TERMS AND CONDITIONS
AGREEMENT FOR BUSINESS EXPRESS

This Terms and Conditions Agreement ("Agreement") describes the arrangement between the Commonwealth Health Insurance Connector Authority ("Connector"), located in Boston, MA, and the employer. Under this arrangement, the Connector arranges for Issuers to make available fully insured group medical coverage plans to employer, and employer purchases such coverage through the Connector on behalf of employer's eligible employees and their eligible dependents. This Agreement describes the rights and responsibilities of the employer and the Connector regarding this arrangement and each agrees to the terms and conditions below.

1. ACCEPTANCE OF THIS AGREEMENT. THE CONNECTOR'S ACCEPTANCE OF A COMPLETED APPLICATION AND EMPLOYER'S PAYMENT OF ITS FIRST MONTH'S PREMIUM IS DEEMED TO BE ACCEPTANCE OF THIS AGREEMENT BY EMPLOYER.

2. Definitions.
The following terms, when capitalized herein, mean the following:

Qualified Health Plans (QHPs): A Plan that is licensed under M.G.L c. 175, 176A, 176B, or 176G and has received the Health Connector's Seal of Approval as meeting certain standards regarding quality, value, and coverage (as described in 45 C.F.R. §155.1000) and is offered through the Exchange (in accordance with the process described in 45 C.F.R. §155.1010).
Qualified Dental Plans (QDPs): A Plan that is licensed under MGL c. 176E and has received the Health Connector's Seal of Approval as meeting certain standards regarding quality, value, and coverage (as described in 45 C.F.R. §155.1000) and is offered through the Exchange (in accordance with the process described in 45 C.F.R. §155.1010).

3. Medical or Dental Benefits.

(a) The Connector shall arrange for Issuers to offer Plans and enable an eligible employer to purchase plans through the Connector. The Connector arranges for Issuers' participation in the Connector through contracts with Issuers. While the Connector will make all reasonable efforts to maintain the continuity of issuers and plans offered through the Connector, an employer hereby acknowledges that issuers and plans offered through the Connector may change at any time, and in such event members may be required to select alternative issuers and/or plans in accordance with Connector policies.

(b) Each plan's medical or dental care benefits, conditions, limitations, exclusions, member cost-sharing (e.g., co-payments and deductibles) and provider networks are set forth in the issuer's Evidence of Coverage ("EOC"), as amended from time to time, and incorporated herein by this reference, that issuer provides to the employer and members.

(c) Issuer administers the provision of benefits to members in accordance with the EOC and their related administrative policies and procedures adopted from time to time, including, without limitation, sending ID cards to members, responding to benefit, network and claims questions, conducting grievances and appeals processes, and processing and paying health care providers' claims. Issuers may communicate directly with members for any purposes reasonably related to the administration of their plans.

(d) Qualified Health Plan ("QHP") issuers shall issue Form MA 1099-HC.

4. Connector Policies.

The employer may request from the Connector a copy of any detailed enrollment, billing or payment policies and procedures. These policies and procedures are considered a part of this Terms and Conditions Agreement and are available through the Connector's website.

5. Employer Eligibility.

The employer certifies that it is eligible to purchase insurance under state and federal law and Connector policies.

6. Employer Enrollment Requirements.

(a) Enrollment in a plan is subject to acceptance by the issuer.

(b) Coverage Effective Date for the plan will begin on the first day of the calendar month selected by the Employer as its coverage start date on its application following receipt of a complete Business Express application, requisite documentation, and payment of the first month's premium. This is called the employer group's "Effective Date."

(c) If requested, the eligible employer will provide the Connector complete information and documentation to establish its own, its employees', and its employees' dependents' eligibility. If the employer fails to comply with this request, the Connector is not required to issue a plan to the employer. Employer certifies that it will promptly notify the Connector of any address or other information changes.

(d) The Connector may not issue a plan to an employer if within the last twelve (12) months the employer:

(1) committed fraud or misrepresented its employees' eligibility for the plan;

(2) misrepresented information necessary to determine the group's size, participation rate or premium rate; or

(3) failed to comply in a material manner with a health benefit plan provision, including failing to provide information necessary to determine its eligibility.

7. Member Eligibility, Enrollment, and Termination.

(a) In order to enroll in the plan, employees and their dependents must be eligible employees or eligible dependents, as the case may be, and meet other eligibility requirements set forth in Connector policies.

(b) Subject to applicable law and Connector policies, an eligible employer may determine other employee and dependent eligibility requirements for enrollment in the plan, such as employee benefit waiting periods, provided that for the term of this Agreement, the eligible employer shall not change such requirements at any time other than effective at its next Anniversary Date.

(c) Eligible employees and their eligible dependents may enroll in the plan during the employer's initial and annual open enrollment periods, and at other times during the year as permitted by Connector policies and applicable law. Connector only enrolls eligible employees and eligible dependents effective as of the first day of a calendar month; provided, however, that in accordance with Connector policies, coverage effective dates may occur during a calendar month in the event of certain triggering events (for example, birth of a child) as required by federal and

state law. Coverage effective dates and related Premium obligations of the employer are set forth in Connector policies.

(e) Eligible employees and eligible dependents must meet Connector's and applicable Issuers' residency requirements for the employer's selected plan.

(f) Eligible employers must submit member termination information to the Connector in accordance with the timelines set forth in Connector policies. Connector terminates eligible employees and eligible dependents effective as of the last day of a calendar month; provided, however, that in accordance with Connector policies, effective dates of coverage termination may occur during a calendar month in the event of certain triggering events. Termination effective dates and related premium obligations of Employer are set forth in Connector policies. Terminated members may be eligible for COBRA or Mini-COBRA (see Section 10(c), below).

8. Massachusetts and Federal Non-Discriminatory Offer/Equal Contribution Law.

Pursuant to state law, an eligible employer hereby certifies that it:

(a) offers its group health or dental benefit plan to all of its full-time employees living in Massachusetts in the Issuers' approved service areas; and

(b) does not make a smaller premium contribution percentage to a full-time employee living in Massachusetts than it makes to any other full-time employee living in Massachusetts who receives an equal or greater total hourly or annual salary for any Plan selected by an eligible employee under this Agreement. (This provision does not apply if an employer establishes separate contribution percentages for employees covered by collective bargaining agreements.) For purposes of this Section, a full-time employee is an employee who is scheduled or expected to work at least the equivalent of an average of 35 hours per week over the applicable base period and who is not a temporary employee (expected to work twelve (12) consecutive weeks or fewer) or a seasonal employee (as so recognized by the Department of Unemployment Assistance).

Federal and state laws require that individuals and employees shall not be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any health program or activity. The laws prohibit discrimination on the basis of race, color, national origin or ancestry, sex, age, gender identity, sexual orientation, disability, health status or condition, expected length of life, degree of medical dependency, quality of life, or religious creed. The eligible employer also certifies that it is in compliance with these state and federal nondiscrimination laws as applicable.

9. Group Health and Dental Plan Requirements.

(a) The eligible employer agrees to comply with all laws and regulations applicable to the employer's insured group health or dental plan, including, without limitation, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), COBRA, Medicare Secondary Payer ("MSP") requirements, applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the Affordable Care Act ("ACA") requirements.

(b) With respect to ERISA:

(1) The eligible employer agrees, without limitation, to provide eligible employees with a Summary of Benefits and Coverage (SBC), to carry out its fiduciary responsibilities of administering the eligible employer's benefit plans, and to provide required notices to covered employees upon enrollment, renewal and as requested.

(2) The eligible employer hereby delegates discretionary authority to the issuer to:

(i) interpret the terms of its EOC;
(ii) make determinations of fact related to coverage;
(iii) conduct medical necessity reviews;
(iv) carry out utilization management;
(v) exercise fair and impartial review of denied claims and appeals for coverage in accordance with the procedures in its EOC and applicable law; and
(vi) resolve any other matters identified by members or issuers with respect to benefits as set forth in the EOC.

An issuer's determinations regarding these responsibilities shall be final and binding unless it can be established that the issuer acted in an arbitrary and capricious manner.

(c) Employer agrees that it is responsible to administer COBRA and Mini-COBRA, as applicable. This responsibility includes, without limitation, providing all required notices, allowing employees/dependents their legally required election periods and collecting appropriate Premium from employees and dependents electing continuation coverage, all in accordance with applicable federal and state law. Once a member has elected continuation coverage, Connector shall bill the employer for such member in the same manner it bills the employer for other members.

(d)The employer hereby delegates to each applicable Issuer authority to resolve MSP issues related to claims paid by the issuer under its plans. Furthermore, Employer hereby authorizes the Centers for Medicare and Medicaid Services, its Medicare Contractors and the Department of the Treasury to disclose to applicable Issuers information related to any debt identified in any MSP recovery demand related to claims paid by issuers under their plans.

(e) Neither Connector nor any issuer shall be liable for any claims or damages that result from an employer's failure to comply with any laws or regulations applicable to the employer or its group health plan, including without limitation, Chapter 58 of the Acts of 2006, and the federal requirements of ERISA, COBRA, HIPAA, the ACA and MSP. Employer agrees to hold Connector and Issuers harmless for any fees, damages, penalties, taxes, attorneys' fees or other liabilities, assessed at any time, due to the employer's failure to comply with such requirements.

10. Premium Rates.

(a) Premium rates charged to eligible employer for each of the plans are developed by the issuer in accordance with applicable law. Please note, premium rates charged by health and dental insurance issuers are subject to review by the Massachusetts Division of Insurance (DOI) and could change per DOI order.

(b) Employer and employee contributions toward monthly premiums for the plan shall be in accordance with Connector policies.

(c) The eligible employer acknowledges that the Connector reserves the exclusive right to change the premium during the Term due to:

(1) changes in the group composition (i.e., member additions and terminations of ten percent (10%) or more);

(2) a change in benefits; or

(3) federal or state law.

(d) Prior to the Effective Date of this Agreement, Connector shall establish and notify the employer of premium for the plan applicable to the Initial Term of this Agreement. Thereafter, at least thirty (30) days prior to each Anniversary Date, Connector shall provide written notice to employer of the changed Premium applicable to the next Renewal Term. Such notices automatically amend this Agreement as of the applicable Anniversary Date and are hereby incorporated into this Agreement.

11. Billing and Payment.

(a) Connector shall send employer an initial invoice for the first coverage month prior to the Effective Date of this Agreement. Thereafter, the billing and payment cycle is as follows:

i) Medical: approximately forty-five (45) days prior to the applicable coverage month, Connector shall send employer one consolidated monthly Premium invoice, with the total amount due with respect to each enrolled employee and COBRA qualified beneficiary for the applicable coverage month ("Amount Due"). Employer agrees to remit to Connector the Amount Due in each monthly premium invoice no later than the 10th of the calendar month following the month in which the premium invoice is sent ("Due Date").

ii) Dental: on the first day of each month prior to the applicable coverage month, Connector shall send an employer one consolidated monthly Premium invoice, with the total amount due with respect to each enrolled employee and COBRA qualified beneficiary for the applicable coverage month ("Amount Due"). The eligible employer agrees to remit to Connector the Amount Due in each monthly Premium invoice no later than five (5) business days before the coverage month following the month in which the premium invoice is sent ("Due Date").

If the Amount Due has not been received by Connector at least five (5) business days prior to the applicable coverage month (For medical this is the "Final Due Date", for dental this is the "Due Date"), Connector shall notify applicable issuer of employer's premium delinquency and Issuer may suspend payment of members' claims with dates of service on or after the applicable coverage month for which the Amount Due is delinquent. (Issuer may notify members in the event payment of members' claims is suspended for delinquent payment.) If Connector has not received full premium payment within two months following the first day of the coverage month for which premium was due, Connector shall terminate this Agreement retroactive to the last day of the coverage month for which full premium was received. Termination of this Agreement results in the termination of all members from the plan.

(For MEDICAL example only: An invoice for August coverage is sent to the employer on June 15th. The employer must pay this invoice no later than the Due Date of July 10th. If payment is not received by Connector by the Final Due Date of July 25th, the issuer may suspend payment of members' claims with dates of service beginning August 1st. If the employer has not paid the premium due by the Grace Date, this Agreement shall be terminated retroactive to July 31st, the last day of the month for which Premium was paid

(For DENTAL example only: An invoice for August coverage is sent to the employer on July 1st. the employer must pay this invoice no later than the Due Date of five (5) business days prior to August 1st. If payment is not received by Connector by the Due Date, issuer may suspend payment of Members' claims with dates of service beginning August 1st. If an eligible employer has not paid the premium due by the Due Date, this Agreement shall be terminated retroactive to July 31st, the last day of the month for which premium was paid.)

(b) The employer's premium obligations related to the timing/effective dates of member additions and deletions are set forth in Connector policies.

(c) Connector reserves the right to charge an employer late fees for premiums not received by the Grace Date. The employer agrees that it is responsible for bank fees related to wire transfer of Premium payments or non-sufficient funds, and Connector-imposed late fees, if any.

(d) The employer agrees that it and each of its subsidiaries covered under this Agreement are jointly and severally liable for payment of all premium owed under this Agreement.

12. Non-Renewal/Termination of the Agreement.

(a) The Connector may not renew the employer's group plan on the Yearly Renewal Date if the employer fails to meet the eligibility requirements and/or:

(1) has not paid its premiums;

(2) has committed fraud or misrepresented its employees' or dependents' eligibility for the Plan;

(3) has misrepresented information necessary to determine the premium rate;

(4) failed to comply in a material manner with the Issuer(s)' requirements;

(5) failed to comply with the Health Connector's reasonable request for information necessary to verify eligibility; or

(6) is not actively engaged in business.

The Connector will provide the specific reason(s) and written notice to the employer at least sixty (60) days before its plan is not renewed.

(b) The Connector may terminate this Agreement, in accordance with applicable law, under any of the following circumstances, the employer:

(1) has not paid the required Premiums;

(2) has committed fraud or misrepresented whether a person is an Eligible Employee;

(3) has committed fraud or misrepresented information necessary to determine the group's size, participation rate or premium rate; or

(4) is not actively engaged in business.

(5) Connector ceases to arrange for employers to purchase coverage through the Business Express Program or an alternative program.

Termination for events in Section 14(b)(2) – (b)(5) shall be effective, in accordance with law, on the date set forth in a written notice from Connector.

(c) Employer may terminate this Agreement at any time by providing written notice to Connector, provided, however, that the earliest effective date of termination shall in all cases be the last day of the calendar month in which notice was given.

(d) As of the effective date of termination of this Agreement, members' coverage under the plan shall cease, and they shall have no further rights to medical coverage benefits, except as specifically set forth in the plan's Evidence of Coverage or otherwise required by law.

13. Amendments.

The Connector may amend these Terms and Conditions from time to time. The Connector shall provide the employer with notice of such amendment and its effective date.

14. Information; Examination of Records.

(a) Upon reasonable notice from Connector, the employer agrees to make available during regular business hours, in a timely manner, for confidential review by Connector, any of the employer's documents, records or information that Connector reasonably determines necessary to verify:

(1) the initial and continuing eligibility of the employer's employees and dependents; and

(2) that the employer is in compliance with applicable laws and regulations relating to insured group health plans. Connector reserves the right to conduct both focused and random sample audits of employer records.

15. Relationships; Limitation on Liability.

(a) The Connector is an arranger of medical care coverage provided by issuers to members, and the employer is a purchaser of such coverage, on behalf of its eligible employees and their eligible dependents, through Connector. Connector and the employer are independent entities and the Connector has no further obligations to employees and their dependents beyond the relationships described herein.

(b) Neither Connector nor Issuer provides health care services. Issuer enters into contractual relationships with health care services providers; such providers are not the employees, agents or representatives of Connector or Issuer. Providers providing health care services under an issuer's plans may change from time to time.

(c) Neither Connector nor applicable issuers shall have any liability or responsibility whatsoever to the employer or to any third party, including employees, dependents and members, due to the employer's failure to remit eremiums to Connector in accordance with this Agreement, even if the employer has collected premium contributions from employees (through payroll withholding or otherwise).

(d) Connector shall have no liability or responsibility whatsoever to the employer or any third party, including employees, dependents and members, with respect to the acts or omissions relative to:

(1) medical benefits due, or alleged to be due, under any plan; or

(2) the provision of health care services by Issuer's contracted providers.

16. Assignment. This Agreement shall be binding upon and inure to the benefit of each of the parties' successors, assigns and/or representatives. Except as otherwise provided for in this Agreement, neither the employer nor Connector may assign or otherwise delegate this Agreement without the other's consent, except that Connector may, without the employer's consent, delegate or assign this Agreement to any successor organization.

17. Limitation on Actions. Employer may not bring any action against an issuer for failure to provide benefits under a plan unless brought within two (2) years from the time the cause of action arose.

18. Waiver. Connector's waiver of any provision of this Agreement on any occasion shall not be construed as a waiver of any other provision nor shall it obligate Connector to act in a similar fashion on any later occasion.

19. Notices. Connector shall send the employer all notices required under this Agreement as follows: by hand, by first class mail, postage prepaid, or by e-mail, to the employer's most recent mailing or e-mail address reflected in Connector's records. Employer shall send Connector all notices required under this Agreement by hand or by first class mail, postage prepaid, to: .

Health and Dental Plan or Health Plan Only	Dental Plan Only
If you are offering both health and dental insurance, or only health insurance, send your correspondence to:	If you are offering only dental insurance, send your correspondence to:
Mail:	Mail:
Business Express	Business Express
Attn: Business Express Enrollment	Attn: Business Express Dental Enrollment
554 Main Street	133 Portland Street, 1st Floor
Worcester, MA 01608	Boston, MA 02114-1707
Fax: 508-770-0102	Fax: 877-623-2155

20. Entire Agreement; Governing Law.

(a) This Agreement, along with the employer's Business Express Program Employer Application, Member enrollment applications, renewal packages, and any amendments to this Agreement, constitutes the entire contract and understanding between Connector and the employer and supersedes all prior oral and written representations and understandings between the parties. Issuers are not parties to this Agreement and neither the employer nor any member shall have any right or claim against an issuer under this Agreement.

(b) This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to its choice of law rules.