

MEDICARE ADVANTAGE GROUP AGREEMENT

THIS AGREEMENT is made between ConnectiCare, Inc., its affiliates, subsidiaries and successor corporations (collectively, “CCI”) and the employer group that signs an Employer Participation Agreement with CBIA Health Connections (“Group”) and shall be effective on the effective date of coverage set forth in the Employer Participation Agreement (“Effective Date”).

WHEREAS, the Group contracts with CCI to provide Medicare Advantage with Prescription Drug (“MAPD”) coverage to its Medicare Eligible employees or retirees (“Members”), as permitted by the Centers for Medicare and Medicaid Services (“CMS”) and;

WHEREAS, the Group has or may have members who qualify for a low income subsidy (“LIS”) through CMS; and

WHEREAS, the Group and CCI have agreed to undertake certain responsibilities in connection with the above;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and the exchange of other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. Definitions

- A. “Group” means an employer group plan.
- B. “LIS” means low income subsidy. LIS members are determined by CMS based upon income requirements as compared to the federal poverty level. For LIS individuals, CMS pays the beneficiary’s premium (up to the low income subsidy amount) and cost-sharing obligations minus the beneficiary’s cost-sharing responsibilities.
- C. “Medicare Eligible” or “Medicare Eligible Individual” is one who meets the requirements set forth in 42 CFR § 422.5 and/or 42 CFR §423.30, as applicable.
- D. “Member” or “Enrollee”. For those groups for which CCI provides MAPD coverage to the Group, Members or Enrollees shall consist of (i) active employees who are Medicare Eligible or (ii) retirees who are Medicare Eligible.

II. Group’s Responsibilities.

- A. CCI will provide the Group with one invoice which will include, among other information, the number of LIS eligible individuals and the premium payment(s) due for the LIS individuals. To the extent that the Group is responsible for collecting payment from Members and remitting one premium check to CCI, Group will ensure that such payments are made to CCI on the first of each month. Payments which are not received within (30) days from the due date shall be considered late. CCI may terminate the Group if two or more consecutive payments are late; notice will be provided to the Group prior to termination. Contributions, if any, shall be between the Group and the Member. Subject to Article III (C) below, unless otherwise agreed

upon by CCI and the Group in writing, the Group shall be responsible for appropriately reimbursing the Member for LIS amounts received by CMS.

B. The Group agrees to the following with respect to the amount of the subsidy:

1. The Group can subsidize different amounts for different classes of Enrollees in the Group's MAPD plan provided that such classes are reasonable and based on objective business criteria, such as years of service, date of retirement, business location, job category, and nature of compensation (e.g., salaried vs. hourly). Different classes cannot be based on eligibility for the LIS.
2. The Group cannot vary the premium subsidy for individuals within a given class of Enrollees.
3. The Group must ensure that any LIS received on behalf of an LIS Enrollee will accrue first to the LIS Enrollee to reduce any MAPD premium paid for by LIS Enrollee, up to the sum of the LIS Enrollee's plus the Group's combined monthly premium. If the LIS amount for a particular LIS Enrollee is greater than the LIS Enrollee's and the Group's total monthly combined premiums, Employer shall immediately return the overage to CCI and CCI shall refund such amount to CMS.
4. For all Enrollees eligible for LIS, the low income premium subsidy amount will first be used to reduce the portion of the monthly beneficiary premium attributable to basic prescription drug coverage paid by the Enrollee, with any remaining portion of the premium subsidy amount then applied toward the portion of the monthly beneficiary premium attributable to basic prescription drug coverage paid by the Group.
5. If the low income premium subsidy amount for which the Enrollee is eligible is less than the portion of the monthly beneficiary premium paid by the Enrollee, then the Group should communicate to the Enrollee the financial consequences for the beneficiary of enrolling in the Group MAPD plan as compared to enrolling in another Part D plan with a monthly beneficiary premium equal to or below the low income premium subsidy amount.

III. CCI's Responsibilities

- A. CCI will administer coverage for the MAPD or MA plan purchased by the Group. Premiums shall be as set forth in writing along with a summary of the Group's benefits which shall be accepted by Group prior to the effective date of such coverage and incorporated herein by reference. Premiums and benefits are subject to change on a calendar year basis; changes will be communicated to the Group at least thirty (30) days before such change is effective.
- B. CCI agrees that it shall obtain written agreements from each Group which will indicate that the Group may determine how much of an Enrollee's Part D monthly beneficiary premium it will subsidize, subject to the restrictions set forth in Article II. B. above. CCI agrees to retain these written agreements with Groups and provide access to these written agreements to CMS in accordance with 42 CFR §§ 423.504(d) and 423.505(d) and (e).
- C. CCI will provide marketing materials as required by CMS to Members. This will include, but not be limited to, an Evidence of Coverage ("EOC") as well as other pre and post-enrollment documents. CCI will provide identification cards to Members which bear the CCI logo and

pertinent telephone numbers. Members must provide the identification card to providers when obtaining services. Claims for services must be submitted to the address on the back of the card. Claims shall be adjudicated based upon CMS guidelines. Payment for those services which are covered under the applicable benefit plan (“Covered Services”) shall be made directly to the provider.

Nothing in this Agreement shall force a hospital or other provider to accept a Member as a patient. This Agreement is not meant to change the normal relationship between a hospital or other provider and the patient. At all times during a hospital stay, the hospital’s usual rules shall govern the services provided to the patient. CCI cannot guarantee a Member’s acceptance by any provider or receipt of any particular service or accommodation.

- D. CMS will notify CCI of any individuals who are eligible for LIS as well as the amount of the subsidy. In the event that the Group has LIS eligible individuals among its Members, CCI will inform the Group of the number of LIS eligible individuals within the Group as well as the amount of the subsidy. CCI will either reduce the Member’s premium as applicable or provide a credit adjustment to the Group bill. To the extent that the Member contributes to the cost of the plan premium, the Group will reimburse the Member the applicable amount based upon the Member’s contribution. To the extent that the premium is paid by the Group and there is no contribution paid by the Member, the Group will keep the reimbursement. CCI will perform appropriate reconciliation on a monthly basis.
- E. CCI will appropriately track the subsidies to ensure that they are applied to the out-of-pocket threshold.

IV. Term and Termination

- A. Term. This Agreement shall remain in effect until December 31st of the current year. Thereafter, the Agreement shall automatically renew for additional one year terms unless either party notifies the other in writing of its intent not to renew. Such notice must be provided at least sixty (60) days prior to the renewal date.
- B. Termination. In the event of Group termination, CCI or the Group will notify each Member, not less than thirty (30) days prior to the effective date of termination, that the Group will be terminating from CCI. The notice will include an explanation on how to contact Medicare for information about other Medicare Advantage plan options that might be available to the beneficiaries.
 - 1. In the event of a breach of any material term of the Agreement by the Group, CCI may, at its option, terminate this Agreement. The termination shall be effective thirty (30) days from the date of CCI’s notice.
 - 2. CCI may terminate this Agreement due to change in law or regulation that directly affects this Agreement. CCI shall provide notice as required by law or regulation.
 - 3. CCI may terminate this Agreement in the event it terminates the entire class of contract and no longer participates in Medicare Advantage and Medicare Part D. CCI shall provide notice as required by law or regulation. Such notice shall be sent not less than 60 days from the effective date of termination.

4. CCI may terminate this Agreement immediately upon written notice if the Group has performed an act or practice that constitutes fraud or has made an intentional misrepresentation of a material fact under the terms of this Agreement.
- C. In the event of termination of this Agreement, the Group shall be liable to CCI for the payment of premiums through the effective date of termination. CCI shall not be liable for any health care services or other benefits after the effective date of termination, except as specifically provided otherwise.
- D. This Agreement, as it relates to the Members, may be terminated by CCI in the event that the Member is no longer eligible for coverage through CCI. This may occur if the Member changes his/her residence and moves outside of the service area, the Member loses entitlement to either Medicare Part A or Part B, the Member belongs to a special needs plan and loses special status, or the Member dies. This may occur on any date. Pursuant to CMS guidelines, prior written notice of termination will be provided by CCI. Termination shall be effective on the last day of the calendar month in which CCI is notified of the non-qualifying occurrence.

V. Audit

- A. The Group shall maintain complete and accurate records and accounts of all Members. Records shall include the name and address of each Member and set forth the eligibility of each Member. Upon five (5) days prior written notice, CCI or its designated representative shall have the right to audit the Group's books and records including, but not limited to, eligibility files, to the extent relevant to the performance of the Group's obligations under this Agreement. The cost of the audit shall be borne by CCI. This paragraph shall be subject to all applicable confidentiality laws. If a Member's authorization is required for the Group to provide CCI with information under this section, the Group shall obtain the required authorization. This provision shall remain effective for a period of three years after termination of this Agreement. Failure by the Group to permit any audits permitted hereunder shall be grounds for termination of this Agreement.

VI. Miscellaneous

- A. Confidentiality. Group shall not disclose any information or knowledge concerning information confidential or proprietary to CCI's operations or procedures. Such information or knowledge shall include, but not be limited to: (1) all financial, business, planning, operations, services, marketing, personnel, member supply of other information unique and proprietary to CCI; (2) all trade secrets, writings, copyrightable works, internal memoranda, data, corporate records, software, processes, surveys, financial arrangements, contracts, agreements and all other operational information and materials or other documents unique and proprietary to CCI; (3) all confidential information of any third party; and (4) all other unique and proprietary information whether existing now or at some time in the future which pertains to how CCI does business.

Confidential and proprietary information shall not include information which becomes generally available to the public other than as a result of disclosure by the directors, officers, employees, or agents of CCI; or becomes available to the Group from a source other than CCI provided that such source is not known by the Group to be bound by a confidentiality agreement with or other

obligation of secrecy of CCI to another party. The provisions of this section shall survive the termination of this Agreement.

B. Assignment/Entire Agreement. Either Party may assign this Agreement to a wholly owned subsidiary, an affiliate or a successor corporation arising through merger or otherwise. Except as permitted under the preceding sentence, neither Party may assign, subcontract or delegate any of its obligations under the Agreement without the prior written consent of the other Party. This Agreement, including any Exhibits, shall constitute the entire understanding between the Parties with respect to MAPD coverage obtained through CCI. Neither Party shall use or make reference to the other's name, symbol, logo or service mark without the other's prior written consent.

C. Notices. All legal notices given under this Agreement shall be in writing and sent by first class mail.

If to the Group, such notice shall be sent to the Benefits Administrator identified on the Employer Participation Agreement with CBIA Health Connections.

If to CCI, such notice shall be sent to ConnectiCare, Inc., 175 Scott Swamp Road, Farmington, CT 06032, Attention: Mary T. L. Bannon, Vice President & General Counsel.

Any notice of termination shall be sent by certified mail, return receipt requested. The notice shall specify the date of termination.

D. Waiver. No waiver of any term or condition of this Agreement shall be effective or binding unless made in writing and delivered by notice to the other Party, nor shall any waiver be deemed to excuse the performance of any act other than that which is specifically waived.

E. Delay. Neither party shall be deemed to have breached this Agreement or be held liable for any failure or delay in the performance of all or any portion of its obligations under this Agreement if prevented from doing so by cause(s) beyond its control. Any party so prevented shall resume performance as soon as reasonably possible after the impediment to its performance is removed. This paragraph shall not be deemed to excuse the Group's duty to pay premium(s) (if any) as provided in this Agreement.

F. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut without regard to application of conflict of laws statutes or decisions. The parties agree that any action pursuant to this Agreement shall be brought and tried in a court of competent jurisdiction in the State of Connecticut.

Lawsuits against CCI regarding any issue related to this Agreement must be started within two (2) years. If any claim in the lawsuit seeks to recover payment for services rendered to a Member, the two (2) years shall be measured from the date the Member received the service. Otherwise, the two (2) years shall be measured from the date that the disputed occurrence took place. Members may not sue CCI or the Group for the actions of any person, provider, hospital or other organization, which renders covered health services to such Members.

- G. Amendments. The Group acknowledges that CCI may from time to time amend the benefit plan and the rates. Except as provided for in the preceding sentence, this Agreement may only be amended upon mutual written consent of the parties.
- H. Severability. In the event that any provision of this Agreement is rendered invalid or unenforceable by any law or regulation, or declared null and void by any court of competent jurisdiction, that part shall be reformed, if possible, to conform to the law, and if it cannot be reformed, that part shall be deleted. The remainder of the provisions of this Agreement shall, subject to this paragraph, remain in full force and effect.
- I. Preambles and Recitals. The preambles and recitals are treated as part of this Agreement and are binding on the parties.
- J. Signature. The Group's agreement to the above terms and conditions shall be evidenced by the Group's signature on the Employer Participation Agreement with CBIA Health Connections. CCI is relying on the representations and warranties contained in Employer Participation Agreement. The Group shall execute and deliver a copy of this Agreement if and when required by CMS.