



COBRA & Retiree Billing Administrative Services Agreement

This Cobra & Retiree Billing Administrative Services Agreement (the "Agreement") is entered into, and effective this January 1, 2018, by and between City of Lee's Summit, MO, the ("Plan Sponsor") and the Taben Group ("Taben") an LLC designed to assist and provide employers with compliance with Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272) and any subsequent amendments thereto (hereinafter "COBRA");

WHEREAS, Plan Sponsor has established one or more group health plans and is an employer who employs 20 or more employees on a typical business day during the preceding calendar year and is thus subject to the requirements of the Act and;

WHEREAS, Plan Sponsor desires to use the third-party administrative services of Taben to help it comply with the continuation of health coverage requirements of COBRA

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

ARTICLE I SERVICES PROVIDED BY TABEN

Taben hereby agrees to act as administrator as described herein and provide Plan Sponsor the following services:

- Administer COBRA and State Continuation rules and regulations on behalf of Plan Sponsor.
- Consult, assist and advise Plan Sponsor when necessary regarding COBRA and State Continuation administration.
- Maintain and update a COBRA data base for all Qualified Beneficiaries ("QB's") using information provided by Plan Sponsor.
- If requested in writing by Plan Sponsor, mail Initial Rights Notification to new active plan participants and spouses within 7 business days of receipt by Taben of the information needed to mail such notices.
- Mail COBRA Eligibility Notice and Election Form to a Primary Qualified beneficiary ("PQB") and other QB's within 7 business days of receipt by Taben of the information needed to mail such notices.
- Send HIPAA Certificate of Coverage to PQB's and other QB's within 7 business days of receipt by Taben of the information needed to mail such notices. HIPAA Certificates of Coverage will also be sent to QB's whenever requested and at the end of COBRA continuation.
- Provide payment coupons, as well as online payment capabilities to QB's whenever a fully completed election form is received, with or without payment. (A convenience fee will be applied to online payments.)



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- Mail non-enrollment confirmation to QB's who do not enroll and pay within 60 days of COBRA Eligibility Notice.
- Mail Enrollment Confirmation to QB's and Plan Sponsors upon receipt of timely initial payment *and* fully completed Enrollment Form.
- Mail mid-month late payment reminders to QB if payment is not received.
- Mail Termination of Coverage notice to enrolled QB's who fail to pay timely or who lose COBRA coverage for any other reason.
- Collect, record, deposit and remit all payments to Plan Sponsor at month end.
- Manage insufficient funds collection and short payments in accordance with COBRA rules.
- Field phone calls and other communications from QB's, and their representatives including the use of a toll free 800 number.
- Verify QB payment status to health care providers and to Plan Sponsor as requested.
- Communicate eligibility to Plan Sponsor and their Health Plans via mail, phone, email, on line updates (where available) and periodic summary reporting when requested in writing.
- Image and securely store all inbound and outbound written communications which will be retained and identified by QB.
- Shred all original documents (except checks and money orders) in an effort to maintain HIPAA compliance.
- Mail "COBRA Ending Soon" notice to enrolled QB's approximately 6 months prior to COBRA period end date.
- Record and retain all phone calls and inbound voice mail messages in a secure, transferable (wav.), digital format.
- Protect and maintain Protected Health Information (PHI)
- Maintain in house an FTP server for secure Data Transfer
- Provide a secure web portal for transferring files and forms.
- Provide "Open Enrollment" mailings and phone support as directed by Plan Sponsor.
- Provide employer and participant web portal access to payment and plan information.
- Provide the same basic services as directed by the client for Retiree Billing.



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ARTICLE II DUTIES OF THE PLAN SPONSOR

Plan Sponsor hereby agrees to act and assist Taben in its performance as an administrator by performing the following which includes but is not limited to:

- Providing Taben all information on current COBRA continuants needed to take over COBRA administration. This information will be transferred to Taben at least 30 days prior to Taben beginning administration of existing COBRA continuants.
- Taking full responsibility for the Health plan and its operation including authority and responsibility for administering, construing and interpreting the provisions of the Health Plan. All final determinations as to a PQB's or QB's entitlement to Plan benefits are to be made by Plan Sponsor, including any determination upon appeal of a denied claim for Plan Benefits Eligibility.
- Provide to Taben all information needed to mail a COBRA Eligibility Notice to QB's. This information should be provided as soon as possible after a Qualifying event and in no event later than 30 days after the qualifying event.
- Provide Taben all pertinent information relating to the Plan Sponsors Group Health Plan(s), at the inception of the Group Health Plan such as group Health Plan rates and effective dates, any associated enrollment materials, inserts / stuffers for non-COBRA eligible benefits, etc. Plan Sponsor will provide this information at least 30 days prior to open enrollment response deadlines. Plan sponsor also agrees to immediately inform Taben of any subsequent change to the Plan Sponsors Group Health Plan.
- Issue in writing to Taben any instructions, decisions or requests for exceptions regarding COBRA administration.
- Providing a guarantee to Taben that information being provided to Taben will be delivered in a format acceptable to Taben which is accurate, complete and will be submitted timely.
- Ensuring that access to Taben's secure web portal and other systems is limited to current employees or authorized agents of the Plan Sponsor and that all authorized users of Plan Sponsor will maintain HIPAA compliance with any information transmitted or received in any form.

ARTICLE III GENERAL PROVISIONS

- This Agreement embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto.



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- Both parties agree within the permitted uses under HIPAA that all records pertaining to COBRA administration for Group Health plan participants under this agreement will be made available to either party at all times.
- Neither Plan Sponsor nor Taben can assign this Agreement without the other party's prior written consent. This Agreement may be amended only by written agreement which is executed by a duly authorized officer of each party.
- Each party shall be authorized to perform audits of the records of data specifically related to performance of the parties under this agreement with reasonable prior written notice. An agent of either party may perform audits provided such agent understands they may be required to sign a confidentiality agreement. Plan Sponsor acknowledges and agrees upon Taben's request to reimburse Taben for all of Taben's reasonable expenses, including copying and labor costs in assisting the Plan Sponsor to complete any audit.
- Plan Sponsor acknowledges in contemplation of entering into this Agreement Taben has revealed and will continue to reveal and to disclose to Plan Sponsor information which is proprietary and/or confidential. Plan Sponsor agrees to keep such proprietary and/or confidential information in strict confidence and not disclose such information to any third parties or employees who do not have a legitimate need to know such information. Plan Sponsor shall not use confidential and/or proprietary information for any purpose not directly related to and necessary for the performance of its obligations under this Agreement.
- Plan Sponsor agrees to immediately notify Taben of any action or threatened action against Taben. Taben reserves the right to retain its own counsel in any action which Taben is or potentially could be a party to.
- This agreement will be construed in accordance with laws of the State of Kansas.
- If any provision or portion of this Agreement is deemed invalid or unenforceable, or is not implemented for any reason, the remaining provisions or portions of this Agreement shall remain in full force and effect, and in no way shall be affected, impaired or invalidated.
- Any captions or headings of any of the Articles or Sections of this Agreement are solely for convenience of the parties, are not part of this Agreement, and shall not be used to determine the validity or interpretation of this Agreement.
- All Notices regarding this agreement should be sent in writing to the following:

Taben Group
Mark Williams, Executive Vice President
10875 Benson, Suite 130
Overland Park KS 66210

City of Lee's Summit, MO
Name & Title _____
Address _____



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ARTICLE IV
TERM & TERMINATION

This agreement shall commence with the effective date herein and will continue indefinitely until terminated in writing by either party. The terminating party shall provide at least 60 (sixty) days written notice of termination.

Standard termination / transition services include:

- Initial report to new vendor providing needed data on enrolled COBRA / RB participants
- Summary / Final report two weeks after transition identifying any changes in COBRA / RB participants enrolled, terminations, and paid-through dates
- Process all enrollments and event data request up to cancellation date
- Return payments and enrollment forms received after the cancellation date to QB / Retiree with new vendor instructions

Taben is always willing to adjust the standard process to meet the needs of the client and new COBRA vendor. Continued work outside the parameters outlined above would require a minimum of one additional month's administration fees.

ARTICLE V
FEES

Plan Sponsor agrees to pay Taben COBRA and Retiree Billing administration fees in accordance with the schedule outlined below. All payments are due, and must be paid to Taben within 30 days from the invoice date rendered by Taben. Taben reserves the right to retain unpaid administration fees from monthly premium remittance if fees are not paid by the due date.

Rates are guaranteed not to change for 4 year (s) from the effective date of this agreement*.

- **Per employee per month COBRA administration fee.....\$.65***
- **Per Retiree per month administration fee.....\$ 5**
- **Annual renewal rate reset / open enrollment fee\$ Included**
(per enrolled COBRA participant)
- **Initial rights / New Hire notice fee.....\$ Included**
- **COBRA monthly minimum administration fee.....\$ 75**

**Please note that Taben will retain the 2% administration fee*

Please Note: *In the event a "significant" modification to COBRA or HIPAA law occurs, Taben reserves the right to modify or change any and all of our fees. Any such fee change is to be effective on the date of such modification.*



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ARTICLE VI HOLD HARMLESS

Hold Harmless

Taben will indemnify, hold harmless and defend Plan Sponsor against any liability, damage or cost resulting from negligent acts or omissions committed by Taben, except and to the extent such negligent act or omission was caused directly or indirectly by Plan Sponsor and will maintain Errors and Omissions Insurance of at least \$1,000,000 at all times.

Plan Sponsor will indemnify, hold harmless and defend Taben against any liability, damage or cost resulting from negligent acts or omissions committed by Plan Sponsor and agrees not to instruct Taben to administer COBRA in a manner that violates ERISA, COBRA or other applicable law. Plan Sponsor shall indemnify Taben and hold it harmless from and against any liability, expense demand or other obligation resulting from or out of any premium charge, tax, or similar assessment (Federal or State) for which the Plan or employer is liable.

ARTICLE VII BUSINESS ASSOCIATE AGREEMENT

Business Associates Agreement

If applicable, the parties have executed or agree to execute a separate Business Associates Agreement outlining the responsibilities of both parties regarding Protected Health Information (PHI) the effective date of which will run concurrently with the first transmission of (PHI) between the parties.

Therefore, both parties acknowledge they have read, understood and agree to the terms and conditions contained herein and by the attesting signatures below executed this agreement on 1st day of January, 2018.

CITY OF LEE'S SUMMIT, MO

X _____

Print Name _____

Title _____

THE TABEN GROUP

X _____

Print Name _____

Title _____