan.

"We," "Us," and "Our" – Florida Combined Life Insurance Company, Inc.

"You" and "Your" - The employee.

SECTION II

GENERAL PROVISIONS

Incontestability

We will not contest the validity of your insurance after the insurance has been in force prior to the contest for two years during your lifetime, except for nonpayment of premiums. All statements made by you will not be used in any contest unless a copy of the application or other written statement, signed by you, is or has been furnished to you.

Except for statements made specifically relating to your insurability, we can, at any time, use defenses based on provisions in the policy which relate to eligibility for coverage.

All statements made by you are, in the absence of fraud, understood to be representations and not warranties.

Misstatement of Annual Earnings or Age

If your annual earnings are overstated, benefits will be based on the maximum amount of insurance that you are entitled to at your true annual earnings. If your age is misstated, the benefit period and premium will be based on your true age.

Other Insurance

This insurance is not in lieu of workers' compensation; it does not affect any requirement for workers' compensation coverage.

Assignment

You may make an absolute assignment of your rights under this policy. We will not recognize an assignment until a signed copy is on file at our administrative office. We are not responsible for the validity of assignments. Collateral assignments are not allowed.

SECTION III

PROVISIONS RELATING TO INSURED EMPLOYEES

Employee Eligibility and Enrollment

You are entitled to benefits of the class for which you have been enrolled. Eligible employee classes are shown on the Policy Schedule. You must first be eligible for insurance prior to becoming insured. To become eligible for insurance under the policy, you must complete the following steps:

1. meet the definition of "Employee," found under "Definitions," Section I;
2. be a member of an eligible class shown on your employer's Policy Schedule; and
3. complete the waiting period of a specified number of days or months of continuous active work shown on the Policy Schedule.

Employee Eligibility and Enrollment (Continued)

Provided that these criteria are met, eligibility begins on the day following the date the waiting period is completed. If you left your employer's employ and return to work for your employer, you will be treated as a new employee.

Once you establish eligibility, you may enroll for this insurance during your initial enrollment period or during the established annual open enrollment periods. The initial enrollment period is one of the following periods during which you may first make written application for coverage under this policy:

1. If you are eligible for insurance on the policy effective date, the initial enrollment period is the first annual open enrollment period, occurring prior to the policy effective date.
2. If you become eligible for insurance after the policy effective date, the initial enrollment period is the thirty-one (31) day period beginning with the date on which you become eligible for this insurance.

If you are eligible for insurance and wish to enroll at a time other than as described above, you must:

1. make written application for coverage; and
2. provide evidence of insurability.

As will be discussed in "Establishment of Employee Insurance Effective Date," satisfaction of certain other criteria, such as completion of your application or determination of satisfactory evidence of insurability, will enable you, if eligible for contributory insurance, to become insured for contributory insurance.

Establishment of Employee Insurance Effective Date

Your insurance will become effective on the date indicated in the following paragraphs. If you are eligible for coverage as an active employee but are not actively at work, due to injury or illness, on the date your coverage is to become effective, the effective date will be deferred until the date you return to active work. "Continuity of Coverage Upon Transfer of Insurance Carriers," discusses situations in which the deferred effective date provision for those persons not actively at work is waived.

Individuals Eligible on the Policy's Effective Date Who Apply During the First Annual Open Enrollment Period

Subject to the deferred effective date described above, if you are eligible on the effective date of the policy, your insurance will become effective on the policy's effective date if your application is filed with us during the group's first annual open enrollment period. This first annual open enrollment period must occur prior to the policy's effective date.

If you do not enroll during this first annual open enrollment period, you must provide evidence of insurability satisfactory to us if you wish to enroll prior to the next annual open enrollment period. Your coverage effective date will then be determined as discussed below.

Establishment of Employee Insurance Effective Date (Continued)

Individuals Eligible After the Policy's Effective Date Who Apply During Their Initial Enrollment Period

You may become eligible (for example, if you are a newly hired employee) to apply for coverage under the policy after its effective date. If you apply and we receive your application prior to or within 31 days after you become eligible, the coverage effective date will be the first premium due date following our acceptance of your application. The effective date will be subject to the deferred effective date provision described earlier. You must first be eligible for insurance prior to becoming insured.

If you do not enroll during this initial enrollment period, you must provide evidence of insurability satisfactory to us if you wish to enroll prior to the next annual open enrollment period. Your coverage effective date will then be determined as discussed below.

Individuals Who Apply During an Annual Open Enrollment Period

If you do not apply for coverage prior to or after becoming eligible for insurance, according to the terms discussed earlier, you may wait until the next annual open enrollment period to apply. We must receive your application during this annual open enrollment period. Subject to the deferred effective date provision described earlier, your coverage effective date will be the first premium due date following the end of the annual open enrollment period and our acceptance of the application.

Continuity of Coverage Upon Transfer of Insurance Carriers

To prevent your loss of coverage because of your employer's transfer of insurance carriers, the policy will provide coverage for you on the policy's effective date, as follows:

Failure To Be in Active Employment Due to Injury or Sickness

The policy will cover you, subject to premium payments, if you:

1. were insured with the prior carrier at the time of transfer; and
2. are not in active employment due to injury or sickness.

The benefit payable will be that which is shown on the schedule of benefits, less any benefit for which the prior carrier is liable.

Disability Due to a Pre-Existing Condition

Benefits may be payable for you for a disability due to a pre-existing condition if you:

1. were insured by the prior carrier at the time of transfer; and
2. were in active employment and insured under the policy on its effective date.

The benefit will be determined according to the schedule of benefits if you satisfy the pre-existing conditions exclusion under:

1. the policy; or
2. the prior carrier's policy,

giving consideration towards continuous time insured under both policies.

The benefit will be determined according to the policy's benefit schedule. No benefit will be paid if you cannot satisfy the pre-existing condition exclusion of the policy or the prior carrier's policy.

Establishment of Employee Insurance Effective Date (Continued)

Increases or Decreases in Weekly Benefit Amount

Increases in the amount of weekly benefit will become effective on the first premium due date following the effective date of the increase, provided your employer has submitted the correct premium. Decreases in the amount of weekly benefit will become effective on the first premium due date following the effective date of the decrease. However, if you are not actively at work on that date, due to injury or illness, increases will become effective on the date you return to active work.

The Date on Which Employee Insurance Terminates

Your insurance automatically terminates upon the earliest of the following dates:

1. the date the policy terminates;
2. the date the policy is amended to terminate the insurance provided by a particular provision (termination can occur only at the end of an insurance month);
3. the end of the insurance month in which an associated company ceases to be eligible for insurance under the policy, if your insurance is through an associated company;
4. the due date of the first premium which the employer fails to remit;
5. the end of the insurance month in which you:
 - a. attain age seventy-five (75);
 - b. retire;
 - c. cease to be in an eligible employee class;
 - d. enter military service, except temporary duty of less than thirty (30) days; or
 - e. cease employment. Cessation of active work will be deemed termination of employment, except:
 - 1) your insurance will be continued during the elimination period and during the period for which benefits are payable; and
 - 2) your employer may continue your insurance, by paying the required premiums, to the end of the insurance month following the insurance month in which a layoff or approved leave of absence begins for the employee.

SECTION IV

BENEFICIARY PROVISIONS

Beneficiary

You are the beneficiary for short term disability benefits.

Proceeds for employee short term disability insurance will be paid to you, if living. Otherwise, the proceeds will be paid to your estate.

SECTION V

CLAIMS PROVISIONS

Notice of Claim

Written notice of claim must be given to us:

1. within 20 days after the date of a loss covered by the policy; or
2. as soon thereafter as reasonably possible.

Claim Forms

We will furnish the claimant with forms for filing proof of loss within 15 days after we receive notice of the claim, as defined above. If we do not do so, the claimant can comply with the requirements for filing proof of loss by giving us this written proof:

1. within the term fixed in the "Proof of Loss" provision; and
2. covering the loss' occurrence, character, and extent.

Proof of Loss

Written proof of loss:

1. must be furnished to us at our administrative office; and
2. should be furnished within 90 days after the period for which we are liable, for claims involving periodic payments for a continuing loss.

Failure to furnish the proof within these times will not invalidate nor reduce the claim if proof is furnished as soon as is reasonably possible. In any event, the proof required must be given no later than one year from the time specified, unless the claimant was legally incapacitated.

Time of Payment of Claims

We will pay the benefits payable:

1. when we receive complete and satisfactory proof of your disability;
2. if premiums have been paid; and
3. subject to all provisions of the policy.

Legal Proceedings

A claimant may not file suit after the expiration of the applicable statute of limitations from the time written proof of loss is required to be given or within 60 days since the required proof of loss was filed.

Physical Exams

We will have the right and opportunity to examine you:

1. by a physician of our choice;
2. at our own expense;
3. while a claim is pending or being paid; and
4. as often as we may reasonably require.

SECTION VI

BENEFIT PROVISIONS

The following definition applies to this coverage:

"Disability" or **"Disabled"** – Your inability, because of illness or injury, to perform each of the substantial and material duties of your regular occupation or job.

Benefits Payable

Employees who are in a class eligible for short term disability coverage are shown on your employer's Policy Schedule.

If you are covered under short term disability insurance and become disabled while insured, and have been seen and treated by a physician for the disability, benefits are payable. The amount payable is the amount of weekly short term disability benefit then in effect on the date disability begins, unless you are receiving other income benefits, as defined.

If you are receiving other income benefits, as defined, the amount payable is the lesser of:

1. the amount of weekly short term disability benefit then in effect on the date disability begins, less fifty percent (50%) of other income benefits, as defined; or
2. the difference between your gross weekly salary in effect on the date disability begins and other income benefits, as defined.

In no event will we pay a weekly short term disability benefit that, when added to all other income benefits, as defined, will exceed your gross weekly salary.

The amount of weekly short term disability benefit is shown on the Schedule of Benefits. You may select a weekly benefit in the increments shown on the Schedule of Benefits, up to the maximum amount shown for your annual earnings. A benefit payable for a period of less than a full week will be pro-rated on a daily basis at one-seventh of the weekly benefit.

Payment will be made after we receive proper written proof of disability at our administrative office and in accordance with the provisions set forth in Section V, "Claims Provisions." Benefits are payable starting from the end of the elimination periods for disability, as shown on the Schedule of Benefits.

Benefits will continue during your uninterrupted disability, up to the maximum number of weeks for each period of disability shown on the Schedule of Benefits. Two periods of disability will be considered to be one period unless:

1. you return to active work for two or more weeks in a row between the two periods; or
2. the later period:
 - a. is due to an injury or illness entirely unrelated to the causes of the prior period; and
 - b. begins after you have returned to active work for at least one day.

Extension of Benefits: Termination, for any reason, including termination of the policy or of your employment, will not affect your rights to benefits (if any) for a continuous disability that begins while your insurance is in force under the policy.

Waiver of Premium

We will waive all premiums due while you are disabled:

1. starting with the next premium due date following the end of the elimination period; and
2. while benefits are payable.

Exclusions and Limitations

General Exclusions

Benefits will not be payable during a period of disability for which you are receiving sick pay. In the event that a period of disability is partially covered by sick pay, benefits will commence on the day that sick pay is no longer payable.

Additionally, benefits will not be payable for disability resulting from:

1. war, declared or undeclared, or any act of war;
2. intentionally self-inflicted injury or attempted suicide, while sane or insane;
3. committing, or attempting to commit, an assault or felony;
4. active participation in a riot;
5. any period during which you are not under the direct care of a physician, unless you have reached the maximum point of recovery; or
6. any work for wage or profit, including self-employment or employment by others, and whether or not you are entitled to benefits under any workers' compensation, occupational disease law, or similar law.

Pre-Existing Conditions Exclusions

Benefits will not be payable for disability caused by, contributed to by, or resulting from, a pre-existing condition which begins in the first twelve (12) months after your effective date of coverage.

A "pre-existing condition" means any sickness or injury for which you received medical treatment, consultation, care, or services, including diagnostic measures, or took prescribed drugs or medicines within six months prior to your effective date of insurance.

Limitations

Benefits for disability resulting from the following causes will be covered, but subject to an elimination period of sixty (60) days (or the selected elimination period, if longer):

1. mental illness without physical cause;
2. alcoholism; or
3. drug addiction.

FLORIDA COMBINED LIFE INSURANCE COMPANY, INC.
8665 BAYPINE ROAD
JACKSONVILLE, FLORIDA 32256

CERTIFICATE AMENDMENT

The "Certificate for Group Voluntary Short Term Disability Insurance" to which this amendment is attached is hereby amended as follows:

1. **SECTION I - DEFINITIONS** is amended to add the definition of "Health Care Practitioner" as follows:

"Health care practitioner" - Any person licensed and defined by state law as a health care practitioner.

2. **SECTION III - PROVISIONS RELATING TO INSURED EMPLOYEES** is amended as follows:

- A. Under Sub-section "Establishment of Employee Insurance Effective Date," the "Continuity of Coverage Upon Transfer of Insurance Carriers" provision is amended to delete the first paragraph under "Disability Due to a Pre-Existing Condition" and replace it with the following:

Benefits may be payable for a disability due to a pre-existing condition if you:

1. were insured by the prior carrier at the time of transfer; and
2. were in active employment and insured under the policy on its effective date; or
3. changed employers and became insured under the policy, provided:
 - a. the coverage under your prior carrier's group policy was similar to or exceeds the benefits of the policy; and
 - b. coverage under the prior carrier's group policy was continuous to a date not more than 30 days prior to your effective date under the policy.

- B. A provision for "Family and Medical Leave" is added as follows:

Family and Medical Leave

If you are on an employer approved Family and Medical Leave, your coverage will not continue unless the required premiums are paid. Upon your return to active work, your coverage will be reinstated, subject to payment of premium. No new waiting periods or evidence of insurability will be imposed if you were on an employer approved Family and Medical Leave.

3. Under **SECTION V - CLAIMS PROVISIONS**, the "Time of Payment of Claims" provision is deleted and replaced with the following:

Time of Payment of Claims

Benefits will be paid weekly during any period for which we are liable:

1. if the premiums have been paid; and
2. subject to all provisions of the policy.

We will pay a claim, or any part of a claim, within 45 days of our receipt of a completed claim which:

1. establishes proof of loss; and
2. contains, as determined by us, all the information we need to pay the claim.

If a claim or any part of a claim is contested or denied, or additional information is needed, we will give written notice to the claimant within 45 days after we receive such claim.

This notice will identify the:

1. contested or denied claim or portion of the claim;
2. reasons for the contest or denial; and/or
3. additional information needed.

We will complete the processing of the claim within 60 days of receipt, at our home office, of the additional information we requested.

All claims will be paid or denied no later than 120 days after receiving the claim. Payment will be considered made on the date:

1. we deposit the notice of the claims processing decision in the United States mail in a properly addressed, postpaid envelope; or
2. of delivery, if not so posted.

Any claim payments not made within the applicable time frame shall bear simple interest at the rate specified by law.

4. **SECTION VI - BENEFIT PROVISIONS** is amended as follows:

- A. The definition of "Disability" or "Disabled" is deleted and replaced with the following:

"Disability" or **"Disabled"** - you are unable to perform the material and substantial duties of your regular occupation, due to injury or illness.

A special provision exists for insureds employed as health care practitioners. The terms "disability" and "disabled" will include any restrictions of the insured's ability to perform his occupation because of action taken by the state licensing board as a result of his testing positive on a human immunodeficiency virus test. In such case, the date of disability will be determined by the state licensing board's action. However, any restrictions must result in the insured's experiencing an actual loss of income, as a condition for receiving disability benefits.

The effective date of this amendment is the later of January 1, 1998, or the effective date of the certificate, as shown on the schedule of benefits.

The certificate to which this amendment is attached is not changed, other than as herein stated.

Signed for the Florida Combined Life Insurance Company, Inc., at Jacksonville, Florida, on the effective date of this amendment.

A handwritten signature in black ink, appearing to read "Jason Mann". The signature is fluid and cursive, with the first name "Jason" written in a larger, more prominent script than the last name "Mann".

Jason Mann
President

POLICYHOLDER: THE SCHOOL DISTRICT OF PALM BEACH COUNTY

GROUP NUMBER: FL125

Florida Combined Life

Florida Combined Life and its parent, Blue Cross and Blue Shield of Florida, are Independent Licensees of the Blue Cross and Blue Shield Association.

Florida Combined Life Insurance Company, Inc.

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Si usted desea una copia de esta notificación en español, por favor comuníquese con un representante de servicio al cliente utilizando el número telefónico indicado en su tarjeta de asegurado.

Health Insurance Portability And Accountability Act- Administrative Simplification (HIPAA-AS) Notice of Privacy Practices

Our Legal Duty

As your health plan, we are required by applicable federal and state laws to maintain the privacy of your protected health information (PHI). We want you to be aware of our privacy practices, our legal duties, and your rights concerning your PHI. We will follow the privacy practices that are described in this notice while it is in effect. This notice took effect **April 14, 2003**, and will remain in effect until a revised notice is issued.

We reserve the right to change our privacy practices and the terms of this notice at any time and to make the terms of our notice effective for all PHI that we maintain.

Before we make a significant change in our privacy practices, we will change this notice and send the new notice to you.

How we can use or disclose PHI without a specific authorization

To You: We must disclose your PHI to you, as described in the Individual Rights section of this notice.

For Treatment: For example: we may disclose your PHI to a doctor, dentist or a hospital when requested, in order for the treating provider to provide treatment to you.

For Payment: For example: we may use and disclose PHI to pay claims for services provided to you by doctors, dentists or hospitals. We may also disclose your PHI to a health care provider or another health plan so that the provider or plan may obtain payment of a claim or engage in other payment activities.

For Health Care Operations: For example: we may use or disclose PHI to conduct quality assessment and improvement activities, to conduct fraud and abuse investigations, to engage in care coordination or case management or to communicate with you about health related benefits and services or about treatment alternatives that may be of interest to you. We may also disclose PHI to another health plan or a health care provider subject to federal privacy laws, as long as the plan provider has or had a relationship with you and the PHI is disclosed only for certain health care operations of that plan or provider.

For Public Health and Safety: We may use or disclose PHI to the extent necessary to avert a serious and imminent threat to the health or safety of you or others. We may also disclose PHI for public health and government health care oversight activities and to report suspected abuse, neglect or domestic violence to government authorities.

As Required by Law: We may use or disclose PHI when we are required to do so by law.

For Process and Proceedings: We may disclose PHI in response to a court or administrative order, subpoena, discovery request, or other lawful process.

For Law Enforcement: We may disclose PHI to a law enforcement official with regard to crime victims and criminal activities.

Special Government Functions: We may disclose the PHI of military personnel or inmates or other persons in lawful custody under certain circumstances. We may disclose PHI to authorized federal officials for lawful national security activities.

To Plan Sponsors (including employers who act as Plan Sponsors): We may disclose certain PHI to the Sponsor of your group health plan to perform plan administration functions. We may also disclose enrollment and disenrollment information or summary health information to the Plan Sponsor so that the Plan Sponsor may:

- Obtain premium bids or
- Decide whether to amend, modify or terminate your group health plan

For Research, Death, and Organ Donation: We may use or disclose PHI in certain circumstances related to research, death or organ donation.

For Underwriting: We may use PHI for underwriting, premium rating or other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits.

For Workers Compensation: We may disclose PHI as permitted by workers' compensation and similar laws.

Uses and disclosures of PHI permitted only after Authorization received

Authorization: You may give us written authorization to use your PHI or to disclose it to anyone for any purpose not otherwise permitted or required by law. If you give us an authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosure permitted by your authorization while it was in effect.

To Family and Friends: While the law permits us in certain circumstances to disclose your PHI to family, friends and others, we will do so only with your authorization. In the event you are unable to authorize such disclosure, but emergency or similar circumstances indicate that disclosure would be in your best interest, we may disclose your PHI to family, friends or others to the extent necessary to help with your health care coverage arrangements.

Individual Rights

To exercise any of these rights, please call the customer service number on your ID card.

Access: With limited exceptions, you have the right to review in person, or obtain copies of your PHI. We reserve the right to impose reasonable fees associated with this access request as allowed by law.

Amendment: With limited exceptions, you have the right to request that we amend your PHI that we have on file.

Disclosure Accounting: You have the right to request and receive a list of certain disclosures made of your PHI. If you request this list more than once in a 12-month period, we may charge you a reasonable, cost-based fee to respond to any additional request.

Use/Disclosure Restriction: You have the right to request that we place certain additional restrictions on our use or disclosure of your PHI. We are not required to agree to a requested restriction.

Confidential Communication: You have the right to request that we communicate with you in confidence about your PHI at an alternative address. To receive confidential communications at an alternative address, please ask for a PHI address when you call the customer service number located on your ID card.

Provider Services and Confidential Communications: If you receive services from any health care providers, you are responsible for notifying those providers directly if you would like to request a PHI address from them.

Privacy Notice: You may request a copy of our notice at any time. For more information about our privacy practices, or for additional copies of or questions about this notice, please contact us using the information listed at the end of this notice.

Organizations Covered by this Notice

This Notice applies to the privacy practices of the organizations listed below:

- Florida Combined Life Insurance Company, Inc.

Complaints

If you are concerned that we may have violated your privacy rights, you may complain to us using the contact information listed at the end of this Notice. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with the address to file your complaint with the U.S. Department of Health and Human Services upon request.

We support your right to protect the privacy of your PHI. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

Contact Office: BCBSF Corporate Compliance Office

Telephone: 888-574-2583

Address: P.O. Box 44283, Jacksonville, FL 32203-4283

Si usted desea una copia de esta notificación en español, por favor comuníquese con un representante de servicio al cliente utilizando el número telefónico indicado en su tarjeta de asegurado.