

AMENDED and RESTATED
AGREEMENT OF



In Agreement With

Member Organization

Revised June 21, 2017

THE JEFFERSON HEALTH PLAN AGREEMENT

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AMENDED and RESTATED
AGREEMENT REGARDING

The Jefferson Health Plan

This Agreement regarding the Benefit Programs of The Jefferson Health Plan (hereinafter referred to as “the Agreement”) shall replace and supersede all previous agreements regarding the Health Benefits Program of the Ohio Mid-Eastern Regional Education Service Agency (heretofore known as OME-RESA).

WHEREAS, Chapter 167 of the Ohio Revised Code authorizes governing bodies of any two or more political subdivisions of the State of Ohio to enter into an agreement providing for the establishment of a regional council of governments; and

WHEREAS, certain political subdivisions (the “Members”) have entered into this Agreement, pursuant to Chapter 167 of the Ohio Revised Code or other applicable law allowing for pooling among public employers, for the purpose of establishing a regional council of governments known as the Jefferson Health Plan (“the Jefferson Health Plan”, or “the JHP”); and

WHEREAS, the purpose of the Jefferson Health Plan is to promote cooperative agreements and activities among its Members, in purchasing supplies and services, providing health and other benefits to the employees and dependents of its Members, and otherwise acting together in dealing with problems of mutual concern; and

WHEREAS, the Members have determined to join together to undertake a program on a cooperative basis to maximize benefits and/or reduce costs of certain medical, hospitalization, dental, prescription drug, vision, life and disability income benefits for their employees and the eligible dependents of those employees (“Covered Persons”), and any other similar benefits or cooperative programs which the Members may determine, from time to time, to provide through The Jefferson Health Plan; and

WHEREAS, comprehensive guidelines for the funding, management and administration of the Jefferson Health Plan are to be provided in the Agreement among the Members; and

WHEREAS, the governing body of each Member has by a duly adopted resolution, authorized its representative to enter into and execute this Agreement on its behalf; and

WHEREAS, this Agreement shall replace and supersede any and all prior individual or joint agreements or contracts entered into by any Member with any insurance carrier, underwriter or administrator, for the provision of benefits of the types specified herein;

NOW THEREFORE, the Jefferson Health Plan is hereby established, and it is agreed by and among the Members, on behalf of whom their representatives have executed below in accordance with the authorizing resolutions adopted by the governing authority of the respective Members that:

ARTICLE I DEFINITIONS

As used in this Agreement, the following words shall have the following meanings.

“Actuary” shall mean a person who is an enrolled actuary and a member of the Society of Actuaries, or a firm of actuaries, at least one of whom is such an enrolled actuary and a member of the Society of Actuaries.

“Agreement” shall mean this Agreement regarding The Jefferson Health Plan, as the same may be amended, modified or supplemented in accordance with its terms and the Bylaws adopted pursuant to Ohio Revised Code Section 167.04. This Agreement and the Bylaws set forth the comprehensive guidelines for the funding, management, administration and operation of the JHP.

“Assembly” shall mean the legislative body of the JHP established pursuant to and having those powers and duties enumerated in this Agreement and the Bylaws.

“Board of Directors” shall mean the managerial board of the JHP established pursuant to and having those powers and duties enumerated in this Agreement and the Bylaws and having such other powers and duties that may from time to time be established or authorized.

“Covered Persons” shall mean, when used with reference to a Member, the employees of that Member and dependents of those employees who are eligible for benefits under the Program and, subject to the approval of the Board of Directors, any other individual currently or formerly affiliated with a Member who the Member is authorized by law to provide benefits under the Program; and, when used with reference to the JHP shall mean all Covered Persons of all Members.

“Employee Benefits Program” or “Program” shall mean the program authorized by this Agreement for the provision of medical, hospitalization, dental, prescription drug, vision, life, disability income or any other similar benefits to Covered Persons, or other cooperative programs, which the Members may determine from time to time to provide through The Jefferson Health Plan.

“Fiscal Agent” shall mean any agent or agents authorized and designated by the Board of Directors to coordinate and administer the Program in accordance with this Agreement.

“Fiscal Year” shall mean that period used for calculating yearly expenses. Each Member of the JHP may have a fiscal year different from other Members and different from that of the JHP. A Fiscal Year shall, however, consist of a twelve (12) month period beginning on the first of a month and ending on the last day of the month at least 12 months subsequent to the first day of the month at the beginning of the Fiscal Year. In some cases,

the Board may on an exception basis approve for certain business reasons a period of less than or more than twelve (12) months for a particular Fiscal Year.

“HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996 as amended from time to time.

“Insurance Company” shall mean the insurance company or companies designated by an agreement between the JHP and any insurance company as a medium for financing benefits under the Program.

“Large Claims Reimbursement Program” shall mean a joint self-insurance pool established in accordance with this Agreement for the purpose of paying claims and other expenses of the JHP in accordance with guidelines established by the Board of Directors.

“JHP” shall mean the regional council of governments, organized under Chapter 167 of the Ohio Revised Code or other applicable law, consisting of eligible political subdivisions (including but not limited to a regional council of governments, a governmental trust, or a joint self-insurance program otherwise permitted by law), which may become Members pursuant to this Agreement.

“Member” shall mean any eligible political subdivision whose governing body, pursuant to a duly authorized resolution, has caused this Agreement to be executed in its name and has not withdrawn from the JHP, including but not limited to a regional council of governments, a governmental trust, or a joint self-insurance program otherwise permitted by law.

“Operating Fund” shall mean the fund established by Article III of this Agreement and maintained by the Fiscal Agent as a separate fund into which shall be placed any and all moneys received from the Members for Program Costs. Interest earned on moneys found in the Operating Fund shall be paid to that Operating Fund.

“Plan Document” shall mean the document of a Member describing eligibility for, and the benefits available to Covered Persons of that Member under the Program.

“Preferred Provider Organization or PPO” shall mean a managed care organization having a network of medical doctors, hospitals and other health care providers who have agreed with a third-party administrator to provide health care services at reduced rates when received through the PPO.

“Program Costs” shall mean all costs described in Article VII Section 4 of this Agreement and any other costs incurred in connection with the operation of the Program as approved by the Board of Directors.

“Reinsurance” shall mean the act of deferring a portion of the risk otherwise assumed by the JHP in connection with its operations to an Insurance Company under the

terms of a contract which details the conditions upon which the reinsurer will pay a share of the claims otherwise owed by the JHP. The reinsurance company, reinsurer, will receive a premium from the JHP for accepting the risk otherwise assumed by the JHP without the benefit of the Reinsurance.

“Run-out claims” shall mean any claim still pending and incurred by a Covered Person but not yet paid prior to the effective date of withdrawal of a Member organization.

“Third Party Administrator” shall mean an individual or organization obligated under an agreement entered into pursuant to this Agreement to provide administrative services to the JHP in connection with the processing and payment of claims filed by Covered Persons under the Employee Benefits Program.

ARTICLE II
MANAGEMENT OF THE PROGRAM

Section 1. Board of Directors

The Board of Directors of the JHP, established pursuant to this Agreement, shall have, in addition to its powers and duties under this Agreement, the following powers and duties in connection with the management and operation of the Program:

- A. It shall oversee and manage the operations of the JHP and the Program, and it shall be responsible for the overall long term financial stability of the JHP. In connection therewith, it may contract with any person, political subdivision, non-profit corporation, regional council of government, or other entity otherwise permitted by law for the purposes of the administration and management of the Program established by this Agreement.
- B. It shall consider and recommend to Members alternative coverage and benefits.
- C. It shall consider and recommend to Members amounts of claims to be covered by the Large Claims Reimbursement Program as well as consider and advise Members as to any other forms of insurance coverage available through the Program.
- D. It shall also consider, review and obtain prudent amounts of Reinsurance so as to maintain the financial health of the JHP should unpredictable events occur that might otherwise jeopardize the ongoing operations of the Program.
- E. It shall authorize the direct employment by the JHP of such consultants or professionals, including a member of the American Academy of Actuaries, as it deems necessary to assist in the sound and prudent administration and management of the Program.
- F. It shall determine or cause to be determined the total estimated Program Costs for the Program for each Fiscal Year and the total estimated Program Costs to be allocated to each Member and the necessity for adjustments in each Member's share of Program Costs pursuant to Article VII of this Agreement.
- G. It shall review contracts with and select Third Party Administrators, which may be used by Members.
- H. It shall review contracts with and select Preferred Provider Organizations for use by Members.
- I. It shall review and approve contracts with any insurance company authorized to provide its benefits to Members.

- J. It shall review contracts with and select certain other vendors to provide services to Members including, but not limited to organizations to manage the cost of chronic medical conditions or provide wellness programs for Members.
- K. It may adopt a uniform plan design with respect to the coverage and type of benefits for Covered Persons to be adopted by the Members.
- L. It shall adopt policies and procedures to ensure the confidentiality of any individually identifiable medical information, including but not limited to protected health information under HIPAA.
- M. It shall make recommendations to the Members concerning any matter relating to the operation of the Program, including but not limited to:
 - (1) Amendments to or modifications of this Agreement or the Bylaws;
 - (2) Program Costs;
 - (3) Each Member's share of Program Costs;
 - (4) The admission of Members to the Program; and
 - (5) The disqualification of Members from the Program.

Section 2. Assembly.

The representatives to the Assembly of the JHP, the legislative body established pursuant to this Agreement, who are representatives of the Members shall have, in addition to the powers and duties under this Agreement, the following powers and duties in connection with the operation of the Program:

- A. It shall determine, upon recommendation from the Board of Directors as described hereinafter in this Agreement, the total estimated Program Costs for the Program for the next Fiscal Year and the percentage of the total estimated Program Costs to be allocated to each Member of the Program.
- B. In the event, that the Members adopt a uniform plan design, it shall determine, upon recommendation from the Board of Directors, any changes in the Plan Document with respect to the coverage and types of benefits provided for Covered Persons.
- C. It shall determine, upon recommendation from the Board of Directors, the management fee to be paid to the Fiscal Agent, or its designee, in connection with the services provided to the Program.

Section 3. Assembly Approval.

Whenever this Agreement provides for an approval or determination to be made by the Assembly, the approval or determination made by the Members' representatives shall constitute the approval or determination of the Assembly in accordance with this Agreement. Unless otherwise specified in this Agreement, actions to be taken by the Assembly shall require the affirmative vote of at least a majority of the Members' representatives.

Section 4. Board of Directors Liability.

Neither the Board of Directors nor its individual members shall be liable for any action taken or omitted in good faith, or for any action taken or omitted by any individual, firm, corporation, or any other organization selected with reasonable care. Liability insurance covering the Board of Directors and Officers may be purchased as an authorized expenditure of the JHP.

ARTICLE III
OPERATING FUND and FISCAL AGENT

Section 1. Fiscal Agent.

The Fiscal Agent shall be the Governing Board of the Jefferson County Educational Service Center, or the board of education or governing authority of another Member approved by the Assembly in accordance with this Agreement and the Bylaws, or another entity duly appointed by the Board of Directors, which entity is qualified to act in such capacity under law. The Fiscal Agent shall coordinate and administer the Program in accordance with this Agreement.

Section 2. Custody of the Operating Fund.

The Fiscal Agent, or its designees, shall maintain the assets of the Operating Fund separate and apart from any and all other funds of the Fiscal Agent. The Operating Fund shall be composed of individual Member Reserve Funds, the Large Claims Reimbursement Program and such other account funds as the Board of Directors may, from time to time, authorize and direct the Fiscal Agent to establish as is necessary for the ongoing needs of the Program. The Operating Fund shall be subject to the laws of the State of Ohio concerning the investment and management of public funds, particularly Ohio Revised Code Chapter 135, and it shall be the responsibility of the Fiscal Agent or its designee to comply with such law.

Interest earned on moneys found in the Operating Fund shall be credited to the Operating Fund and allocated in proportion to the balances found on deposit in:

- A. Member Reserve Funds,
- B. The Large Claims Reimbursement Program, and
- C. Such other fund accounts as established by the Board of Directors where the Board has determined that such other funds shall be credited with interest earnings.

Section 3. Disbursements from the Operating Fund.

Disbursements from the Operating Fund may be made by the Fiscal Agent, or its designee, without further authorization or direction from the Board of Directors and subject only to the authorization of certification requirements of the Ohio Revised Code, for the purposes of:

- A. The transfer of funds to a Third-Party Administrator for the payment of claims, provided that the agreement with the Third-Party Administrator complies with this Agreement,
- B. The payment of premiums for any form of insurance, including Reinsurance, secured and approved by the Board of Directors for the benefit of Members,

- C. The payment of expenses, such as but not limited to broker or consultant fees, specifically authorized by a Member in connection with its sponsorship of its benefit program through the JHP, and
- D. Additional disbursements in accordance with the directions of the Board of Directors, or the Assembly, for any proper purpose of the Program, including but not limited to the fees of any Third-Party Administrator, the Fiscal Agent or its designees, consultants, accountants, Actuaries, lawyers and any other authorized agents of the Board, and payment for other operating expenses incurred in connection with the operation of the Program.

Section 4. Member Reserve Funds.

The Fiscal Agent, or its designee, shall establish for each Member of the JHP a Reserve Fund, unless otherwise directed by the Board of Directors. Into that Member Reserve Fund, the Fiscal Agent, or its designee, shall cause to be deposited any and every monthly contribution received from each respective Member in connection with the operation of that Member's benefit program, and the Fiscal Agent, or its designee, shall maintain an accounting of each Member's contribution to their respective Member Reserve Fund where such Reserve Funds have been authorized by the Board of Directors and the Assembly.

Similarly, from each respective Member Reserve Fund, where such Reserve Funds have been authorized by the Board of Directors and the Assembly, shall be deducted expenses incurred by that Member in support of the benefit program(s) sponsored by that Member under the JHP. The Fiscal Agent, or its designee, shall record and maintain an accounting of deductions from each Member's Reserve Fund. Such expenses shall include:

- A. The payment of claims incurred by Covered Persons under the program sponsored by that Member,
- B. Administrative expenses incurred in connection with the operation of that benefit program for the Member,
- C. Contributions to the Large Claims Reimbursement Program or any other fund established by the Board of Directors on behalf of that Member for its participation in the Large Claims Reimbursement Program or such other fund established by the Board,
- D. Insurance premiums, including Reinsurance, that may be incurred by that Member in support of its benefit program, and
- E. Such other expenses as may be required by the Board of Directors from time to time in support of the operations of the JHP, or at the Member's direction in accordance with the sponsorship of its benefit program through the JHP.

The Board shall from time to time establish the minimum amount to be held by each Member in its Reserve Fund in accordance with prudent and sound business practices, applicable legal requirements, and subject to the terminal liability obligations of Members.

Member Reserve Funds shall be maintained by the Fiscal Agent, or its designee, separate and apart from all other funds of the Fiscal Agent and each Member Reserve Fund shall be a part of the Operating Fund. Member Reserve Funds, as part of the Operating Fund, shall be subject to the laws of the State of Ohio concerning the investment and management of public funds, particularly Ohio Revised Code Chapter 135, and it shall be the responsibility of the Fiscal Agent, or its designee, to comply with such law. Member Reserve Funds shall for investment purposes only be commingled. Interest earned on the investments of the Operating Fund shall be credited to each Member's Reserve Fund in proportion to the reserve balance found on deposit in the Member's Reserve Fund to the total funds of the Operating Fund eligible for interest earnings, as designated by the Board of Directors.

Section 5 Large Claims Reimbursement Program

The Fiscal Agent, or its designees, shall maintain the assets of the Large Claims Reimbursement Program separate and apart from any and all other funds of the Fiscal Agent and separate and apart from Member Reserve Funds and any other funds established by the Board of Directors. The Board of Directors may, from time to time, authorize and direct the Fiscal Agent to establish separate accounts within the Large Claims Reimbursement Program, as is necessary for the ongoing needs of the Program.

The Fiscal Agent, or its designees, shall deposit into the Large Claims Reimbursement Program the monthly contributions received from Members, and any other public employers or governmental agencies deemed eligible to participate in the benefits of the Large Claims Reimbursement Program as so determined by the Board, in support of their participation in the Large Claims Reimbursement Program, and shall, having received such deposits, record and maintain an accounting of each such contribution to the Large Claims Reimbursement Program.

Interest earned on moneys found in the Large Claims Reimbursement Program shall be credited to the Large Claims Reimbursement Program and not to the respective Members contributing to the Large Claims Reimbursement Program. Disbursements from the Large Claims Reimbursement Program may be made by the Fiscal Agent or its designee without further authorization or direction from the Board of Directors for the purposes of:

- A. Reimbursing the Reserve Funds of Members or other eligible entities for participating in the benefits of the Large Claims Reimbursement Program where individual claims of Covered Persons exceed the deductible limit chosen by the Member under the program sponsored by the Large Claims Reimbursement Program, and where the Member or other eligible entity participating in the Large Claims Reimbursement Program had made the contributions required of participation in the Large Claims Reimbursement Program,

- B. Payments in support of programs designed to aid the Large Claims Reimbursement Program in the reduction of its liabilities to Members including, but not limited to, programs designed to assist Covered Persons in maintaining healthy lifestyles or managing chronic medical or psychological conditions,
- C. Reimbursing Member Reserve Funds for the aggregate of all claims charged to a Member's Reserve Fund exceeding the maximum annual liability of that Member where that Member is eligible for aggregate reimbursement, and
- D. Additional reimbursements may be made by the Fiscal Agent or its designees from the Large Claims Reimbursement Program in accordance with the directions and policies of the Board of Directors, or the Assembly, for any proper purpose of the Program, including but not limited to the fees of any Third-Party Administrator, Reinsurance, the Fiscal Agent or its designees, consultants, accountants, Actuaries, lawyers and any other authorized agents of the Board and payment for other operating expenses approved by the Board of Directors.

The investments of Large Claims Reimbursement Program assets shall be subject to the laws of the State of Ohio concerning the investment and management of public funds, particularly Ohio Revised Code Chapter 135, and it shall be the responsibility of the Fiscal Agent or its designee to comply with such law as it may be amended from time to time.

Section 6. Fidelity Bond.

The Treasurer of the Fiscal Agent shall obtain and keep in force a fidelity bond, in the amount determined by, and with a surety company approved by, the Board of Directors. In lieu of a separate fidelity bond, the Board of Directors may direct the Treasurer to keep and continue in force the Treasurer's existing fidelity bond. In either case, the Fiscal Agent and the JHP shall be beneficiaries of such fidelity bond and the amount thereof shall not be reduced without the prior written consent of the Board of Directors.

Section 7. Maintenance of Records.

The Fiscal Agent, or its designees, shall maintain records which separately identify by Member all contributions received from the respective Member for Program Costs. The Fiscal Agent shall maintain or cause to be maintained records which account for all disbursements or transfers from the Operating Fund, including the Large Claims Reimbursement Program, the Reserve Fund, and any other funds authorized by the Board of Directors.

Section 8. Reports.

The Fiscal Agent, or its designee, shall make regular reports to the Board of Directors concerning all contributions to and disbursements from the Operating Fund, the Large Claims Reimbursement Program and all contributions to and transfers from the Reserve Fund, and any other funds established by the Board of Directors, and shall provide the Board of Directors with copies of any reports of any Third-Party Administrator filed with the Fiscal Agent. The Fiscal

Agent, or its designee, shall make monthly reports to each Member concerning the contributions to and disbursements from that Member's account in the Operating Fund during the preceding calendar month and all contributions to and transfers from the Large Claims Reimbursement Program, the Reserve Fund and any other fund established by the Board of Directors attributable to that Member during the preceding calendar month. In addition, the Fiscal Agent, or its designee, shall provide or cause to provide all information required by any Actuary retained by the Board of Directors pursuant to Ohio Revised Code Section 9.833.

Section 9. Administrative Fee.

In consideration for its services, the Fiscal Agent may receive a fee from the JHP in such amount as the Assembly shall approve upon recommendation from the Board of Directors.

ARTICLE IV ACTUARY

Section 1. Actuary.

The Board of Directors, or its designee, shall retain an Actuary, who shall be a member of the American Academy of Actuaries, and who shall review the funds of the JHP to determine that they are reserved as necessary in the exercise of sound and prudent actuarial judgment, to cover the potential costs of the Program.

Section 2. Actuarial Report.

To the extent required by applicable law, the Board shall have prepared a report by an Actuary, which report shall show amounts reserved by the JHP and the individual Members, and shall contain a certification that the amounts reserved are computed in accordance with accepted loss reserving standards, and are fairly stated in accordance with sound loss reserving principles. The Actuary's report shall be submitted to the appropriate regulatory authorities on behalf of the JHP.

ARTICLE V PROVISION OF BENEFITS

Section 1. Benefit Coverage.

The JHP shall administer the provision of medical, hospitalization, dental, prescription drug, vision, life, disability income or pay and any other benefits which may be included from time to time, in a Member's plan document, to all Covered Persons of each Member for all claims incurred during membership in the JHP. Subject to Jefferson Health Plan acceptance, the Member may select the types of services and benefit coverage offered through the Jefferson Health Plan for the Member's plan. Such benefits may be provided in whole or in part through either insurance policies issued by insurance companies or hospital service associations licensed to do business in the State, or benefit plans which obligate each Member to pay claim costs for its Covered Persons up to a predetermined level and under which the Large Claims Reimbursement Program and an insurance company or companies licensed to do business in the State assume the risk of any additional claims covered by the Plan Document.

Insurance limits, types of claims covered, eligibility for benefits and any deductibles shall be approved by the governing board of each Member and shall be described in the Member's Plan Document. In the event that all Members adopt a uniform plan of benefits, that Plan Document shall be prepared by the Board of Directors and shall be provided to each Member by the Board of Directors. The Plan Document may be amended from time to time, subject to the approval of the Assembly, to provide alternative or additional types of coverage. Insurance carriers shall be selected by the Board of Directors, which shall review all policies of insurance coverage.

Each Member shall notify the Fiscal Agent or its designee and all Third-Party Administrators of the identity of all Covered Persons and supply any other relevant personnel data as may be deemed necessary by the Board of Directors for the administration of the Program.

Section 2. Large Claims Reimbursement Program

The JHP has determined among other things that Member groups should be protected from the unpredictability of large catastrophic claims inherent in providing the types and kinds of benefits offered by Members through the JHP. The JHP, therefore, has established an Large Claims Reimbursement Program, separate and apart from Member reserve account to act as a buffer for Members who experience large claims with each Member eligible to establish within ranges authorized by the Board of Directors a cap on their liability for any given Covered Person's claims in any reporting period.

Under this cap, or deductible, the Member will be deemed liable for claims of Covered Persons. The Member will, however, pay into the Large Claims Reimbursement Program a pre-determined monthly per employee contribution to allow the Member to receive reimbursements from the Large Claims Reimbursement Program for claims that exceed the per person deductible chosen by the Member. Such coverage, as is provided by the Large Claims Reimbursement Program, will obligate the Large Claims Reimbursement Program, during each Fiscal Year of the

Large Claims Reimbursement Program, to pay all amounts in excess of a predetermined, specified dollar amount elected by the Member with respect to the claims paid on behalf of any Covered Person during the Large Claims Reimbursement Program Fiscal Year. Each Member, within the limits otherwise allowed by the Board of Directors, shall be eligible to elect the level of protection afforded to the Member by the Large Claims Reimbursement Program as of the first day of the Fiscal Year of the Large Claims Reimbursement Program.

No Member shall have any ownership interest in the assets of the Large Claims Reimbursement Program, shall not be entitled either now or in the future to receive any refund of past or future deposits to the Large Claims Reimbursement Program, save for qualified reimbursement from the Large Claims Reimbursement Program or adjustment for the correction of any mutually agreed upon administrative errors, and the Member hereby specifically waives any and all rights to the assets of the Large Claims Reimbursement Program.

The Board may also, in accordance with legal requirements and prudent financial management, obtain Reinsurance on behalf of a Member from an Insurance Company or Companies authorized by law to do business with the Member and the JHP of an amount sufficient to protect the ability of the Large Claims Reimbursement Program to meet its obligations to Members.

The Board of Directors may from time to time authorize other operations and or programs to be sponsored through the Large Claims Reimbursement Program, such as but not limited to sponsoring programs designed to assist Members in the control of their claims or capping the overall annual expense of Members where such costs deviate significantly from expected costs, as determined by the Board, and as is necessary and prudent in the operation of the business of the JHP. Additionally, the Board of Directors may authorize non-Member political subdivisions and other governmental agencies to pay into and receive the benefits of the Large Claims Reimbursement Program where appropriate.

Section 3. Third-Party Administrator.

Each Member sponsoring a benefit plan for its Covered Persons through the JHP shall be obligated to utilize the services of one or more of the Third-Party Administrators contracted to do business with Member organizations by the Board of Directors. Such Third-Party Administrator shall evaluate and process the payment of claims under the Member's benefit program and in accordance with any contractual provisions found in a Preferred Provider Organization utilized by the Member for its Covered Persons.

A Third-Party Administrator shall be any person or organization with experience in the handling of benefit claims of the type sponsored through the JHP and which person or organization has been determined by the Board of Directors to be qualified, financially sound, and capable of meeting all of the service requirements of the contract of administration and any additional requirements which may be established by the Board of Directors or the Assembly.

Any Third-Party Administrator shall perform those duties specified in the contract which shall be entered into between the Third-Party Administrator and the JHP in accordance with this Agreement.

Section 4. Preferred Provider Organization.

Each Member sponsoring a benefit plan for its Covered Persons through the JHP while not otherwise obligated to utilize the services of a Preferred Provider Organization in connection with its benefit programs sponsored through the JHP, shall nonetheless be required to utilize only the services of one or more of the Preferred Provider Organizations contracted to do business with Member organizations by the Board of Directors, if the Member organization elects to use the services of a PPO.

Such Preferred Provider Organization shall be required to negotiate discounts for Member organizations accessing the services of that PPO, as well as evaluate the qualifications of health care providers included in its network. The PPO shall also work with the Third-Party Administrator selected by the Member for the processing of benefit claims in order to resolve disputes which arise between the health care provider and the Third-Party Administrator and or the Covered Person.

Any Preferred Provider Organization shall perform those duties specified in the contract which shall be entered into between the Preferred Provider Organization and the JHP.

Section 5. Confidentiality of Medical Information.

The Board of Directors, Fiscal Agent, Third-Party Administrator, PPO, Reinsurer, and any designee shall adopt policies and procedures to ensure and maintain the confidentiality of any individually identifiable medical information of Covered Persons, including but not limited to protected health information under HIPAA, the names of individuals who have filed claims for health care benefits, the amount of claims filed or paid on behalf of any Covered Person, and the medical records relating to any claims, all of which shall not be public records. Reports required to be made by the Fiscal Agent or Third-Party Administrator under this Agreement to Members or their Representatives, the Board of Directors, or any other person or entity, shall identify claims paid by the line of coverage but shall not include any identification of the individual who filed a claim or to whom benefits were paid.

ARTICLE VI CONTRACTS

Section 1. Third-Party Administrators.

The Board of Directors shall contract with one or more Third-Party Administrators and delegate to such Administrators contractual powers and duties as the Board deems desirable. Any contract entered into by the JHP with a Third-Party Administrator in connection with the Program shall contain agreements on the part of the Third-Party Administrator to the effect that:

- A. Prior to making a request to the Fiscal Agent or its designee for the disbursement of moneys from the Operating Fund to pay claims of Covered Persons, the Third-Party Administrator shall confirm the eligibility of the Covered Persons.
- B. The Third-Party Administrator shall maintain records which account separately for each claim filed by Covered Persons of each Member.
- C. Each request of the Fiscal Agent or its designee from the Third-Party Administrator for the disbursement of moneys from the Operating Fund for the payment of claims is to be paid.
- D. The Third-Party Administrator shall file monthly reports with the Fiscal Agent on or before the fifteenth day of each month which summarize the claims paid for the preceding months, separately identifying each claim paid and the Member on behalf of which the claims was paid.
- E. The Third-Party Administrator shall assume sole responsibility for the payment of claims for which the Fiscal Agent or its designee has disbursed moneys to the Third-Party Administrator.
- F. The Third-Party Administrator shall submit separate statements for administrative fees to the Fiscal Agent so that the Fiscal Agent or its designee can separately account for amounts paid under the Program for claims and amounts paid for administrative services.
- G. The Third-Party Administrator shall obtain and keep in force a fidelity bond in an amount determined by the Board of Directors and with a surety company approved by the Board of Directors. The amount of that fidelity bond shall not be reduced without prior consent of the Board of Directors.

Section 2. Preferred Provider Organizations.

The Board of Directors shall contract with one or more Preferred Provider Organizations or similar organizations, such as but not limited to Exclusive Provider Organizations, Health Maintenance Organizations, Point of Service networks, or Independent Practice Associations, and delegate to

such networks such contractual powers and duties as the Board deems desirable. Any contract entered into by the JHP with a Preferred Provider Organization in connection with the Program shall contain agreements on the part of the Preferred Provider Organization to the effect that:

- A. The obligation of the PPO will be to negotiate discounts with and independently credential designated health care providers qualified to render the agreed upon services.
- B. The PPO will handle disputes between the contracted providers concerning the negotiated discounts and the waiver of charges billed by the provider over and above the negotiated discount.
- C. The PPO will receive a fee for its services, which fee may be included in the fee paid to the Third-Party Administrator.
- D. The PPO will handle disputes between any Third-Party Administrator accessing the PPO on behalf of a Member and its Covered Persons where disputes arise in connection with reimbursements made to a credentialed provider included in the network of providers.
- E. The PPO will keep in force necessary insurance to protect itself and the JHP from any claims filed against the PPO or the JHP where a Covered Person was injured or otherwise made ill when using a contracted health care provider.
- F. Member organizations will act to encourage, through plan design incentives and otherwise, Covered Persons to use the services of PPO providers.

ARTICLE VII
ESTIMATE OF COSTS AND PAYMENTS

Section 1. Estimate of Costs.

The Board of Directors shall annually submit to the Assembly an estimate of:

- A. Program Costs for the next year,
- B. Each Member's share of the Program Costs, and
- C. The Reserve Amount required for each Member.

Those estimated Program Costs shall be presented in enough detail so that the Assembly can determine the sufficiency of the projected Program Costs so as to maintain the actuarial soundness of the Operating Fund, the Large Claims Reimbursement Program, the Member Reserve Funds, and any other funds established by the Board of Directors. All related administrative costs, including any insurance premiums, shall also be provided with the report presented by the Board.

Semi-annual reviews of Members in deficit shall be prepared for the Board of Directors by the Fiscal Agent or its designee. A voluntary interim increase in rates for any Member found to be operating in a deficit shall be permissible.

Section 2. Acceptance.

The Assembly shall consider the estimates of Program Costs submitted by the Board of Directors and accept or modify the same, in accordance with any collective bargaining agreement, or provisions thereof, negotiated by the Member and the recognized bargaining representative of its employees. It shall then instruct the Fiscal Agent or its designee to deliver to the Members an estimated budget of the Program's cost for the upcoming Fiscal Year, evidencing each Member's share of that budget. If it is necessary to modify an estimate to comply with any negotiated collective bargaining agreements, then that modified estimate shall be supplied by the Member to the Fiscal Agent or its designee and then implemented.

Section 3. Payments.

Each Member shall include its share of the budget in its annual appropriations resolution. Each Member shall remit its share of the Program Costs to the Fiscal Agent or its designee for deposit into the Operating Fund in equal monthly installments on or before the fifteenth (15th) day of each month.

Payments tendered by third parties on behalf of a Member for the Member's monthly share of the Program Costs may be accepted by the Fiscal Agent or its designee, however, under no circumstances will refunds be made by the Fiscal Agent or the its designee to the third party or the

Member. The acceptance by the Fiscal Agent or its designee of payments tendered by a third party does not confer upon the third party any rights, expectancies, or obligations under the Agreement or Bylaws.

If contributions made in accordance with that budget prove to be insufficient to pay the Program Costs of the Employee Benefit Program for that Fiscal Year, as determined by the Board of Directors, the Fiscal Agent or its designee shall promptly notify in writing each Member of any additional Program Costs, the amount of any deficiencies, that Member's share of those additional costs or deficiencies and any additional Reserve Fund requirements, whereupon each Member shall appropriate the amount stated in that notice.

Under no circumstances shall the Fiscal Agent have the power to incur obligations for Program Costs in an amount which exceed the total unspent amount appropriated for Program Costs and remitted to the Fiscal Agent or its designee by the Members pursuant to this Agreement, except as may be permitted by law.

Section 4. Apportionment of Costs.

Each Member's share of the Program Costs of the Employee Benefits Program shall be the sum of the costs allocated to each Member by the Board of Directors. The Board of Directors may utilize the services of an outside consultant to assist in the preparation of the following estimates.

- A. The Board of Directors shall determine the amount of funds necessary to pay the claims of Covered Persons of each Member for the next Fiscal Year by evaluating:
 - (i) The claims experience for that Member for any preceding year and the amounts which that Member is obligated to pay for claims under the limits of the Large Claims Reimbursement Program,
 - (ii) Allowances which may be made for increased costs or utilization of benefits,
 - (iii) Changes, if any, in the number or ages of Covered Persons for that Member,
 - (iv) Changes, if any, to the amount of reserves to be held in the Reserve Fund of each Member,
 - (v) Changes, if any, in the types of claims covered by the Employee Benefits Program, and
 - (vi) Any other matters which the Board of Directors deems relevant to such determination.

A schedule shall be prepared by the Board of Directors separately identifying the amount to be contributed to the Operating Fund by each Member for claims estimated to be filed by Covered Persons of that Member.

- B. The Board of Directors, or its designee, shall determine the estimated costs of the Large Claims Reimbursement Program, any administrative expenses to be paid by the Large Claims Reimbursement Program for the next Fiscal Year of the Large Claims Reimbursement Program, and any other funds established by the Board of Directors, and shall prepare a schedule apportioning the total cost of the Program among the Members in any manner approved by the Board of Directors and not otherwise prohibited by law.
- C. The Board of Directors or its designee shall estimate any fees to be paid to the Fiscal Agent, compensation of any staff hired by the JHP, fees to be paid to any Third-Party Administrators and consultants or others for the next Fiscal Year, premiums paid to Insurance Companies, and any other costs of operating the Program for the next Fiscal Year. The Board of Directors shall develop a schedule apportioning those fees and costs among the Members in any manner approved by the Assembly and not otherwise prohibited by law.

ARTICLE VIII
CHANGE IN MEMBERSHIP COMPOSITION

Section 1. Inclusion of New Members.

Any qualified public employer or political subdivision may apply to the Board of Directors for inclusion in the JHP by submitting an application in writing evidencing an interest in membership. That application shall be accompanied by a duly adopted resolution of the applicant's governing body requesting inclusion in the JHP and authorizing execution of this Agreement by the applicant.

The Board Chairman shall determine, subject to ratification by the Board of Directors, whether the applicant should be included in the JHP, based on its ability to pay all Program Costs and having met all other underwriting and financial guidelines as established by the Board, the Fiscal Agent or its designees, the Actuary, or any other advisor to the Board. The applicant seeking membership in the JHP shall further agree to comply with the rules and Bylaws as established for continuing membership in the JHP as those rules and Bylaws may be amended from time to time.

The applicant shall be included in the JHP and deemed as a Member hereunder upon acceptance by the Board of Directors, subject to the execution of this Agreement by both parties, and the applicant appropriates and remits to the Fiscal Agent or its designee any initial monetary assessment for the Program Costs in an amount specified by the Board of Directors. The applicant shall thereafter be a Member and be assessed its portion of the Program Costs.

Section 2. Duties of Members.

Each Member agrees to do or cause to be done all of the following:

- A. To cooperate fully with all procedures and guidelines approved and directed by the Board of Directors.
- B. To cause a representative to attend all Membership meetings.
- C. To provide the JHP, or its Fiscal Agent, or any duly authorized party, access to records of the Member during normal business hours, upon at least twenty-four (24) hours prior written notice for the purpose of conducting necessary services related to the operation of the JHP.
- D. To permit the JHP, or any duly authorized representative, to represent the Member in investigating, litigating and settling any claim made against the JHP or the Member within the terms of coverage provided by the Member through the JHP to Covered Persons.

- E. To agree to be solely responsible for compliance with all federal and state employee benefit laws relative to the benefits that the Member secures for its Covered Persons through participation in the Jefferson Health Plan. The Member acknowledges and agrees that no other Member, nor the JHP shall be responsible for the Member's compliance responsibilities nor any civil damages or administrative penalties which may be assessed against the Member for any non-compliance with federal or state benefit laws.
- F. To cooperate fully with the Board of Directors, the Fiscal Agent, or its designee or any other party acting on behalf of the Board of Directors in furtherance of the purpose and operation of the JHP.
- G. To act promptly on any and all matters requiring action on the part of the Member in order for the Board of Directors, the Fiscal Agent, its designee, or any other party acting on behalf of the Board of Directors to properly administer the operations of the JHP.
- H. To promptly pay Program Costs to the JHP as established by the Board of Directors for that Member.
- I. To furnish, as needed, by the Board of Directors, the Fiscal Agent or its designee or any other party acting on behalf of the Board of Directors, periodic reports of additions, deletions and or changes to the listing of Covered Persons and employees, as well as any other information as may be reasonably necessary for the purpose of determining eligibility for coverage under the programs sponsored by the Member for Covered Persons, processing terminations from coverage, determining contribution levels, affecting changes in family status, and assessing the costs of administration as otherwise provided for herein.
- J. To recognize and acknowledge that the Member is subject to the JHP's rules on timely notification of enrollments to and terminations from the sponsored benefit program of the Member.
- K. To fully understand that neither the Board or any party acting on behalf of the Board of Directors assumes any responsibility to provide any specified level of benefit, benefit provisions, type of coverage, or amount of allowable payment, in order to meet the requirements of any Member's collective bargaining agreements or to satisfy the outcome of any employee or bargaining group member dispute or grievance.

Section 3. Involuntary Withdrawal.

Failure by any Member to appropriate and remit any of its monthly share of the Program Costs and all other payments required when the same shall become due pursuant to this Agreement, shall cause the suspension of such Member, during which time no claims shall be paid on behalf of the member and no liability for claims shall accrue to the JHP beyond the period for which Program Costs have been paid prior to the suspension of the Member.

Any Member shall be considered to have invoked an involuntary termination from the JHP where such Member at and after a date certain has under twenty-five percent (25%) of its currently covered workforce participating in the programs sponsored by the Member through the JHP, or less than ten (10) lives, shall be considered as having withdrawn from the JHP, unless otherwise approved by the Board of Directors; provided, however, that if a Member only has ten (10) lives or less, it may remain in the JHP if at least eighty percent (80%) of its employees participate in the JHP.

An involuntary withdrawal from the JHP shall result in the payment by the Member of three (3) months of the Member's average funding factors for the prior twelve (12) month period, which funds are to be deposited into the Large Claims Reimbursement Program, plus six (6) months of administrative fees, plus six (6) months of Large Claims Reimbursement Program fees as a result of a change in the makeup of the JHP, upon which rates had been established for all Members. Additionally, the Member will be required to fund the payment of any Run-out claims under its benefit program, including administrative costs.

Section 4. Voluntary Withdrawal.

A Member, whose Reserve Fund is not found to be in deficit, shall be entitled to withdraw from the JHP as of the effective date of the Member's renewal under the Program, provided that such Member shall have tendered a written notice of its intent to withdraw from the Program at least six (6) months, and not more than eight (8) months, prior to the effective date of the Member's renewal.

A request for voluntary termination from the JHP on other than the Member's renewal date or other than after or before the Member has provided adequate notice of withdrawal in accordance with this Section 4 of Article VIII shall be deemed an involuntary withdrawal.

Section 5. Withdrawal Obligations.

Upon withdrawal from the JHP, the withdrawing Member shall be entitled upon application to the Fiscal Agent or its designee to recover its contributions to its Member Reserve Fund, less any and all applicable expenses attributable to the Member's sponsorship of its benefit program through the JHP along with its proportionate share of interest earned on such contributions which are not encumbered for the payment of its share of Program costs. The Fiscal Agent shall distribute from the withdrawing Member's Reserve Fund any excess contributions and interest found in the withdrawing Member's Reserve Fund not earlier than ninety (90) days, and not later than one hundred eighty (180) days, following the payment of all Run-out claims and other expenses of the withdrawing Member and receipt of the withdrawing Member's application for those moneys.

All claims submitted by Covered Persons of the withdrawing Member after recovery of funds pursuant to this Section shall be exclusively the liability of the withdrawing Member, and the withdrawing Member specifically agrees to these provisions by execution of this Agreement. The withdrawing Member also specifically waives all claims and rights against the Operating Fund, the Large Claims Reimbursement Program or any other funds established by the Board of Directors, and the JHP as a result of claims filed after such recovery of funds.

No funds contributed at any time to the Large Claims Reimbursement Program by the Member considered to have withdrawn from the JHP shall be refunded to the Member unless such funds are found to have been deposited to the Large Claims Reimbursement Program in error.

Section 6. Deficit Repayment.

If a Member elects to withdraw, or invokes an involuntary withdrawal, from the JHP and is in deficit to the Program, said Member shall be responsible to the JHP for the total deficit found in the Member's Reserve Fund at the effective date of the Member's termination from the JHP. Further, in addition to the repayment of said deficit, such Member shall be responsible to fund any and all Run-out claims still pending and incurred prior to the effective date of the Member's voluntary or involuntary withdrawal and all administrative expenses applicable to that Member's program during the period for which Run-out claims shall be paid.

Any such deficit shall be paid to the JHP by the withdrawing Member within ninety (90) days of the effective date of withdrawal.

ARTICLE IX TERMINATION

Section 1. Discontinuation of the Program.

In the event that two-thirds (2/3) of the governing bodies of the Members, by duly adopted resolutions, determine that this Agreement shall be terminated, the Board of Directors shall meet within thirty (30) days following receipt of certified copies of those resolutions, to determine the date upon which this Agreement and the activities and operations of the JHP shall terminate and to make recommendations to the Members with respect to matters which must be resolved upon termination of the JHP, which are not otherwise addressed by this Agreement.

Section 2. Operating Fund Termination.

The Operating Fund shall be maintained by the Fiscal Agent or its designee until the date at which time all operations of the JHP are concluded. Any legitimate expenses of the consortium prior to its actual termination shall be paid from the Operating Fund.

Section 3. Reserve Fund Termination.

Upon the conclusion of the business operations of the JHP, any moneys found on deposit in Member Reserve Funds shall be transferred to the respective Members in the amount each contributed to that Fund, plus that Member's allocable share of any investment earnings on that amount following the satisfaction of a Member's liability for Run-out claims and administrative expenses.

Claims accruing prior to the date of termination (Run-out claims) shall be paid on behalf of the Members from each Member's Reserve Fund by the Fiscal Agent for a period of no more than ninety (90) days from the effective date of termination, or until the Member's Reserve Fund is depleted, whichever shall first occur, unless the Member is found by the Board of Directors to have transferred its liability for Run-out claims to the JHP. Thereafter, the Fiscal Agent shall distribute to each Member the difference between its contributions to the Reserve Fund and the total of:

- A. All claims paid to the Covered Persons of that Member, and
- B. That Member's share of all fees paid for services to the Third-Party Administrators and any other administrative costs for the Program.

Upon disbursement of any moneys found in the Reserve Fund to the Members, all further claims of Covered Persons shall be the liability of their employing Member and the Members shall be deemed to have waived all rights and claims against the JHP, any Third-Party Administrators, the Fiscal Agent or its designee.

Section 4. Large Claims Reimbursement Program Fund Termination.

Upon termination of the JHP, the Large Claims Reimbursement Program shall be maintained by the Fiscal Agent or its designee and claims otherwise eligible for reimbursement to Members by the Large Claims Reimbursement Program shall be reimbursed to Members from the Large Claims Reimbursement Program during the period for which Run-out claims are paid by the JHP, but not for more than six (6) months. The Large Claims Reimbursement Program shall receive its allocable share of investment earnings on its funds until such time as the Large Claims Reimbursement Program is terminated by a distribution of its assets.

The distribution of assets from the Large Claims Reimbursement Program shall be as follows:

- A. Reimbursement to Members for claims that otherwise exceed the limit established by the Member for its liability under the program sponsored by the Member for its Covered Persons, where the Member has been found to have timely made all of its required contributions to the Large Claims Reimbursement Program,
- B. Reimbursement for the Run-out claims of a Member's Covered Persons where the Member has by authorization from the Board of Directors transferred its liability for Run-out claims to the Large Claims Reimbursement Program,
- C. The payment of any proper administrative expenses incurred in connection with the termination activities of the Large Claims Reimbursement Program,
- D. Fifty percent (50%) of the remainder of such funds found in the Large Claims Reimbursement Program after the legitimate conclusion of its business on behalf of the JHP under this Article IX, Section 4 (A), (B) and (C) above shall be paid on a proportionate basis to the Third-Party administrators, the Fiscal Agent, or its designees, consultants, accountants, Actuaries, lawyers and any other authorized agents, in consideration to the disruption of their business by the termination of the business of the JHP. Such distribution from the Large Claim Reimbursement Program under this Article IX Section 4(D) shall not be made on a proportionate basis in respect of any Reinsurance or other insurance obtained by the Board of Directors or the Members, and shall not include insurance company premiums paid on behalf of Members, and shall not include the fees paid to brokers or consultants employed directly by the Members and charged directly to Members in support of their program.
- E. After satisfying the provisions of Article IX Section 4 (A), (B), (C), and (D), the remaining funds shall thereafter be distributed proportionately to all Members, fully participating in the benefits and programs of the Jefferson Health Plan and not to those employers who are otherwise accessing the benefits offered through the Large Claims Reimbursement Program, who remained fully participating Members of the JHP for the thirty-six (36) month period prior to and including the action by the Board of Directors or the Assembly to terminate the operations of the JHP. Any Member who

had been deemed to have voluntarily or involuntarily withdrawn from the JHP prior to the action by the Board or the Assembly shall be excluded from the distribution of such funds from the Large Claims Reimbursement Program. Further, any Member found to be in deficit to the consortium as of the date the action is taken to terminate the operation of the JHP shall be excluded from the distribution of funds from the Large Claims Reimbursement Program under this Article IX, Section 4 (E), as would be the case with any Member found to have submitted a notice of termination from the JHP prior to the action of the Board or the Assembly to terminate the operations of the JHP, whether or not the effective date of the Member's termination was after the effective date of the termination of the JHP.

Section 5. Other Funds of the JHP.

The Board of Directors in its sole discretion shall determine the distribution of any other funds held by the JHP at its termination.

ARTICLE X MISCELLANEOUS

Section 1. Governing Law and Forum Selection.

This Agreement shall be governed and construed in accordance with the laws of the State of Ohio. If federal diversity jurisdiction can be established under 28 U.S.C. Section 1332, any and all actions or proceedings arising out of this Agreement or membership in the Jefferson Health Plan must be brought only in the United States District Court for the Southern District of Ohio. If no federal subject matter jurisdiction exists, any and all actions or proceedings arising out of this Agreement or membership in the Jefferson Health Plan must be brought in the Court of Common Pleas of Jefferson County, Ohio. Each party hereby submits to the exclusive jurisdiction of those courts identified herein for purposes of any such action or proceeding.

Section 2. Enabling Action by Members.

If any action requiring the vote, consent or approval of any or all Members is determined in order to make permissible or lawful any action or actions contemplated by this Agreement, each Member will vote for such action.

Section 3. Counterparts.

This Agreement and any amendments thereto may be executed in one or more counterparts, each of which shall be deemed to be a duplicate original, but all counterparts taken together shall constitute one and the same Agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or email shall constitute effective execution and delivery of this Agreement as to the parties, and may be used in lieu of the original document for all purposes. Signatures of the parties transmitted by facsimile or email shall be deemed to be their original signatures for all purposes.

Section 4. Severability.

The invalidity or unenforceability of any provision of this Agreement in any particular respect shall not affect the validity and enforceability of any other provision of this Agreement or of the same provision in any other respect.

Section 5. Captions.

All captions used in this Agreement are for convenience of reference only, do not form a substantive part of this Agreement, and shall not restrict or enlarge any substantive provision of this Agreement.

Section 6. Entire Agreement.

This Agreement constitutes the entire agreement between the parties hereto in respect of the subject matter of this Agreement, and this Agreement supersedes any and all prior and contemporaneous agreements between the parties hereto in respect of this subject matter of this Agreement.

Section 7. Pronouns.

All pronouns and any variations thereof used in any part of this Agreement to refer to any person or person shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons may require.

Section 8. Amendments.

This Agreement may be modified, amended, or supplemented in any respect not prohibited by law upon approval of the modification, amendment, or supplement by the written agreement of at least two-thirds (2/3) of the representatives of Members. The JHP, through the Board of Directors, may require that Members provide written documentation satisfactory to the Board, in its sole judgment, that such Member has the requisite capacity and authority, and has obtained all required approvals, to vote on any matter contemplated by this Section.

Section 9. Term of the Agreement.

It is the express intention of the Members that this Agreement shall continue for an indefinite term, but may be terminated as provided herein, but not prior to an initial term of at least twelve (12) months of participation.

Section 10. Other Instruments.

The Members agree to execute such further instruments and to take such further action or actions as may be required and necessary to carry out the provisions of this Agreement.

Section 11. Notices, Reports, Miscellaneous.

Any notice to a Member shall be deemed given if given in writing and left at the office of the representative of such Member or deposited in the United States mail, postage prepaid, by registered mail addressed to that representative.

Section 12. Infrastructure Lending Authority.

In addition to all powers given to it under other provisions of this Agreement, the JHP shall have all of the powers of a Council of Governments under Chapter 167 of the Ohio Revised Code, including the following powers that are specifically delegated to the JHP pursuant to Division (C) of Section 167.03 of the Ohio Revised Code.

- A. To enter into contracts with one or more Members under Section 3313.92 of the Ohio Revised Code ("3313.92 Contracts") for the joint acquisition, construction, or improvement of any building, structure or facility benefitting said Member or said Members of the JHP, to provide for the operation and maintenance of such a building, structure, or facility and to allocate the costs thereof pursuant to such a 3313.92 contract.
- B. To transfer funds from the Large Claims Reimbursement Program pursuant to Section 5, Division D of this Agreement, for the purpose of advancing or paying some or all of the capital or operating costs of a facility acquired pursuant to a 3313.92 contract.
- C. To exercise all powers of a Board of Education to the extent necessary to carry out the JHP's obligations under a 3313.92 contract, including powers related to the acquisition and financings of such facilities.
- D. To plan for obtaining and operating one or more facilities pursuant to one or more 3313.92 Contracts for the benefit of one or more Members of the JHP.

The Member warrants to the Board of Directors, the Fiscal Agent and others that the undersigned has full authority to enter into this Agreement for and on behalf of the Member effective on the Commencement Date listed herein, and any separate legislation necessary to authorize this contract or to authorize the agent to sign this contract on behalf of Member has been appropriately enacted, and it shall not be the obligation of the Board of Directors, the Fiscal Agent or any others to determine the authority of the signatory to this Agreement.

IN WITNESS WHEREOF, the undersigned representative of the respective Member Organization, pursuant to the duly adopted authorizing resolutions of its governing bodies, together with an authorized representative of the Jefferson Health Plan have caused this Agreement to be executed on the date indicated below by their respective signatures.

Name of Member Organization

Date

Authorized Representative of Member

Date

Treasurer or Fiscal Officer of Member

Date

The Jefferson Health Plan Representative

Sun Life Assurance Company of Canada

Stop-Loss Special Risk Questionnaire



Sun Life Assurance Company of Canada has responded to your request for a stop-loss insurance proposal. Before we make a final offer of coverage, we must be aware of any special risks. Please complete this form and return it to your Sun Life representative at least 60 days prior to the proposed stop-loss policy effective date.

It is important that this form be completed in full and signed. Failure to complete and sign it could delay the requested coverage.

1 Definition of special risk

A person covered under your benefit plan (including employees, their dependents, retirees, former employees on COBRA, or any person being newly enrolled or re-enrolled in your plan after prior exhaustion of their benefits under it) is considered a special risk if he or she meets any of the following criteria:

A person is a special risk if he or she is:

- Confined to a medical facility (acute, skilled or rehabilitation); or
- On an left ventricular assist device (LVAD), ventricular assist device (VAD), or ventilator dependent; or
- Experiencing a high risk pregnancy as determined by your pre-certification, case management or pregnancy management vendor; or
- Currently receiving dialysis or has been diagnosed with end stage renal disease; or
- Not actively at work due to disability or is working reduced hours due to illness or injury; or
- An employee who is not actively at work due to disability, or who has been absent from work more than 10 consecutive days within the past 12 months, or who is working reduced hours due to illness or injury.

A person is also a special risk if he or she has been diagnosed with, or treated for, any of the following conditions in the past 12 months:

| ICD-9 | ICD-10 | Diagnosis |
|--------------|----------------------------|-------------------------------------|
| V42.xx | Z48.22-Z48.288 | Transplants |
| 042-044 | B20 | HIV* |
| 140-199 | C00.00-C80.0 | Malignant Neoplasm/Carcinoma |
| 200-208 | C83.30-C95.00 | Lymphoma/Leukemia |
| 253.2-253.3 | E23.0 | Growth Hormone Deficiency |
| 272.7 | E75.21-E75.6 | Gaucher's Disease |
| 277 | E84.9 | Cystic Fibrosis |
| 286-286.5 | D66-D68.31 | Hemophilia |
| 335.2 | G12.21 | Amyotrophic Lateral Sclerosis (ALS) |
| 340 | G35 | Multiple Sclerosis |
| 342-344 | G81.00-G82.50 | Cerebrovascular Diseases/Stroke |
| 393-429, 518 | I09.2-I51.4, J98.11-J98.19 | Heart/Lung Disease |
| 430-436 | I60.0-I67.8 | Cerebrovascular Diseases/Stroke |

| ICD-9 | ICD-10 | Diagnosis |
|---------------|-------------------------------|------------------------------|
| 570-573 | K72.00-K76.1 | Chronic Liver Disease |
| 577-577.1 | K85.0-K86.10 | Acute Chronic Pancreatitis |
| 584-587 | N17.1-N26.9 | Acute/Chronic Renal Failure |
| 651 | O30.009 | Multiple Gestation |
| 758-779 | Q90.0-P90 | Neonatal (High Risk Infants) |
| 800-804 | S02.0XXA-S02.91XA | Intracranial Injury |
| 805-806 | S12.9XXA-S12.000A | Spinal Cord Injury |
| 850.4-854 | S06.0X64-S06.890A | Intracranial Injury |
| 860-869 | S27.0XXA-S36.4X4S | Major Trauma |
| 874, 875, 879 | S11.019A, S21, 101A, S21.001A | Major Trauma |
| 900-909 | S15.009A-T36.4X4S | Major Trauma |
| 940-949 | T26.50XA-T30.4 | Severe Burns |
| 952-953 | S14.101A-S14.2XXA | Spinal Cord Injury |

*Does not apply in the State of California

2 Disclosure of special risk(s)

There are two ways to disclose an individual who is a special risk.

1. You may disclose an individual who is a special risk by providing one or more of the following reports. Please check "Yes" or "No" to indicate whether the report is being provided, list the report date, and attach a copy of the report.

| Report | Provided | Report Date |
|--|--|-------------|
| Trigger Diagnosis report | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Pending/denied claims reports with diagnosis | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Subrogated claims report | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Pre-certification reports with diagnosis within the last 6 months | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Report listing any plan participant who has incurred or is expected to incur medical expenses (including drug expenses) greater than 50% of the specific benefit deductible or \$50,000, whichever is less | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Other: | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

2. You may also disclose an individual who is a special risk on the following chart. Please attach additional pages as needed. If there are no individuals to report, leave the chart blank.

| Individual's name or member identification number | Category | Date of birth or age | Gender | Diagnosis/medical condition | Date of diagnosis or disability, if known | Date of expected return to work, if applicable |
|---|--|----------------------|--------|-----------------------------|---|--|
| | E=Employee D=Dependent R=Retiree C=COBRA F=FMLA O=Other continuee | | | | | |
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3 Acknowledgment and signature

In accordance with the terms of the Stop-Loss policy, if you fail to disclose an individual who should be disclosed as a special risk, we have the right to revise premium rates, deductibles, deductible factors, and other terms and conditions of the policy, according to our underwriting practices, retroactive to the policy's original effective date.

Your signature on this form represents to us that you or your authorized representative have:

1. Consulted with your pre-certification, utilization review and case management vendors, your current or former third party administrator, and your prior stop-loss carrier, as needed, to obtain the information required to complete this form.
2. Consulted with your Human Resources department to identify employees on FMLA, extended sick leave, leave of absence, or short- or long-term disability.
3. Disclosed each individual covered under your benefit plan who is, or may be, a special risk as of the date you signed this form.

| | | |
|--|--|----------------------------|
| Legal name of policyholder | | Effective date of coverage |
| Name of authorized representative of plan sponsor (please print) | | Title |
| Signature X | | Date |

Contact us



By mail

Sun Life Assurance Company of Canada
Attn: Stop-Loss Internal Sales Support
One Executive Park
Wellesley Hills, MA 02481



By fax

781-304-5392



www.sunlife.com/us



Customer Service **800-247-6875** M–F 8:00 a.m. – 8:00 p.m., ET

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