

Initial Enrollment: ☐ APPS ☐ ARA CensusOngoing Enrollment: ☐ APPS ☐ SISCO Portal ☐ Client EDI Feed

NON-Applicable Large Employer (ALE)
PLAN SERVICE AGREEMENT
For Groups with 50 or Less Total Employees



Administrative Services by:

SISCO

800 Main Street | PO Box 389

Dubuque, IA 52001

Ph.: 563.587.5424 • Fax: 563.587.5722



Marketed Exclusively by:

Benefit Indemnity Corporation

303 W. Allegheny Avenue

Towson, Maryland 21204

443.275.7400 • Info@BenefitIndemnity.co

PLAN SPONSOR DATA – This Agreement is for an Employer with 50 or less total employees according to the ACA rules

Full Legal Business Name:				Effective Date:			
Street Address:			City:		State:		Zip:
Mailing Address (if different):			City:		State:		Zip:
County:	Phone No.:		Fax No.:		Federal Tax ID No.:		
Nature of Business:					SIC Code:		
Type of Business: ☐ Sole Prop ☐ C-Corp ☐ S-Corp ☐ Partnership ☐ Other: _____							
Names/Addresses of Subsidiaries/affiliates to be included:							
If subsidiaries are included, do you want separate bills sent to each of these subsidiaries/affiliates? ☐ Yes ☐ No							
Legal Name of the Plan:						Health Plan	
Is the Plan maintained through a trust? If yes, list name and business address of all trustees. ☐ Yes ☐ No							
Is this group a government agency or church group? ☐ Yes ☐ No							
Is the Plan subject to collective bargaining? ☐ Yes ☐ No							
If yes, Union Name:				Exp. Date:			
Name of person for service of legal process:							
Fiscal Year Ending:				Plan Anniversary:			
Plan Sponsor Contribution toward total employee cost. (Essentials Health Plan requires the Plan Sponsor to contribute a minimum of 50% of the single contribution of the lowest cost plan offered.)							
List prior insurance carrier or Third-Party Administrator (TPA) for medical coverage:							
List prior insurance carrier or Third-Party Administrator (TPA) for dental coverage if electing dental:							
MEDICAL Current Group Health Plan (check one): ☐ Fully Insured ☐ Self-Funded ☐ No Current Coverage							
If this plan is replacing current group coverage, please provide your most recent carrier invoice.							
Name of worker's compensation carrier:							
Are any persons to be covered NOT also covered by worker's compensation? ☐ Yes ☐ No							
<i>If yes, please attach the names and reasons for each.</i>							
Are you subject to COBRA? ☐ Yes ☐ No							
<i>You are subject to COBRA if you employed at least 20 full-time employees on at least 50% of the working days during the previous calendar year. (PT employees are partially credited. See your representative for more information.)</i>							
Is anyone in your group currently under COBRA, state continuation, or within their election period? ☐ Yes ☐ No							
<i>If yes, please list below. (Note: COBRA applications are required to be submitted along with the remainder of the group. State continuation of coverage is not available. Please contact your broker for other options.)</i>							
Will COBRA be administered by SISCO? ☐ Yes ☐ No							
<i>(If NO, please consult with your sales representative and make note in the Special Requests box on page 3)</i>							
Cobra Enrollee Name			Termination Date of Original Coverage			Qualifying Event	

CONTACTS

Plan Desc./Claims Admin Contact:	Position:	Email Address:
Enrollment Admin Contact:	Position:	Email Address:
Financial Admin Contact:	Position:	Email Address:
Administrative Contact:		Email Address:
Executive Contact:		Email Address:
HIPAA Privacy Information Contact:		Email Address:

EMPLOYEE DATA

This PLAN SERVICE AGREEMENT is for a NON-Applicable Large Employer (ALE) with 50 or less total employees.

An Applicable Large Employer (ALE) is a company or organization that employed an average of 50 or more full-time employees (including full-time equivalents) during the preceding calendar year. Key ALE Criteria:

- **Full-Time Hours:** Employees working 30+ hours per week (or 130+ hours per month).
- **Full-Time Equivalents (FTEs):** Combinations of part-time employees whose hours aggregate to equal full-time positions.
- **Controlled Groups:** Companies with common ownership must combine their employee counts to determine if they meet the threshold.

Have you CONFIRMED that you are a NON-ALE group with 50 or less total employees?

☐ YES

- 1a. Total number of full-time active employees: _____ 1b. Total number of part-time active employees: _____
2. Total number of eligible employees: _____ 3. Total number of enrolling employees: _____
4. Union Group? ☐ Yes ☐ No 5. Spanish Speaking EE's? ☐ Yes ☐ No

Participation Requirements

All eligible employees are expected to apply for coverage during the Plan Sponsor's initial enrollment period, including those who may not be eligible for coverage yet because they are still in their "benefit waiting period". The Plan Sponsor may waive the "benefit waiting period" at the initial period to maximize plan participation.

6. Employee probationary period: ☐ 30 Days ☐ 60 Days ☐ Other, as per the Special Requests section on page 3.
7. Coverage effective date: ☒ First of the month following or coincident with completion of probationary period
8. Coverage termination date: ☒ Last day of the month after termination
9. The employee probationary period will apply to ☐ Employees hired after the effective date ☐ All current and future employees
10. ☐ Yes ☐ No Does current health insurer extend coverage for disabilities after termination date?
If yes, provide copy of policy and/or employee certificate.
11. ☐ Yes ☐ No Do you intend to supplement this plan with a Health Reimbursement Arrangement (HRA)?
*If administrated by SISCO, please complete the **HRA Setup Form**. If another administrator, please attach plan summary.*
12. Coverage categories to be used for reporting purposes:
☒ P00 Participant Only ☒ P99 Participant + Children ☒ F00 Participant + Spouse ☒ F99 Full Family

PPO NETWORK SELECTION: Please Select Your Provider Network

☐ Cigna ☐ 6 Degrees Pro Plus ☐ Other _____

INITIAL PLAN SELECTIONS: Choose up to 4 Standard Plans

Please see the brochure for the Plan Options available to you. Select your Medical Plan offerings below.

Essentials Health Plan

- ☐ 1000
- ☐ 3000
- ☐ 5000

Self-Funded Dental PPO Option

- ☐ PPO 25 ☐ PPO 50 ☐ PPO 100

Virtual Primary Care

- ☐ I select the full Virtual Primary Care option, and the TPA's free benefit App, to receive the provided discount on the rates provided to my group.

Dental coverage is not covered by stop-loss or included in aggregate claims funds. Internal plan limits on dental help to keep Plan Sponsor exposure at appropriate levels. Dental claims and a small administration and PPO fee are funded by the Plan Sponsor.

DIVISIONAL IDENTIFICATION – For billing and/or reporting purposes

<u>Division Name</u>	<u>Preferred Division #</u>	<u>Primary PPO</u>	<u>PPO Wraps</u>	<u>Effective Date</u>

Attach a separate list if more than five divisions exist.**SPECIAL REQUESTS (subject to written approval by Benefit Indemnity Corporation)****Do you wish to add one of our amendments to the SPD (check yes/no):**1. Domestic Partner Amendment ☐ Yes ☐ No3. Dependent Entrance to the Country Special Event Amendment ☐ Yes ☐ No2. Dependent Daughter Maternity Amendment ☐ Yes ☐ No4. Other (please explain below) ☐ Yes ☐ No**If COBRA is NOT being administered by SISCO, please complete the information below:**

COBRA ADMIN Company:

COBRA ADMIN Contact Name:

COBRA ADMIN Email:

COBRA ADMIN Phone:

ADDITIONAL REQUESTS:**OPTIONAL: COMMERCIAL BANKING ASSISTANCE PROVIDED BY SISCO**

The Client consents and agrees to SISCO opening a commercial bank account in Client's name under SISCO's TAX ID number. Client owns Client's account and is responsible for ensuring adequate funds are deposited and maintained in this account. The account is a Client asset, and the balance of this account should be included on Client's financial statements. Client understands, acknowledges, and agrees that FDIC insurance does not protect Client funds held in this account under SISCO's TAX ID number. In the event of a financial institution failure, Client understands, acknowledges, and agrees that Client's funds in this account may be lost, and SISCO will in no way be liable for such lost funds or balances.

☐ YES ☐ NO **BY CLICKING YES, CLIENT CONSENTS TO SISCO OPENING A COMMERCIAL BANK ACCOUNT IN CLIENT'S NAME UNDER SISCO'S TAX ID NUMBER.**

If "NO" is selected, we will need to collect all Federal banking requirements from Plan Sponsor in order to set up a bank account on your behalf. This will include but not be limited to your articles of incorporation and a current Certificate of Good Standing from your state.

EFFECTIVE DATE/DEPOSIT*Deposit must include the first month's fixed costs and the first month's maximum claims cost.***Requested Effective Date:** _____**Deposit with Application:** \$ _____

IMPORTANT: Coverage is not in effect until the undersigned receives written approval from Benefit Indemnity Corporation. No action is taken on the Application until after all required information is submitted. No person other than an officer of Benefit Indemnity Corporation has the authority to bind this contract and the undersigned agrees that any such attempt by the agent is void and not effective.

PAYMENT

The Client shall submit payment to SISCO monthly as indicated in the annual Employer Stop Loss Application (or Employer Stop Loss Supplemental Application) and any additional Schedule attached thereto.

All payments are due on the last day of the month prior to the month for which coverage and service are to be effective. Any contributions for funding, stop-loss premium, or administration fees received after the last day of the month for which coverage and services are to be effective will be considered late and Benefit Indemnity Corporation reserves the right to hold all claims payment and authorizations for care until such payments are received.

The PLAN is established and operates under the federal mandate of the Employee Retirement Income Security Act (ERISA) of 1974, as amended. The Plan provides benefits to the plan participants. SISCO & Benefit Indemnity Corporation have been contracted by the Plan Sponsor to perform certain administrative services for the PLAN, including but not limited to the processing of benefit claims.

The Plan Sponsor, SISCO and Benefit Indemnity Corporation (BIC) and any insurance Producer (agent, broker, advisor) signing this Agreement have agreed to the following:

CLAIM PROCESSOR - SISCO

SISCO shall perform all acts and duties assumed hereunder in a ministerial capacity as a third-party claim processor of the Plan Sponsor. SISCO shall have no power to interpret ambiguities or conflicts that may exist in any provision of the Plan but shall abide by the decisions of the Plan Administrator on all questions of substance and procedure with respect to the Plan. SISCO does not insure or underwrite the liability of the Plan and services only as the claim processor of the Plan Administrator.

SISCO shall provide the following non-discretionary services to the Plan Sponsor during the term of this Agreement. Standard Services are automatically provided, and corresponding fees are included in the capitated fee or other stand-alone fee as described in any additional Addendums. Special services are optional, and fees may be assessed on a situational basis.

SISCO:

1. Agrees to provide the following services:
 - Provide benefit administration services in accordance with the terms of the Summary Plan Document and the interpretations established by the Plan Administrator.
 - Print and distribute to the Plan Sponsor ID cards for new or existing Plan Participants.
 - Perform or contract for the performance of managed care services on behalf of the Plan Sponsor.
 - Issue standard reports periodically or when reasonably requested.
 - Update the Summary Plan Description as necessary to conform to applicable laws and regulations.
 - Maintenance of Records, Forms, and Information:
 - i. Update employee enrollment information.
 - ii. Maintaining employee benefit records in accordance with SISCO's records retention policy, which SISCO may reasonably amend from time to time.
 - iii. Processing of Plan benefit claims according to the terms and provisions of the SPD, using its established claim adjudication procedures.
 - iv. Providing claimants and providers with written explanations of benefits.
 - v. Providing Plan Sponsor with monthly reports of benefit payments.
 - vi. Preparing IRS Reports (1099) Medical Provider Fees.
 - vii. Providing all information requested by Plan Sponsor needed to comply with ERISA reporting and disclosure requirements (such as the 5500 Form).
 - Adjudication services including coordination of benefits:
 - i. The receipt and review of claims for usual and customary charges and application of reductions as directed by the Plan Sponsor.
 - ii. Obtaining additional information from the medical provider when claims information provided appears to be insufficient.
 - iii. Adjudicating claims which appear clearly covered or clearly not covered under the terms of the Plan documents and the policies, practices, procedures, and precedents established by Plan Sponsor.
 - iv. Refer to the Plan Sponsor, or to an expert selected by the Plan Sponsor, any fact question which may affect the benefits payable under the Plan and recommend a decision if requested by the Plan Sponsor, and adjudicate such claim based upon Plan Sponsor's decision.
 - v. Refer to the Plan Sponsor, with recommendations, any unresolved question regarding interpretation of Client documents or summary plan descriptions or of a policy, practice or procedure established by Plan Sponsor.
 - vi. Reconsider claims in accordance with the Plan as requested by a claimant when there is additional evidence, or as directed by Plan Sponsor.
 - Payments:
 - i. Obtain discounts of provider fees through PPOs and otherwise when it would result in a net savings to the Plan.
 - ii. Report to Plan Sponsor the specific amount and timing of benefits to be paid under the terms of the Plan in accordance with the adjudications of the claims.
 - iii. Issue checks in payment of claims with funds provided by Plan Sponsor.
 - iv. Coordinate benefits with other known payors and pursue subrogation, reimbursement or other recovery in accordance with the Plan documents.
 - v. Investigate third party liability matters and, at SISCO's discretion, pursue recovery through subrogation/reimbursement or litigation as necessary.
2. Shall maintain:
 - A fidelity bond for its employees who may collect, handle, or disburse Plan Funds, as required by ERISA.
3. Shall provide access to:
 - A network of designated preferred providers, some, or all of which shall provide health services under the Plan to the Plan Participants. SISCO makes no representations or promises regarding continued availability of any particular provider or network nor does SISCO make any warranties or representations as to compensation arrangements between these networks and designated providers. SISCO may in its sole discretion make deletions from or additions to the list of designated provider networks.
 - Alternatively, SISCO will or may coordinate efforts with other means of re-pricing vendors.
4. Is authorized to:
 - Do all things necessary or convenient to carry out the terms and purposes of the Plan and this Plan Service Agreement.
5. Shall Administer COBRA by:
 - Furnishing required notices once SISCO is notified by the Plan Sponsor of a possible Qualifying Event.
 - i. COBRA Notice

- ii. General COBRA Notice
 - iii. HIPAA Privacy Policy
 - Assist the Plan Sponsor with qualification of certain events.
 - Assist the Plan Sponsor with determinations of COBRA liabilities.
 - Provide any further COBRA compliance support as appropriate.
 - Premium Collection
6. Shall furnish to the Plan Sponsor:
- SPDs for distribution to Plan Participants.
 - Summaries of Material Modification including Plan changes or material reductions in benefits, if applicable.
 - Notifications of Termination of Coverage.
 - Notifications of inadequate funding to Plan Participants.

PLAN SPONSOR

1. Agrees that upon acceptance of this agreement by SISCO & BIC, the employee benefit plans proposed by BIC and selected by the Plan Sponsor (Plan Sponsor) under the Plan Selections sections of this agreement shall be adopted by the Plan Sponsor and will be the basis for the administration of the Plan Sponsor's employee benefit plan.
2. Shall approve Plan documents, Plan amendments, and Summary Plan Descriptions as provided.
3. Shall:
 - a. Have maximum legal discretionary authority to construe and interpret the terms and provisions of the Plan.
 - b. Make determinations regarding eligibility for benefits, decide disputes related to a Plan Participant's rights, and decide questions of Plan interpretations and those of fact relating to the Plan.
 - c. Have authority to remedy ambiguities, inconsistencies, or omissions.
 - d. Delegate to any person or entity such powers, duties, and responsibilities it deems appropriate.
 - e. Agree to delegate provider pricing decisions to appropriate vendors on behalf of the Plan.
4. Shall timely notify SISCO of additional participants eligible to participate in the Plan or of participants no longer eligible to participate in the Plan. Failure to timely report the addition or termination of eligible participants may jeopardize Plan Sponsor's stop loss insurance.
5. Shall notify Plan Sponsor's designated claim contact at SISCO, within thirty (30) days of the expiration of stop loss insurance, of claims which Plan Sponsor has knowledge, and which may result in a claim (specific or aggregate), prior to the expiration date, under stop loss insurance. After such notice, the Plan Sponsor and SISCO will attempt to have providers submit their claims to SISCO (some providers refuse to submit claims on request) in time for SISCO to process and pay the claims (with funds provided by Plan Sponsor in a timely manner) before expiration of the stop loss insurance.
6. Shall promptly provide SISCO necessary information including, but not limited to:
 - Completed enrollment forms.
 - Changes in participation.
 - Creditable coverage documents for eligible employees.
 - Accurate information necessary for the administration and payment of claims. Misinformation will be promptly reported to SISCO upon discovery.
 - Other information and/or documents requested by SISCO and needed for normal Plan Administration as set forth by this Agreement.
7. Shall assist in and cooperate with:
 - All applicable state and federal laws and regulations affecting the Plan and Plan Sponsor.
8. Is responsible for:
 - Notifying SISCO of COBRA Qualifying Events within 30 days of such Qualifying Event. SISCO may rely on the notification without further qualification or certification as to the event being a Qualifying Event for COBRA purposes.
 - Expenses and Payments:
 - Expenses under the Plan except for those assumed by SISCO in this agreement.
9. Recognizes that:
 - SISCO is not an insurer underwriting the liability of the Plan Sponsor. Each year SISCO offers, and the Plan Sponsor selects the insurer and determines the coverage, deductibles, co-payments, provider options including the retention and limits of coverage on behalf of the Sponsor.
10. Shall, upon receipt from SISCO, furnish Plan Participants with:
 - SPDs.
 - Summaries of Material Modification including Plan changes or material reductions in benefits, if applicable.
 - Other required notifications as furnished by and instructed from SISCO.
11. Is responsible for:
 - All filings under the IRS, DOL (including Form 5500), and any other state, federal or local filings, reports or returns as required.

FUNDING AND COMPENSATION

The Plan Sponsor shall:

1. Provide:
 - Funds for benefit payments by the first of each month as required by its funding agreement. SISCO is under no obligation to pay any benefits when the Plan Sponsor has not provided adequate funds as required by the funding arrangement. As indicated by ERISA, the Plan Sponsor is financially responsible for all eligible claims incurred while the Plan is in effect. If funds are not provided as agreed in the funding arrangement and pursuant to this agreement, SISCO will deny all unfunded claims in process and may be required to notify all Plan Participants of inadequate funds.
 - Funds for payment of claims within three (3) days of request ("due date") by SISCO or sooner if necessary. Client will be solely responsible for all fines, penalties, fees and lost discounts or reimbursements assessed against SISCO or Client by reason of late funding.
 - Remittance of payment for monthly administrative fees upon receipt of invoice.
2. Compensate:
 - SISCO for fixed costs set forth in the monthly billing statement, which includes fees for services rendered and premium for the Plan Sponsor's excess loss insurance policy, by the first of each month.
 - SISCO for all services based upon the number of Participants and upon the terms and conditions set forth in Schedule A of the Addendum attached hereto which is part of this Agreement. SISCO reserves the right on or after each anniversary date of this Agreement to modify the fee upon written notice to Plan Sponsor.
3. Agree that:
 - Monies provided for payment of claims may be used to pay for services rendered by SISCO and for excess loss insurance; administrative costs will be paid first, and any monies owed to the excess loss carrier will be paid second.
 - SISCO shall retain any interest earned on sponsor funding.
 - Any rebates received from prescription drug programs while the coverage is in-force shall be refunded to the Plan Sponsor's aggregate claims funding. Any rebates received at the expiration of this contract (unless renewed) shall be retained by BIC to be forwarded to the stop-loss carrier to the extent that they offset related claims expenses incurred by the carrier.
4. Agree to:
 - Investigate and correct any allegation of error in compensation paid, when notified and/or requested by SISCO.
5. Be responsible:
 - For any tax, fee, or claims against the Plan, Plan Sponsor, or SISCO (related to the services provided by SISCO pursuant to the Agreement) as assessed by federal, state, or local governments during the operation of the Plan or following termination of the Plan. Any tax, fee, or claims against the Plan shall be the responsibility of the Plan Sponsor and charged against the Plan as such.

OTHER PROVISIONS

1. The following will be provided by SISCO on a "fee-for-service" basis when applicable:
 - Special (non-standard) reports as requested.
 - Investigation of extraordinary claims.
2. Plan Expense
 - SISCO or BIC will not be required to reimburse the Plan or Plan Sponsor for any incorrect payments when such payments were made in good-faith or made in reliance upon information reasonably believed to be true, correct, and accurate.
 - The Plan sponsor maintains all rights to seek recovery from or commence an action against any party receiving payments to which it was not entitled.
 - Any unused claim funds remaining after payment of administrative expenses shall be refunded to the plan (except in the case of early termination as stated below).
 - In the event of mid-year (early) termination, unused claims funds, if any, will be retained by BIC to offset costs to resolve ending of the plan and any related administrative expenses associated with a partial plan year.
3. Limitation of Liability
 - SISCO will hold the Plan Sponsor harmless from all losses and damages incurred as a result of bad faith or intentional wrongful acts committed by SISCO, or its employees while performing its responsibilities under this agreement.
 - The Plan Sponsor agrees to defend, indemnify, and save harmless SISCO and its employees from any and all loss, costs, fines, penalties, liability, judgments, claims and expenses, or damages of any kind including attorney's fees arising out of:
 - The Plan Sponsor's performance, or lack thereof, of its duties and obligations under the Plan or this Agreement
 - The Stop Loss Carrier or unrelated Business Associate's performance, or lack thereof, of their duties and obligations under the Plan
 - The good faith performance by SISCO, SISCO's contractors/subcontractors, of their respective duties to the Plan Sponsor under this Agreement
 - Actions taken by SISCO at the direction of the Plan Sponsor
 - Responsibilities performed by SISCO under this agreement
 - SISCO shall be responsible to the Plan Sponsor for loss of money resulting directly from fraudulent or dishonest acts by its employees. The remedy for payments made in error will be to seek recovery from the employee or the provider of services.
 - SISCO shall have no obligation for payment of any claim which is disallowed or disputed, in whole or in part, by any party.
 - BIC will hold the Plan Sponsor harmless from all losses and damages incurred as a result of bad faith or intentional wrongful acts committed by BIC, or its employees while performing its responsibilities under this agreement.

- The Plan Sponsor agrees to defend, indemnify, and save harmless BIC and its employees from any and all loss, costs, fines, penalties, liability, judgments, claims and expenses, or damages of any kind including attorney's fees arising out of:
 - The Plan Sponsor's performance, or lack thereof, of its duties and obligations under the Plan or this Agreement
 - The Stop Loss Carrier or unrelated Business Associate's performance, or lack thereof, of their duties and obligations under the Plan
 - The good faith performance by BIC, BIC's contractors/subcontractors, of their respective duties to the Plan Sponsor under this Agreement
 - Actions taken by BIC at the direction of the Plan Sponsor
 - Responsibilities performed by BIC under this agreement
- BIC shall be responsible to the Plan Sponsor for loss of money resulting directly from fraudulent or dishonest acts by its employees. The remedy for payments made in error will be to seek recovery from the employee or the provider of services.
- BIC shall have no obligation for payment of any claim which is disallowed or disputed, in whole or in part, by any party.

4. Integration

- This Agreement including the Addendum attached hereto and future Addendums set forth all the terms, conditions, and agreements of the parties, and supersedes former agreements.
- There are no terms, conditions, and agreements except as herein provided and no amendment or modification of this Agreement shall be effective unless reduced to writing and executed by the parties.

5. Severability

- It is the intent of SISCO, and the Plan Sponsor that the provisions of this Agreement be and are severable. If any provision of this Agreement is invalid by law, it will not affect any other provision of the Agreement.

6. Program Management

- BIC is the sole provider of program management and oversight which includes vendor selection and distribution.
- BIC manages all sales, marketing and distribution, and accordingly reserves the right to accept or deny any change of broker request based upon the circumstance, timing and the status, relationship, history or qualifications of a newly requested broker.
- As a self-funded health plan, state broker of record laws that apply to insurance do not apply to this plan. No vendor, contract or other arrangement or other party may be removed, altered, replaced or transferred from this Agreement without the approval and joint coordination by BIC and SISCO.
- While the Plan Sponsor has ultimate authority to make Plan benefit decisions, stop-loss coverage is based upon the original and current terms of the approved Summary Plan Description. There is no guarantee or provision to provide stop-loss protection on changes not approved by BIC AND by the stop-loss carrier; any such benefits authorized by the Plan Sponsor without prior written approval will be paid outside the scope of this contract and that of the stop-loss contract, and therefore, will be the sole responsibility of the Plan Sponsor.

7. Other

- It is the intent of the parties that SISCO act solely as a non-fiduciary Third Party Administrator.
- The terms and conditions of this Service Agreement shall apply to any other services furnished by SISCO to the Plan Sponsor.
- The law of Iowa will be controlling in all matters relating to the interpretation and validity of this Agreement unless preempted by federal law.
- This Service Agreement shall be construed as creating rights and duties solely between SISCO and the Plan Sponsor, enforceable exclusively by SISCO or the Plan Sponsor. There are no third-party beneficiaries either in respect to the services enumerated herein or in respect to any other services performed for the Plan.
- No failure to pursue a right or remedy shall be deemed a waiver of that or any other right or remedy.
- SISCO hereby discloses affiliate relationships with Cottingham & Butler, HealthCorp, Community Based Health Plans (CBHP) and HealthCheck360.
- It is the intent of the parties that BIC operates solely as a non-fiduciary facilitator to provide:
 - i. access to health plan components and communication materials of certain health plans to employers
 - ii. processes and vendors for risk assessment, rating and underwriting of stop-loss insurance for certain health plans
 - iii. development and communication of proposals and communication of those proposals to employers
 - iv. assistance in education, processing, and submission for implementation of certain health plans
 - v. communication to agents and brokers representing certain health plans
 - vi. assistance in contracting and appointing certain agents and brokers to represent certain health plans
 - vii. coordinate supporting vendors of certain health plans with the intent to provide best practices of said health plans on behalf of employers
 - viii. working with existing vendors to review and authorize on behalf of the Plan Sponsor, final pricing of some claim negotiations made by such vendors (this does not include final interpretation or eligibility of benefits)

HIPAA BUSINESS ASSOCIATE AGREEMENT

WHEREAS, the PARTIES to this CONTRACT wish to enter into or have entered into an arrangement whereby BUSINESS ASSOCIATE provides certain services to COVERED ENTITY; and

WHEREAS, the PARTIES to this CONTRACT, in order to provide and receive such services, must share PROTECTED HEALTH INFORMATION, on a continuing basis; and

WHEREAS, such PROTECTED HEALTH INFORMATION shared between Parties, is afforded special protections related but not limited to use and disclosure; and

WHEREAS, such special protections are set forth, mandated, regulated, and enforced under and in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA);

THEREFORE, as necessary to comply with HIPAA, BUSINESS ASSOCIATE and COVERED ENTITY agree that PROTECTED HEALTH INFORMATION (written, oral, or electronic) created, printed, received, stored, maintained, used, disclosed or otherwise shared by and between PARTIES is subject to the HIPAA BUSINESS ASSOCIATE AGREEMENT section of this Plan Service Agreement as follows:

- I. **Definitions.** Unless otherwise defined, all terms contained in this CONTRACT shall have the same meanings as those similar terms set forth and defined by HIPAA. In the event of inconsistencies in definitions and terms, when permitted and not specifically excluded by HIPAA, this agreement shall be controlling.
 - BUSINESS ASSOCIATE: "Business Associate" shall mean Plan Administrator (Benefit Indemnity Corporation).
 - CONTRACT: The HIPAA Business Associate Agreement section of this document.
 - COVERED ENTITY: "Covered Entity" shall mean the Group Health Plan.
 - INDIVIDUAL: "Individual" shall have the same meaning as the term individual in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502 (g).
 - INFORMATION/PROTECTED HEALTH INFORMATION: "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
 - PARTIES: BUSINESS ASSOCIATE and COVERED ENTITY.
 - PRIVACY RULE: "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information as set forth in the Code of Federal Regulations; § 45 CFR 160, 164, subparts A and E.
 - DHHS: Secretary of the Department of Health and Human Services ("DHHS") or duly authorized representative thereof.
- II. **Term.** The term of this CONTRACT shall be from the date this Agreement is approved and signed by the Plan Administrator, the "EFFECTIVE DATE" until the date either party submits notice to the other of its intent to terminate this CONTRACT, at which time all of the INFORMATION shall be returned to COVERED ENTITY, destroyed by BUSINESS ASSOCIATE, or maintained in an extended manner pursuant to and set forth by HIPAA.
- III. **Limits on Use and Disclosure of Information.** BUSINESS ASSOCIATE agrees that it is prohibited from use and disclosure of INFORMATION for any purpose other than those expressly permitted by this CONTRACT. Limits on Use and Disclosure by BUSINESS ASSOCIATE are pursuant of the PRIVACY REGULATIONS in the same regard as required for the COVERED ENTITY. BUSINESS ASSOCIATE further agrees that it does not assume or acquire title or rights to the INFORMATION as a result of this CONTRACT, including but not limited to information that has been "de-identified" in accordance with the PRIVACY REGULATIONS.
- IV. **Stated Purpose for Use or Disclose of Information.** The PARTIES agree that BUSINESS ASSOCIATE may use and disclose INFORMATION for the following stated purposes:
 - a. To carry out responsibilities and provide administrative services set forth in any agreements between the PARTIES.
 - b. To facilitate, provide, and carry out treatment, payment, or healthcare operations permitted by the PRIVACY REGULATIONS.
- V. **Additional Purposes.** The PARTIES agree that BUSINESS ASSOCIATE may use and disclose INFORMATION for the following additional reasons:
 - a. No additional purposes defined.
- VI. **Use of Information for Management, Administration, and Legal Responsibilities.** BUSINESS ASSOCIATE is permitted to use INFORMATION as permitted by the PRIVACY REGULATIONS for management and administration of BUSINESS ASSOCIATE or to carry out legal responsibilities of BUSINESS ASSOCIATE.
- VII. **Disclosure of Information for Management, Administration, and Legal Responsibilities.** BUSINESS ASSOCIATE is permitted to disclose INFORMATION as permitted by the PRIVACY REGULATIONS for management and administration of BUSINESS ASSOCIATE provided that:
 - a. The disclosure is required by law; or
 - b. The BUSINESS ASSOCIATE obtains reasonable assurances from the person to whom the INFORMATION is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, the person will use appropriate safeguards to prevent use or disclosure of the INFORMATION, and the person immediately notifies the BUSINESS ASSOCIATE of any instances of which it is aware in which the confidentiality of the INFORMATION has been breached.
- VIII. **Data Aggregation Services.** BUSINESS ASSOCIATE may use or disclose INFORMATION to provide data aggregation services in any manner permitted by the PRIVACY REGULATIONS.
- IX. **Limits on Use and Further Disclosure.** BUSINESS ASSOCIATE agrees that INFORMATION shall not be further used or disclosed other than as permitted by the PRIVACY REGULATIONS and this CONTRACT.
- X. **Appropriate Safeguards.** BUSINESS ASSOCIATE and COVERED ENTITY are both responsible for establishing, implementing, and maintaining appropriate safeguards to prevent any use or disclosure of INFORMATION other than permitted by the PRIVACY REGULATIONS and this CONTRACT.
- XI. **Reports on Improper Use or Disclosure.** BUSINESS ASSOCIATE agrees to report to COVERED ENTITY any knowledge, discovery, or identification of use or disclosure of INFORMATION not permitted by the PRIVACY REGULATIONS and this CONTRACT.

- XII. **Subcontractors.** BUSINESS ASSOCIATE agrees to enter into agreements with subcontractors and/or affiliates in all cases where INFORMATION is provided or made available to that subcontractor and/or affiliate. Agreements will be consistent with the same terms and limitations provided in this CONTRACT regarding use and disclosure of INFORMATION.
- XIII. **Availability of Information.** BUSINESS ASSOCIATE agrees to make available and provide a right to access, amend, and request an accounting of use and disclosure of INFORMATION to the INDIVIDUAL to whom it belongs. BUSINESS ASSOCIATE further agrees to make its internal books and records available to the DHHS for purposes of determining the COVERED ENTITY's compliance with the PRIVACY REGULATIONS.
- XIV. **Termination.** BUSINESS ASSOCIATE agrees that COVERED ENTITY has the right to terminate this CONTRACT and seek relief if COVERED ENTITY determines that BUSINESS ASSOCIATE has breached or violated a material term of this CONTRACT or the PRIVACY REGULATIONS. Any failure on the part of the BUSINESS ASSOCIATE, to comply with the terms of this CONTRACT or the PRIVACY REGULATIONS, may be Grounds for Breach, in cases where the BUSINESS ASSOCIATE knows of, or reasonably should have known of failure to comply and failed to immediately take reasonable steps to cure the failure. At time of termination, BUSINESS ASSOCIATE agrees to return or destroy INFORMATION created, received from, or received on behalf of the COVERED ENTITY. BUSINESS ASSOCIATE also agrees that if INFORMATION is destroyed, it will certify the destruction of that INFORMATION. BUSINESS ASSOCIATE further agrees not to retain any copies of INFORMATION it destroys or returns, and in cases where the INFORMATION cannot reasonably be returned or destroyed, BUSINESS ASSOCIATE agrees to continue to maintain the INFORMATION in accordance with the PRIVACY REGULATIONS.
- XV. **Mitigation Procedures.** BUSINESS ASSOCIATE agrees to appropriately mitigate any and all violations and breaches of use and disclosure in accordance with the PRIVACY REGULATIONS and this CONTRACT.
- XVI. **Sanction Procedures.** BUSINESS ASSOCIATE agrees to develop, establish, implement, and enforce policies and procedures containing sanctions for any employee, subcontractor, affiliate, or agent who violates the PRIVACY REGULATIONS and this CONTRACT.
- XVII. **Additional Provisions.** This CONTRACT shall be governed by the laws of the State of Maryland. It is the intent of the BUSINESS ASSOCIATE and COVERED ENTITY to comply with all terms and provisions of this CONTRACT and the PRIVACY REGULATIONS. However, BUSINESS ASSOCIATE shall be excused from performance of this CONTRACT for any period to which it is prevented from performing the services because of an Act of God, war, terrorist act, civil uprising or disturbance, court order, or any other reason beyond the control of the BUSINESS ASSOCIATE. In the event that the CONTRACT or the terms thereof fail to address or comply with the most recent requirements or recent changes to the HIPAA PRIVACY REGULATIONS, then the PRIVACY REGULATIONS shall apply and have binding effect on both PARTIES. If after such time BUSINESS ASSOCIATE or COVERED ENTITY become aware that the CONTRACT fails to address or comply with the PRIVACY REGULATIONS, both PARTIES will, within a reasonable time, in good faith, address and remedy the failure(s) to ensure immediate compliance. If after such reasonable time, BUSINESS ASSOCIATE and/or COVERED ENTITY fail to comply, then either party has the right to terminate this CONTRACT upon written notice to the other party. Both PARTIES further recognize that Benefit Indemnity Corporation, enjoys title to "Business Associate" under the PRIVACY REGULATIONS and is recognized as "Covered Entity" only for purposes of this contract.

IN WITNESS WHEREOF, BUSINESS ASSOCIATE and COVERED ENTITY have agreed to the terms and conditions of the above written agreement having the effective date as of the same date that all parties agree to the entire Plan Service Agreement.

RENEWAL

- This Agreement will automatically renew annually unless terminated by either party with at least 30 days written notice prior to the anniversary of the Plan year
- Renewal shall be subject to executed renewal rate pages and census and or vendor updates signed by the Plan Sponsor.

TERMINATION

1. This agreement may be terminated by the Plan Sponsor or SISCO or BIC. To terminate this agreement, a written notice must be delivered to the other party not less than 30 days before the Effective Date of the termination. If such notice is not provided, the Plan Sponsor shall be liable for a late notification fee. SISCO and/or BIC, subject however, to the following, shall have the right to cancel this agreement only at renewal.
2. SISCO and/or BIC shall have the right to terminate this agreement with five days prior written notice if:
 - The Plan Sponsor does not perform its obligations of Plan benefit payments; in no case shall this relieve a Plan Sponsor of its obligation to reimburse SISCO or BIC for the payment of Plan benefits.
 - The Plan Sponsor amends the Plan without prior written acknowledgement from SISCO or BIC.
 - The Plan Sponsor fails to pay any fees or charges due and payable under this Agreement, SISCO and/or BIC shall have the right, and may be required, to notify Plan Participants of the termination of this Agreement for such non-payment.
3. SISCO and/or BIC may terminate this Agreement immediately without Notice to the Plan Sponsor as of the date:
 - The Plan Sponsor becomes insolvent, bankrupt, or subject to liquidation, receivership, or conservatorship.
 - The excess of loss insurance carrier terminates its policy.
4. If SISCO or BIC have terminated this Agreement for non-payment of fixed costs, the Plan Sponsor may apply for reinstatement according to SISCO and BIC terms and at the discretion of SISCO and BIC.
5. Termination of this Agreement shall not affect the validity, provisions or terms of the Plan, the Plan shall continue to be effective until it is cancelled pursuant to its terms as indicated in the SPD.

CLAIMS FUNDING AGREEMENT

Under the terms of my Plan Service Agreement with SISCO and BIC, I have agreed to provide funds for benefits payments monthly or more frequently, as required and agree SISCO is under no obligation to pay my benefits if I have not provided adequate funds pursuant to the funding arrangement. I understand that in accordance with ERISA and this agreement, I am financially responsible for all eligible claims incurred while my Plan is in effect.

FUNDING ARRANGEMENTS

PRE-FUNDING

I will remit my Maximum Monthly Medical Claims Liability, along with my monthly costs by the first of each month to SISCO. My funding contribution will be held in an account. SISCO will process and pay claims according to their standard procedures. Upon notification that additional funding is required, as is typical for optional benefits or enrollment changes, I will remit the amount due which is to be received by SISCO within five (5) days of notification.

DENTAL PRE-FUNDING

I will remit my Initial Dental Claims funding amount before inception of coverage. I will remit additional claims funding as needed and requested by SISCO. I will remit my monthly costs for administration as billed by the first of each month to SISCO. My funding contribution will be held in a non-interest-bearing account. SISCO will process and pay claims according to their standard procedures. Upon notification that additional funding is required, I will remit the amount due which is to be received by SISCO within five (5) days of notification. In the event of a deficit in dental claims funding, dental benefits will be held until funding is received by SISCO.

IMPORTANT NOTES

If you fail to remit funds as required after notifications by SISCO and/or BIC, administration of your Plan will be terminated. The Employee Retirement Income Security Act (ERISA) of 1974, as amended, places a Fiduciary Burden on the Plan Sponsor, to ensure the Plan is adequately funded. SISCO and/or BIC may notify all Plan Participants if your claims account is determined to be in jeopardy, which would be a result of non-payment.

Notwithstanding anything herein to the contrary, no provision of this Agreement shall be interpreted as prohibiting any provision, access, use, or disclosure of information to the extent required by applicable law.

APPLICANT AGREEMENT

The producer has explained the details of the coverage(s) and I, the undersigned, acknowledge reading the entire application, including the Claims Funding Agreement and Plan Services Agreement. The answers I have provided are true and complete. I understand that the terms and conditions herein bind the Applicant and SISCO only when the Applicant receives written approval from Benefit Indemnity Corporation

Dated On (Month, Day, Year): _____

Full Legal Business Name: _____

Signature: **X** _____

(Must be signed by a person authorized to purchase coverage for this firm.)

Print Name and Title: _____

The Administrative Contact will receive the SPDs for your employees via email from enrollment@benefitindemnity.co.

NOTE: It is the responsibility of the Plan Sponsor to provide a Summary Plan Description to each employee. We make this SPD available to each employee through our on-line web portal. However, you MUST communicate the availability of this site, and for employees not having web access, you must offer them on-line access and/or the option to receive a printed copy from you.

SISCO

Signature: **X** _____ Date: _____

Effective Date: _____ Approved & Accepted by: _____

Comments: _____

BENEFIT INDEMNITY CORPORATION (BIC)

Signature: **X** _____ Date: _____

Effective Date: _____ Approved & Accepted by: _____

Comments: _____

PRODUCER SIGNATURE: COMMISSIONS PAYABLE TO THE AGENT/AGENCY INDICATED BY SELECTING YES IN THE APPROPRIATE BOX BELOW.

☐ Yes ☐ No Writing AGENT

Writing Agent Name: _____

Social Security #: _____

Street: _____

City, State Zip: _____

Telephone Number: _____

Fax Number: _____

Email Address: _____

Production Split: _____ %

☐ Yes ☐ No Writing AGENCY

Writing Agency Name: _____

Tax ID #: _____

Street: _____

City, State Zip: _____

Telephone Number: _____

Fax Number: _____

Email Address: _____

Production Split: _____ %

I have notified the Plan Sponsor not to terminate present coverage until notified in writing by Benefit Indemnity Corporation of acceptance of this application.

Signature: **X** _____

Printed Name: _____

Date: _____

Signature: **X** _____

Printed Name: _____

Date: _____