

**PLAN DOCUMENT
AND
SUMMARY PLAN DESCRIPTION**

**STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
HEALTH AND PRESCRIPTION DRUG
BENEFITS PLAN**

**INCLUDING DESCRIPTIONS OF THE OPTIONAL
DENTAL, VISION AND HEARING BENEFITS**

EFFECTIVE JANUARY 1, 2006

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For Hospital, Medical information, call -
Stirling & Stirling at 1-800-447-6689 or visit their website at
www.stirlingbenefits.com

For Prescription Drug Services information, call -
Medco Health at 1-800-711-0917 or visit their website at
www.medcohealth.com

For Dental information, call -
Delta Dental at 1-800-452-9310 or visit their website at
www.deltadentalnj.com

INTRODUCTION

Your (our) health benefits plan provided by the Connecticut State Teachers' Retirement Board will contain four separate sections. The services covered under each of these sections are detailed in this Summary Plan Description as follows:

- Section A - Basic Hospital Benefits
- Section B - Basic Medical Benefits
- Section C - Major Medical Benefits
- Section D - Pharmacy and Mail Service Prescription Drug Benefits

These sections are followed by description of the optional dental, vision and hearing coverage.

If you have both Part A and Part B of Medicare, you will be covered under all four sections of the medical Plan.

For Non-Medicare Part B members: coverage is provided under Section A (Basic Hospital Benefits) and Section D (Pharmacy and Mail Service Prescription Drug Benefits).

Connecticut State Teachers' Retirement Board fully intends to maintain this Plan indefinitely. However, it reserves the right to terminate, suspend, discontinue or amend the Plan at any time upon advance notice to all Eligible Members. Changes in the Plan may occur in any or all parts of the Plan including benefit coverage, maximums, exclusions, limitations, definitions, eligibility and the like. If the Plan is terminated, the rights of Eligible Members are limited to covered charges incurred before termination.

ELIGIBILITY, FUNDING, EFFECTIVE DATE AND TERMINATION PROVISIONS

RETIREE COVERAGE

Eligible Members include all of the following who are enrolled in Medicare Part A and Part B:

A retired member receiving retirement or disability benefits from the Connecticut Teachers' Retirement Board or

A Spouse of a retired member or

A surviving Spouse of a retired member. A surviving Spouse ceases to be an Eligible Member upon remarriage.

Enrollment Requirements. An Eligible Member must enroll for coverage by filling out and signing an enrollment application. The application must be sent to the State of Connecticut Teachers' Retirement Board, 21 Grand Street, Hartford, Connecticut 06106. Such enrollment application should be received no later than the 25th day of the second month preceding the effective date of coverage.

Effective Date of Member Coverage. An Eligible Member will be covered under this Plan on the first day of the month providing enrollment requirements are met. Enrollment applications must be received by the 25th of the month plus one intervening month before coverage may become effective. For example, for June 1 coverage, an enrollment application must be received by April 25.

When Coverage Terminates. Coverage will terminate on the earliest of these dates:

- (1) The date the Plan is terminated.
- (2) The date on which he or she is no longer an Eligible Member.
- (3) The date that the member fails to make a required contribution.

SCHEDULE OF MEDICAL BENEFITS

Verification of Eligibility or Prior Approval of Hospital and Skilled Nursing Facility Care Services.

To verify eligibility or to obtain approval for Plan benefits before the charge is incurred call Stirling & Stirling at (800) 447-6689.

SECTION A - BASIC HOSPITAL BENEFITS

This Section is designed to supplement Medicare for Hospital expenses. There will be no duplication of benefits.

This Section is available to Eligible Members with Part A of Medicare.

Inpatient Hospital Care

The Plan will pay the Medicare Part A Hospital deductible.

Medicare Part A provides a benefit period of 90 days. Medicare pays approved expenses in full during the first 60 days of a benefit period. This Plan will pay the share of approved expenses from the 61st day to the 90th day of a benefit period not paid by Medicare Part A.

Medicare Part A provides 60 reserve days in a Lifetime. During these reserve days, this Plan pays the portion of approved expenses not paid by Medicare.

If an Eligible Member has exhausted all Medicare Hospital benefit days, including the Lifetime reserve days, this Plan will, once prior approval is obtained, pay the cost of a General Hospital Semi-private room, meals, general nursing care, and all hospital special services toward 365 additional lifetime days. These benefits are not available for nervous mental conditions.

Out of Country Inpatient Hospital Care

This Plan will cover the full cost of the Hospital Semi-private room and all special services, with the exception of personal comfort items, for a benefit period of 30 days outside of the United States.

Inpatient Skilled Nursing Facility Care

This plan will cover expenses listed (for up to 120 days) below only if all the following conditions are met:

- (1) The facility is a Medicare-participating Skilled Nursing Facility, and
- (2) The patient's condition requires daily skilled nursing or skilled rehabilitation services, and
- (3) The patient has been in a Hospital at least three days in a row (not counting the day of discharge), and
- (4) The patient is admitted to the facility within 30 days after he or she leaves the Hospital, and

- (5) Care in the facility is for the same condition that was treated in the Hospital, and
- (6) A medical professional certifies that the patient needs, and receives, skilled nursing or skilled rehabilitation services on a daily basis, and
- (7) The facility must not be a place primarily for the treatment of nervous-mental disorders, pulmonary tuberculosis, a place of rest, custodial care, or acute inpatient level of care, and
- (8) Care in the facility is not for long term custodial care,
- (9) Prior approval has been obtained from Stirling & Stirling prior to admission to the facility.

Medicare Part A covers in full the first 20 days of care in a participating facility. This plan pays the co-insurance not paid by Medicare Part A for the next 80 days provided the admission is approved by Medicare. Then this plan will reimburse for an additional 20 days at the Medicare rate. This requires preauthorization by Stirling & Stirling. The maximum covered stay under this plan is 120 days per benefit period, no additional coverage is provided under the Major Medical section of this policy.

Home Health Aide Services

This Plan will pay up to \$500 per Calendar Year, provided all the following conditions are met:

- (1) The services are provided by a certified home health aide who is employed by a Home Health Agency licensed by the State of Connecticut or the State Governing the agency,

- (2) The attending Physician has certified in writing that the services are Medically Necessary, and
- (3) Limited to 4 hours per day.
- (4) The services are not paid by Medicare.
- (5) Patient must be homebound.

SECTION B - BASIC MEDICAL BENEFITS

This Section is designed to supplement Medicare Part B for Medical expenses. There will be no duplication of benefits.

This Section is available to Eligible Members with both Part A and Part B of Medicare. It is not available to retirees with only Part A of Medicare.

Medicare Part B helps pay for:

- (1) Medical and surgical service provided in the Physician's office, in a Hospital, in a Skilled Nursing Facility, in a patient's home or any other location.
- (2) Diagnostic tests.
- (3) Radiology and pathology services by Physicians while an Eligible Member is a Hospital inpatient or outpatient.
- (4) X-rays.

- (5) Drugs and Biologicals that cannot be self-administered.
- (6) Durable Medical Equipment.
- (7) Chiropractic Care.

Before Medicare pays for any of the above expenses, a Calendar Year deductible is applied. This Plan will not cover this deductible.

This Plan will pay the balance (20%) of the amounts approved by Medicare for the covered services after the Calendar Year deductible. Prior approval by Stirling & Stirling is required for hospital and Skilled Nursing Facility benefits.

The Plan will provide coverage for the reasonable cost of the first three pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations or already paid for under Medicare Part B.

SECTION C - MAJOR MEDICAL BENEFITS

This Section is designed to supplement Medicare Parts A and B and the Basic Benefits listed above. There will be no duplication of benefits.

This Section is available to all Eligible Members who are enrolled in Medicare Parts A and B. It is not available to Eligible Members who are not enrolled in Part A and Part B of Medicare.

Deductible payable by Eligible Members, per Calendar Year

Per Eligible Member \$100.00

It is the responsibility of Eligible Members to pay the deductible portion of the charges for covered services each Calendar Year before any Major Medical Benefits are received.

The Plan pays 80% per Calendar Year

Maximum Benefit Amounts

Lifetime, while covered \$1 million

In order to be eligible for reinstatement of the Lifetime maximum benefits under this Major Medical Benefits Section, the Eligible Member must have a 30-day period without claims.

There are other maximums on individual benefits. These follow under Benefit Limits.

BENEFIT LIMITS

Out of Country

This Plan provides payment after the deductible for covered services, which are received outside of the United States. Payment is limited to the amount payable for equivalent services under the medical/ surgical benefits in effect at the time when the services were incurred.

Outpatient Physical/Speech and Occupational Therapy

Percentage payable.....same as for other
Medicare approved
Sickness

DEDUCTIBLE

Deductible Amount. This is an amount of covered charges for which no benefits will be paid. Before benefits can be paid in a Calendar Year an Eligible Member must meet the deductible shown in the Schedule of Benefits.

BENEFIT PAYMENT

Each Calendar Year, benefits will be paid for the covered charges of an Eligible Member that are in excess of the deductible. Payment will be made at the rate shown under Percentage Payable in the Schedule of Benefits. No benefits will be paid in excess of the Maximum Benefit Amount or the "Benefit Limits" of the Plan.

MAXIMUM BENEFIT AMOUNT

The Maximum Benefit Amount is shown in the Schedule of Benefits. It is the total amount of benefits that will be paid under the Plan for all covered charges incurred by an Eligible Member.

COVERED CHARGES

Covered charges are the Usual and Reasonable Charges that are incurred for the following items of service and supply not already provided in Medicare or the Basic Benefits of this Plan. These charges are subject to the "Benefit Limits" of this Plan. A charge is incurred on the date that the service or supply is performed or furnished.

(1) Private Duty Nursing Care

- (a)** Services provided in or outside a Hospital by an actively practicing registered nurse (RN) or a licensed practical nurse (LPN). This care must require the continual skill of a RN or LPN in accordance with a Physician's (MD) prescribed plan of care. Coverage for any one RN or LPN will be limited to 8 hours in each continuous 24-hour period.
- (b)** Nursing Services require prior approval from Stirling & Stirling prior to the beginning of a course of care.
- (c)** The maximum coverage under this program is for a total of 200 days services for nursing or visiting nurse services. These services must be at a level of acuity

so that the care is provided in lieu of a hospital stay.

(2) Veterans Benefits

Medicare does not cover services from Veterans Affairs (VA) hospitals or other VA facilities. This plan will pay 20% for out patient services after the deductible has been satisfied. For in-patient charges the plan will pay according to Medicare guidelines, Medicare Part A deductible & co-insurance.

(3) Outpatient Physical/Speech and Occupational Therapy

This plan will provide Physical Therapy after the Medicare maximum has been met, up to an amount equal to the annual Medicare maximum, if the following materials are received:

- (a) copy of physician's referral indicating medical necessity.
- (b) treatment plan including the projected number of treatments and length of treatment program.
- (c) prior approval has been obtained from Stirling & Stirling prior to the beginning of treatment.

CARE FOR MOUTH, TEETH AND GUMS

Charges for the care of the mouth, teeth, gums and alveolar processes will be covered charges under Medical Benefits only if that care is for the following oral surgical procedures:

- (1) Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of the mouth.
- (2) Prompt repair of sound natural teeth required as a result of an accidental Injury while covered under this Plan. Injury as a result of chewing or biting will not be considered an accidental Injury.
- (3) Surgery needed to correct accidental injuries to the jaws, cheeks, lips, tongue, floor and roof of the mouth when the Injuries occurred while covered under the Plan.
- (4) Excision of benign bony growths of the jaw and hard palate.
- (5) Removal of impacted teeth.

No charge will be covered under Medical Benefits for dental and oral surgical procedures involving orthodontic care of the teeth, periodontal disease and preparing the mouth for the fitting of or continued use of dentures.

**SECTION D - PHARMACY AND MAIL SERVICE
PRESCRIPTION DRUG BENEFITS**

This Section is available to all Eligible Members.

Retail and Mail Order Pharmacy Options

Deductible, per person calendar year \$250.00

Coinsurance levels

Retail Pharmacy	Cost to Member
Non-Maintenance Medications:	
For Generic drugs	5%
For Preferred drugs	20%
For Non-Preferred drugs	30%
Maintenance Medications (After Original Rx plus 1st refill):	
For Generic drugs	10%
For Preferred drugs	25%
For Non-Preferred drugs	35%
Mail Order Pharmacy	
Maintenance Medications:	
For Generic drugs	5%
For Preferred drugs	20%
For Non-Preferred drugs	30%

The maximum out of pocket expense (sum of deductible and coinsurance) for covered drug benefits is limited to \$1,000 per member. When a member's expenses exceed \$1,000, prescriptions will be filled at no charge to the member for the remainder of the year.

PARTICIPATING PHARMACY DRUG CHARGE

Participating pharmacies have contracted with the Plan to charge Eligible Members reduced fees for Prescription Drugs. Systemed, Inc. is the Board's Pharmacy Benefit Manager.

RETAIL PHARMACY COINSURANCE

The coinsurance is applied to each covered pharmacy drug charge and is shown in the Schedule of Benefits. The coinsurance amount is not a covered charge under the Medical Plan. Any one prescription is limited to a 34-day supply.

If a drug is purchased from a non-participating pharmacy or a participating pharmacy without evidence of coverage the amount payable by the member will be the retail cost of the drug less the payment that would have been available for in-network usage. For emergency situations or use outside of the country, for short-term travel, the cost to the member will be the retail cost of the drug less the applicable coinsurance rate.

MAIL SERVICE OPTION

The mail service option will only be available through the designated mail service provider. The purpose of the mail service is to allow members to receive maintenance medications with longer-term refills. The maximum supply for any one mail order prescription is limited to a 90-day supply.

MAIL ORDER COINSURANCE

The coinsurance is applied to each covered mail service prescription. The coinsurance rate is shown in the Schedule of Benefits.

MANDATORY GENERIC SUBSTITUTION

All scripts for which there is a class A generic available will have the prescription filled with the generic substitute. The member may request that the script is filled with the name brand drug but the member will bear the cost difference between the name brand and generic drugs in addition to the coinsurance. If the member's physician finds that the name brand drug is medically necessary for reasons of allergic reactions or efficacy, the name brand drug will be provided and the member will be held responsible only for the coinsurance. The physician must indicate the reason for the use of the name brand on the script in order for the member to avoid additional costs.

OPTIONS FOR OBTAINING MAINTENANCE DRUGS

Drugs identified by the Pharmacy Benefit Manager as maintenance drugs may be obtained either through the mail order vendor or from a participating retail pharmacy.

LIMITS TO THE BENEFITS

The benefits under this section apply only when an eligible member incurs a charge for covered prescription drugs. The coverage is limited to:

- (1) Refills up to the number of times specified by the Physician.

- (2) Refills up to one year from the date of order by a Physician. If the substance provided is a controlled substance the refill period will be limited to 6 months.

EXPENSES NOT COVERED

- (1) Charges associated with excluded coverages under the Medical Plan.
- (2) Drugs that can be purchased without a written prescription.
- (3) Any medical devices or supplies.
- (4) Any drug that is experimental, investigation or is currently under going clinical trials for the prescribed use.
- (5) Any drug or portion of the cost of any drug covered by Medicare.
- (6) Any drug consumed or administered, either in whole or in part, at the location where it is provided.
- (7) Any drug that is normally provided without cost under a state, Federal, local or charitable program.
- (8) Any drug associated with smoking prevention or cessation.
- (9) Any charge for fertility drugs.
- (10) Any charge for contraceptives or contraceptive

devices.

- (11) Any drug for uses associated with male or female sexual dysfunction, is limited to a maximum of six doses per month.
- (12) Any drug where the prescribed dosage exceeds the manufacturer's suggested dose.
- (13) Any drug that is subject to prior approval by the Pharmacy Benefit Manager without such prior authorization.
- (14) Charges for Allergens or the administration of allergens.
- (15) The administration of any drug or substance.
- (16) The charge for any drug covered under Worker's Compensation benefits.
- (17) Therapeutic devices or appliances.
- (18) Drugs designed for hair growth or cosmetic purposes.

DENTAL BENEFITS

Delta Dental is the Dental Plan Administrator for the Board. Delta Dental maintains a list of participating providers of dental services. The benefits are the same both in Delta's network and at non-participating dentists. Participating dentists bill at a prenegotiated fee and guarantee no balance billing other than plan deductibles and coinsurance.

Calendar Year deductible, per person \$50

The deductible applies to these Classes of Service:

- Class A Services - Preventive
- Class B Services - Basic
- Class C Services - Major

Dental Percentage Payable *(Effective January 1, 2006)*

- Class A Services-Preventive 100% by plan
- Class B Services-Basic 80% by plan
- Class C Services-Major 50%

Maximum Benefit Amount

Per person per Calendar Year..... \$2,000

DENTAL BENEFITS

This benefit applies when covered dental charges are incurred by a person while covered under this Plan.

DEDUCTIBLE

Deductible Amount. This is an amount of dental charges for which no benefits will be paid. Before benefits can be paid in a Calendar Year, a Covered Person must meet the deductible shown in the Schedule of Benefits.

BENEFIT PAYMENT

Each Calendar Year benefits will be paid to a Covered Person for the dental charges in excess of the deductible. Payment will be made at the rate shown under Dental Percentage Payable in the Schedule of Benefits. No benefits will be paid in excess of the Maximum Benefit Amount.

MAXIMUM BENEFIT AMOUNT

The Maximum Dental Benefit Amount is shown in the Schedule of Benefits.

DENTAL CHARGES

Dental charges are the Usual and Reasonable Charges made by a Dentist or other Physician for necessary care, appliances or other dental material listed as a covered dental service.

A dental charge is incurred on the date the service or supply for which it is made is performed or furnished. However, there are times when one overall charge is made for all or part of a course of treatment. In this case, the Claims Processor will apportion that overall charge to each of the separate visits or treatments. The pro rata charge will be considered to be incurred as each visit or treatment is completed.

COVERED DENTAL SERVICES**Class A Services: Preventive and Diagnostic Dental Procedures**

- (1) Routine oral exams. This includes the cleaning and scaling of teeth. Limit of two exams every Calendar Year per Covered Person.
- (2) Two bitewing x-ray series every Calendar Year.
- (3) One full mouth x-ray every three Calendar Years.
- (4) Emergency palliative treatment for pain.

Class B Services: Basic Dental Procedures

- (1) Oral surgery. Oral surgery is limited to removal of teeth, preparation of the mouth for dentures and removal of tooth-generated cysts of less than 1/4 inch.
- (2) Periodontics (gum treatments).
- (3) Endodontics (root canals).
- (4) Extractions. This service includes local anesthesia and routine post-operative care.
- (5) Fillings, other than gold.
- (6) General anesthetics, upon demonstration of Medical Necessity.
- (7) Antibiotic drugs.

Class C Services: Major Dental Procedures

- (1)** Gold restorations, including inlays, onlays and foil fillings. The cost of gold restorations in excess of the cost for amalgam, synthetic porcelain or plastic materials will be included only when the teeth must be restored with gold.
- (2)** Installation of crowns.
- (3)** Installing precision attachments for removable dentures.
- (4)** Installing partial, full or removable dentures to replace one or more natural teeth that were extracted while the person was covered for this benefit. This service also includes all adjustments made during a six-month period following the installation.
- (5)** Addition of clasp or rest to existing partial removable dentures.
- (6)** Initial installation of fixed bridgework to replace one or more natural teeth which were extracted while the person was covered for these benefits.
- (7)** Repair or recementing of crowns, bridgework and removable dentures.
- (8)** Rebasing or relining of removable dentures.
- (9)** Replacing an existing removable partial or full denture or fixed bridgework; adding teeth to an existing removable partial denture; or adding teeth to existing bridgework to replace newly extracted natural teeth. However, this item will apply only if one of these tests is met:
 - (a)** The replacement or addition of teeth is required because of one or more natural teeth being extracted after the person is covered under these benefits.

- (b)** The existing denture or bridgework was installed at least five years prior to its replacement and cannot currently be made serviceable.
- (c)** The existing denture is of an immediate temporary nature. Further, replacement by permanent dentures is required and must take place within 12 months from the date the temporary denture was installed.

PREDETERMINATION OF BENEFITS

Before starting a dental treatment for which the charge is expected to be \$250 or more, a predetermination of benefits form should be submitted.

A regular dental claim form is used for the predetermination of benefits. The Covered Person fills out the Employee section of the form and then gives the form to the Dentist.

The Dentist must itemize all recommended services and costs and attach all supporting x-rays to the form. The Dentist should send the form to the Claims Processor.

All dental claims must be submitted within one year of the date of service to be eligible for reimbursement.

Dental services will be provided by Delta Dental Plans of New Jersey at this address:

Delta Dental Plans of New Jersey
1639 Route 10 (P.O. Box 222)
Parsippany, NJ 07054-0222
(800) 452-9310

The Claims Processor will notify the Dentist of the benefits payable under the Plan. The Covered Person and the Dentist can then decide on the course of treatment, knowing in advance how much the Plan will pay.

If a description of the procedures to be performed, x-rays and an estimate of the Dentist's fees are not submitted in advance, the Plan reserves the right to make a determination of benefits payable taking into account alternative procedures, services or courses of treatment, based on accepted standards of dental practice. If verification of necessity of dental services cannot reasonably be made, the benefits may be for a lesser amount than would otherwise have been payable.

ALTERNATE TREATMENT

Many dental conditions can be treated in more than one way. This Plan has an "alternate treatment" clause which governs the amount of benefits the Plan will pay for treatments covered under the Plan. If a patient chooses a more expensive treatment than is needed to correct a dental problem according to accepted standards of dental practice, the benefit payment will be based on the cost of the treatment that provides professionally satisfactory results at the most cost-effective level.

For example, if a regular amalgam filling is sufficient to restore a tooth to health, and the patient and the Dentist decide to use a gold filling, the Plan will base its reimbursement on the Usual and Reasonable Charge for an amalgam filling. The patient will pay the difference in cost.

EXCLUSIONS

A charge for the following is not covered:

- (1) Crowns. Crowns for teeth that are restorable by

other means or for the purpose of Periodontal Splinting.

- (2) Excluded under Medical. Services that are excluded under Medical Plan Exclusions.
- (3) Hygiene. Oral hygiene, plaque control programs or dietary instructions.
- (4) Implants. Implants, including any appliances and/or crowns and the surgical insertion or removal of implants.
- (5) No listing. Services which are not included in the list of covered dental services.
- (6) Orthodontia. Orthodontic treatment and orthognathic surgery.
- (7) Personalization. Personalization of dentures.
- (8) Replacement. Replacement of lost or stolen appliances.
- (9) Splinting. Crowns, fillings or appliances that are used to connect (splint) teeth, or change or alter the way teeth meet, including altering the vertical dimension, restoring the bite (occlusion) or are cosmetic.
- (10) TMJ. All diagnostic and treatment services related to the treatment of jaw joint problems, including temporomandibular joint (TMJ) syndrome.
- (11) Flouride treatment.

VISION CARE BENEFITS

Eye exam, per person, in a 12 month period \$75

Frame-type lenses or contact lenses, per pair, in a 24 month period:

Single vision	\$60
Bi-focal.....	\$80
Tri-focal.....	\$120
Lenticular	\$200
Contact Lenses	\$240
Frames, per pair	\$100

One pair of lenses and frames, allowed in a 24 month period.

Vision care benefits apply when vision care charges are incurred by a Covered Person for services that are recommended and approved by a Physician or Optometrist.

BENEFIT PAYMENT

Benefit payment for a Covered Person will be made as described in the Schedule of Benefits.

VISION CARE CHARGES

Vision care charges are the Usual and Reasonable Charges for the vision care services and supplies shown in the Schedule of Benefits. Benefits for these charges are payable up to the maximum benefit amounts shown in the Schedule of Benefits for each vision care service or supply.

LIMITS

No benefits will be payable for the following:

- (1) Before covered. Care, treatment or supplies for which a charge was incurred before a person was covered under this Plan.
- (2) Excluded. Charges excluded or limited by the Plan design as stated in this document.
- (3) Health plan. Any charges that are covered under a health plan that reimburses a greater amount than this Plan.
- (4) No prescription. Charges for lenses ordered without a prescription.
- (5) Orthoptics. Charges for orthoptics (eye muscle exercises).
- (6) Sunglasses. Charges for safety goggles or sunglasses, including prescription type.
- (7) Training. Charges for vision training or subnormal vision aids.
- (8) Tinting or scratch resistant coating of lenses.

HEARING CARE BENEFITS

Hearing Aids (includes fittings and adjustments)
Every 36 months.....\$750

Hearing care benefits apply when charges are incurred by a Covered Person for the purchase of a hearing aid and any related fittings and adjustments.

BENEFIT PAYMENT

Benefit payment for a Covered Person will be made as described in the Schedule of Benefits.

HEARING CARE CHARGES

Hearing care charges are the Usual and Reasonable Charges for the hearing care services shown in the Schedule of Benefits. Benefits for these charges are payable up to the maximum amounts shown in the Schedule of Benefits for each hearing care service or supply.

LIMITS

No benefits will be payable for the following:

- (1) Before covered Care, treatment or supplies for which a charge was incurred before a person was covered under this Plan.
- (2) Excluded. Charges excluded or limited by the Plan design as stated in this document.
- (3) Health plan. Any charges that are covered under a health plan that reimburses a greater amount than this Plan.
- (4) Routine. Charges for routine hearing exams are not covered under this plan.
- (5) Batteries. Charges for hearing aid batteries are not eligible under this plan.

DEFINED TERMS

The following terms have special meanings and when used in this Plan will be capitalized.

Ambulatory Surgical Center is a licensed facility that is used mainly for performing outpatient surgery, has a staff of Physicians, has continuous Physician and nursing care by registered nurses (R.N.s) and does not provide for overnight stays.

Amounts approved are those amounts determined as usual and customary for covered services by the carrier or intermediary administering Part B of the Medicare program.

Calendar Year means January 1st through December 31st of the same year.

Cosmetic Surgery means medically unnecessary surgical procedures, usually, but not limited to, plastic surgery directed toward preserving beauty or correcting scars, burns or disfigurements.

Custodial Care is care (including room and board needed to provide that care) that is given principally for personal hygiene or for assistance in daily activities and can, according to generally accepted medical standards, be performed by persons who have no medical training. Examples of Custodial Care are help in walking and getting out of bed; assistance in bathing, dressing, feeding; or supervision over medication which could normally be self-administered.

Eligible Member includes all of the following who are enrolled in Medicare Part A:

- (1) A retired member receiving retirement or disability benefits from the Connecticut Teachers' Retirement Board; or
- (2) A Spouse of a retired member or a surviving Spouse of a retired member. A surviving Spouse ceases to be an Eligible Member upon remarriage.

Experimental and/or Investigational means services, supplies, care and treatment which does not constitute accepted medical practice properly within the range of appropriate medical practice under the standards of the case and by the standards of a reasonably substantial, qualified, responsible, relevant segment of the medical community or government oversight agencies at the time services were rendered.

The Plan Administrator must make an independent evaluation of the experimental/nonexperimental standings of specific technologies. The Plan Administrator shall be guided by a reasonable interpretation of Plan provisions. The decisions shall be made in good faith and rendered following a detailed factual background investigation of the claim and the proposed treatment. The Plan Administrator will be guided by the following principles:

- (1) The technology must be appropriate, in level of service and intensity, to the nature of the disease or condition being treated.
- (2) Public policy would support the procedure(s) as a valid and ethical course of treatment.
- (3) The technology is judged to be reasonably

clinically effective according to reports in peer reviewed scientific literature, completed clinical study data and/or preponderant expert medical opinion.

If a technology does not meet the above criteria, in whole or in significant part, it will be deemed Experimental and/or Investigational. The decisions of the Plan Administrator will be final and binding on the Plan.

Drugs are considered Experimental if they are not commercially available for purchase and/or they are not approved by the Food and Drug Administration for general use.

Generic Drug means a Prescription Drug, which has the equivalency of the brand name drug with the same use and metabolic disintegration. This Plan will consider as a Generic Drug any Food and Drug Administration-approved generic pharmaceutical dispensed according to the professional standards of a licensed pharmacist and clearly designated by the pharmacist as being generic.

Home Health Care Agency is an agency that meets all of these tests: its main function is to provide Home Health Care Services and Supplies; it is federally certified as a Home Health Care Agency; and it is licensed by the state in which it is located, if licensing is required.

Home Health Care Plan must meet these tests: it must be a formal written plan made by the patient's attending Physician which is reviewed at least every 30 days; it must state the diagnosis; it must certify that the home health care is in place of Hospital confinement; and it must specify the type and extent of home health care required for the treatment of the patient.

Home Health Care Services and Supplies include: part-time or intermittent nursing care by or under the supervision of a registered nurse (RN); part-time or intermittent home health aide services provided through a Home Health Care Agency (this does not include general housekeeping services); physical, occupational and speech therapy; medical supplies; and laboratory services by or on behalf of the Hospital.

Hospice Agency is an agency where its main function is to provide Hospice Care Services and Supplies and it is licensed by the state in which it is located, if licensing is required.

Hospice Care Plan is a plan of terminal patient care that is established and conducted by a Hospice Agency and supervised by a Physician.

Hospice Care Services and Supplies are those provided through a Hospice Agency and under a Hospice Care Plan and include inpatient care in a Hospice Unit or other licensed facility, home care, and family counseling during the bereavement period.

Hospice Unit is a facility or separate Hospital Unit that provides treatment under a Hospice Care Plan and admits at least two unrelated persons who are expected to die within six months.

Hospital is an institution which is engaged primarily in providing medical care and treatment of sick and injured persons on an inpatient basis at the patient's expense and which fully meets these tests: it is accredited as a Hospital by the Joint Commission on Accreditation of Healthcare Organizations; it is approved by Medicare as a Hospital; it maintains diagnostic and therapeutic facilities on the

premises for surgical and medical diagnosis and treatment of sick and injured persons by or under the supervision of a staff of Physicians; it continuously provides on the premises 24-hour-a-day nursing services by or under the supervision of registered nurses (RNs); and it is operated continuously with organized facilities for operative surgery on the premises.

The definition of "Hospital" shall be expanded to include the following:

A facility operating legally as a psychiatric Hospital or residential treatment facility for mental health and licensed as such by the state in which the facility operates.

Injury means an accidental physical Injury to the body caused by unexpected external means.

Intensive Care Unit is defined as a separate, clearly designated service area which is maintained within a Hospital solely for the care and treatment of patients who are critically ill. This also includes what is referred to as a "coronary care unit" or an "acute care unit." It has: facilities for special nursing care not available in regular rooms and wards of the Hospital; special life saving equipment which is immediately available at all times; at least two beds for the accommodation of the critically ill; and at least one registered nurse (RN) in continuous and constant attendance 24 hours a day.

Lifetime is a word that appears in this Plan in reference to benefit maximums and limitations. Lifetime is understood to mean while covered under this Plan. Under no circumstances does Lifetime mean during the lifetime of the Eligible Member.

Medical Care Facility means a Hospital, a facility that treats one or more specific ailments or any type of Skilled Nursing Facility.

Medical Emergency means a sudden onset of a condition with acute symptoms requiring immediate medical care and includes such conditions as heart attacks, cardiovascular accidents, poisonings, loss of consciousness or respiration, convulsions or other such acute medical conditions.

In addition, Medical Emergency includes a mental health or chemical dependency condition when the lack of medical treatment could reasonably be expected to result in the patient harming himself or herself and/or other persons.

Medically Necessary care and treatment is recommended or approved by a Physician; is consistent with the patient's condition or accepted standards of good medical practice; is medically proven to be effective treatment of the condition; is not performed mainly for the convenience of the patient or provider; is not conducted for research purposes; and is the most appropriate level of services which can be safely provided to the patient.

Medicare is the Health Insurance For The Aged and Disabled program under Title XVIII of the Social Security Act, as amended.

Mental Disorder means any disease or condition that is classified as a Mental Disorder in the current edition of International Classification of Diseases, published by the U.S. Department of Health and Human Services or is listed in the current edition of Diagnostic and Statistical Manual of Mental Disorders, published by the American Psychiatric Association.

Morbid Obesity is a diagnosed condition in which the body weight exceeds the medically recommended weight by either 100 pounds or is twice the medically recommended weight in the most recent Metropolitan Life Insurance Co. tables for a person of the same height, age and mobility as the Eligible Member.

No-Fault Auto Insurance is the basic reparations provision of a law providing for payments without determining fault in connection with automobile accidents.

Outpatient Care is treatment including services, supplies and medicines provided and used at a Hospital under the direction of a Physician to a person not admitted as a registered bed patient; or services rendered in a Physician's office, laboratory or X-ray facility, an Ambulatory Surgical Center, or the patient's home.

Pharmacy means a licensed establishment where covered Prescription Drugs are filled and dispensed by a pharmacist licensed under the laws of the state where he or she practices.

Physician means a Doctor of Medicine (MD), Doctor of Osteopathy (DO), Doctor of Dental Surgery (DDS), Doctor of Podiatry (DPM), Doctor of Chiropractic (DC), Psychologist (PhD), Licensed Professional Physical Therapist, Physiotherapist, Licensed Professional Counselor, Psychiatrist, Audiologist, Speech Language Pathologist, Midwife and any other practitioner of the healing arts who is licensed and regulated by a state or federal agency and is acting within the scope of his or her license.

Plan Year is the 12-month period beginning on either the effective date of the Plan or on the day following the end of

the first Plan Year, which is a short Plan Year.

Prescription Drug means any of the following: a drug or medicine which, under federal law, is required to bear the legend: "Caution: federal law prohibits dispensing without prescription"; injectable insulin; hypodermic needles or syringes, but only when dispensed upon a written prescription.

Prior Approval - Certain services and drugs paid for under this plan are subject to prior approval requirements. If prior approval is not obtained prior to the admission or provision of the service and or supply or drug then no benefit is payable. In the case of life threatening emergency admissions, approval may be granted up to two days after the admission or provision of service, supplies or drugs and notice will be considered timely.

Sickness is a person's illness.

Skilled Nursing Facility is a facility that fully meets all of these tests:

- (1) It is licensed to provide professional nursing services on an inpatient basis to persons convalescing from Injury or Sickness. The service must be rendered by a registered nurse (RN) or by a licensed practical nurse (LPN) under the direction of a registered nurse. Services to help restore patients to self-care in essential daily living activities must be provided.
- (2) Its services are provided for compensation and under the full-time supervision of a Physician.
- (3) It provides 24 hour per day nursing services by

licensed nurses, under the direction of a full-time registered nurse.

- (4) It maintains a complete medical record on each patient.
- (5) It has an effective utilization review plan.
- (6) It is not, other than incidentally, a place for rest, the aged, drug addicts, alcoholics, mental retardates, Custodial or educational care or care of Mental Disorders.
- (7) It is approved and licensed by Medicare.
- (8) Prior approval for the services has been provided by Stirling & Stirling.

This term also applies to charges incurred in a facility referring to itself as an extended care facility, convalescent nursing home or any other similar nomenclature.

Spinal Manipulation/Chiropractic Care means skeletal adjustments, manipulation or other treatment in connection with the detection and correction by manual or mechanical means of structural imbalance or subluxation in the human body. Such treatment is done by a Physician to remove nerve interference resulting from, or related to, distortion, misalignment or subluxation of, or in, the vertebral column.

Temporomandibular Joint (TMJ) syndrome is the treatment of jaw joint problems including conditions of structures linking the jaw bone and skull and the complex of muscles, nerves and other tissues related to the temporomandibular joint. Care and treatment shall include, but are not limited to orthodontics, crowns, inlays, physical

therapy and any appliance that is attached to or rests on the teeth.

Usual and Reasonable Charge is an amount determined as usual and customary for covered services by the carrier or intermediary administering Part B of the Medicare program.

PLAN EXCLUSIONS

Note: All exclusions related to Prescription Drugs are shown in the Prescription Drug Plan.

For all Medical Benefits shown in the Schedule of Benefits, a charge for the following is not covered:

- (1) Care, treatment or supplies for which a charge was incurred before a person was Covered under this Plan.
- (2) Charges excluded by the Plan design as mentioned in this document.
- (3) Charges incurred for which the Plan has no legal obligation to pay.
- (4) Care and treatment of an Injury or Sickness that is occupational -- that is, arises from work for wage or profit including self-employment.
- (5) Care, treatment, services or supplies not recommended and approved by a Physician; or treatment, services or supplies when the Eligible Member is not under the regular care of a Physician. Regular care means ongoing medical supervision or treatment, which is appropriate

care for the Injury or Sickness.

- (6) Care and treatment for which there would not have been a charge if no coverage had been in force.
- (7) Care, treatment or supplies furnished by a program or agency funded by any government. This does not apply to Medicaid or when otherwise prohibited by law.
- (8) Care and treatment that is either Experimental/Investigational or not Medically Necessary.
- (9) The part of an expense for care and treatment of an Injury or Sickness that is in excess of the Usual and Reasonable Charge.
- (10) Charges for services received as a result of Injury or Sickness caused by or contributed to by engaging in an illegal act or occupation; by committing or attempting to commit any crime, criminal act, assault or other felonious behavior; or by participating in a riot or public disturbance.
- (11) Any loss that is due to a declared or undeclared act of war.
- (12) Any loss due to an intentionally self-inflicted Injury, while sane or insane.
- (13) All diagnostic and treatment services related to the treatment of jaw joint problems including temporomandibular joint (TMJ) syndrome.

- (14)** Professional services performed by a person who ordinarily resides in the Member's home or is related to the Member as a spouse, parent, child, siblings, whether the relationship is by blood or exists in law.
- (15)** Care and treatment provided for cosmetic reasons. This exclusion will not apply if the care and treatment is for repair of damage from an accident that occurred while the person was covered under the Plan.

Reconstructive mammoplasty will be covered after Medically Necessary surgery, providing the reconstruction is performed within five years of the mastectomy and providing the Eligible Member was covered under the Plan at the time of the mastectomy.
- (16)** Radial keratotomy or other eye surgery to correct near-sightedness. Also, lenses for the eyes and exams for their fitting. This exclusion does not apply to aphakic patients and soft lenses or sclera shells intended for use as corneal bandages.
- (17)** Hearing aids and exams for their fitting. Coverage provided under the optional Hearing benefits are considered eligible when incurred while covered under the optional benefits.
- (18)** Charges for routine or periodic examinations, screening examinations, evaluation procedures, preventive medical care, or treatment or services not directly related to the diagnosis or treatment of a specific Injury, Sickness or

pregnancy-related condition which is known or reasonably suspected.

- (19)** Services or supplies provided mainly as a rest cure, maintenance or Custodial Care.
- (20)** The following care, treatment or supplies for the feet: orthopedic shoes; orthopedic prescription devices to be attached to or placed in shoes; treatment of weak, strained, flat, unstable or unbalanced feet, metatarsalgia or bunions, except open cutting operations; and treatment of corns, calluses or toenails, unless needed in treatment of a metabolic or peripheral-vascular disease.
- (21)** Replacement of braces of the leg, arm, back, neck, or artificial arms or legs, unless there is sufficient change in the Eligible Member's physical condition to make the original device no longer functional.
- (22)** Services for educational or vocational testing or training.
- (23)** Professional services billed by a Physician or nurse who is an employee of a Hospital or Skilled Nursing Facility and paid by the Hospital or facility for the service.
- (24)** Personal comfort items or other equipment, such as, but not limited to, air conditioners, air-purification units, humidifiers, allergy-free pillows, blanket or mattress covers, electric heating units, swimming pools, orthopedic mattresses, exercising equipment, vibratory

equipment, elevators or stair lifts, blood pressure instruments, stethoscopes, clinical thermometers, scales, elastic bandages or stockings, nonprescription drugs and medicines, and first-aid supplies and nonhospital adjustable beds.

- (25)** Care and treatment of obesity, weight loss or dietary control whether or not it is, in any case, a part of the treatment plan for another Sickness. Medically Necessary charges for Morbid Obesity will be covered.
- (26)** Care, services or treatment for transsexualism, gender dysphoria or sexual reassignment or change, including medications, implants, hormone therapy, surgery, medical or psychiatric treatment.
- (27)** Care and treatment for hair loss including wigs, hair transplants or any drug that promises hair growth, whether or not prescribed by a Physician.
- (28)** Care and treatment for smoking cessation programs, including smoking deterrent patches, unless Medically Necessary due to a severe active lung illness such as emphysema or asthma.
- (29)** Care and treatment for sleep disorders unless deemed Medically Necessary.
- (30)** Exercise programs for treatment of any condition.

- (31)** Care and treatment of an Injury or Sickness that results from engaging in a Hazardous Hobby. A hobby is hazardous if it is an unusual activity, which is characterized by a constant threat of danger or risk of bodily harm. Examples of hazardous hobbies are skydiving, auto racing, hang gliding, jet ski operating or bungee jumping.
- (32)** Care and treatment billed by a Hospital for non-Medical Emergency admissions on a Friday or a Saturday. This does not apply if surgery is performed within 24 hours of admission.
- (33)** Care, services or treatment required as a result of complications from a treatment not covered under the Plan.
- (34)** Charges for travel or accommodations, whether or not recommended by a Physician, except for ambulance charges as defined as a covered expense.
- (35)** Care or treatment for Injury or Sickness resulting from the voluntary taking of or while under the influence of any controlled substance, drug, hallucinogen or narcotic not administered on the advice of a Physician.
- (36)** Services, supplies, care or treatment of an Injury or Sickness which occurred as a result of an Eligible Member's negligent or illegal use of alcohol.
- (37)** Under Basic Benefits, all claims must be submitted to Medicare first. If a charge is

ineligible or denied by Medicare, it will not be covered under this Plan.

- (38) Care, service, supplies or drugs for which prior approval was required but was not obtained.
- (39) Chiropractic Modalities not covered by Medicare.

HOW TO FILE A CLAIM

Since all of your Hospital and medical claims must be submitted to Medicare first, it is important that you give your Medicare number to the provider.

Vision and hearing claims are filed directly with Stirling & Stirling.

Dental claims will be filed with Delta Dental.

Hospitals, Skilled Nursing Facilities, Home Health agencies and Hospices are called providers, and they submit their claims directly to Medicare. When you show the provider your Stirling & Stirling identification card, the provider will bill us for any balance not covered by Medicare. It is possible that some providers may ask you to send us the bill for any balance. They will give you a notice of utilization, which explains the decision Medicare made on the claim.

Physicians, suppliers and other providers of medical services are in most cases required to submit Medicare claims for you. In most cases the Medicare intermediary or carrier will send an explanation of your Medicare Part B benefits to Stirling & Stirling and your Plan will send you a check for the proper balance. If your Physician does not

accept assignment, you may be billed for an additional amount.

In some cases, the Medicare carrier may send the explanation of Medicare benefits directly to you. If that happens, send a copy (be sure you keep a copy, too) to Stirling & Stirling and we will process your claim.

Some expenses are not eligible for Medicare but may be covered under the Major Medical part of your Plan.

Time Limit For Filing Claims. Claims must be submitted to Stirling & Stirling no later than 3 months after Medicare's time limit. For example: Claims that occurred from 10/1/2003 through 9/30/2004 must be submitted to Medicare by 12/31/2005 and received by Stirling & Stirling no later than 3/31/2006.

Dental and drug claims must be submitted within one year of the date of service or receipt of the drug.

COORDINATION OF BENEFITS

Coordination of benefits sets out rules for the order of payment of Covered Charges when two or more plans - including Medicare - are paying. This Plan always pays secondary to Medicare.

Coverage provided through active employment pays first. Medicare pays primary for coverage as a retiree.

When a member is covered by more than one retirement plan the following rules apply:

If a retired teacher also has coverage through the

spouse's retirement plan, this plan will pay secondary to Medicare and the spouse's retirement plan is tertiary.

If a spouse of a retired teacher is covered under this plan and is also covered through another retirement plan, the other retirement plan is secondary to Medicare and this plan is tertiary.

Allowable Charge. For a charge to be allowable it must be a Usual and Reasonable Charge and it must be covered under this Plan.

Automobile Limitations. When medical payments are available under vehicle insurance, the Plan shall pay excess benefits only, without reimbursement for vehicle plan deductibles. This Plan shall always be considered the secondary carrier regardless of the individual's election under PIP (personal injury protection) coverage with the auto carrier.

Claims Determination Period. Benefits will be coordinated on a Calendar Year basis. This is called the claims determination period.

Right to Receive or Release Necessary Information. To make this provision work, this Plan may give or obtain needed information from another insurer or any other organization or person. This information may be given or obtained without the consent of or notice to any other person. An Eligible Member will give this Plan the information it asks for about other plans and their payment of allowable charges.

Facility of Payment. This Plan may repay other plans for benefits paid that the Plan Administrator determines it

should have paid. That repayment will count as a valid payment under this Plan.

Right of Recovery. This Plan may pay benefits that should be paid by Medicare or another benefit plan. In this case this Plan may recover the amount paid from Medicare, the other benefit plan or the Eligible Member. That repayment will count as a valid payment.

Further, this Plan may pay benefits that are later found to be greater than the allowable charge. In this case, this Plan may recover the amount of the overpayment from the source to which it was paid.

THIRD PARTY RECOVERY PROVISION

RIGHT OF SUBROGATION AND REFUND

When this provision applies. The Eligible Member may incur medical charges due to Injuries for which benefits are paid by the Plan. The Injuries may be caused by the act or omission of another person. If so, the Eligible Member may have a claim against that other person for payment of the medical charges. The Plan will be subrogated to all rights the Eligible Member may have against that other person.

The Eligible Member must:

- (1) assign to the Plan his or her rights to recovery when this provision applies; and
- (2) repay to the Plan out of the recovery made from the other person or the other person's insurer.

Amount subject to subrogation or refund. Only the amount recovered for medical charges will be subject to subrogation or refund. In no case will the amount subject to

subrogation or refund exceed the amount of medical benefits paid for the Injury or Sickness under the Plan. When a right of recovery exists, the Eligible Member will execute and deliver all required instruments and papers as well as doing whatever else is needed to secure the right of subrogation. In addition, the Eligible Member will do nothing else to prejudice the right of the Plan to subrogate.

Defined terms: "Recovery" means monies paid to the Eligible Member by way of judgment, settlement, or otherwise to compensate for all losses caused by the Injuries.

"Subrogation" means the Plan's right to pursue the Eligible Member's claims for medical charges against the other person.

"Refund" means repayment to the Plan for medical benefits that it has paid toward care and treatment of the Injury.

Recovery from another plan under which the Eligible Member is covered. This right of refund also applies when an Eligible Member recovers under an uninsured or underinsured motorist plan, homeowner's plan, renter's plan or any liability plan.

FUNDING THE PLAN AND PAYMENT OF BENEFITS

The cost of the Plan is funded as follows:

For Eligible Member Coverage: Funding is derived from the funds of Connecticut State Teachers' Retirement Board and the State of Connecticut.

Benefits are paid directly from the Plan through the Claims Administrator.

GENERAL PLAN INFORMATION

TYPE OF ADMINISTRATION: The Plan is a self-funded Medicare Supplement Plan and the administration is provided through a third party Claims Administrator.

PLAN NAME: Connecticut State Teachers' Retirement Board Health Benefits Plan

PLAN EFFECTIVE DATE: July 1, 1994, as amended March 1, 2004.

PLAN YEAR ENDS: December 31

PLAN SPONSOR INFORMATION

Connecticut State Teachers' Retirement Board
21 Grand Street
Hartford, Connecticut 06106-1500

CLAIMS ADMINISTRATOR

Stirling & Stirling, Inc.
20 Armory Lane
Milford, Connecticut 06460-3361
(800) 447-6689 www.stirlingbenefits.com

PRESCRIPTION DRUG SERVICES

Medco Health Solutions, Inc.
100 Parsons Pond Drive
Franklin Lakes, NJ 07417-2603
(800) 711-0917 www.medcohealth.com

DENTAL CLAIMS ADMINISTRATOR

Delta Dental Plan of New Jersey
1639 Route 10 (P.O. Box 222)
Parsippany, NJ 07054-0222
(800) 452-9310 www.deltadentalnj.com