ADMINISTRATIVE SERVICES AGREEMENT

Plan Sponsor: ("THE GROUP")

Effective Date:

Agreement Term:

Group No.[1]:

This is an Administrative Services Agreement between _ ("THE GROUP" or "THE PLAN") and Blue Cross and Blue Shield of Nebraska, Inc. ("BCBSNE").

This Agreement is made in and governed by the laws of the state of Nebraska, except as may be subject to federal law, including ERISA. Any contractual provision which does not conform with the laws of Nebraska or the United States is hereby amended to conform to their minimum requirements.

RECITALS

A. BCBSNE is a domestic insurance company, licensed to sell insurance in the State of Nebraska. BCBSNE is also engaged in the business of providing administrative services to entities which have self-insured, or partially self-insured, health benefit plans for eligible employees.

B. The Benefit Plan Document includes this document and Attachments, the Master Group Application, Master Group Contract, and the Summary Plan Description and Amendments thereto, all of which are incorporated herein by this reference. THE GROUP is funded by either Plan Assets or General Assets for THE GROUP's Covered Persons.[2] All coverage and benefit determinations are controlled by the Benefit Plan Document as defined in this Recital. The language of this Administrative Services Agreement shall supersede and take precedence over the language of the Summary Plan Description. **The Summary Plan Description number and the Plan or General Assets funding are indicated on Attachment 1.**

C. BCBSNE is able and willing to provide claims administrative services for THE GROUP's health benefit plan, herein called the "Plan," for Covered Persons and THE GROUP desires to employ BCBSNE to provide such administrative services.

NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE, IT IS AGREED AS FOLLOWS:

DEFINITIONS

Defined terms are capitalized throughout this Agreement. In addition to the definitions stated in the Summary Plan Description, the following definitions are used in this Agreement:

Accountable Care Organization (ACO): A group of healthcare providers who agree to deliver coordinated care and meet performance benchmarks for quality and affordability in order to manage the total cost of care for their member populations.

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[1] Group Numbers are subject to change during the term of this Agreement and shall have no effect on the responsibilities of the parties hereto.

[2] Plan Assets are amounts a participant pays to or has withheld by an employer for contribution to a Plan. Such assets become Plan Assets as of the earliest date they can reasonably be segregated from the employer's general assets, but in no event later than 90 days from receipt by the employer. Plan Assets are subject to ERISA requirements.

Care Coordination: Organized, information-driven patient care activities intended to facilitate the appropriate responses to a Covered Person's healthcare needs across the continuum of care.

Care Coordinator: An individual within a provider organization who facilitates Care Coordination for patients.

Care Coordinator Fee: A fixed amount paid by a payer to providers periodically for Care Coordination under a Value-Based Program.

Covered Person(s): All enrolled members of THE GROUP (Subscribers and their enrolled dependent spouses or children).

Employee: An individual employed by the Employer, pursuant to its employment definitions and criteria.

Employer: The employer identified in the Master Group Application, providing coverage to its eligible Employees and dependents under the terms of its group health plan.

ERISA: Employee Retirement Income Security Act of 1974, as amended.

Global Payment/Total Cost of Care: A payment methodology that is defined at the patient level and accounts for either all patient care or for a specific group of services delivered to the patient such as outpatient, physician, ancillary, hospital services and prescription drugs.

Patient-Centered Medical Home (PCMH): A model of care in which each patient has an ongoing relationship with a primary care physician who coordinates a team to take collective responsibility for patient care and, when appropriate, arranges for care with other qualified physicians.

Provider Incentive: An additional amount of compensation paid to a healthcare provider by a payer based on the provider's compliance with agreed-upon procedural and/or outcome measures for a particular population of covered persons.

Shared Savings: A payment mechanism in which the provider and payer share cost savings achieved against a target cost budget based upon agreed upon terms and may include downside risk.

Subscribers: All enrolled Employees, COBRA qualified beneficiaries, retirees (if applicable), or other non-dependent persons.

Value-Based Program (VBP): Also known as patient-focused care, a Value-Based Program is an outcomes-based payment arrangement and/or a coordinated care model facilitated with one or more local providers that is evaluated against cost and quality metrics/factors and is reflected in provider payment. Value-Based Programs may include, but are not limited to, Accountable Care Organizations, Global Payment/Total Cost of Care arrangements, Patient Centered Medical Homes and Shared Savings arrangements.

I.

APPOINTMENT

BCBSNE is hereby retained and appointed to provide administrative services as herein described for THE GROUP's benefit plan for Covered Persons under BCBSNE's regular claim payment procedures and methods; provided, however, that BCBSNE shall not be, nor be considered as, the "Plan Administrator," but shall be considered a "named fiduciary" with respect to claims administration only, within the meaning of any applicable federal laws and regulations pertaining to employee benefit plans.

The Plan Sponsor shall remain solely responsible for establishing and maintaining the Plan. These responsibilities include ensuring that the Plan Document and Summary Plan Description are prepared and

distributed to Participants of the Plan; preparing and filing necessary reports required under ERISA (The Employee Retirement Income Security Act of 1974), and any other requirements set forth in ERISA. BCBSNE does not assume any responsibility for any act or omission or breach of duty by THE GROUP.

The Plan Sponsor acknowledges that BCBSNE is not providing tax or legal advice and that the Plan Sponsor shall be solely responsible for determining the legal and tax status of the Plan. The Plan Sponsor is responsible for the Plan's compliance with all applicable federal and state laws and regulations, including amending Plan documents as necessary to comply with applicable law changes. The Plan Sponsor recognizes the possible legal implications of federal and state laws and takes full responsibility for any non-compliance consequences that result from any request or decision made by THE GROUP. Plan Sponsor will indemnify and hold BCBSNE harmless against any and all loss, damage, expenses, and penalties imposed by law with respect to THE GROUP's failure to provide coverage in compliance with all applicable federal and state laws that results from any request or decision made by THE GROUP.

Self-funded political subdivisions are subject to Neb. Rev. Stat.13:1601 et seq., governing provisions of the Public Health Service Act, and as otherwise determined by the governmental group. Such plans are not subject to Title 1 of ERISA.

II.

BCBSNE'S SERVICES

In carrying out the terms of this Agreement, BCBSNE agrees to:

A. Prepare the Benefit Plan Document for its approval by THE GROUP. BCBSNE will provide a Summary Plan Description in accordance with the benefits and information outlined in the Master Group Application as well as BCBSNE's internal administrative process and procedures. However, BCBSNE does not assume any responsibility for any non-compliance consequences, act or omission, or breach of duty by THE GROUP with respect to the information contained therein.

B. Prepare enrollment forms, Identification Cards and Schedules of Benefits for distribution to Subscribers who are enrolled in this Plan.

C. Prepare the Summary of Benefit Coverage (SBC) documents once annually for those benefits BCBSNE administers. BCBSNE will prepare any applicable notice of modifications of the SBC which results from legal or regulatory changes or benefit changes initiated by BCBSNE. BCBSNE will not provide translation services for any Summary of Benefit Coverage documents. Distribution of the SBC documents to THE GROUP's employees or dependents shall remain the responsibility of THE GROUP.

D. Make payments on behalf of THE GROUP for Covered Services provided to Covered Persons pursuant to the Benefit Plan Document.

   All payments for Covered Services by in-network providers will be made directly to such providers. In all other cases, payments will be made, at BCBSNE's option, to the Subscriber, to his or her estate, to the provider or as required under state or federal law, including qualified medical child support orders. No assignment, whether made before or after services are provided, of any amount payable according to this Agreement shall be recognized or accepted as binding upon BCBSNE or the Plan, unless otherwise required by state or federal law.

   All benefit payments will be made as soon as possible after the claim has been filed. Payments made in error may be recovered as provided by law.

E. Follow BCBSNE's regular claim processing procedures, including the determining of appropriate benefit amounts, with respect to the processing of claims pursuant to the Benefit Plan Document. This includes, but is not limited to, the determination of benefits pursuant to the Coordination of Benefits provisions stated in the Master Group Contract and the Summary Plan Description and the

determination of whether to pay or deny claims in the event that a Covered Person fails to return a Coordination of Benefits questionnaire. BCBSNE relies on documentation provided in the Benefit Plan Document in providing claims administrative services for THE GROUP. A service for which a bill, statement or invoice is generated is considered paid on the date appearing in BCBSNE's claim system.

F. BCBSNE shall use reasonable care and due diligence in the exercise of its powers and the performance of its duties under this Agreement, provided that a higher standard of care will be exercised where required by applicable law. With the full cooperation of THE GROUP, BCBSNE will make reasonable efforts under the circumstances, considering the chances of successful recovery and the costs thereof to recover payment made in excess of the amount provided for a Benefit under the Benefit Plan Document ("Overpayments"). THE GROUP assigns to BCBSNE the authority to pursue recovery of Overpayments and BCBSNE will pursue reasonable means of recovery of Overpayments under the circumstances but will not be obligated to commence litigation, unless otherwise specifically agreed to by the parties. BCBSNE will only pursue Overpayments for a period of twelve (12) months from the date of the event that necessitates the Overpayment is identified. BCBSNE will not pursue Overpayments beyond this twelve (12) month period for any events that resulted solely from the actions or direction of THE GROUP. BCBSNE may, at its sole option, choose not to pursue deminimus Overpayment amounts. BCBSNE will not seek refunds from providers that relate to a retroactive termination of memberships of Covered Persons and/or their dependents for claims paid more than 60 days prior to the date on which BCBSNE is made aware of the termination.

Duplicate or erroneous payment not recovered will be considered as benefits paid under the Agreement and will remain applied to any total benefits applicable to the Covered Person. BCBSNE will not be financially responsible for such erroneous payment, unless BCBSNE would otherwise be financially responsible under another provision of this Agreement. Payment for a specific service or an erroneous payment made under this Agreement shall not make BCBSNE or the Plan liable for further payment for the same condition. Under certain circumstances, if BCBSNE pays a provider amounts that are the responsibility of the Covered Person, BCBSNE may collect such amounts from the Covered Person.

G. Provide facilities, personnel, procedures, forms and instructions for the administration of claims under the Benefit Plan Document. The Master Group Application may be modified by mutual written agreement of THE GROUP and BCBSNE.

H. Accept full and exclusive discretion to determine for all parties all matters of fact or interpretation relating to any claim under the Benefit Plan Document, including interpretation of plan provisions to the extent that BCBSNE is a fiduciary for claims processing purposes. The decisions of BCBSNE regarding such claims shall be final and binding subject to appeal to BCBSNE under its review process. Benefits will be paid or denied consistent with the Benefit Plan Document based upon BCBSNE's determination. The claim appeal and review process is set forth in the Master Group Contract and the Summary Plan Description. NO CLAIM EXCEPTIONS TO THE BENEFIT PLAN DOCUMENT WILL BE MADE.

I. Report to THE GROUP matters of general interest with respect to the Benefit Plan Document, including, but not limited to, problems of a recurring nature and suspected misuse of benefits.

J. Maintain membership and claims records for a period of eight years. THE GROUP shall have access to such records during normal business hours for the purpose of determining compliance with this Agreement. Any audit initiated pursuant to this Part and authorized by THE GROUP shall be undertaken at THE GROUP's expense. THE GROUP specifically agrees to reimburse BCBSNE for any reasonable expense incurred by BCBSNE in accordance with such audit, including but not limited to reimbursement for BCBSNE personnel providing support to such audit in excess of a total of ten hours and any copying expenses.

THE GROUP also specifically agrees that BCBSNE has the authority to disapprove of the vendor providing such audit, which authority shall not be unreasonably exercised, and to refuse access to membership and claims records by such vendor. THE GROUP, recognizing that patient specific information is confidential, agrees that it will take reasonable steps to restrict access to this information

to those persons who need to know this information for determining compliance with this Agreement and for performing any necessary audit.

K. Use its discretion to seek recovery based on subrogation or other theories, from third parties (or their carriers) who have caused Injury or Illness to a Covered Person or damages to the Plan. BCBSNE may engage a contractor to perform specialized services for recovery of funds or discovery of overpayment or fraud. Such contractors may be reimbursed based on a percent of recovery or other reasonable basis, with the net amount to be returned to THE GROUP. BCBSNE has full discretion to settle or release claim to such recoveries and to determine amounts recovered, on behalf of THE GROUP. This includes participation in consolidated or class action lawsuits alleging such injuries. Any recovery from consolidated or class action suits will be apportioned among all insured and self-insured plans or pools. The proration may be based on number of covered persons, number of injured persons, claims volume, or any other basis determined by BCBSNE. Once BCBSNE has exhausted its subrogation recovery efforts, BCBSNE will not take any further action on the claim. THE GROUP will be solely responsible for the decision to pursue litigation and funding all litigation costs and expenses, including attorney's fees. This includes participation in lawsuits in which BCBSNE has been named as a defendant.

Recoveries made in any plan year will be applied first to the appropriate Stop Loss Amount, from the applicable contract year, and subsequently, to THE GROUP's claim liability. THE GROUP agrees to cooperate with all such recovery efforts. The Subrogation and Contractual Right to Reimbursement provisions applicable to the Plan are stated in the Master Group Contract and the Summary Plan Description.

If THE GROUP elects to use an outside vendor to perform subrogation recovery services, BCBSNE may charge a reasonable fee for implementation and reporting services.

L. Provide its standard Case Management Programs and Utilization Management Program for Covered Services provided to Covered Persons and to perform Utilization Review in accordance with the Plan.

M. Furnish THE GROUP copies of available records of BCBSNE which may be required to satisfy the requirements of ERISA.

N. Indemnify THE GROUP and hold it harmless against any and all loss, damage, and expense with respect to the administration of the Plan resulting from, or arising out of, any act or omission which constitutes bad faith, fraudulent or criminal acts of employees of BCBSNE acting alone or in collusion with others.

O. BCBSNE does not underwrite or insure the liability of THE GROUP under this Agreement, except as specifically provided in any Stop Loss Contract between the parties. BCBSNE provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims except as set forth in this Agreement.

P. Upon mutual agreement of BCBSNE and THE GROUP and/or Plan Sponsor, assist THE GROUP and/or Plan Sponsor with certain administrative tasks related to compliance obligations of THE GROUP and/or Plan Sponsor.

Q. If applicable, provide administration for the following state assessment mandates by agreeing to

1. Comply with New York State Health Care Reform Act, if applicable. If THE GROUP elects, BCBSNE shall make a filing with the New York State Department of Health ("DOH") on behalf of THE GROUP to elect for the Plan to make direct payments to the DOH of the Plan's obligations under sections 2807-j and 2807-s of the New York Public Health Law. For each month in which the Plan's direct payment election is in effect with the DOH, BCBSNE shall notify THE GROUP of the amount of the required surcharge and covered lives assessment for such month and shall file appropriate reports with the DOH and make the required payments to the DOH in accordance with the procedure under this Agreement. For purposes of this

Agreement, such surcharges and covered lives assessments shall be considered authorized expenses of the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for any surcharge or covered lives assessment payable by the Plan under section 2807-j or 2807-s of the New York Public Health Law and shall not be liable for any interest or penalties assessed against the Plan or THE GROUP as a result of late or insufficient payment of such surcharges and assessments, unless the interest or penalty is a result of BCBSNE'S negligence or mistake. THE GROUP must notify BCBSNE in advance if they choose to pay the surcharge itself.

2. Submit payment to the Maine Vaccine Board in accordance with 22 MRSA Sec. 1066. Payment is required in relation to the number of Covered Life Months. The assessment rate is set in advance of the beginning of each calendar year. Payment is required by all insurers, which included third-party administrators. A Covered Life Month is any month in which health benefits are provided to a child under age 19 who resides in the State of Maine. Such payments shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for any interest charge for failing to make a savings offset payment in a timely manner, unless the interest payment is a result of BCBSNE's negligence or mistake.

3. Submit payment to the Vermont Department of Taxes in accordance with Sec. 48. 32 V.S.A. Chapter 243. Payment is required in an amount equal to 0.999 of 1 percent of all health insurance claims paid by an insurer for Vermont residents in the previous fiscal year. The assessment applies to all health care and dental claims that are not financed through a federal program. The payment of such fee shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

4. Submit payment to the Vermont Department of Health in accordance with 18 V.S.A. §1130(b)(1). Payment is required in relation to the number of Vermont covered lives. The payment of such fee shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

5. Submit the required assessment to the Idaho Immunization Board in compliance with Idaho Code § 41-6005, if applicable. An assessment is required to be paid by all carriers for any child under the age of 19 residing in the State of Idaho. The payment of the assessment shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

6. Submit payment to the Massachusetts Health Safety Net Office in accordance with the Massachusetts Act Providing Access to Affordable Quality and Accountable Health Care Chapter 58 of the Acts of 2006. Payment is required by all purchasers of healthcare services who make payments to acute hospitals and to ambulatory surgical centers. The surcharge amount equals the product of the payments subjected to the surcharge and the applicable surcharge percentage. The payment of such fee shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

7. Submit payment to the Massachusetts General Fund for the Pediatric Immunization Assessment in accordance with Massachusetts General Law Section 38 of Chapter 118G. Payment is required by all health care insurers that conduct business in Massachusetts to cover the costs of purchasing and distributing childhood vaccines. The surcharge amount equals a percentage of payments made to acute hospitals and ambulatory surgical centers. The payment of such fee shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

8. Submit payment to the New Hampshire Vaccine Association in accordance with New Hampshire Revised Statutes Annotated (RSA) 126-Q. Payment is required by all insurers and third party administrators covering children residing in the New Hampshire. Payment is required in relation to the number of child covered lives. The monthly assessment rate is expected to be updated once each year. The payment of such fee shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

9. Submit payment to the Alaska Vaccine Assessment Program ("AVAP") in compliance with AS 18.09.200 et. seq. An assessment is required to be paid by all insurers, self-insured employers, and third party administrators who insure or administer or provide benefits to children or adults residing in the state of Alaska. The payment of the assessment shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

10. Submit payment to the general treasurer of Rhode Island in compliance with R.I. Gen. Laws Section 42-7.4-11, Rhode Island's Healthcare Services Funding Plan Act. An assessment is required to be paid by all insurers, self-insured employers, and third party administrators who insure or administer benefits to individuals residing in the state of Rhode Island. The payment of the assessment shall be considered authorized expenses under the Plan and shall be billed to THE GROUP. BCBSNE shall not be liable for failure to pay the fee, unless the failure to make payment is a result of BCBSNE's negligence or mistake.

THE GROUP is responsible for any state assessment on GROUP claims regardless of whether the state assessment is included in this Section. The state assessments, described above, are included in the rates that are used to calculate THE GROUP's monthly billing and will not be billed to THE GROUP separately.

III.

THE GROUP's SERVICES

In carrying out the terms of this Agreement, THE GROUP agrees to:

A. The Employees eligible for coverage under the Plan, and specific requirements for eligibility, are determined by THE GROUP. Dependents of an eligible Employee may also be eligible for coverage under the Plan, if they meet the definition of Eligible Dependent, as defined in the Summary Plan Description.

B. THE GROUP agrees to follow eligibility and effective date of coverage guidelines, as stated herein, and/or within the Summary Plan Description, and/or Client Profile. Enrollment for coverage under the Plan is completed through THE GROUP, pursuant to its enrollment procedures. Rules regarding eligibility, Special Enrollment, Late Enrollment and changes in benefit elections are described in the Summary Plan Description. Information regarding eligibility and termination of eligibility of Employees, Subscribers and Covered Persons must be furnished to BCBSNE within 60 days of the event.

THE GROUP's records relating to such coverage shall be open to BCBSNE for review at reasonable times. THE GROUP shall be responsible for ensuring the accuracy of its eligibility information. BCBSNE shall have no liability to THE GROUP or any Covered Person as a consequence of inaccurate eligibility information.

The coverage of any Employee or Eligible Dependent may be canceled for fraud or intentional misrepresentation of a material fact, including misrepresentation about a claim or eligibility for

coverage. When the fraud or misrepresentation occurs during enrollment and is discovered within two years of the enrollment, coverage will be rescinded back to the date of the initial enrollment, subject to BCBSNE's provision of a 30-day advance notice of such rescission. Claims incurred after the retroactive date of termination shall not be further processed and/or paid under the Plan. Claims incurred after the retroactive date of termination that were paid under the Plan will be treated as erroneously paid claims under the Plan. Neither the acceptance of employee contributions nor the processing of claims will constitute a waiver of BCBSNE's or the GROUP's rights under this paragraph. Written notice will be sent by certified mail to the Employee or Eligible Dependent at his or her last-known address as shown by the membership records and shall be effective the date notice is mailed.

C. Cooperate with BCBSNE in an audit of Covered Persons, upon request, but not more frequently than annually. The cost of such audit shall be borne by BCBSNE and shall include, but not be limited to, reimbursing THE GROUP's personnel providing support to such audit in excess of ten hours and copying expenses.

D. Notify BCBSNE immediately of any work-related accident suffered by a Covered Person for which recovery may be available under any Workers' Compensation Law or similar law. THE GROUP agrees to forward a copy of the First Injury Report to BCBSNE as soon as possible. Work-related injuries or illnesses are not Covered Services, therefore provider discounts which are available to THE GROUP under the health coverage, are not available for these services. THE GROUP also agrees to advise BCBSNE of any potential subrogation rights or other contractual rights of recovery known to THE GROUP.

E. Grant to BCBSNE discretionary authority to determine for all parties, all matters of fact or interpretation relating to any claim under the Benefit Plan, including interpretation of Plan provisions, to the extent that BCBSNE is a fiduciary for claims processing purposes. These decisions will be final and binding subject to appeal to BCBSNE under its review process.

F. Indemnify BCBSNE and hold it harmless against any and all claim loss, damage, and expense with respect to the administration of the Plan, except that resulting from, or arising out of, any act or omission which constitutes bad faith, negligence, fraudulent or criminal acts of employees of BCBSNE, acting alone or in collusion with others, or expenses incurred by BCBSNE in the regular administration of the Plan.

THE GROUP agrees that should it fail to make payment due to insolvency or for any other reason, the provider shall have authority to collect directly for Covered Services from its Covered Persons.

G. Indemnify BCBSNE and hold it harmless, as set forth herein, for any claim, loss, damage and expense arising from the release of claims specific information to THE GROUP.

H. THE GROUP on behalf of itself and its participants, hereby expressly acknowledges its understanding that this Agreement constitutes a contract solely between THE GROUP and BCBSNE, that BCBSNE is an independent corporation operating under a license with the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting BCBSNE to use the BCBS Service Marks in Nebraska, and that BCBSNE is not contracting as the agent of the Association. THE GROUP further acknowledges and agrees that it has not entered into this Agreement based upon representations by any person other than BCBSNE, and that no person, entity or organization other than BCBSNE shall be held accountable or liable to THE GROUP for any of BCBSNE's obligations to THE GROUP created under this Agreement. This paragraph shall not create any additional obligations whatsoever on the part of BCBSNE other than those obligations created under other provisions of this Agreement.

I. Execute and be responsible for all HIPAA related compliance, including but not limited to executing any necessary agreements or notifications.

J. Keep all information received from BCBSNE confidential. THE GROUP will not use or disclose such information except as necessary for administration of claims pursuant to the Benefit Plan Document. In

the event THE GROUP discloses any such information to a contractor assisting in the administration of the Benefit Plan Document, it shall first obtain written agreement from the contractor restricting further disclosure or use for any purpose other than providing such assistance. THE GROUP will ensure that, if necessary, a Business Associate Contract is in place with respect to applicable services provided by a subcontractor.

In consideration for the benefits available under the Plan, all Covered Persons agree that he or she consents to the release of his or her medical and other personal information to BCBSNE and to THE GROUP as necessary for the purpose of determining eligibility and/or administering claims.

IV.

CONTINUATION OF COVERAGE

A. THE GROUP is responsible to provide all notices required by COBRA and Department of Labor Regulations, as applicable, including but not limited to:

1. An initial COBRA Notice to Employees and their spouses upon the date THE GROUP first becomes subject to COBRA.

2. An initial COBRA notice to new Employees and their spouses within 90 days after coverage commences (or earlier, if a Qualifying Event occurs within the first 90 days of coverage).

3. A notice to the Plan Administrator when a Qualifying event occurs due to an Employee's termination or reduction in hours of employment, death or entitlement to Medicare, or due to THE GROUP filing bankruptcy, within 30 days of the Qualifying Event. THE GROUP shall also notify the Plan Administrator within 30 days of receiving notice of a Covered Person's Qualifying Event due to divorce, legal separation, or cessation of dependent status.

4. A notice of unavailability of COBRA in the event an Employee or dependent requests COBRA coverage and is determined to be ineligible.

5. A notice of early termination of COBRA coverage in the event a Qualified Beneficiary's coverage is terminated prior to the end of the maximum COBRA coverage period.

THE GROUP agrees to establish reasonable COBRA notice procedures, in accordance with federal regulations. THE GROUP agrees to indemnify BCBSNE for any losses directly related to THE GROUP's failure to establish or follow reasonable COBRA notice procedures. The experience from the continuation coverage shall be charged to THE GROUP's Plan.

The applicable Continuation of Coverage provisions are stated in the Summary Plan Description and/or Master Group Contract.

V.

FINANCING ARRANGEMENTS

The financing arrangements and annual profit sharing applicable under this Agreement are those set forth on Attachment 1.

VI.

COMPENSATION

A. Commencing with the effective date of this Agreement, and in consideration of the services and obligations herein required of BCBSNE, THE GROUP shall pay BCBSNE, monthly, the following amounts. If the number of Covered Persons increases or decreases by 10% or more, or the terms of this Agreement are changed by THE GROUP during the Term, BCBSNE reserves the right to revise the Monthly Billing rates contained in the Master Group Application.

1. **Monthly Billing.** The monthly billing includes the monthly rate for each enrolled Subscriber, as set forth in the Master Group Application, which includes fees for BCBSNE's services and claim expenses. The monthly rate for each enrolled Subscriber is dependent on the product and class selected by the Subscriber.

2. **Value Based Arrangements with Contracting Providers**. BCBSNE has contracts with certain health care providers that vary from traditional fee for service arrangements. These arrangements may include case and/or per diem payments, bundled or episode of care payments, and payments to accountable care organizations ("ACOs") and patient-centered medical homes ("PCMHs") in the form of care coordination and care management payments, quality bonuses and shared savings payments ("value based care payments" or "VBC Payments"). The VBC Payments to each ACO or PCMH will differ based on the specific contract in place with BCBSNE.

   The VBC Payment amount is based upon an assessment of THE GROUP's members who are attributed to an ACO or PCMH and is billed to THE GROUP in the same manner as claims for payment by THE GROUP.

   The VBC Payments support practices in making fundamental changes to their care delivery. These changes are needed to provide high quality, patient-focused, whole-person care, which will result in lower total cost of care. The goal of the ACO and PCMH programs is the Triple Aim, an approach for optimizing health care delivery through the following: (a) improving the patient experience of care (including quality and satisfaction); (b) improving the health of populations; and (c) reducing the per capita cost of health care.

   In addition, Host Blue Plans may have contracts with certain health care providers that vary from traditional fee for service arrangements. Pursuant to these arrangements, Host Blues may pay providers for reaching agreed upon cost/quality goals. The Host Blue may pass these provider payments to BCBSNE.

3. **Financial Settlements with Providers**. THE GROUP acknowledges and agrees that BCBSNE may, from time to time, enter into financial settlements with Contracting Providers of BCBSNE for, among other reasons, routine claims adjustments, delayed rate adjustments, cost rate adjustments, non-claim specific compensation adjustments (such as incentive or bonus program adjustments). The parties understand and agree that any such charge or credit may not result in a corresponding adjustment to amounts paid or not paid to Covered Persons or their cost share in connection with claims relating to the settlement.

   BCBSNE reviews and investigates potentially fraudulent or inappropriate billings submitted by providers and members. Whenever amounts from these investigations can be associated with a claim under the Plan and result in a claim adjustment, THE GROUP will receive a credit against future claims costs in the amount of the recovery, less a percentage fee that may be retained by BCBSNE. THE GROUP understands and agrees that not all recoveries can be reasonably tied to a particular claim resulting in its adjustment; for example, when a recovery

arises from a general settlement that takes in account BCBSNE's entire book of business with insufficient information for individual claim adjustments. In such circumstances, BCBSNE may retain the recoveries and will make available details of the same on an annual basis upon written request.

4. **The following fees are related to the BlueCard Program. The BlueCard Program Fees, described below, are included in the rates that are used to calculate THE GROUP's monthly billing and will not be billed to THE GROUP separately. Access Fees will be included in Net Paid Claims when calculating THE GROUP's annual profit sharing, if applicable. Additional information about the BlueCard Program is found in Paragraph B of this Part.**

   a. Access Fee: If Contracted Provider savings are available from a Host Blue, BCBSNE may be charged a fee for Covered Persons to access the Host Blue's Contracting Provider network. The Access Fee is a percentage of the discount the Host Blue has made available to BCBSNE, but not to exceed $2,000 for any claim. The provider has agreed not to bill Covered Persons for amounts in excess of the Contracted Amount, but may bill them for Deductibles, Coinsurance and amounts for Noncovered Services.

   The amount of this fee or any credits will be used in the computation of "Net Paid Claims" as it relates to THE GROUP'S profit-sharing agreement. Instances may occur when none of a claim or only a small amount of the claim is paid due to the application of the Covered Person's Deductible, Coinsurance or Copayment. If the Host Blue's arrangement with the provider allows the Contracted Amount to apply when the amount is fully or mostly a Covered Person's obligation, the Access Fee will be paid as a claims expense under Net Paid Claims. This process allows the benefit of the discounted amount to be passed through to the Covered Person.

   b. Administrative Expense Allowance (AEA): The AEA Fee is a fixed per-claim dollar amount charged by the Host Blue to BCBSNE for administrative services the Host Blue provides in processing claims for THE GROUP's Covered Persons. The dollar amount is normally based on the type of claim (e.g. institutional, professional, international, etc.) and can also be based on the size of THE GROUP's enrollment.

   c. Negotiated Fee Arrangements**:** The above per claim Access Fees and AEA fees will apply unless alternative fees are negotiated with a Host Blue plan.

   PCPM rates are in lieu of standard BlueCard Access and AEA fees for those claims which qualify under such an agreement as indicated above. The PCPM Fee is a financial arrangement negotiated between the Host Blue and BCBSNE and replaces all other fees, including the Access Fee and AEA. The PCPM dollar amount is charged on a per-contract-per-month basis by the Host Blue to BCBSNE for administrative services the Host Blue provides in processing claims for THE GROUP's Covered Persons. The dollar amount can also be based on the size of THE GROUP's enrollment.

   In addition, a Non-Standard AEA fee is another type of alternative fee which is also in lieu of standard per claim BlueCard Access and AEA fees. The Non-Standard AEA Fee is a financial arrangement negotiated between the Host Blue and BCBSNE and replaces all other fees, including the Access Fee and AEA. The Non-Standard AEA is a fixed per-claim dollar amount charged by the Host Blue to BCBSNE for administrative services the Host Blue provides in processing claims for THE GROUP's Covered Persons.

   For claims incurred in Host Blue service areas where such an alternative agreement does not exist, the per-claim Access and AEA fees will apply as described above.

   d. Non-Contracted Providers

For both physician/professional and institutional claims incurred in other plan service areas with non-contracted providers, no Access Fee applies. The AEA fee for non-contracted provider claims will be $3.00 per claim unless an alternative fee arrangement was negotiated with the Host Blue plan. If PCPM fees have been negotiated with Host Blue plans, there will be no additional AEA fee for processing claims from non-contracted providers outside of BCBSNE's service area. If Non-Standard AEA fees have been negotiated with Host Blue plans, such fees will also apply to claims processed from non-contracted healthcare providers outside of BCBSNE's service area.

B. **The following language is mandated by the Blue Cross and Blue Shield Association in order to explain the methods that are used to calculate claim liability in the various independent Blue Cross and Blue Shield Plans. The Out-of-Area Services fees and compensation costs are outlined on Attachment 1.**

Out-of-Area Services: BCBSNE has a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as "Inter-Plan Arrangements." These Inter-Plan Arrangements operate under rules and procedures issued by the Blue Cross Blue Shield Association ("Association"). Whenever Covered Persons access healthcare services outside the geographic area BCBSNE serves, the claim for those services may be processed through one of these Inter-Plan Arrangements. The Inter-Plan Arrangements are described generally below

Typically, when accessing care outside the geographic area BCBSNE serves, Covered Persons obtain care from healthcare providers that have a contractual agreement ("participating providers") with the local Blue Cross and/or Blue Shield Licensee in that other geographic area ("Host Blue"). In some instances, Covered Person obtain care from healthcare providers in the Host Blue geographic area that do not have a contractual agreement ("nonparticipating providers") with the Host Blue. BCBSNE remains responsible for fulfilling its contractual obligations to you. BCBSNE payment practices in both instances are described below.

This disclosure describes how claims are administered for Inter-Plan Arrangements and the fees that are charged in connection with Inter-Plan Arrangements. Dental Care Benefits (except when paid as medical claims/benefits) and those Prescription Drug Benefits or Vision Care Benefits that may be administered by a third party contracted by BCBSNE to provide the specific service or services are not processed through the Inter-Plan Arrangements.

1. BlueCard® Program

The BlueCard® Program is an Inter-Plan Arrangement. Under this Arrangement, when Covered Persons access Covered Services within the geographic area served by a Host Blue (outside the geographic area BCBSNE serves), the Host Blue will be responsible for contracting and handling all interactions with its participating healthcare providers. The financial terms of the BlueCard Program are described generally below.

a. Liability Calculation Method Per Claim – In General

i. Covered Person Liability Calculation

Unless subject to a fixed dollar copayment, the calculation of the Covered Person's liability on claims for Covered Services will be based on the lower of the participating provider's billed charges for Covered Services or the negotiated price made available to BCBSNE by the Host Blue.

ii. THE GROUP's Liability Calculation

The calculation of THE GROUP'S liability on claims for Covered Services processed through the BlueCard Program will be based on

the negotiated price made available to BCBSNE by the Host Blue under the contract between the Host Blue and the provider. Sometimes, this negotiated price may be greater for a given service or services than the billed charge in accordance with how the Host Blue has negotiated with its participating healthcare provider(s) for specific healthcare services. In cases where the negotiated price exceeds the billed charge, THE GROUP may be liable for the excess amount even when the Covered Person's deductible has not been satisfied. This excess amount reflects an amount that may be necessary to secure (a) the provider's participation in the network and/or (b) the overall discount negotiated by the Host Blue. In such a case, the entire contracted price is paid to the provider, even when the contracted price is greater than the billed charge.

b. Claims Pricing

Host Blues determine a negotiated price, which is reflected in the terms of each Host Blue's provider contracts. The negotiated price made available to BCBSNE by the Host Blue may be represented by one of the following:

i. An actual price. An actual price is a negotiated rate of payment in effect at the time a claim is processed without any other increases or decreases; or

ii. An estimated price. An estimated price is a negotiated rate of payment in effect at the time a claim is processed, reduced or increased by a percentage to take into account certain payments negotiated with the provider and other claim- and non-claim-related transactions. Such transactions may include, but are not limited to, anti-fraud and abuse recoveries, provider refunds not applied on a claim-specific basis, retrospective settlements and performance-related bonuses or incentives; or

iii. An average price. An average price is a percentage of billed charges for Covered Services in effect at the time a claim is processed representing the aggregate payments negotiated by the Host Blue with all of its healthcare providers or a similar classification of its providers and other claim- and non-claim-related transactions. Such transactions may include the same ones as noted above for an estimated price.

The Host Blue determines whether it will use an actual, estimated or average price. The use of estimated or average pricing may result in a difference (positive or negative) between the price THE GROUP pays on a specific claim and the actual amount the Host Blue pays to the provider. However, the BlueCard Program requires that the amount paid by the Covered Person and THE GROUP is a final price; no future price adjustment will result in increases or decreases to the pricing of past claims.

Any positive or negative differences in estimated or average pricing are accounted for through variance accounts maintained by the Host Blue and are incorporated into future claim prices. As a result, the amounts charged to THE GROUP will be adjusted in a following year, as necessary, to account for over- or underestimation of the past years' prices. The Host Blue will not receive compensation from how the estimated price or average price methods, described above, are calculated. Because all amounts paid are final, neither positive variance account amounts (funds available to be paid in the following year), nor negative variance amounts (the funds needed to be received in the following year), are due to or from THE GROUP. If

THE GROUP terminates, THE GROUP will not receive a refund or charge from the variance account.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidated over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume (number of claims processed) and variance account balance. Variance account balances may earn interest at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

c. BlueCard Program Fees and Compensation

THE GROUP understands and agrees to reimburse BCBSNE for certain fees and compensation which BCBSNE is obligated under the BlueCard Program to pay to the Host Blues, to the Association and/or to vendors of BlueCard Program-related services. The specific BlueCard Program fees and compensation that are charged to THE GROUP are set forth in Attachment 1. BlueCard Program Fees and compensation may be revised from time to time as described in the "Modifications or Changes to Inter-Plan Arrangement Fees or Compensation" Section below.

2. Special Cases: Value-Based Programs

Value-Based Programs Overview

THE GROUP's Covered Persons may access Covered Services from providers that participate in a Host Blue's Value-Based Program. Value-Based Programs may be delivered either through the BlueCard Program or a Negotiated Arrangement. These Value-Based Programs may include, but are not limited to, Accountable Care Organizations, Global Payment/Total Cost of Care arrangements, Patient Centered Medical Homes and Shared Savings arrangements.

a. Value-Based Programs under the BlueCard Program

Value-Based Programs Administration

Under Value-Based Programs, a Host Blue may pay providers for reaching agreed-upon cost/quality goals in the following ways: retrospective settlements, Provider Incentives, a share of target savings, Care Coordinator Fees and/or other allowed amounts.

The Host Blue may pass these provider payments to BCBSNE which BCBSNE will pass directly on to THE GROUP as either an amount included in the price of the claim or an amount charged separately in addition to the claim.

When such amounts are included in the price of the claim, the claim may be billed using one of the following pricing methods, as determined by the Host Blue:

(i) Actual Pricing: The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is part of the claim. These charges are passed to THE GROUP via an enhanced provider fee schedule.

(ii) Supplemental Factor: The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is a supplemental amount that is included in the claim as an amount based on a specified supplemental factor

(e.g., a small percentage increase in the claim amount). The supplemental factor may be adjusted from time to time. This pricing method may be used only for non-attributed Value-Based Programs.

When such amounts are billed separately from the price of the claim, they may be billed as follows:

- Per Attributed Member Per Month (PMPM) Billings: Per Attributed Member Per Month billings for Value- Based Programs incentives/Shared Savings settlements to accounts are outside of the claim system. BCBSNE will pass these Host Blue charges directly through to THE GROUP as a separately identified amount on the group billings.

The amounts used to calculate either the supplemental factors for estimated pricing or PMPM billings are fixed amounts that are estimated to be necessary to finance the cost of a particular Value-Based Program. Because amounts are estimates, there may be positive or negative differences based on actual experience, and such differences will be accounted for in a variance account maintained by the Host Blue (in the same manner as described in the BlueCard claim pricing section above) until the end of the applicable Value-Based Program payment and/or reconciliation measurement period. The amounts needed to fund a Value-Based Program may be changed before the end of the measurement period if it is determined that amounts being collected are projected to exceed the amount necessary to fund the program or if they are projected to be insufficient to fund the program.

At the end of the Value-Based Program payment and/or reconciliation measurement period for these arrangements, Host Blues will take one of the following actions:

- Use any surplus in funds in the variance account to fund Value-Based Program payments or reconciliation amounts in the next measurement period.

- Address any deficit in funds in the variance account through an adjustment to the PMPM billing amount or the reconciliation billing amount for the next measurement period.

The Host Blue will not receive compensation resulting from how estimated, average or PMPM price methods, described above, are calculated. If THE GROUP terminates, you will not receive a refund or charge from the variance account. This is because any resulting surpluses or deficits would be eventually exhausted through prospective adjustment to the settlement billings in the case of Value-Based Programs. The measurement period for determining these surpluses or deficits may differ from the term of this Agreement.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidated over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume/number of claims processed and variance account balance. Variance account balances may earn interest, and interest is earned at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

Note: Covered Persons will not bear any portion of the cost of Value-Based Programs except when a Host Blue uses either average pricing or actual pricing to pay providers under Value-Based Programs.

b. Care Coordinator Fees

Host Blues may also bill BCBSNE for Care Coordinator Fees for provider services which we will pass on to THE GROUP as follows:

1. PMPM billings; or

2. Individual claim billings through applicable care coordination codes from the most current editions of either Current Procedural Terminology (CPT) published by the American Medical Association (AMA) or Healthcare Common Procedure Coding System (HCPCS) published by the U.S. Centers for Medicare and Medicaid Services (CMS).

As part of this Agreement, BCBSNE and THE GROUP will not impose Covered Person cost sharing for Care Coordinator Fees.

c. Value-Based Programs under Negotiated Arrangements

If BCBSNE has entered into a Negotiated Arrangement/Negotiated National Account Arrangement with a Host Blue to provide Value-Based Programs to THE GROUP's Covered Persons, BCBSNE will follow the same procedures for Value-Based Programs administration and Care Coordination Fees as noted in the BlueCard Program section.

As part of this Agreement, BCBSNE and THE GROUP may agree to waive Covered Person cost sharing for care coordinator fees.

3. Return of Overpayments

Recoveries of overpayments/from a Host Blue or its participating and nonparticipating providers can arise in several ways, including, but not limited to, anti-fraud and abuse recoveries, audits (e.g., healthcare provider and hospital bill audits), credit balance audits, utilization review refunds and unsolicited refunds. Recoveries will be applied so that corrections will be made, in general, on either a claim-by- claim or prospective basis. If recovery amounts are passed on a claim-by-claim basis from a Host Blue to BCBSNE they will be credited to THE GROUP's account. In some cases, the Host Blue will engage a third party to assist in identification or collection of overpayments. The fees of such a third party may be charged to THE GROUP as a percentage of the recovery.

Unless otherwise agreed to by the Host Blue, for retroactive cancellations of membership, BCBSNE will request the Host Blue to provide full refunds from participating healthcare providers for a period of only one year after the date of the Inter-Plan financial settlement process for the original claim. For Care Coordinator Fees associated with Value-Based Programs, BCBSNE will request such refunds for a period of only up to ninety (90) days from the termination notice transaction on the payment innovations delivery platform. In some cases, recovery of claim payments associated with a retroactive cancellation may not be possible if, as an example, the recovery (a) conflicts with the Host Blue's state law or healthcare provider contracts, (b) would result from Shared Savings and/or Provider Incentive arrangements or (c) would jeopardize the Host Blue's relationship with its participating healthcare providers, notwithstanding to the contrary any other provision of this Agreement.

4. Inter-Plan Programs: Federal/State Taxes/Surcharges/Fees

In some instances federal or state laws or regulations may impose a surcharge, tax or other fee that applies to self-funded accounts. If applicable, BCBSNE will disclose any such surcharge, tax or other fee to THE GROUP, which will be THE GROUP's liability.

5. Non-Participating Healthcare Providers Outside BCBSNE's Service Area

a. Covered Person Liability Calculation

i. In General

When Covered Services are provided outside of BCBSNE service area by nonparticipating providers, the amount a Covered Person pays for such services will be based on either the Host Blue's nonparticipating healthcare provider local payment or the pricing arrangements required by applicable state law. In these situations, the Covered Person may be responsible for the difference between the amount that the nonparticipating provider bills and the payment BCBSNE will make for the Covered Services as set forth in this paragraph. Payments for out-of-network emergency services will be governed by applicable federal and state law.

ii. Exceptions

In some exception cases, at THE GROUP's direction BCBSNE may pay claims from nonparticipating healthcare providers outside of BCBSNE's service area based on the provider's billed charge. This may occur in situations where a Covered Person did not have reasonable access to a participating provider, as determined by BCBSNE in BCBSNE's sole and absolute discretion or by applicable law. In other exception cases, at THE GROUP's direction BCBSNE may pay such claims based on the payment BCBSNE would make if BCBSNE were paying a nonparticipating provider inside of BCBSNE service area, as described elsewhere in this Agreement. This may occur where the Host Blue's corresponding payment would be more than BCBSNE in-service area nonparticipating provider payment. BCBSNE may choose to negotiate a payment with such a provider on an exception basis.

Unless otherwise stated, in any of these exception situations, the Covered Person may be responsible for the difference between the amount that the nonparticipating healthcare provider bills and the payment BCBSNE will make for the covered services as set forth in this paragraph.

b. Fees and Compensation

THE GROUP understands and agrees to reimburse BCBSNE for certain fees and compensation which we are obligated under applicable Inter-Plan Arrangement requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement-related services. The specific fees and compensation that are charged to THE GROUP are set forth in Attachment 1. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time as provided for in the "Modifications or Changes to Inter-Plan Arrangement Fees or Compensation" Section below.

6. Blue Cross Blue Shield Global Core Program

a. General Information

If Covered Persons are outside the United States, the Commonwealth of Puerto Rico and the U.S. Virgin Islands (hereinafter: "BlueCard service area"), they may be able to take advantage of the Blue Cross Blue Shield Global Core when accessing Covered Services. Blue Cross Blue Shield Global Core is unlike the BlueCard Program available in the BlueCard service area in certain ways. For instance, although Blue Cross Blue Shield Global Core assists Covered Persons with accessing a network of inpatient, outpatient and professional providers, the network is not served by a Host Blue. As such, when Covered Persons receive care from providers outside the BlueCard service area, the Covered Persons will typically have to pay the providers and submit the claims themselves to obtain reimbursement for these services.

•**Inpatient Services**

In most cases, if Covered Persons contact the service center for assistance, hospitals will not require Covered Persons to pay for covered inpatient services, except for their cost-share amounts/deductibles, coinsurance, etc. In such cases, the hospital will submit Covered Person claims to the service center to initiate claims processing. However, if the Covered Person paid in full at the time of service, the Covered Person must submit a claim to obtain reimbursement for Covered Services. Covered Persons **must contact BCBSNE to obtain precertification for non-emergency inpatient services.**

•**Outpatient Services**

Physicians, urgent care centers and other outpatient providers located outside the BlueCard service area will typically require Covered Persons to pay in full at the time of service. Covered Persons must submit a claim to obtain reimbursement for Covered Services.

•**Submitting a Blue Cross Blue Shield Global Core Claim**

When Covered Persons pay for Covered Services outside the BlueCard service area, they must submit a claim to obtain reimbursement. For institutional and professional claims, Covered Persons should complete a Blue Cross Blue Shield Global Core claim form and send the claim form with the provider's itemized bill to the service center address on the form to initiate claims processing. The claim form is available from BCBSNE, the service center, or online at www.bcbsglobalcore.com. If Covered Persons need assistance with their claim submissions, they should call the service center at 1.800.810.BLUE (2583) or call collect at 1.804.673.1177, 24 hours a day, seven days a week.

b. Blue Cross Blue Shield Global Core Program Program-Related Fees

THE GROUP understands and agrees to reimburse BCBSNE for certain fees and compensation which we are obligated under applicable Inter-Plan Arrangement requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement-related services. The specific fees and compensation that are charged to THE GROUP under Blue Cross Blue Shield Global Core are set forth in Attachment 1. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time as provided for in the "Modifications or Changes to Inter-Plan Arrangement Fees or Compensation" Section below.

7. Modifications or Changes to Inter-Plan Arrangement Fees or Compensation

Modifications or changes to Inter-Plan Arrangement fees (Access and AEA) are generally made effective Jan. 1 of the calendar year, but they may occur at any time during the year. In the case of any such modifications or changes, BCBSNE shall provide THE GROUP with at least thirty (30) days' advance written notice of any modification or change to such Inter-Plan Arrangement fees or compensation describing the change and the effective date thereof and

THE GROUP's right to terminate this Agreement without penalty by giving written notice of termination before the effective date of the change. If THE GROUP fails to respond to the notice and does not terminate this Agreement during the notice period, THE GROUP will be deemed to have approved the proposed changes, and BCBSNE will then allow such modifications to become part of this Agreement.

C. **Rx Nebraska Program Fees:** Prime Therapeutics, LLC, (Prime) is the Pharmacy Benefit Manager which processes pharmacy claims for the Rx Nebraska Program. For pharmacy claims, BCBSNE utilizes Prime to provide network access to network participants and to provide mail service. Any fees Prime charges BCBSNE for managing the Rx Nebraska Program are included in the Monthly Billing. In some cases, Prime receives manufacturer administrative fees, which are retained by Prime. One hundred percent (100%) of Rx rebates received from manufacturers of drugs and supplies are retained by BCBSNE. Rebates received from manufacturers of drugs and supplies and claims that are processed through THE GROUP's medical benefits will be retained by BCBSNE.

D. In connection with the administration of this Agreement, if at any time BCBSNE shall be or become subject to the imposition of, or any increase in, a premium tax or other tax whatsoever, the amount of compensation shall be increased by a like amount. (The present premium taxes on the Stop Loss premiums are included in the rating of the monthly billing amounts.) Assessments by a state arising from the operation of the Plan, including but not limited to a surcharge on claims and/or an assessment on residents of that state, shall be considered a tax for purpose of this paragraph.

If a change in a law or regulation occurs during the term of this Agreement which results in additional administrative costs such increases in cost will be communicated to and incurred by THE GROUP.

E. This Agreement is effective only as to expenses incurred after the effective date of this Agreement, and prior to its termination, subject to Part IX.

VII.

LITIGATION

Should suit be filed against BCBSNE or THE GROUP, or both, for damages or equitable relief, arising out of a determination of benefits, the parties agree to cooperate fully and assist one another in the defense of such claims. Should BCBSNE be named as a defendant in such a suit, BCBSNE shall maintain primary control of such litigation, including the selection of counsel; however, notice will be provided to THE GROUP. Reimbursement will be made to BCBSNE by THE GROUP for the amount of any benefits determined to be payable pursuant to the Benefit Plan Document, by way of settlement or award pursuant to judgment, and THE GROUP shall be responsible for the fees of any separate counsel retained to represent its interests independently. If Plaintiff's attorney fees or taxable court costs are a part of the settlement or award, the parties agree they will split such fees and costs evenly.

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nebraska (without regard to any conflict of laws provisions) to the extent such law shall not have been preempted by ERISA or other applicable federal law. The venue for any actions shall be a court with appropriate jurisdiction in Douglas County, Nebraska.

VIII.

TERM

This Agreement shall become effective on the date indicated herein (the "Effective Date") and shall remain in effect for a period of one year commencing on the Effective Date.

This Agreement may be non-renewed, discontinued, or terminated immediately upon written notice by BCBSNE to THE GROUP, if:

1. THE GROUP fails to meet its financial obligations;

2. THE GROUP fails to satisfy any Non-Sufficient Funds (NSF) notices within five calendar days;

3. There is no longer any Subscriber who lives, resides or works in a Service Area where BCBSNE is licensed;

4. THE GROUP has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact in connection with the coverage, or with respect to coverage of individual insureds, or their representatives; or

5. The headquarters of the Employer are no longer located in the State of Nebraska.

This Agreement may be terminated by either party, without cause, but any such termination shall only be effective commencing with the first day of the month at least 30 days following written notice to the other party. THE GROUP understands and agrees that BCBSNE may deny any claims that are processed while any amount is past due under this Agreement.

IX.

PROCESSING OF CLAIMS IN THE EVENT OF TERMINATION

In the event of termination of this Agreement, BCBSNE will process run-out claims for all claims incurred during the Agreement Term, but submitted for payment after the termination date, for a period of twenty-four (24) months after termination of this Agreement.

X.

DATA

Data contained in membership files submitted to BCBSNE by THE GROUP are the property of THE GROUP. Once files which are submitted to BCBSNE are entered into BCBSNE proprietary systems, the data produced, extracted or reported from the BCBSNE systems is the property of BCBSNE ("BCBSNE Proprietary Data"). Any requests for disclosures to third parties or uses of BCBSNE Proprietary Data by THE GROUP shall require mutual consent of the parties hereto.

When BCBSNE releases BCBSNE Proprietary Data to THE GROUP for an approved data use, THE GROUP agrees to: (1) limit the use of BCBSNE Proprietary Data strictly for the purpose for which it was disclosed; (2) only use the minimum necessary BCBSNE Proprietary Data to fulfill the purpose for which it was disclosed; (3) not commingle BCBSNE Proprietary Data with third party information; (4) not convert aggregated BCBSNE Proprietary Data into disaggregated information so as to identify the disclosing party or a licensee of BCBSA; (5) fully protect and preserve the confidential nature of BCBSNE Proprietary Data; (6) not use, distribute or exploit (e.g., resell) BCBSNE Proprietary Data; and (7) immediately notify BCBSNE

of any ownership changes. THE GROUP must obtain written consent from BCBSNE prior to sharing BCBSNE Proprietary Data with third parties. BCBSNE may request that the receiving entity execute BCBSNE's non-disclosure agreement. Additionally, when BCBSNE releases BCBSNE Proprietary Data to a third party for an approved data use, BCBSNE will require the receiving entity to execute a non-disclosure agreement that addresses these requirements.

BCBSNE may request a limited audit of THE GROUP solely for the purpose of ensuring compliance with the limitations set forth in this Section X. Such audit shall be undertaken not more than annually.

Subject to the requirements of law, this Agreement, and the Parties' business associate terms, THE GROUP agrees to destroy or return BCBSNE Proprietary Data to BCBSNE upon conclusion of the purposes for which BCBSNE Proprietary Data was disclosed. BCBSNE Proprietary Data that cannot be reasonably returned or destroyed must be maintained by the receiving Party in accordance with the confidentiality terms and conditions of this Agreement.

XI.

NONASSIGNMENT

BCBSNE may not assign its rights or obligations under this Agreement without the written consent of THE GROUP, provided, however, that any reinsurance obtained by BCBSNE shall not constitute an assignment hereunder.

XII.

STOP LOSS PROVISION

The applicable Stop Loss contract will be delivered as a separate document. BCBSNE will have the right to inspect and audit all eligibility records and procedures of THE GROUP, and require, upon request, proof of a Covered Person's eligibility. BCBSNE shall have no liability to THE GROUP or any Covered Person as a consequence of inaccurate eligibility information.

XIII.

MODIFICATION

This Agreement contains the entire agreement of the parties. No representations were made or relied upon by either party other than those that are expressly set forth herein. No agent may change this Agreement in any way. No change in this Agreement shall be valid until approved in writing by an officer of each of the parties. Any such change, however, shall be effective at the time, and with respect to the eligible Employees, therein provided.

XIV.

GENERAL PROVISIONS

A. If any term of this Agreement is declared invalid by a court, the same will not affect the validity of any other provision, provided that the basic purposes of this Agreement are achieved through the remaining valid provisions. The headings of sections and subsections contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. Failure by THE GROUP or BCBSNE to insist upon strict performance of any provision of this Agreement will not modify such provision, render it unenforceable, or waive any subsequent breach. No waiver or modification of any of the terms or provisions of this Agreement shall be valid unless in each instance the waiver or modification is accomplished pursuant to the amendment provisions of Section XIII.

C. This Agreement (including Attachments) is the full Agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and representations between the parties, other than the separate applicable Master Group Application, Master Group Contract, Business Associate Contract and Stop Loss Contract. This Agreement shall be construed, enforced, and governed by the laws of the State of Nebraska.

D. THE GROUP must provide BCBSNE with all information which BCBSNE may reasonably request with regard to any matters pertaining to the Plan, including, but not limited to, information necessary to comply with state or federal laws or regulations. BCBSNE has the right to request information at any time. THE GROUP agrees to indemnify and hold BCBSNE harmless against any and all loss, damage, expenses, and penalties imposed by law with respect to THE GROUP's failure to provide BCBSNE with requested information, THE GROUP's failure to provide accurate information, and/or THE GROUP'S failure to reasonably cooperate with BCBSNE as may be required with regard to any matters pertaining to this Agreement, including compliance with state or federal laws and regulations.

E. THE GROUP agrees that BCBSNE, along with its affiliates and/or vendors, may call or text any phone numbers THE GROUP or its Covered Persons give to BCBSNE, including a wireless number, using an automatic telephone dialing system and/or a prerecorded message. Without limit, these calls may pertain to plan administration, treatment options, special investigations pertaining to fraud, waste or abuse, health-related benefits and services, enrollment, payment, or billing.

F. BCBSNE does not engage in the practice of medicine and all Contracting Providers provide Covered Services under the terms of the Plan as independent practitioners of the healing arts. Such providers are not employees or agents of BCBSNE or the On-site plan, and BCBSNE will not be liable for any act, error or neglect of any Hospital, Physician or other provider or their agent, employee, successor or assignee.

G. BCBSNE's entire liability shall not exceed the amount of benefits provided under the Plan, regardless of the form of the action. In no event shall BCBSNE be liable for consequential, incidental, special or indirect damages regardless of whether it has been advised of the possibility of such damages.

H. All statements, in the absence of fraud, made by THE GROUP or the Covered Person will be deemed representations and not warranties. No such statements will void coverage or reduce the Plan benefits unless contained in the attached Summary Plan Description, the Master Group Application, the Master Group Contract, or the Subscriber's enrollment information. Neither acceptance of premium nor payment of claims will constitute a waiver of available defenses.

I. The rights and obligations of the parties as set forth in this Agreement shall survive the termination of this Agreement to the extent necessary to effectuate the intent of the parties as expressed herein. This section shall not obligate BCBSNE to pay any claims (regardless of the dates incurred), or perform claims administrative functions, after the termination of this Agreement, for any reason whatsoever, unless otherwise agreed upon by the parties.

J. Notice shall be mailed to the following addresses:

Attn: General Counsel
BCBSNE
P.O. Box 3248
Omaha, Nebraska, 68180-0001.

The Subscriber's address is the most recent address appearing on BCBSNE records.

THE GROUP's address is shown on the Summary Plan Description and the Master Group Application.

	BLUE CROSS AND BLUE SHIELD OF NEBRASKA (BCBSNE)
_____	
(PLAN SPONSOR / THE GROUP)	
By_____	By_____
Signature	Signature
_____	_____
Title	Title
_____	
Address	
	Mailing Address: P.O. Box 3248 Omaha, NE 68180-0001
_____	
City State Zip Code	
Date:_____	Date:_____

ATTACHMENT 1

ADMINISTRATIVE SERVICES AGREEMENT
SUMMARY

Group:

Effective Date:

Group No.:

Agreement Term:

Summary Plan Description Number and revision date:

_____ Plan Assets. _____General Assets.

FINANCING ARRANGEMENTS

A. Monthly Billing

The monthly billing includes the monthly rate for each enrolled Subscriber, as set forth in the Master Group Application, which includes fees for BCBSNE's services and claim expenses. The monthly rate for each enrolled Subscriber is dependent on the product and class selected by the Subscriber.

BCBSNE will provide THE GROUP with a monthly billing reflecting the amount due BCBSNE from THE GROUP. The monthly billing will be provided on or after the 23rd day of the preceding month and shall be payable by ACH debit on or after the 1st business day of the month in which payment is due. BCBSNE may terminate this Agreement immediately, upon written notice to THE GROUP, if THE GROUP fails to satisfy its financial obligations or fails to satisfy a non-sufficient funds notice within five (5) calendar days.

B. Annual Profit Sharing

BCBSNE will calculate the annual profit-sharing payment after three (3) months following the end of the Agreement Term. BCBSNE will prepare a settlement report for THE GROUP summarizing the sum of the monthly claims funding and the actual claims that were incurred and paid during the Agreement Term. If THE GROUP's Annual Aggregate Attachment Point (i.e., sum of Monthly Aggregate Attachment Points or Claims Fund) is greater than the sum of: (1) the Net Paid Claims, less claims over the Individual Stop Loss Deductible, incurred and paid during the Agreement Term and (2) the Run-out Attachment Point, THE GROUP will receive a profit-sharing payment equal to 50% of the surplus balance in the Claims Fund.

THE GROUP is only eligible to receive an annual profit-sharing payment if THE GROUP renews with BCBSNE for a subsequent one-year term following this Agreement Term and remains active with BCBSNE for three (3) months following this Agreement Term. THE GROUP will not receive an annual profit-sharing payment if THE GROUP is not active at the time of settlement. In addition, THE GROUP shall not be eligible to receive an annual profit-sharing payment if THE GROUP defaults on a monthly billing payment or breaches this Agreement.

Run-out Attachment Point: The sum of 50% of the Aggregate Monthly Attachment Point for the second month prior to the expiration or termination date of the policy plus 75% of the Aggregate Monthly Attachment Point for the first month prior to the expiration or termination date of the policy.

Annual Aggregate Attachment Point (or "Claims Fund"): The sum of the Monthly Aggregate Attachment Points.

Net Paid Claims: The amount paid, determined after subtraction of any discount and other adjustments made to the allowable charge, for Covered Services; pursuant to the contractual provision between BCBSNE and the contracting providers, or in accordance with other Benefit Plan Document provisions. Net Paid Claims will include all payments that BCBSNE includes in the claims cost component, including Access Fees and Value Based Program Payments.

C. Out-of-Area Service Fees

All BlueCard Fees have been included within the above Monthly Billing.

See MGA
THE GROUP

See MGA
Effective Date

BlueCross BlueShield Nebraska

STOP LOSS PROVISIONS FOR HEALTH COVERAGE

This Stop Loss Contract (Contract) is offered by Blue Cross and Blue Shield of Nebraska, Inc. (BCBSNE), Inc., a domestic insurance company, licensed by the State of Nebraska.

Blue Cross and Blue Shield of Nebraska and the Group agree to the terms as described herein during the Contract Term. This Contract is effective beginning 12:01 a.m. on the effective date stated in the Administrative Services Agreement, in consideration of the payment of premiums, charges or as otherwise provided.

Only Blue Cross and Blue Shield of Nebraska can approve a change to this Contract and that change must be in writing. No agent may change the Contract in any way.

This Contract is made in and governed by the laws of the State of Nebraska. Defined terms are capitalized in this Contract.

BLUE CROSS AND BLUE SHIELD OF NEBRASKA

By:
Steven H. Grandfield, President
and Chief Executive Officer

PART I. RECITALS

A. The Group has established and maintains a self-funded employee welfare benefit plan, which provides, among other things, various benefits to Covered Persons in the Plan.

B. BCBSNE provides certain services to the Plan pursuant to the Administrative Services Agreement.

C. Claims are administered according to the Benefit Plan Document, as amended.

D. BCBSNE has agreed to provide Stop Loss coverage to the Group as indicated in Part II. below.

E. The Group and BCBSNE intend this Contract to be between and for the benefit of each other.

PART II. STOP LOSS COVERAGE

(Check the applicable provisions for A. and B.)

A. **X** Individual Stop Loss: BCBSNE will reimburse the Group for 100% of any excess over the Individual Stop Loss Amount, if, during the Contract Term, the total amount of eligible Net Paid Claims for any Covered Person exceeds the Individual Stop Loss Amount of $ See MGA and Attachments.

This reimbursement will be made the month after such Individual Stop Loss Amount is exceeded. In addition, any final adjustment will be included following the end of the Contract Term, subject to the applicable stop loss reimbursement terms. The Individual Stop Loss Amount is subject to the Total Benefits maximum, if any, as indicated in the Benefit Plan Document.

The Individual Stop Loss does not apply to claims incurred under dental coverage or coverage secondary or supplemental to Medicare, to expenses incurred for Covered Services over the Covered Person's total benefits payable, or to ineligible claims.

Claims eligible for reimbursement under Individual Stop Loss must be incurred within the Contract Term, as defined in the MGA and Attachments.

Coverages eligible for Individual Stop Loss coverage include:

X Medical claims
X Prescription drug claims

B. **X** Aggregate Stop Loss: BCBSNE will pay 100% of the excess Net Paid Claims and the Run-out Attachment Point over the Annual Aggregate Attachment Point ("Claims Fund"), subject to the limitations set forth in this Contract at the end of the Contract Term.

Claims reimbursed in A. above or used to satisfy an aggregating specific and/or Lasered deductible(s), will be deducted from the Net Paid Claims when determining this liability. The Aggregate Stop Loss does not apply to claims incurred under dental or coverage secondary or supplemental to Medicare, or to expenses incurred for Covered Services over the Covered Person's total benefits payable.

Claims eligible for payment under this Stop Loss Agreement must be incurred within the Contract Term, as defined in the MGA.

The Annual Aggregate Attachment Point ("Claims Fund") is the sum of the Aggregate Monthly Attachment Points. The Aggregate Monthly Attachment Points will be calculated as follows:

Cumulative number of enrolled employees (to include COBRA subscribers and retirees) during each month of the Contract Term:	To be determined
Total claims funding factor to be used per employee (to include COBRA subscribers and retirees) for determination of liability under the Aggregate Stop Loss (Monthly Aggregate Factor):	See MGA and Attachments
Aggregate Monthly Attachment Point (2.a. x 2.b.):	To be determined

C. Payments made for disputed claims which are paid at the specific direction of the Group, under the Administrative Services Agreement, despite BCBSNE's determination that such payment is inconsistent with the Benefit Plan Document, are not chargeable payments within the terms of this Contract.

D. Special Risk Limitations:

1. Run-out Contract Period: 24 Months

2. In the terminating year of this policy, the Specific Benefit Schedule contract Covered Claims Basis Paid period will extend for the length of the Run-out Contract Period.

3. In the terminating year of this policy, the Aggregate Benefit Schedule contract Covered Claims Basis Paid period will extend for the length of the Run-out Contract Period.

4. Aggregate Monthly Attachment Point is the product of the Monthly Aggregate Factor(s) and the Covered Persons for each Month of the Policy Period.

5. Run-out Attachment Point will equal the sum of [50%] of the Aggregate Monthly Attachment Point for the second month prior to the expiration or termination date of the policy plus [75%] of the Aggregate Monthly Attachment Point for the first month prior to the expiration or termination date of the policy.

6. Annual Aggregate Attachment Point (or "Claims Fund") will be the sum of the Monthly Aggregate Attachment Points.

7. BCBSNE must be the Claims Administrator.

8. BCBSNE will not place a separate Specific Deductible on any Covered Person at each Policy Anniversary.

PART III. COMPENSATION

A. Stop Loss premium: See MGA and Attachments per employee (to include COBRA subscribers] per month.

PART IV. GENERAL PROVISIONS

A. CANCELLATION OF CONTRACT: This Contract may be cancelled by either party, without cause, but any such cancellation shall only be effective commencing with the first day of the month at least 60 days following written notice to the other party. This Contract shall be cancelled immediately upon written notice by BCBSNE to the Group, should the Group fail, refuse or neglect to meet any of its financial obligations hereunder. Termination shall not affect any claim for Covered Services provided before the effective date of termination.

   Cancellation or termination of the Administrative Services Agreement, whether during the Contract Term or at its conclusion, shall also terminate this Contract. There is no limit to the extent of the Group's liability for claims processed by BCBSNE after the date of said termination.

B. CERTAIN DEFENSES: All statements, in the absence of fraud, made by the Group will be deemed representations and not warranties. Neither the acceptance of premium nor the payment of claims shall constitute a waiver of available defenses.

C. CONFIDENTIALITY: The Group is responsible for keeping confidential records. These records are to be kept in a way that will assure the privacy of the Covered Persons' medical and other personal information.

   The Group agrees that any information that the Group has or reviews will be used only for the purpose of administering this Contract. In the event that the Group discloses any such information to a third party assisting in the administration of this Contract, the Group is responsible for obtaining a written agreement from the third party restricting further disclosure or use for any purpose other than providing such service.

D. CONFORMITY WITH STATUTES: Any Contract provision which on its effective date, is in conflict with the law of the federal government or the state of Nebraska is hereby amended to conform to the minimum requirements of such law.

E. FRAUD OR MISREPRESENTATION: Coverage hereunder may be canceled for fraud or intentional misrepresentation about a claim or eligibility for this coverage. Written notice will be sent by certified mail to the Covered Person at his or her last-known address as shown by the membership records and shall be effective the date notice is mailed.

   Additionally, if a misrepresentation is made in connection with enrollment and that fact is discovered within two years of the enrollment, coverage may be rescinded and the Covered Person would not be eligible for benefits. The amount of premiums paid for coverage will be reduced by any benefits that were paid and will be refunded to you. If benefits paid exceed premiums received, BCBSNE may recover the difference.

F. GRACE PERIOD, CANCELLATION: A 31-day grace period is allowed after the due date for payment each month. The Contract remains in force if the payment is received during that 31-day grace period. If payment is not received during the 31-day grace period, the Contract is canceled as of midnight of the last day for which premiums have been paid. No payment shall be made for Covered Services provided after the effective date of cancellation of this Contract and refunds of claims paid will be required for the period of time that no premiums were paid to BCBSNE.

G. INDEPENDENT CORPORATION: The Group, on behalf of itself and its participants, hereby expressly acknowledges its understanding that this Contract constitutes a contract solely between the Group and BCBSNE, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting BCBSNE to use the Blue Cross and/or Blue Shield Service Marks and that BCBSNE is not contracting as the agent of the Association. The Group, on behalf of itself and its participants, further acknowledges and agrees that it has not entered into this Contract based upon representations by any person other than BCBSNE and that no person, entity, or organization other than BCBSNE shall be held accountable or liable to the Group for any of BCBSNE's obligations created under this Contract. This paragraph shall not create any additional obligations whatsoever on the part of BCBSNE other than those obligations created under other provisions of this Contract.

H. LEGAL ACTIONS: Legal action to recover under the Contract cannot be brought for at least 60 days after written proof of loss is given to BCBSNE. Nor can a legal action begin after three years from the date written proof of loss is required.

I. LIMITATIONS OF DAMAGES: The entire liability of BCBSNE shall not exceed the amount of benefits provided by this Contract, regardless of the form of the action. In no event shall Blue Cross and Blue Shield of Nebraska be liable for consequential, incidental, special or indirect damages regardless of whether it has been advised of the possibility of such damages.

J. MODIFICATIONS: This Contract may be modified:

1. by mutual agreement between the Group and BCBSNE;

2. at renewal at BCBSNE’s discretion; or

3. any time at BCBSNE’s discretion if the same modification is made for all employer groups with the same contract form and plan design.

Any modification must be in writing and signed by an officer of Us.

K. NOTICE OF CLAIM: A proof of loss must be filed with BCBSNE within 90 days after the claim was incurred, or as soon thereafter as reasonably possible. The Group shall submit, on a timely basis, all proofs, reports or any other supporting documentation requested by BCBSNE.

L. SUBROGATION: The Group agrees to repay BCBSNE for amount recovered through subrogation or workers’ compensation, even if the recovery is received after the Contract Term. Subrogation recoveries, as described in the Administrative Services Agreement, will be applied first to the appropriate Stop Loss Amount and, subsequently, to the Group’s claim liability.

M. ANNUAL MEETING: When this Contract becomes effective, You become a member of GoodLife Partners, Inc., a mutual holding company and the overall parent of Blue Cross and Blue Shield of Nebraska, Inc. You have the right to vote at the Annual Meeting of members held at the Blue Cross and Blue Shield of Nebraska home office in Omaha. The Meeting is held at 4:00 p.m. on the last Monday of March each year. If You do not attend the meeting, You may appoint another member as your proxy to vote for You. To have another person vote for You, You must appoint that person in writing and file that appointment with Us at least five days before the meeting. If You do not attend the meeting, and do not appoint another person as Your proxy, the Chairperson of the Board of Directors, or in the absence of the Chairperson, a person the Chairperson appoints, will be Your proxy to vote for You on all matters coming before the meeting. This proxy will be valid as long as this Contract remains in force, unless You revoke it.

PART V. DEFINITIONS

Administrative Services Agreement: The agreement entered into between the Group and BCBSNE for administration of the Group's self-insured, or partially self-insured, health care programs for eligible employees.

Administrative Service Fee: The fee for BCBSNE's services as stated in the Administrative Services Agreement which includes fees for all persons who have elected to continue membership in the Group pursuant to COBRA continuation coverage.

Benefit Plan Document: The document which controls all coverage and benefit determinations. The Benefit Plan Document includes the Administrative Services Agreement and attachments, Client Profile, and the Summary Plan Description and attachments.

Contract Term: The time period in which this Contract is in effect as indicated in the Administrative Services Agreement.

Covered Person: Any person entitled to benefits for Covered Services pursuant to the Benefit Plan Document administered by BCBSNE.

Covered Services: Hospital, medical or surgical procedures, treatments, drugs, supplies, or other health or dental care, including any single service or combination of services, for which benefits are payable while the Administrative Services Agreement and Benefit Plan Document are in effect, except for any Excluded Services as defined in this agreement.

Group: The employer or association which establishes and maintains a health care program for its employees or members.

Incur(red): The date on which Covered Services were provided to a Covered Person pursuant to the Benefit Plan Document.

Laser(ed): Providing higher or no limit stop loss coverage for certain individuals in order to maintain a lower Individual Stop Loss level or premium for the Group.

Net Paid Claims: The amount paid, determined after subtraction of any discount and other adjustments made to the allowable charge, for Covered Services; pursuant to the contractual provision between BCBSNE and the contracting providers, or in accordance with other Benefit Plan Document provisions.

The Group's Net Paid Claims will not be reduced by the amount of the Group's Rx rebates, regardless of whether or not the Group retained the Rx rebates.

Plan: A self-funded plan of benefits which a plan sponsor provides for eligible employees and their dependents.

Total Benefits: The total amounts payable under the Benefit Plan Document for expenses incurred for Covered Services provided while the Benefit Plan Document is in effect.

You: The Group.

(PLAN SPONSOR / THE GROUP)

By_____
Signature

_____
Title

_____
Address

_____
City State Zip Code

Date:_____

BLUE CROSS AND BLUE SHIELD OF NEBRASKA (BCBSNE)

By_____
Signature

_____
Title

Mailing Address: P.O. Box 3248
Omaha, NE 68180-0001

Date:_____

HIPAA BUSINESS ASSOCIATE AGREEMENT

Plan Sponsor sponsors a Group Health Plan (the PLAN) and retains Blue Cross Blue Shield of Nebraska, Inc. (BCBSNE) to perform certain administrative services on behalf of the Plan. Accordingly, BCBSNE is a Business Associate of THE PLAN as that term is defined by the Health Insurance Portability and Accountability Act of 1996 (45 CFR Parts 160, 162 and 164) (HIPAA) and certain of its implementing regulations including the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the "HITECH Act"). Accordingly, BCBSNE, the Plan Sponsor on its own behalf and on behalf of THE PLAN mutually agree to comply with the requirements of HIPAA and HITECH, and to include the following provisions.

A. DEFINITIONS: Terms not otherwise defined herein will have the meaning ascribed to them by 45 CFR Parts 160-164 and/or the HITECH Act, as may be amended from time to time.

1. Protected Health Information shall mean individually identifiable information created or received by a health care provider, health plan, employer or health care clearinghouse, that: (i) relates to the past, present, or future physical or mental health or condition of an individual, provision of health care to the individual, or the past, present or future payment for provision of health care to the individual; (ii) identifies the individual, or with respect to which there is a reasonable basis to believe the information can be used to identify the individual; and (iii) is transmitted or maintained in an electronic medium, or in any other form or medium.

2. Summary Health Information means information, which may be Protected Health Information, (1) that summarizes the claims history, claims expenses, or types of claims experienced by individuals for whom a plan sponsor has provided health care benefits under THE PLAN, and (2) from which the identifiers specified in 45 CFR § 164.514(b)(2)(i) have been deleted (except that the zip code information described in 45 CFR § 164.514(b)(2)(i)(b) may be aggregated to the level of a five -digit zip code).

3. The HIPAA Breach Notification Rule is the Notification in the case of Breach of Unsecured Protected Health Information, as set forth at 45 CFR Part 164 Subpart D.

B. PRIVACY OF PROTECTED HEALTH INFORMATION.

1. **Permitted Uses and Disclosures:** During the continuance of this Agreement, BCBSNE will perform the services outlined in the Administrative Services Agreement. These services include Payment activities, Health Care Operations, and Data Aggregation as those terms are defined in 45 CFR § 164.501. In connection with the services to be performed pursuant to the Administrative Services Agreement and/or this Agreement, BCBSNE is permitted or required to use or disclose Protected Health Information it creates or receives for or from THE PLAN or to request Protected Health Information on THE PLAN's behalf as follows:

a. Functions and Activities on THE PLAN's Behalf: Unless otherwise limited in this Agreement, BCBSNE may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, THE PLAN as specified in the Administrative Services Agreement and/or this Agreement.

b. Functions for BCBSNE's own Management and Operation:

1) Use for BCBSNE's Operations: BCBSNE may use Protected Health Information it creates or receives for or from THE PLAN for BCBSNE's proper management and administration or to carry out BCBSNE's legal responsibilities in connection with services to be provided under the Administrative Services Agreement and/or this Agreement.

2) Disclosures for BCBSNE's Operations: BCBSNE may disclose the minimum necessary amount of such Protected Health Information for BCBSNE's proper management and administration or to carry out BCBSNE's legal responsibilities, but only if the following conditions are met:

a) The disclosure is required by law; or

b) BCBSNE obtains reasonable assurance, evidenced by written contract, from any person or organization to which BCBSNE will disclose such Protected Health Information that the person or organization will hold such Protected Health Information in confidence and use or further disclose it only for the purpose for which BCBSNE disclosed it to the person or organization or as required by law; and promptly notify BCBSNE (who will in turn promptly notify THE PLAN) of any instance that the person or organization becomes aware of in which the confidentiality of such Protected Health Information was breached.

c. Minimum Necessary Standard: In performing the functions and activities in connection with this Agreement (as specified above), BCBSNE agrees to make reasonable efforts to use, disclose or request only the minimum necessary protected health information to accomplish the intended purpose of the use, disclosure or request.

d. De-Identified Information: BCBSNE may use THE PLAN's Protected Health Information to create De-Identified Health Information, in conformance with 45 C.F.R. § 164.514(b). BCBSNE may use and disclose De-Identified Health Information for any purpose, including use after any cancellation, termination, expiration, or other conclusion of the Administrative Services Agreement.

e. Limited Data Set: BCBSNE's use, disclosure or request of Protected Health Information shall utilize a Limited Data Set if practicable. In addition, BCBSNE also agrees to implement and follow appropriate minimum necessary policies in the performance of its obligations under the Privacy and Security Rule.

2. **Prohibition on unauthorized use or disclosure:**

   a. Non-permitted Use And Disclosure Of Protected Health Information: BCBSNE will neither use nor disclose Protected Health Information it creates or receives for or from THE PLAN or from another business associate of THE PLAN, except as permitted or required by this Agreement and the Administrative Services Agreement, as required by law, as otherwise permitted in writing by THE PLAN, or as authorized by the individual.

   b. Disclosure to THE PLAN and THE PLAN's Business Associates: BCBSNE may require written authorization and direction from THE PLAN prior to disclosure of Protected Health Information to THE PLAN or to a business associate of THE PLAN, unless THE PLAN has first provided BCBSNE with written authorization and direction to make the disclosure.

   c. No Disclosure to Plan Sponsor: BCBSNE will not disclose any Protected Health Information to Plan Sponsor, except as permitted by and in accordance with this Agreement, Paragraph F.

3. **Information Safeguards and Security:** BCBSNE agrees to use appropriate safeguards to prevent use or disclosure of Protected Health Information other than as provided for by this Agreement. BCBSNE will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information that BCBSNE creates, receives, maintains, or transmits on THE PLAN's behalf as required by the Security Rule at 45 C.F.R. §§ 164.306, 164.308, 164.310, 164.312 and 164.316. To the extent BCBSNE is to carry out THE PLAN's obligations under the Privacy Rule, BCBSNE must comply with the requirements of the Privacy Rule that apply to THE PLAN in the performance of such obligations.

4. **Sub-Contractors and Agents:** Not later than the date required by law, BCBSNE will require all of its subcontractors or agents to which BCBSNE is permitted by this Agreement (or is otherwise permitted with THE PLAN's prior written approval) to disclose Protected Health Information created or received in connection with this Agreement to provide reasonable assurances in writing that the subcontractor or agent will comply with the same restrictions and conditions that apply to BCBSNE (using contract language essentially similar to the language used by BCBSNE in connection with its own Business Associates) under this Agreement with respect to such Protected Health Information and to implement reasonable and appropriate safeguards to protect Electronic Protected Health Information.

5. **Data Aggregation Services:** THE PLAN agrees and recognizes that BCBSNE performs Data Aggregation services for THE PLAN, as defined by the HIPAA Privacy Rule. In the course of performing normal and customary services under the Administrative Services Agreement and/or this Agreement, this data aggregation is an essential part of BCBSNE's work on behalf of THE PLAN under the Administrative Services

Agreement and/or this Agreement. Accordingly, BCBSNE can perform these data aggregation services in its own discretion, subject to any limitations imposed by this Agreement. The term "Data Aggregation" is defined under the HIPAA Privacy Rule to mean, with respect to Protected Health Information created or received by a business associate in its capacity as the business associate of a covered entity, the combining of such Protected Health Information by the business associate with the Protected Health Information received by the business associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.

6. **Reporting Breaches:** BCBSNE will report to THE PLAN any “Breach” of “Unsecured Protected Health Information” as these terms are defined by HIPAA and any implementing regulations not permitted in writing by THE PLAN, or by this Agreement, of which it becomes aware. BCBSNE will make the report to THE PLAN within 30 days after BCBSNE learns of such Breach.

7. **Security Incidents:** BCBSNE will report to THE PLAN any unauthorized:

   a. Access, use, disclosure, modification, or destruction of THE PLAN's Electronic Protected Health Information of which BCBSNE becomes aware; or

   b. Interference with system operations in BCBSNE's Information Systems involving THE PLAN's Electronic Protected Health Information of which BCBSNE becomes aware.

   BCBSNE will cooperate with THE PLAN in investigating the Breach and in meeting THE PLAN’s obligations under HIPAA and the Breach Notification Regulation. Any such report shall include the identification (if known) of each individual whose Unsecured Protected Health Information has been or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.

8. **Termination for Breach of Privacy Obligations:** THE PLAN will have the right to terminate the Administrative Services Agreement and/or this Agreement if BCBSNE has engaged in a pattern of activity or practice that constitutes a material breach or violation of BCBSNE's obligations regarding Protected Health Information under this Agreement and, on notice of such material breach or violation from THE PLAN, fails to take reasonable steps to cure the breach or end the violation.

   If BCBSNE fails to cure the material breach or end the violation after THE PLAN's notice, THE PLAN may terminate the Administrative Services Agreement and/or this Agreement by providing BCBSNE written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. Such termination shall be effective 60 days from this termination notice. If termination is not feasible, THE PLAN has the right to report the problem to the Secretary of the U.S. Department of Health and Human Services.

BCBSNE may terminate this Agreement if it determines, after reasonable consultation with THE PLAN, that THE PLAN has breached any material provision of this Agreement and upon written notice to THE PLAN of the breach, THE PLAN fails to cure the breach within 60 days after receipt of the notice. BCBSNE may exercise this right to terminate this Agreement by providing THE PLAN written notice of termination, stating the failure to cure the breach of the Agreement that provides the basis for the termination. Any such termination will be effective upon such reasonable date as the parties mutually agree. If BCBSNE reasonably determines that THE PLAN has breached the terms of this Agreement and such breach has not been cured, but BCBSNE and THE PLAN mutually determine that termination of the Agreement is not feasible, BCBSNE may report such breach to the U.S. Department of Health and Human Services.

9. **Disposition of Protected Health Information:**

   a. Return or Destruction Upon Termination of Agreement: Upon cancellation, termination, expiration or other conclusion of the Administrative Services Agreement, BCBSNE will, if feasible, return to THE PLAN or destroy all Protected Health Information, in whatever form or medium (including in any electronic medium under BCBSNE's custody or control), that BCBSNE created or received for or from THE PLAN, including all copies of such Protected Health Information that allow identification of any individual who is a subject of the Protected Health Information. BCBSNE will complete such return or destruction as promptly as practical, but not later than 60 days after the effective date of the cancellation, termination, expiration or other conclusion of the Administrative Services Agreement.

   b. Disposition When Return or Destruction Not Feasible: THE PLAN recognizes that in many situations, particularly those involving Data Aggregation services performed by BCBSNE for THE PLAN and others, it will be infeasible for BCBSBE to return or destroy Protected Health Information. Accordingly, where in BCBSNE's discretion such return or destruction is not feasible, for any such Protected Health Information, upon cancellation, termination, expiration or other conclusion of the Administrative Services Agreement, BCBSNE will limit its further use or disclosure of the Protected Health Information to those purposes that make their return to THE PLAN or destruction infeasible.

10. **Indemnification:**

   a. Plan Sponsor and THE PLAN will indemnify and hold harmless BCBSNE and any BCBSNE affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, civil or criminal penalty, cost or expense, including attorneys' fees and court or proceeding costs, arising out of, related to or in connection with any (a) use or disclosure of Protected Health Information not permitted by law or breach of this agreement by THE PLAN or Plan Sponsor or any subcontractor, agent, person or entity under their

control, or (b) disclosure by BCBSNE at THE PLAN or Plan Sponsor or, at their direction, to any other person or entity.

b. BCBSNE will indemnify and hold harmless Plan Sponsor and THE PLAN and any Plan Sponsor and THE PLAN affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, civil or criminal penalty, cost or expense, including attorneys' fees and court or proceeding costs, arising out of, related to or in connection with any use or disclosure of Protected Health Information by BCBSNE not permitted by law, or breach of this agreement by BCBSNE or any subcontractor, agent, person or entity under their control, other than disclosures to, or at the request of, the Plan Sponsor or THE PLAN.

11. BCBSNE agrees to comply with the provisions of 42 CFR Part 2 upon receipt of any Substance Abuse Patient Records.

C. OBLIGATIONS WITH RESPECT TO INDIVIDUAL RIGHTS.

1. **Access to Designated Record Set:** To the extent that information is in the control of BCBSNE, BCBSNE will provide access to Protected Health Information as required by 45 CFR § 164.524 on THE PLAN's behalf. BCBSNE will provide such access according to its own procedures for such access. Such provision of access will not relieve THE PLAN of any additional and independent obligations to provide access where requested by an individual. BCBSNE represents that its procedures for such access comply with the requirements of 45 CFR § 164.524. BCBSNE shall make such information available in an electronic format where directed by THE PLAN. Accordingly, BCBSNE will make available for inspection and copying by THE PLAN, or by the individual (or the individual's personal representative), any Protected Health Information about the individual created or received for or from THE PLAN in BCBSNE's custody or control contained in a Designated Record Set. BCBSNE may charge the individual reasonable fees related to this access, as determined by BCBSNE and as permitted by HIPAA.

2. **Amendment:** To the extent that information is in the control of BCBSNE, BCBSNE will amend Protected Health Information as required by 45 CFR § 164.526 on THE PLAN's behalf. BCBSNE will amend such Protected Health Information according to its own procedures for such amendment. BCBSNE represents that its procedures for such amendment comply with the requirements of 45 CFR § 164.526. Such amendment will not relieve THE PLAN of any additional and independent obligations to amend Protected Health Information where requested by an individual. Accordingly, upon THE PLAN's written or electronic request or the direct request of an individual or the individual's Personal Representative, BCBSNE will amend such Protected Health Information contained in a Designated Record Set, in accordance with the requirements of 45 CFR § 164.526.

3. **Disclosure Accounting:** So that THE PLAN may meet its disclosure accounting obligations under 45 CFR § 164.528 or any requirements of

the HITECH Act, to the extent that disclosures have been made by BCBSNE, BCBSNE will:

a. Document such disclosures of Protected Health Information and information related to such disclosures as would be required for PLAN to respond to a request by an individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.

b. Provide the accounting that is required under 45 CFR § 164.528 on THE PLAN's behalf. The accounting will be provided to THE PLAN or directly to the individual (or the individual's personal representative), depending on who submitted the request.

   Such provision of disclosure tracking, and accounting will not relieve THE PLAN of any additional and independent obligations to provide disclosure accounting where requested by an individual. BCBSNE will provide such tracking and accounting according to its own procedures. BCBSNE represents that its procedures for such accounting comply with the requirements of 45 CFR § 164.528.

4. **Right to Request Restrictions and Confidential Communications:** So that THE PLAN may meet its obligations to evaluate requests for restrictions and confidential communications in connection with the disclosure of Protected Health Information under 45 CFR § 164.522, BCBSNE and THE PLAN agree that, to the extent that communications are within the control of BCBSNE, BCBSNE will perform these evaluations on behalf of THE PLAN. BCBSNE will evaluate such requests according to its own procedures for such requests and shall implement such appropriate operational steps as are required by its own procedures. Such evaluation will not relieve THE PLAN of any additional and independent obligations to evaluate restrictions or implement confidential communications where requested by an individual. BCBSNE represents that its procedures for evaluating such requests comply with the requirements of 45 CFR § 164.522. Accordingly, upon THE PLAN's written or electronic request or the direct request of an individual or the individual's Personal Representative, BCBSNE will evaluate requests for restrictions and requests for confidential communications and will respond to these requests as appropriate under BCBSNE's procedures. THE PLAN agrees that it will not agree to such restriction or request that would affect BCBSNE without the approval of BCBSNE, so that BCBSNE can determine whether it can reasonably administer the request. BCBSNE will not be in breach of the Administrative Services Agreement and/or this Agreement for failing to comply with an agreement made by THE PLAN without BCBSNE's acquiescence.

5. **Notice to BCBSNE of Request for Access, Amendment, Accounting, Restrictions, or Confidential Communications:** THE PLAN shall notify BCBSNE as soon as practicable, but in any event, within 5 business days, of an individual's request for access to, amendment of, or an accounting of disclosures of, Protected Health Information which may be in the possession or control of BCBSNE or a request for confidential communications or restrictions (within the meaning of 45 CFR Section 164.522) with respect to protected health information which may be in possession or control of BCBSNE. Where BCBSNE is contacted directly by an individual based on information provided to the individual by THE PLAN and where so required by HIPAA, BCBSNE shall make such Disclosure Information available directly to the individual.

D. THE PLAN'S NOTICE OF PRIVACY PRACTICES.

1. **Preparation of THE PLAN's Notices of Privacy Practices:** THE PLAN shall be responsible for preparation of its Notice of Privacy Practices. THE PLAN shall also be responsible for distribution of its own Notice. To facilitate this preparation, BCBSNE will, upon request provide to THE PLAN a sample template that THE PLAN may use as the basis for its own Notice. THE PLAN shall modify this template to reflect specific aspects of THE PLAN. THE PLAN will be solely responsible for review and approval of the content of the Notice of Privacy Practices, including that their content accurately reflects THE PLAN's privacy policies, procedures and practices and complies with the all requirements of 45 CFR § 164.520.

2. **BCBSNE Review of THE PLAN's Notice:** BCBSNE shall have the right, but not the obligation, to review the Notice of Privacy Practices prepared by THE PLAN. THE PLAN shall provide this Notice to BCBSNE at least 30 days prior to its distribution. If BCBSNE identifies for THE PLAN aspects of THE PLAN's Notice that are inconsistent with BCBSNE's practices, BCBSNE shall notify THE PLAN. THE PLAN will cooperate with BCBSNE in preparing a Notice that is consistent with BCBSNE's practices.

3. **Amendment of THE PLAN's Notice of Privacy Practices:** THE PLAN and Plan Sponsor will notify BCBSNE of any material proposed change in THE PLAN's privacy policies, procedures or practices, or the Notice of Privacy Practices, including any material change in any plan administration function that Plan Sponsor may undertake, so that BCBSNE can modify its operations on behalf of THE PLAN (unless BCBSNE identifies for THE PLAN aspects of THE PLAN's Notice that are inconsistent with BCBSNE's practices, in which event BCBSNE is not obligated to follow THE PLAN's Notice, so long as BCBSNE's practices comply with the Privacy Rule). THE PLAN and Plan Sponsor agree that they will not institute any such material change before notifying and giving BCBSNE 30 days to comment.

E. INSPECTION OF BOOKS AND RECORDS.

BCBSNE will make its internal practices, books, and records relating to its use and disclosure of Protected Health Information created or received for or from THE PLAN available to THE PLAN and to the U.S. Department of Health and Human Services to determine compliance with 45 CFR Parts 160-64, or this Agreement.

F. PLAN SPONSOR'S PERFORMANCE OF PLAN ADMINISTRATION FUNCTIONS.

1. **Communication of Protected Health Information:** Except as specifically agreed upon by BCBSNE, THE PLAN and Plan Sponsor, and in compliance with any requirements imposed by Agreement, all disclosures of Protected Health Information from BCBSNE pursuant to this Agreement shall be made to THE PLAN, except for disclosures related to enrollment or disenrollment in THE PLAN. The Plan Sponsor will designate a person as THE PLAN Health Plan Primary Contact with authority to receive and direct disclosure of Protected Health Information. THE PLAN Health Plan Primary Contact may name additional Authorized Plan Contacts for the same purpose. BCBSNE will provide forms or methodologies for such designations.

2. **Summary Health Information:** Upon Plan Sponsor's written request for the purpose either (a) to obtain premium bids for providing health insurance coverage for THE PLAN, or (b) to modify, amend or terminate THE PLAN, BCBSNE is authorized to provide Summary Health Information to the Plan Sponsor.

3. **Plan Sponsor Representation:** Plan Sponsor and THE PLAN acknowledge that THE PLAN is subject to HIPAA's Administrative Simplification provisions and implementing regulations as a Covered Entity that performs the Covered Functions of a Health Plan.

4. **Plan Sponsor's Certification:** BCBSNE will not disclose individuals' Protected Health Information to Plan Sponsor, unless and until (1) Plan Sponsor furnishes BCBSNE, through THE PLAN, certification that Plan Sponsor has amended their Plan Document (as defined by ERISA) to incorporate the provisions required by 45 CFR § 164.504(f)(2), and agrees to comply with THE PLAN's Plan Document as amended, and (2) the plan authorizes BCBSNE in writing to disclose the minimum necessary Protected Health Information to the Plan Sponsor for the plan administration functions to be performed by the Plan Sponsor as specified in the amendment to the Plan's Plan Document. This provision applies equally to church plans and governmental plans.

   BCBSNE may rely on Plan Sponsor's certification and THE PLAN's written authorization and will have no obligation to verify (1) that the Plan's Plan Document has been amended to comply with the requirements of 45 CFR § 164.504(f)(2) or this Agreement or (2) that Plan Sponsor is complying with the Plan Document as amended.

5. **THE PLAN's Plan Document Amendment:** Before THE PLAN will furnish Plan Sponsor's certification described above to BCBSNE, THE PLAN will ensure (1) that its Plan Document is amended to establish the

uses and disclosures of Protected Health Information consistent with the requirements of 45 CFR Part 164 that Plan Sponsor will be permitted and required to make for THE PLAN administration functions the Plan Sponsor will perform for THE PLAN, and (2) that the Plan Sponsor agrees to all the conditions imposed by §164.504(f)(2) on the use or disclosure of Protected Health Information. This provision applies equally to church plans and governmental plans.

6. **Minimum Necessary:** If the Plan Sponsor has provided the certification described in Paragraph 4. above and THE PLAN thereby permits BCBSNE to disclose Protected Health Information to the Plan Sponsor for plan administration functions, BCBSNE will make reasonable efforts to limit its disclosure of Protected Health Information to THE PLAN Sponsor to the minimum necessary for Plan Sponsor to perform the plan administration functions that the Plan Sponsor will perform for THE PLAN.

G. COMPLIANCE WITH STANDARD TRANSACTIONS.

1. **Conducting Standard Transactions:** In the course of performing services for THE PLAN pursuant to this Agreement, BCBSNE will conduct Standard Transactions for or on behalf of THE PLAN. BCBSNE will comply and will require any subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 CFR Part 162.

2. **Specific Communications:** BCBSNE, the Plan Sponsor, and THE PLAN recognize and agree that communications between the parties that are required to meet the Standards for Electronic Transactions will meet the Standards set by that Regulation.

   a. Communications between the Plan Sponsor and BCBSNE, or between the Plan Sponsor and THE PLAN, do not need to comply with the Standards for Electronic Transactions. Accordingly, unless agreed otherwise by the Parties in writing, all communications for purposes of "enrollment" and "Health Plan Premium Payment Data" as those terms are defined in 45 CFR Part 162, shall be conducted between the Plan Sponsor and either BCBSNE or THE PLAN. For all such communications (and any other communications between Plan Sponsor and BCBSNE), Plan Sponsor shall use such forms, tape formats or electronic formats as BCBSNE may approve. Plan Sponsor will include all information reasonably required by BCBSNE to affect such data exchanges or notifications.

   b. All communications between BCBSNE and THE PLAN that are required to meet the Standards for Electronic Transactions shall do so. For any other communications between BCBSNE and THE PLAN, THE PLAN shall use such forms, tape formats or electronic formats as BCBSNE may approve. THE PLAN will include all information reasonably required by BCBSNE to affect such data exchanges or notifications.

H. GENERAL PROVISIONS.

1. **Conflicts:** The provisions of this Agreement will override and control any conflicting provision of the Administrative Services Agreement between THE PLAN and BCBSNE.

2. **Rights of Third Parties:** This Agreement is between BCBSNE and THE PLAN and the Plan Sponsor and shall not be construed, interpreted, or deemed to confer any rights whatsoever on any third party or parties.

3. **Interpretation:** The parties agree that any ambiguity in this Agreement. will be resolved in favor of a meaning that protects Protected Health Information and facilitates BCBSNE's, THE PLAN's and the Plan Sponsor's compliance with applicable terms of the HIPAA Privacy Rule, the HIPAA Security Rule, the HITECH Act and Standards for Electronic Transactions.

4. **Prior Agreements:** All prior and contemporaneous agreements, understandings, negotiations or representations, whether oral or in writing, relating to the subject matter of this Agreement are superseded and canceled in their entirety.

This Agreement is effective {date of signed Master Group Application (MGA)}.

See MGA

(THE PLAN)

By See MGA
Signature

Title

Address

City State Zip Code

Date:

BLUE CROSS AND BLUE SHIELD OF NEBRASKA, INC. (BCBSNE)

By See MGA
Signature

Title

Mailing Address:

P.O. Box 3248
Omaha, NE 68180-0001

Date: