



Health Net Health Plan of Oregon, Inc. Contract Update Addendum To the Group Agreement

In this Addendum, the terms “we,” “our” and “us” refer to Health Net Health Plan of Oregon, Inc. and the terms “you” and “your” refer to the Subscriber and to each Enrolled Dependent unless otherwise specified.

Article 1 – Purpose and Function of this Schedule

This Addendum is an amending attachment to the Group Medical and Hospital Services Agreement for legislative and administrative changes effective January 1, 2009. To the extent that the terms of this Schedule conflict with the terms of that document, the terms of this Schedule will control. All other terms, conditions, exclusions and definitions in the Group Medical and Hospital Service Agreement and its attachments continue to apply.

Article 2 – Provisions

2.1 If your Subscriber Group’s Agreement does not include Domestic Partner coverage, the definition of Dependent is amended to read as follows:

“Dependent” means any member of a Subscriber’s immediate family who is one of the following:

- a. The spouse of the Subscriber.
- b. An unmarried child of the Subscriber from birth and extending up to the last day of the month in which that child becomes age 25, including a child who is the subject of a qualified medical child support order requiring the Subscriber to provide health coverage for the child. Proof of compliance with this requirement must be furnished annually.

“Child” means a natural child of the Subscriber, an adopted child of the Subscriber, or a stepchild of the Subscriber during the marriage of the Subscriber and the natural parent, but does not include foster children, wards, or children who are under temporary custody of the Subscriber or spouse. “Child” also does not include children of Dependents unless the Subscriber is a court-appointed guardian. Provided, however, that a child who is placed with a Subscriber for the purposes of adoption shall be considered a Dependent of the Subscriber as required by the laws of the State of Washington. Placement for adoption means the assumption and retention by a Subscriber or spouse of a legal obligation for total or partial support of a child in anticipation of the adoption of the child. Coverage of any Dependent child of a Subscriber shall not be terminated by the child’s attaining the relevant limiting age if the child is and continues to be Disabled. Proof of disability must be furnished within 31 days of reaching a limiting age and not more frequently than annually after the first two years of continued coverage. We will not deny enrollment of a Child because the Child was: (a) born out of wedlock; (b) is not claimed on the parent’s federal tax return; or (c) does not reside with the parent or within our Service Area.

2.2 If your Subscriber Group’s Agreement includes Domestic Partner coverage, the definition of Dependent is amended to read as follows:

“Dependent” means any member of a Subscriber’s immediate family who is one of the following:

- a. The spouse or Domestic Partner of the Subscriber.
- b. An unmarried child of the Subscriber from birth and extending up to the last day of the month in which that child becomes age 25, including a child who is the subject of a qualified medical child support order requiring the Subscriber to provide health coverage for the child. Proof of compliance with this requirement must be furnished annually.

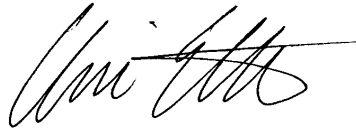
“Child” means a natural child of the Subscriber, an adopted child of the Subscriber, or a stepchild of the Subscriber during the marriage of the Subscriber and the natural parent, or a child of the Subscriber’s Domestic partner during the Domestic Partnership, but does not include foster children, wards, or children who are under temporary custody of the Subscriber or spouse. “Child” also does not include children of Dependents unless the Subscriber is a court-appointed guardian. Provided, however, that a child who is placed with a Subscriber for the purposes of adoption shall be considered a Dependent of the Subscriber as required by the laws of the State of Washington. Placement for adoption means the assumption and

retention by a Subscriber or spouse of a legal obligation for total or partial support of a child in anticipation of the adoption of the child. Coverage of any Dependent child of a Subscriber shall not be terminated by the child's attaining the limiting age if the child is and continues to be Disabled. Proof of disability must be furnished within 31 days of reaching a limiting age and not more frequently than annually after the first two years of continued coverage. We will not deny Enrollment of a child because the child: (a) was born out of wedlock; (b) is not claimed on the parent's federal tax return; or (c) does not reside with the parent or within our Service Area.

2.3 The definition of Disabled is amended to read as follows:

"Disabled" means, in the case of an adult person an individual who by reason of developmental disability, injury or illness is totally unable to perform the usual tasks in the work he/she was performing at the time of the developmental disability, injury or illness and is wholly unable to perform in any physical or mental capacity in his/her current occupation or is wholly unable to engage in the normal activities of a person of the same age and sex. A Dependent who reaches a limiting age will be considered Disabled when the Dependent is both (1) incapable of self-sustaining employment by reason of developmental disability or physical handicap and (2) chiefly dependent upon the subscriber for support and maintenance. The determination of the Medical Director regarding the existence of a Disability will control, subject only to Article 10 – Rights of Members.

Health Net Health Plan of Oregon, Inc.

A handwritten signature in black ink, appearing to read "Chris Ellertson", with a stylized flourish at the end.

Chris Ellertson, President