



February 22, 2018

Mr. Bryan Bickley
James A. Scott & Son, Inc.
4700 Falls of Neuse Rd Ste 320
Raleigh, NC 27609-6278

Dear Mr. Bickley,

Enclosed is renewal information for one of your Delta Dental of North Carolina groups that renews in the month of July. Renewal documents indicating the group's renewal rates are enclosed.

Please ensure that the enclosed renewal letter is delivered to the group. If you have any questions or need additional information, please feel free to contact me.

Sincerely,



Jennifer R Harris
Account Manager

Enclosures:
0778-0001, 0099 Chatham County



February 22, 2018

Mrs. Carolyn Miller
HR Director
Chatham County
12 East Street
Pittsboro, NC 27312-5761

Re: Dental Plan Fee Review, Group #0778-0001, 0099

Dear Mrs. Miller,

Thank you for placing your confidence in Delta Dental. We are committed to improving the oral health of our communities by providing access to the nation's largest dental network at competitive rates. This allows your enrollees to obtain the dental care they need to remain healthy.

Enclosed are the administrative fees for your new contract period, along with other important documents related to your contract renewal. Payment of the new fees will be your consent to renew the Delta Dental contract. No action is required from you at this time unless you wish to change the benefits you offer.

If your coverage or budget goals have changed, please contact Mr. Bryan Bickley or me for more plan design options. We can administer many different plan designs to suit your needs and will provide you with a comprehensive analysis of how any changes would affect your fees or funding factors. Benefit changes can be effective at your renewal, but you must request them no later than 15 days prior to your plan's renewal date.

Enclosed is a contract for the renewal of your existing dental plan. Please have your group's authorized representative sign the contract and return it to me at your earliest convenience. If we are not in receipt of the signed contract by the effective date, we will consider remittance of payment as acceptance of the contract, and we will continue to administer your dental benefits accordingly. By permitting us to do so, you accept the terms of this contract in full and agree that this contract is binding, even if you do not return a signed copy of the contract to us. If you do not wish to renew coverage, please provide notice to us in accordance with your Contract. Notwithstanding the above terms of this contract, all delinquent balances due to Delta Dental must be paid in full prior to acceptance on the above-mentioned renewal date. If there is a deficit at the time of your acceptance, Delta Dental reserves the right to revoke this offer and terminate your existing contract upon its natural expiration date.

Please call me at (919) 424-1036 if you have any questions or if I can help in any way. Thank you, we look forward to continuing our relationship with you and we greatly appreciate your business.

Sincerely,



Jennifer R Harris
Account Manager

cc: Mr. Bryan Bickley

DELTA DENTAL OF NORTH CAROLINA
4242 Six Forks Road - Suite 970
Raleigh, NC 27609
Telephone: 919-424-1035

Delta Dental of North Carolina
Renewal Rates for Chatham County #0778
Effective July 1, 2018

Administrative Services Fees		
Rates per subscriber per month	Current Fee(s) July 1, 2017 through June 30, 2018	Renewal Fee(s) July 1, 2018 through June 30, 2021
Composite	\$6.70	\$6.49
Overall Percent Change	-3.13%	
Rates per subscriber per month	Current Equivalency Rate(s) July 1, 2017 through June 30, 2018	Renewal Equivalency Rate(s) July 1, 2018 through June 30, 2021
Subscriber only	\$27.18	\$29.72
Subscriber and spouse	\$55.94	\$60.21
Subscriber and child(ren)	\$73.34	\$80.83
Subscriber, spouse and child(ren)	\$111.43	\$112.20
Overall Percent Change	6.84%	
In addition to the Administrative Service Fee, Delta Dental shall invoice Contractor for the Cost of Claims for the preceding week every Tuesday. Payment shall be due via Electronic Funds Transfer on or before Friday of that week.		

Rating Requirements
Minimum client contributions: 100 percent for employee and 0 percent for dependent(s).
Tied to medical: No
Eligible dependents must enroll for a minimum of 12 months. If coverage is terminated after 12 months, they may not re-enroll prior to the open enrollment that occurs at least 12 months from the date of termination. Plan changes are only allowed during open enrollment periods, except that an election may be revoked or changed at any time if the change is the result of a qualifying event as defined under Internal Revenue Code Section 125.

Rating Assumptions
The fee is valid for the effective date noted above and is guaranteed through the period shown above.
These rates assume that claims from nonparticipating dentists will be paid using our national Table 90.
Self-billing is not allowed and you agree to pay as invoiced each month.
Subscriber benefit materials are mailed directly to your members.
Printed dentist directories are not included. You can find participating dentists on our website at www.DeltaDentalNC.com .
The plan specifications are subject to Delta Dental's standard exclusions and limitations, including:
➤ Oral exams (including evaluations by a specialist) are payable twice per calendar year.
➤ Prophylaxes (cleanings) are payable twice per calendar year. Full mouth debridement is payable once per lifetime.
➤ People with specific at-risk health conditions may be eligible for additional prophylaxes (cleanings) or fluoride treatment. The patient should talk with his or her dentist about treatment.
➤ Fluoride treatments are payable once per calendar year for people up to age 16.
➤ Space maintainers are payable once per area per lifetime for people up to age 16.
➤ Bitewing X-rays are payable once per calendar year and full mouth X-rays (which include bitewing X-rays) are payable once in any three-year period.
➤ Sealants are payable once per tooth per five-year period for the occlusal surface of first and second permanent molars up to age 16. The surface must be free from decay and restorations.
➤ Composite resin (white) restorations are Covered Services on posterior teeth.
➤ Porcelain and resin facings on crowns are Covered Services on posterior teeth.
➤ Vestibuloplasty is a Covered Service.
➤ Full and partial dentures are payable once in any five-year period. Reline and rebase of dentures are payable once in any two-year period.
➤ Implants and implant related services are payable once per tooth in any five-year period.

Delta Dental of North Carolina
Dental Benefit Highlights for
Chatham County #0778

Delta Dental PPO plus Premier

Coverage effective July 1, 2018

	Delta Dental PPO Dentist	Delta Dental Premier Dentist	Non- participating Dentist
	Plan Pays	Plan Pays	Plan Pays*
Diagnostic & Preventive			
Diagnostic and Preventive Services - exams, cleanings, fluoride, and space maintainers	100%	100%	100%
Emergency Palliative Treatment - to temporarily relieve pain	100%	100%	100%
Sealants - to prevent decay of permanent teeth	100%	100%	100%
Brush Biopsy - to detect oral cancer	100%	100%	100%
Radiographs - X-rays	100%	100%	100%
Basic Services			
Minor Restorative Services - fillings and crown repair	80%	80%	80%
Endodontic Services - root canals	80%	80%	80%
Periodontic Services - to treat gum disease	80%	80%	80%
Oral Surgery Services - extractions and dental surgery	80%	80%	80%
Other Basic Services - misc. services	80%	80%	80%
Relines and Repairs - to bridges, implants, and dentures	80%	80%	80%
Major Services			
Major Restorative Services - crowns	50%	50%	50%
Prosthodontic Services - bridges, implants, and dentures	50%	50%	50%
Orthodontic Services			
Orthodontic Services - braces	50%	50%	50%
Orthodontic Age Limit -	Up to age 19	Up to age 19	Up to age 19

* When you receive services from a Nonparticipating Dentist, the percentages in this column indicate the portion of Delta Dental's Nonparticipating Dentist Fee that will be paid for those services. The Nonparticipating Dentist Fee may be less than what the dentist charges and you are responsible for that difference.

Maximum Payment – \$1,250 per person total per Benefit Year on all services, except diagnostic and preventive services, emergency palliative treatment, brush biopsy, X-rays, sealants, and orthodontic services. \$1,000 per person total per lifetime on orthodontic services.

Deductible – \$50 Deductible per person total per Benefit Year limited to a maximum Deductible of \$150 per family per Benefit Year. The Deductible does not apply to diagnostic and preventive services, emergency palliative treatment, brush biopsy, X-rays, sealants, and orthodontic services.

Note - This document is only intended to provide a brief description of your benefits. Please refer to your Certificate and summary for a complete description of benefits, exclusions, and limitations.



Welcome to North Carolina's largest dental benefits family!

As a member of Delta Dental of North Carolina, you have access to the nation's largest dental networks: Delta Dental PPO and Delta Dental Premier.

- It's easy to find a dentist! Four out of five dentists nationwide participate in our network.
- You have superior access to care and fee savings because of our agreements with participating dentists.
- Our dentists cannot balance bill you, which means more money in your pocket!
- No troublesome paperwork! Network dentists will fill out and file your claims.
- Pay only your copayments and/or deductibles when you receive care from network dentists -- there are no hidden fees.
- You can still visit nonparticipating dentists, but you may be billed the full amount at the time of service and then have to wait to be reimbursed.

Quality Dental Program

With our quick and accurate claims processing, we pay more than 90% of claims in 10 days or less. Delta Dental also offers world-class customer service from our Certified Center of Excellence call center, as awarded by Benchmark Portal.

Online Access

Our online Consumer Toolkit lets you access your dental plan securely over the Internet. You can find a dentist, check benefits, select paperless notices, review claims and amounts used toward maximums, print ID cards, and more -- all at your own convenience.

A Healthy Smile

Keep your smile healthy with dental benefits from Delta Dental. Your smile is a good indicator of your health. Did you know that your dentist can detect up to 120 different diseases, including diabetes and heart disease? Early detection is one of the best ways to prevent further complications.

Questions?

If you have questions, please call our Customer Service team at 800-662-8856 (TTY users call 711) or look online at www.DeltaDentalNC.com.



**Delta Dental Service Contract
For
Chatham County**

This Service Contract ("Contract") is entered into by and between Chatham County (the "Contractor") and Delta Dental of North Carolina, a North Carolina non-profit corporation ("Delta Dental"). Delta Dental agrees to perform claims administration services for the Contractor's self-funded dental benefit plan. Contractor and Delta Dental may be singularly referred to herein as "Party" and collectively referred to herein as the "Parties". This is a legally binding contract between the Contractor and Delta Dental and is effective on July 1, 2018, the ("Effective Date").

SECTION I - DECLARATIONS

The benefits afforded are only with respect to such benefits as are indicated in this Contract, including the Summary of Dental Plan Benefits. Delta Dental's liability is limited to the benefits stated herein; subject to all the terms of this Contract having reference thereto. This Declarations Section and the Summary of Dental Plan Benefits supersedes any contrary provision of the subsequent sections of this Contract.

A. Effective Date: 12:01 A.M. Standard Time, July 1, 2018

B. First Renewal Date: July 1, 2021

C. Client Number: 0778-0001, 0099

D. Rate(s):

Administrative Service Fee: Composite - \$6.49 per month per Subscriber

This rate is contingent upon 95 percent enrollment of the eligible members of the defined group with the cost paid by the Contractor and a minimum enrollment of 75 percent of their eligible dependents with the additional cost of dependent coverage paid by the Subscriber. In addition to the Administrative Service Fee, Delta Dental shall invoice Contractor for the Cost of Claims for the preceding week every Tuesday. Payment shall be due via Electronic Funds Transfer on or before Friday of that week. Rates do not include any applicable claims taxes.

These rates assume that claims from nonparticipating dentists will be paid using our national Table 90.

DELTA DENTAL OF NORTH CAROLINA

BY: 
President and CEO

DATE: February 22, 2018

CONTRACTOR

BY: _____
(Authorized Signature)

(Title)

BY: _____
(Witnessed By)

(Title)

DATE: _____

SECTION II - DEFINITIONS

The following words and terms have the following meanings unless the context or use clearly indicates another meaning or intent. Capitalized words and terms not defined below are defined in the Certificate.

ADMINISTRATIVE SERVICE FEE means the fee charged by Delta Dental for the administrative services performed under this Contract.

BENEFITS means payment for Covered Services that have been selected by the Contractor's Dental Plan.

BENEFIT MANAGER TOOLKIT means Delta Dental's online portal used for eligibility updates and Dental Plan information.

CERTIFICATE means the accompanying Certificate and Summary of Dental Plan Benefits, which explain the Benefits of the Contractor's self-funded plan, and which are hereby incorporated by reference.

CLAIM means a request for payment for a Covered Service under the Certificate for Subscriber or Eligible Dependent during the term of this Contract.

COBRA means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

CONTRACT means this document and any addendums and exhibits attached hereto, the amendments, the applicable Certificate and endorsements thereto and the materials submitted by the Contractor in applying for coverage, which are hereby incorporated by reference.

COST OF CLAIMS means the total amount of Claims paid by Delta Dental and charged to the Contractor.

COVERED SERVICE means a service or supply covered under Contractor's Dental Plan as set forth in the Certificate.

DENTAL PLAN means the group dental plan established by Contractor.

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

PLAN PARTICIPANT means any Subscriber or Eligible Dependents enrolled in the Dental Plan.

SUMMARY OF DENTAL PLAN BENEFITS means a description of the specific provisions of your group dental coverage. The Summary of Dental Plan Benefits is and should be read as a part of the Certificate, and supersedes any contrary provision of the Certificate.

SECTION III - ERISA

Contractor, or a person designated by Contractor (other than Delta Dental), shall be the Named Fiduciary of the Contractor's Dental Plan as that term is defined by ERISA §402(a)(2). To the extent Contractor has delegated to Delta Dental the responsibility and discretionary authority to make final claims determinations, Delta Dental shall be the named fiduciary with respect to such determinations. Any determination or interpretation made by Delta Dental pursuant to this authority is binding on the Plan Participant and the Contractor unless it is demonstrated that the determination was arbitrary and capricious. In the event final claims determinations are made by any other entity, Delta Dental shall not be a fiduciary with respect to such determinations. Except as otherwise stated herein, Delta Dental shall not have any further discretionary authority or control respecting the management of the Dental Plan or the Dental Plan's assets, if any, and the Contractor retains all responsibility and authority, including all other fiduciary responsibilities, as defined in ERISA, for operation of the Dental Plan.

SECTION IV - PATIENT PROTECTION AND AFFORDABLE CARE ACT

To the extent the Dental Plan is subject to Patient Protection and Affordable Care Act ("PPACA"), the Parties shall mutually agree upon their respective obligations.

Contractor shall be solely responsible for determining and notifying Delta Dental of PPACA's applicability. Contractor shall hold Delta Dental harmless for any failure to comply with Contractor's obligations under this Section.

SECTION V - ELIGIBILITY AND ENROLLMENT

- A. Contractor shall have sole responsibility for determining the eligibility of, and shall manage the enrollment, disenrollment, and contribution obligations of all Plan Participants.
- B. As a condition of enrollment, the Contractor shall require all Plan Participants to provide Delta Dental with all information needed to process claims and administer Benefits. Such information may include, but not be limited to, the Plan Participant's dental records. In the event a Plan Participant fails and/or refuses to provide Delta Dental with requested information, Delta Dental may place the Plan Participant's coverage on hold.
- C. Contractor shall provide Delta Dental with an initial eligibility upload of all Plan Participants. Such eligibility upload shall be in a form and format acceptable to Delta Dental. Thereafter, Contractor shall provide Delta Dental with eligibility updates on an as needed basis, which in no event shall be less than monthly. Contractor shall promptly respond to any requests for information made by Delta Dental concerning the eligibility of a Plan Participant.
- D. Contractor shall be solely responsible for the accuracy and delivery of all eligibility information submitted to Delta Dental. Delta Dental shall not be liable for any losses or damages resulting from eligibility information provided by Contractor and/or any other third party.
- E. No retroactive eligibility updates will be accepted for an effective date more than six months from the date of notification. If the Contractor requests that a Subscriber's eligibility be terminated retroactively and a claim was incurred for that Subscriber or that Subscriber's Eligible Dependent after the requested termination date, the Subscriber's eligibility will continue until the end of the month in which the claim occurred.
- F. Upon reasonable prior written notice, Delta Dental shall have the right to audit the accuracy of Contractor's eligibility information. Contractor's refusal to permit such audit shall be deemed a material breach of this Contract.
- G. Contractor shall be solely responsible for identifying Plan Participants entitled to COBRA continuation benefits. Contractor shall provide all required notices, collect all necessary payments, and otherwise administer all facets of its COBRA program. In the event that Contractor continues to provide eligibility information to Delta Dental for a Plan Participant during the COBRA election period, as opposed to terminating coverage and then retroactively reinstating a Plan Participant upon the Plan Participant's election of COBRA coverage, Contractor shall be liable for any Claim paid during that period if the Plan Participant ultimately does not elect COBRA coverage.

Not all employers are subject to the continuation coverage requirements contained in COBRA. For those that are not, this Section does not apply. Contractor should consult with their legal counsel to determine how and when the law applies.

- H. In the event that a Plan Participant undergoes a change in eligibility, Contractor must notify Delta Dental of such change. Any failure by Contractor to provide timely notice of eligibility changes may result in Benefits being improperly administered. Contractor shall be solely responsible for such failures. Contractor must notify Delta Dental immediately for any change in a Plan Participant's eligibility. In the event Contractor does not notify Delta Dental immediately, Contractor shall be responsible for any paid Claims.
- I. If the Contractor elects to transmit eligibility information via the Benefit Manager Toolkit, Contractor shall execute all proper authorization forms prior to accessing Delta Dental's systems.
- J. Delta Dental will deliver to the Contractor a Certificate for each Subscriber, unless otherwise agreed to in writing by the Parties.
- K. The Contractor will timely distribute to each of its Subscribers the Certificates and other information provided by Delta Dental regarding the Benefits available under this Contract, unless otherwise agreed to in writing by the Parties.
- L. Delta Dental shall furnish the Contractor with enrollment forms and related informational materials necessary and appropriate to enroll the Contractor's Plan Participants. Delta Dental shall provide reasonable assistance to Contractor on an as needed basis during the enrollment process.
- M. In the event of any material changes in enrollment or composition of Plan Participants or if invoices are not paid as billed, unless otherwise agreed to in writing, Delta Dental shall have the right in its sole discretion to either:
 - 1. Propose an adjustment to the Administrative Service Fee; or
 - 2. Terminate this Contract pursuant to Section X. If the proposed adjustment to the Administrative Service Fee is not accepted by Contractor within 30 days of receipt of the proposed adjustment, Delta Dental reserves the right to terminate this Contract.

SECTION VI - BENEFITS

- A. Delta Dental shall administer and make payment for Benefits in accordance with this Contract and the Certificate attached hereto. Contractor may request changes to the Benefits available to Plan Participants by submitting the request in writing to Delta Dental. Changes to Benefits are subject to Delta Dental's approval and may cause an increase to the Administrative Service Fee. Any changes to Benefits must be agreed to in writing by Delta Dental prior to implementation.

SECTION VII - DELTA DENTAL NETWORK

- A. Delta Dental shall provide Plan Participants with an established network of dentists ("Participating Dentists") who have agreed to accept Delta Dental's Maximum Approved Fees for Covered Services. With exception of Copayments and Deductibles, Participating Dentists shall not charge Plan Participants for any amounts that exceed the Maximum Approved Fee. Delta Dental has complete discretion when setting the Maximum Approved Fees.
- B. Delta Dental shall ensure that there are an adequate number of qualified and credentialed Participating Dentists. All Participating Dentists are required to adhere to Delta Dental credentialing, quality assurance and claims processing policies.
- C. Delta Dental is under no obligation to contract with any particular dentist and/or maintain any particular Participating Dentist in its network. In addition, Delta Dental is under no obligation to recommend or refer any dentist to a Plan Participant.

- D. Contractor acknowledges and agrees that:
1. Delta Dental does not provide, direct, or control the provision of dental services to Plan Participants.
 2. All decisions regarding dental services are made solely by the Plan Participant and his or her dentist; and
 3. Delta Dental does not guarantee that the dental services received by a Plan Participant from his or her dentist will be rendered in accordance with generally accepted standards or procedures.

SECTION VIII - CLAIMS AND APPEALS

- A. Delta Dental will adjudicate and process all clean Claims submitted for Contractor's Dental Plan, in accordance with this Contract, the Certificate and Delta Dental's standard operating procedures.
- B. Subject to the terms of this Contract, Delta Dental has complete discretion to process Claims received under Contractor's Dental Plan. As such, Delta Dental shall, without limitation, make determinations regarding:
1. Coordination of benefits.
 2. The applicability of Benefit waiting periods, limitations and exclusions.
 3. The quality of care provided to Plan Participants by a treating dentist; and
 4. The appropriateness and/or necessity of services performed by a treating dentist.
- C. Delta Dental shall provide Pre-Treatment Estimates to Plan Participants and Participating Dentists upon request as set forth in the Certificate. A Pre-Treatment Estimate is a voluntary and optional process where Delta Dental issues a written estimate of Benefits that may be available under the Dental Plan. A Pre-Treatment Estimate is not a prerequisite or condition for approval of future Benefits payment. Receipt of a Pre-Treatment Estimate does not guarantee payment or coverage, and is not a formal adjudication of a Claim. Pre-Treatment Estimates do not assess whether a Plan Participant is specifically eligible for a Covered Service or whether he or she has reached any applicable annual or lifetime maximum payments under the Dental Plan.
- D. Delta Dental will follow established procedures for resolving all adverse Claims determination questions asserted by a dentist, Contractor, or Plan Participant as set forth in the Certificate ("Claims Appeal Procedure"). The Claims Appeal Procedure shall contain processes for appealing initial adverse determinations made by Delta Dental. To the extent the Dental Plan is governed by ERISA, Delta Dental's procedures shall comply with ERISA and any regulations or guidelines thereunder. All determinations made according to the Claims Appeal Procedure will be final and binding on the Participating Dentist, the Contractor, and the Plan Participant; provided, however, that the Plan Participant may exercise any additional legal rights he or she may have.
- E. Payments made directly to a Plan Participant as reimbursement for Covered Services under the Dental Plan are for the personal benefit of such Plan Participant and cannot be transferred or assigned. Delta Dental shall not honor attempts to assign Benefits unless required to by law.
- F. Delta Dental shall use reasonable efforts to recover any overpayments on Contractor's behalf. Delta Dental is under no obligation to engage in litigation in an attempt to recover such payments. Any funds recovered by Delta Dental will be properly credited to Contractor.

- G. Delta Dental does not insure or underwrite risk for Claims submitted on behalf of Plan Participants. The Contractor retains sole responsibility for all Claims paid.

SECTION IX - PAYMENT

- A. The Contractor agrees to reimburse Delta Dental for the actual Cost of Claims and the invoiced Administrative Service Fee as set forth in the Declarations Section of this Contract. Delta Dental shall not be obligated to accept partial or late payments and acceptance of a partial or late payment will not waive Delta Dental's remedies under this Contract, or otherwise modify the terms herein.
- B. The Contractor shall maintain funds necessary to satisfy its obligations under this Contract.
- C. Payment for Administrative Service Fees shall be due on the fifth of each month. An invoice for the current month's Administrative Service Fees shall be sent on or about the third week of the preceding month.
- D. The Contractor is responsible for the full amount of all invoices regardless of any contribution owed by the Plan Participants to the Contractor. Delta Dental shall not be responsible for collecting any contributions from Plan Participants.
- E. If required by Delta Dental, Contractor shall deposit an amount specified in the Declarations Section of this Contract ("Prefund") with Delta Dental. The Prefund shall serve as a deposit to offset against any untimely or partial payments from Contractor. In the event Delta Dental uses any of the Prefund to offset untimely or partial payments, Delta Dental shall submit an invoice to the Contractor in the amount necessary to replenish the Prefund. If the Contractor fails to timely replenish the Prefund, Delta Dental shall be entitled to all remedies set forth in Section XII.

SECTION X - TERM AND TERMINATION

- A. The term of this Contract shall be as specified in the Declarations Section. Upon completion of the initial term or any subsequent renewal term, Delta Dental shall submit a renewal letter to the Contractor. Such renewal letter shall contain the new term of the Contract as well as any proposed modifications to the terms and conditions contained herein. Execution of the letter or payment to Delta Dental shall constitute acceptance of the renewal terms.
- B. In the event of a Party's material breach, either Party may terminate this Contract following 30 days' advance written notice and opportunity to cure.
- C. This Contract may be terminated by either Party without cause upon 90 days' written notice to the other Party.
- D. There shall be a six month run-out period for all Claims incurred prior to the termination date, except in cases where Delta Dental has terminated this Contract for cause. All Claims paid by Delta Dental during this run-out period shall be invoiced to the Contractor in accordance with Section IX of this Contract. Any Claims for services rendered after the termination date shall be denied. After the conclusion of the six month run out period, Claims shall be denied and Delta Dental shall not have any further obligations to the Contractor.
- E. Following the Claims run-out period, Delta Dental shall prepare a final settlement statement and invoice for Contractor. Such settlement statement and invoice shall detail the final amounts due and owing between the Parties including, to the extent applicable, any remaining Prefund deposited by the Contractor, all outstanding Administrative Service Fees and all remaining Claims payments made during the run-out period.

- F. Any false or misleading statements made by Contractor shall be considered a material breach of this Contract.

SECTION XI - CONFIDENTIALITY AND DISCLOSURE

- A. The Parties have entered into a Business Associate Agreement regarding the permissible use and disclosure of Plan Participant's protected health information as that term is defined by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and all subsequent amendments thereto. The Business Associate Agreement is attached as an Addendum hereto.
- B. The Parties acknowledge that in the course of performing under this Contract each Party may be provided with or given access to information, in oral, recorded or written form, that is proprietary and confidential to the other Party (collectively referred to as the "Confidential Information"). Such Confidential Information includes, but is not limited to: information regarding the other Party's management, business, organizational structure, policies, procedures, business relationships, intellectual property, copyrights, patents, trademarks, software, data, databases, system designs, specifications, documentation, code, architecture, structure, algorithms, techniques, processes, protocols, product materials, notes, slides and ideas.
- C. Confidential Information shall not include any information that:
1. Is already known to the Party at the time of the disclosure (as evidenced by written documentation existing at that time).
 2. Is generally available to the public or becomes publicly known through no wrongful act of a Party; or
 3. Is received by a Party from a third-party who had a legal right to provide it.
- D. The Parties each will make all reasonable, necessary and appropriate efforts to safeguard each other's Confidential Information. Each Party will safeguard the other's Confidential Information to the same extent that it safeguards information relating to its own business, which in no event will be less than the safeguards that a reasonably prudent business would exercise under similar circumstances.
- E. The Parties each agree not to use, distribute or exploit each other's Confidential Information, in whole or in part, for its own benefit or that of any third party and will not disclose such Confidential Information to any other person, firm or entity without each other's prior written consent. A Party shall be responsible for any breach of this Contract by its employees or authorized subcontractors.
- F. Notwithstanding anything to the contrary in this Section, the Parties shall be permitted to disclose Confidential Information as required by order of a court of law, administrative agency, or other governmental body; provided, however, the Party shall provide reasonable advance written notice to the other Party in order to allow that Party the opportunity to seek a protective order or otherwise limit such disclosure, and the disclosing Party shall reasonably cooperate with the other Party to limit any such disclosure or to seek a protective order.

SECTION XII - RIGHTS AND REMEDIES

- A. In addition to the right of termination described in Section X, Delta Dental shall have the following rights and remedies in the event Contractor fails to timely pay in full any invoice from Delta Dental:

1. Delta Dental may immediately suspend payment of all Claims.
 2. Delta Dental may retroactively terminate coverage to the date it last received payment.
 3. Delta Dental may retroactively terminate this Contract to the date it last received payment; and
 4. Delta Dental may initiate proceedings to recover and collect all payments due and owing, as well as all costs associated with the collection proceedings including, but not limited to, attorneys' fees.
- B. Neither Party shall bring an action, claim or lawsuit against the other without first providing 30 days written notification and an opportunity to cure. In addition, no claim, lawsuit or action, may be brought more than three years after the claim first arose.
- C. Delta Dental's failure to exercise any right or remedy contained herein shall not constitute a waiver of any future rights or remedies available to Delta Dental.

SECTION XIII - GENERAL PROVISIONS

- A. **Subrogation.** The Contractor shall retain all subrogation rights resulting from Claims paid by Delta Dental. In the event the Contractor elects to pursue a subrogation matter, Delta Dental shall provide reasonable assistance to the Contractor. Such assistance shall be limited to providing the Contractor with documents, records and demand letters.
- B. **Right to Review Published Materials.** No materials will be published or distributed by the Contractor concerning this Contract until Delta Dental reviews and approves the materials.
- C. **Cooperation.** The Contractor shall provide Delta Dental with any information it may reasonably require to administer the Dental Plan or otherwise discharge its duties under this Contract.
- D. **Indemnification.**
1. Each Party agrees to defend, indemnify, and hold harmless the other Party and its directors, officers, affiliates, agents, and employees (who are acting in the course of their employment, but not as claimants) from any loss, cost, or expense (including reasonable attorney fees and court costs) ("Losses") resulting from or arising out of or in connection with the indemnifying Party's breach of this Contract, or any negligent act or omission of any of the indemnifying Party's directors, officers, agents or employees, unless liability for such act or omission is expressly assigned elsewhere in this Contract.
 2. The indemnifying Party shall provide prompt written notice of relevant information concerning any Losses to the other Party. Reasonable assistance (at the indemnifying Party's expense) may be requested by the other Party in connection with the defense of any Losses. Notwithstanding the foregoing:
 - a. The other Party shall not settle any Losses without the consent of indemnifying Party, which consent shall not be unreasonably withheld, and
 - b. The indemnification obligations of indemnifying Party hereunder shall not extend to Losses attributable solely to the gross negligence, intentional misconduct, or willful malfeasance of the other Party.
- E. **Notice.** Any notice required or permitted to be given under this Contract will be considered given if in writing and personally delivered, or if in writing and deposited in the United States mail with postage prepaid, addressed to the other Party at its last address of record.

- F. **Survival.** The following Sections shall survive expiration or early termination of this Contract: Section IX. Payment; Section XI. Confidentiality & Disclosure; Section XII. Rights and Remedies; and Section XIII. General Provisions.
- G. **Internal Policies and Procedures.** Delta Dental has the right to amend its internal policies and procedures periodically and without notice to the Contractor to the extent the amendment does not affect the delivery of benefits to Plan Participants. Delta Dental will provide advance written notice, to the extent possible, to Contractor of any amendment to Delta Dental's policies or procedures that affect the delivery of benefits to Plan Participants; if advance notice is not possible, Delta Dental will provide written notice as soon as possible after the amendment is adopted.
- H. **Third Party Beneficiaries.** This Contract will not confer any rights or remedies on any third-party, other than the Parties to this Contract and their respective successors and permitted assigns.
- I. **Assignment and Subcontracting.** Unless it has first obtained the written consent of the other Party, neither Party may assign this Contract or any of its rights or obligations under this Contract to any other person, except that Delta Dental may make assignments to its subsidiaries and affiliates without the prior written consent of the Contractor.
- J. **Integration.** This Contract constitutes the entire understanding between the Parties with respect to the subject matter of this Contract and supersedes any prior discussions, negotiations, agreements and understandings.
- K. **Force Majeure.** Neither Delta Dental (including its agents, directors, officers, and employees) nor Contractor shall be liable for delays in performance due to circumstances beyond their reasonable control. Each Party shall be excused from performance under this Contract and shall have no liability to the other Party for any period during which it is prevented from performing any of its obligations (other than payment obligations), in whole or in part, as a result of delays caused by the other Party or by an act of God, war, terrorism, civil unrest, civil disturbance, court order, labor dispute, or other cause beyond its reasonable control, including failures or fluctuations in electrical power, heat, light, or telecommunications, and such nonperformance shall not be a default under or grounds for termination of this Contract. In the event Contractor is unable to make payment due to circumstances beyond its reasonable control as identified in this Force Majeure section, Delta Dental will accept delayed payment from Contractor within a reasonable period of time. A reasonable period of time shall not exceed 30 days.
- L. **Applicable Law.** This Contract and the obligations of the Parties under this Contract will be governed by and construed in accordance with ERISA to the extent applicable. If it is determined by a court of competent jurisdiction that ERISA does not apply, the law of the State of North Carolina will control.
- M. **Venue.** The Parties submit to the jurisdiction and venue of the courts of the State of North Carolina.
- N. **Severability.** If any part of this Contract or an amendment of it is found by an arbitrator, court, or other authority to be illegal, void or not enforceable, all other portions of this Contract shall remain in full force and effect.
- O. **Counterparts.** This Contract may be executed in one or more counterparts, each of which will be deemed an original agreement, but all of which will be considered one instrument and will become a binding agreement when one or more counterparts have been signed by each of the Parties and delivered to the other.
- P. **Audits.** The Contractor shall have the right to audit Delta Dental's files, books, and records (both paper and electronic) pertaining to the administrative services provided under this Agreement.

The Contractor will bear the entire cost of any such audits. The Contractor may assign this right to audit to an agent, provided the agent is a licensed firm and the audit is led by an individual who holds a nationally recognized audit accreditation. Delta Dental will allow the Contractor or the Contractor's agent to audit the work areas at which services under this Contract are performed, within 14 business days of receipt of a fully-signed Authorization, Hold Harmless and Indemnification Agreement. Where applicable, Delta Dental agrees to segregate the Contractor's records from third-party records in order to allow accurate assessment of Contractor-specific processes. Such audits will take place no more than once in a 12-month period, unless both the Contractor and Delta Dental mutually agree that there is reasonable cause to conduct an audit more frequently, in which case the Contractor will give 14 business days' written notice before such audit. The scope of any audit conducted under this provision must be mutually agreed upon, in writing, by both parties prior to the start of the audit. Notwithstanding the foregoing, Contractor shall not have the right to audit any information which Delta Dental, in its sole discretion, determines is proprietary.



**Delta Dental PPO plus Premier
Summary of Dental Plan Benefits
For Group# 0778-0001, 0099
Chatham County**

This Summary of Dental Plan Benefits should be read along with your Certificate. Your Certificate provides additional information about your Delta Dental plan, including information about plan exclusions and limitations. If a statement in this Summary conflicts with a statement in the Certificate, the statement in this Summary applies to you and you should ignore the conflicting statement in the Certificate. The percentages below are applied to Delta Dental's allowance for each service and it may vary due to the dentist's network participation.*

Control Plan – Delta Dental of North Carolina

Benefit Year – July 1 through June 30

Covered Services –

	Delta Dental PPO Dentist Plan Pays	Delta Dental Premier Dentist Plan Pays	Nonparticipatin g Dentist Plan Pays*
Diagnostic & Preventive			
Diagnostic and Preventive Services – exams, cleanings, fluoride, and space maintainers	100%	100%	100%
Emergency Palliative Treatment – to temporarily relieve pain	100%	100%	100%
Sealants – to prevent decay of permanent teeth	100%	100%	100%
Brush Biopsy – to detect oral cancer	100%	100%	100%
Radiographs – X-rays	100%	100%	100%
Basic Services			
Minor Restorative Services – fillings and crown repair	80%	80%	80%
Endodontic Services – root canals	80%	80%	80%
Periodontic Services – to treat gum disease	80%	80%	80%
Oral Surgery Services – extractions and dental surgery	80%	80%	80%
Other Basic Services – misc. services	80%	80%	80%
Relines and Repairs – to bridges, implants, and dentures	80%	80%	80%
Major Services			
Major Restorative Services – crowns	50%	50%	50%
Prosthodontic Services – bridges, implants, and dentures	50%	50%	50%
Orthodontic Services			
Orthodontic Services – braces	50%	50%	50%
Orthodontic Age Limit –	Up to age 19	Up to age 19	Up to age 19

* When you receive services from a Nonparticipating Dentist, the percentages in this column indicate the portion of Delta Dental's Nonparticipating Dentist Fee that will be paid for those services. The Nonparticipating Dentist Fee may be less than what the dentist charges and you are responsible for that difference.

- Oral exams (including evaluations by a specialist) are payable twice per calendar year.
- Prophylaxes (cleanings) are payable twice per calendar year. Full mouth debridement is payable once per lifetime.

- People with specific at-risk health conditions may be eligible for additional prophylaxes (cleanings) or fluoride treatment. The patient should talk with his or her dentist about treatment.
- Fluoride treatments are payable once per calendar year for people up to age 16.
- Space maintainers are payable once per area per lifetime for people up to age 16.
- Bitewing X-rays are payable once per calendar year and full mouth X-rays (which include bitewing X-rays) are payable once in any three-year period.
- Sealants are payable once per tooth per five-year period for the occlusal surface of first and second permanent molars up to age 16. The surface must be free from decay and restorations.
- Composite resin (white) restorations are Covered Services on posterior teeth.
- Porcelain and resin facings on crowns are Covered Services on posterior teeth.
- Vestibuloplasty is a Covered Service.
- Full and partial dentures are payable once in any five-year period. Reline and rebase of dentures are payable once in any two-year period.
- Implants and implant related services are payable once per tooth in any five-year period.

Having Delta Dental coverage makes it easy for you to get dental care almost everywhere in the world! You can now receive expert dental care when you are outside of the United States through our Passport Dental program. This program gives you access to a worldwide network of dentists and dental clinics. English-speaking operators are available around the clock to answer questions and help you schedule care. For more information, check our Web site or contact your benefits representative to get a copy of our Passport Dental information sheet.

Maximum Payment – \$1,250 per person total per Benefit Year on all services, except diagnostic and preventive services, emergency palliative treatment, brush biopsy, X-rays, sealants, and orthodontic services. \$1,000 per person total per lifetime on orthodontic services.

Deductible – \$50 Deductible per person total per Benefit Year limited to a maximum Deductible of \$150 per family per Benefit Year. The Deductible does not apply to diagnostic and preventive services, emergency palliative treatment, brush biopsy, X-rays, sealants, and orthodontic services.

Waiting Period – Employees who are eligible for dental benefits are covered on the first of the month following 30 days of employment.

Eligible People – All full-time employees of the Contractor working at least 30 hours per week (0001) and COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) enrollees (0099). The Contractor pays the full cost of this plan for Subscribers. The Subscriber pays the additional cost of dependent coverage.

Also eligible are your legal spouse and your children under age 26, including your children who are married, who no longer live with you, who are not your dependents for Federal income tax purposes, and/or who are not permanently disabled. Your eligible dependents must enroll for a minimum of 12 months. If coverage is terminated after 12 months, they may not re-enroll prior to the open enrollment that occurs at least 12 months from the date of termination. Plan changes are only allowed during open enrollment periods, except that an election may be revoked or changed at any time if the change is the result of a qualifying event as defined under Internal Revenue Code Section 125.

If you and your spouse are both eligible for coverage under this Contract, you may be enrolled together on one application or separately on individual applications, but not both. Your dependent children may only be enrolled on one application. Delta Dental will not coordinate benefits if you and your spouse are both covered under this Contract.

Benefits will cease on the date of termination.

BUSINESS ASSOCIATE ADDENDUM

THIS BUSINESS ASSOCIATE ADDENDUM ("the ADDENDUM") is an addendum to the most recently executed Agreement between Delta Dental Plan of North Carolina ("Business Associate") and Contractor ("Covered Entity"). Business Associate and Covered Entity are sometimes collectively referred to herein as the "Parties."

I. INTRODUCTION

- A. **WHEREAS**, pursuant to the terms and conditions set forth in the Agreement, Business Associate performs, for or on behalf of Covered Entity, certain services described in the Agreement (the "Services"); and
- B. **WHEREAS**, in performing the Services, Business Associate will receive, create, or access certain Protected Health Information of Participants in Covered Entity's dental plan, and, accordingly, is a business associate as that term is defined in 45 CFR 160.103; and
- C. **WHEREAS**, Covered Entity is a covered entity as that term is defined in 45 CFR 160.103; and
- D. **WHEREAS**, the Parties desire to enter into this Addendum to comply with the provisions in the Privacy Rule requiring a business associate to provide adequate assurances to a covered entity with respect to the confidentiality of PHI.
- E. **NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

II. DEFINITIONS

- A. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR 164.501 and is limited to a group of records maintained by or for Covered Entity that includes: (a) enrollment, payment, and claims adjudication records of an Individual maintained by or for Covered Entity; or (b) other Protected Health Information used, in whole or in part, by or for Covered Entity to make coverage decisions about an Individual.
- B. "Electronic Protected Health Information" or "EPHI" shall have the same meaning as the term "electronic protected health information," at 45 CFR 160.103, and is limited to the electronic protected health information that is created, received, maintained, or transmitted to or on behalf of Covered Entity.
- C. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.
- D. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.
- E. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, found in the American Recovery and Reinvestment Act of 2009 at Division A, Title XIII and Division B, Title IV.
- F. "Individual" shall have the same meaning as the term "individual" in 45 CFR 160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- G. "Minimum Necessary" shall have the meaning set forth in the Health Information Technology for Economic and Clinical Health Act, § 13405(b).
- H. "Participant" means any Individual who is eligible for benefits under Covered Entity's dental plan.
- I. "Privacy Rule" means the "Standards for Privacy of Individually Identifiable Health Information," at 45 CFR parts 160 and 164, subparts A and E, as promulgated pursuant to HIPAA.
- J. "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR 160.103, and is limited to the information created, received, or accessed by Business Associate from or on behalf of Covered Entity.
- K. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.103.
- L. "Secretary" shall mean the Secretary of the Department of Health and Human Services, or his designee.
- M. "Security Rule" means the "Standards for the Security of Electronic Protected Health Information," at 45 CFR parts 160, 162 and 164, as promulgated pursuant to HIPAA.

III. AGREEMENTS

A. Obligations of Business Associate.

1. **Application of Security Rule and Privacy Rule to Business Associate.** The administrative, physical and technical safeguards set forth in the HIPAA Security Rule at 45 CFR 164.308, 164.310, 164.312, and 164.316, shall apply to Business Associate in the same manner that such sections apply to a covered entity. The additional requirements of Subtitle D of the HITECH Act (Sections 13400 through 13411) that relate to privacy or security and that are made applicable with respect to covered entities shall also be applicable to Business Associate and are hereby incorporated into this Agreement.
2. **Uses and Disclosures.** Business Associate shall not use or further disclose PHI other than (a) as permitted or required by this Agreement and Addendum, (b) as permitted or required by Covered Entity, (c) as permitted or required by the Privacy Rule, (d) as Required by Law, (e) in a manner that would be permissible if used or disclosed by Covered Entity, or (f) in a manner that would not violate the Privacy Rule or other applicable federal or state law or regulation. Business Associate may use and disclose PHI that Business Associate obtains or creates only if such use or disclosure, respectively, is in compliance with each applicable requirement of 45 CFR 164.504(e).
3. **Minimum Necessary Standard.** Business Associate shall use and disclose PHI in a manner minimally necessary to accomplish the intended purpose of the use or disclosure.
4. **Security.** Business Associate agrees to: (a) implement safeguards in accordance with the Security Rule that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Covered Entity; (b) ensure that any agents, including subcontractors, to whom Business Associate provides PHI agree to implement reasonable and appropriate safeguards in accordance with the Security Rule to protect the PHI; and (c) report to Covered Entity any violation of the Security Rule of which it becomes aware.
5. **Reporting and Mitigation of Unauthorized Access, Use or Disclosure of PHI.** Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for under Section III.A.2 of this Addendum of which Business Associate becomes aware. Additionally, Business Associate agrees that, to the extent practicable, it shall mitigate any harmful effect of a use or disclosure of PHI of which it becomes aware that is in violation of the requirements of Section III.A.2 of this Addendum.
6. **Written Notification of Unauthorized Access, Use or Disclosure of Unsecured PHI.** Business Associate shall notify Covered Entity in writing of any unauthorized access, use or disclosure of unsecured PHI as soon as reasonably possible but no later than five (5) days following the date of discovery. Such notice shall include:
 - (a) a brief description of what happened, including the date of the breach and the date of the discovery,
 - (b) the name(s) of the Participant(s) whose PHI was used or disclosed,
 - (c) the identity(ies) of the entity(ies)/person(s) to whom the use or disclosure was made,
 - (d) description of the types of unsecured PHI that were disclosed,
 - (e) the steps taken by Business Associate to discontinue and minimize the impact of any inappropriate use or disclosure.
7. **Agents and Subcontractors.** Business Associate shall ensure that any subcontractors or agents to whom it provides PHI that has been created or received by Business Associate from or on behalf of Covered Entity agree to the same restrictions and conditions with respect to such PHI as are applicable to Business Associate as set forth herein.
8. **Requests for Information or Access.** Business Associate shall process any requests it receives from Individuals seeking access to or copies of PHI maintained by Business Associate for or on behalf of Covered Entity. Covered Entity hereby expressly delegates its authority regarding requests for access

to Business Associate and agrees to abide by Business Associate's determinations to grant or deny access in accordance with the Privacy Rule.

9. **Requests to Amend.** Business Associate shall make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR 164.526 at the request of Covered Entity or an Individual. The Business Associate shall make amendments as soon as administratively feasible.
 10. **Requests for Accounting.** Business Associate agrees to document disclosures of Protected Health Information, and information related to such disclosures, as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR § 164.528 and any additional regulations promulgated by the Secretary pursuant to HITECH Act § 13405(c). Business Associate agrees to implement an appropriate record keeping process that will track, at a minimum, the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the Protected Health Information, and if known, the address of such entity or person; (iii) a brief description of the Protected Health Information disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.
 11. **Books and Records.** Business Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, available to the Secretary for purposes of determining Covered Entity's compliance with HIPAA, the Privacy Rule, and other applicable federal and/or state law. Business Associate shall notify Covered Entity of any such requests and shall provide Covered Entity with a copy of the request and any documents or information provided in response to such requests.
 12. **Termination.** If either party knows or discovers a pattern of activity or practice of the other party that constitutes a material breach of the other party's obligations under this Agreement or under applicable federal standards, the discovering party agrees to immediately notify the other party in writing as to the nature and extent of such breach, and shall provide the other party a reasonable amount of time to cure such breach. A reasonable amount of time shall depend on the nature and extent of the breach, shall be clearly stated in the notice, but in no case shall the period for cure be less than five (5) business days. Notwithstanding the foregoing, should the discovering party determine that the breach is incurable, or that the other party has repeatedly engaged in such impermissible use or disclosure despite prior notice, the discovering party must terminate this Agreement, if feasible, upon written notice to the breaching party, without damages or liability thereto; or, if termination is not feasible, report the problem to the Secretary.
 13. **Return of PHI Upon Termination.** At termination of the Agreement, Business Associate shall return or destroy all PHI received from Covered Entity, or created by Business Associate on behalf of Covered Entity, that Business Associate maintains in any form. In the event the return or destruction of such PHI is infeasible, then Business Associate shall continue to extend the protections required hereunder to the PHI for as long as it maintains the PHI. Further, Business Associate shall limit any further use or disclosure of the PHI to those purposes that make its return or destruction infeasible. This provision shall survive the termination of this Agreement.
 14. **Prohibition against Sale or Marketing of PHI.** Except as otherwise provided in Section 13405 of the HITECH Act, Business Associate shall not (a) directly or indirectly receive remuneration in exchange for any PHI of a Participant; or (b) use or disclose PHI for any purpose related directly or indirectly to any marketing or marketing communication.
- B. **Additional Permissible Uses and Disclosures of PHI by Business Associate.** Subject to the foregoing provisions, and in addition to the use and disclosure by Business Associate of PHI authorized elsewhere in this Addendum, Business Associate may use and disclose PHI for the following additional purposes:
1. As necessary for data aggregation purposes relating to the health care operations of Covered Entity;
 2. As necessary for data aggregation purposes of Business Associate, but only if the PHI is de-identified pursuant to 45 CFR 164.514;
 3. For the proper internal management and administration of Business Associate;

4. To carry out the legal responsibilities of Business Associate; and
5. To provide summary health information (as defined in 45 CFR 164.504) to Covered Entity for the purposes of administering its dental plan.

For purposes (3) and (4) above, Business Associate may disclose PHI to third parties only if the disclosure is either: (a) Required by Law; or (b) Business Associate obtains reasonable assurances from the person to whom the PHI is disclosed that such PHI will be held confidentially and used or further disclosed only for the purposes for which it was disclosed to the person and that any instances in which the confidentiality of such PHI is breached are immediately reported to the Business Associate.

C. Obligations of the Covered Entity.

1. **Communicate Changes in Permitted Uses and Disclosures.** Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individuals to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures of PHI.
2. **Communication of Restrictions on Uses and Disclosures.** Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to.
3. **Prohibition of Employment-Related Disclosures.** Covered Entity shall not use or disclose the PHI of any Participant for any employment-related purposes, nor shall it direct Business Associate to do so.
4. **Limitation on Requests.** Covered Entity shall not ask Business Associate to use or disclose PHI in a manner that would not otherwise be permitted under the Privacy Rule if done by Covered Entity.

- D. **Record Keeping.** Business Associate agrees to implement an appropriate record keeping process to enable it to comply with the HIPAA requirements applicable to it under this Addendum and the Privacy Rule.

- E. **Confidential and Proprietary Information.** Business Associate may receive, create, or have access to confidential and/or proprietary information of Covered Entity concerning its business affairs, property, products, operations, computer systems, and strategies. Business Associate agrees to hold such confidential and/or proprietary information in strict confidence, to maintain and safeguard the confidentiality of such information, and to use such information solely to perform the Services as required by this Agreement.

Likewise, Covered Entity may receive, create, or have access to confidential and/or proprietary information of Business Associate concerning its business affairs, property, operations, computer systems, dentists, providers, and strategies. Covered Entity agrees to hold such confidential and/or proprietary information in strict confidence, to maintain and safeguard the confidentiality of such information, and to use such information solely to perform its obligations as required by this Agreement.

- F. **Amendment.** Upon enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the State or the United States relating to any such law, or the publication of any interpretative policy or opinion of any government agency charged with the enforcement of any such law or regulation, Business Associate, may send written notice to Covered Entity requesting that this Addendum be amended as necessary to comply with such law or regulation. If, within thirty (30) days from the date of such notice, the Parties are unable to reach an agreement amending this Addendum, either Party may terminate the Agreement immediately upon written notice to the other Party.
- G. **Binding Effect.** Except as otherwise provided herein, the terms and conditions of the Agreement shall remain in full force and effect. Additionally, the terms and conditions of this Addendum shall remain in full force and effect following termination of the Agreement.

- H. **Indemnification by Covered Entity.** Covered Entity shall indemnify, defend, and hold harmless Business Associate, its board of directors, officers, members, agents, employees, subcontractors, and personnel from and against any and all claims, demands, suits, actions, losses, expenses, costs (including reasonable attorney fees), obligations, damages, deficiencies, causes of action, and liabilities (collectively, "Claims")

incurred by Business Associate as a result of, or that are proximately caused by, (1) Covered Entity's breach of the terms of this agreement or; (2) Covered Entity's violation of HIPAA and any amendments thereto.

Business Associate shall provide prompt written notice of relevant information concerning the Claims to Covered Entity. Business Associate shall provide such reasonable assistance (at Covered Entity's expense) as may reasonably be requested by Covered Entity in connection with the defense of any Claim. Notwithstanding the foregoing: (1) Business Associate shall not settle any such Claim without the consent of Covered Entity, which consent shall not be unreasonably withheld, and (2) the indemnification obligations of Covered Entity hereunder shall not extend to Claims attributable solely to the gross negligence, intentional misconduct, or willful malfeasance of Business Associate.

- I. **Indemnification by Business Associate.** Business Associate hereby agrees to indemnify, defend, and hold harmless Covered Entity, its board of directors, officers, members, agents, employees, subcontractors, and personnel (the "Indemnities") from and against any and all claims, demands, suits, actions, losses, expenses, costs (including reasonable attorney fees), obligations, damages, deficiencies, causes of action, and liabilities (collectively, "Claims") incurred by the Indemnities as a result of, or that are proximately caused by, (1) Business Associate's breach of this Agreement; or (2) Business Associate's violation of HIPAA or any amendments thereto.

Covered Entity shall provide prompt written notice of relevant information concerning the Claims to Business Associate. Covered Entity shall provide such reasonable assistance (at Business Associate's expense), as may reasonably be requested by Business Associate, in connection with the defense of any Claim. Notwithstanding the foregoing: (1) Business Associate shall not settle any such Claim without the consent of Covered Entity, which consent shall not be unreasonably withheld, and (2) the indemnification obligations of Business Associate hereunder shall not extend to Claims attributable solely to the negligence, gross negligence, intentional misconduct, or willful malfeasance of Covered Entity.

- J. **Injunction.** The Parties acknowledge and agree that in the event of a breach or threatened breach by either Party, the non-breaching Party shall be irreparably and substantially harmed, and that remedies at law will not be an adequate remedy for such breach. Accordingly, in such event, non-breaching Party shall be entitled to seek injunctive relief against such breach or threatened breach. Such rights to injunctive relief shall be in addition to, and not in limitation of, any other legal and equitable relief available to either Party under applicable law.
- K. **Counterparts.** This Agreement may be executed in the original or by facsimile or other electronic means in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

This plan complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sex. This plan does not exclude people or treat them differently because of race, color, national origin, age, disability or sex.

This plan provides free aids and services to people with disabilities to communicate effectively with us, such as:

- Qualified sign language interpreters
- Written information in other formats (large print, audio, accessible electronic formats)

This plan provides free language services to people whose primary language is not English, such as:

- Qualified interpreters
- Information written in other languages

If you need these services, call 1-800-662-8856 (TTY users call 711).

If you believe that this plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability or sex, you can file a grievance with the civil rights coordinator at PO Box 9089, Farmington Hills, MI 48333-9089; by phone at 1-800-662-8856 (TTY users call 711) or fax to 517-706-3513. You can file a grievance by mail, fax or phone. If you need help filing a grievance, the civil rights coordinator is available to help you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201; 1-800-368-1019, 1-800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

انتباه: إذا كنت تتحدث اللغة العربية، فتتوفر خدمات المساعدة اللغوية مجاناً بالنسبة لك. اتصل على الهاتف رقم 1-800-662-8856 (رقم الطابعة الهاتفية: 711).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-800-662-8856 (TTY: 711) 번으로 전화해 주십시오.

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-662-8856 (TTY : 711)。

ໂປດ ຊາບ: ຖ້າວ່າ ທ່ານ ເວົ້າ ພາສາ ລາວ, ການ ບໍລິ ການ ຊ່ວຍ ເຫຼືອ ດ້ານ ພາສາ, ໂດຍບໍ່ ເສັຽ ຄ່າ, ແມ່ນມີ ພ້ອມໃຫ້ທ່ານ. ໂທ 1-800-662-8856 (TTY: 711).

ATTENTION: Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-800-662-8856 (ATS: 711).

សេចក្តីជូនដំណឹង: ប្រសិនបើអ្នកនិយាយ ភាសាខ្មែរ, មានសេវាកម្មជំនួយផ្នែកភាសាសម្រាប់អ្នក ដោយឥតគិតថ្លៃ។ សូមទៅទូរស័ព្ទទៅលេខ 1-800-662-8856 (TTY: 711) ។

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-800-662-8856 (TTY: 711).

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-800-662-8856 (телетайп: 711).

ધ્યાન આપો: જો તમે ગુજરાતી બોલતાં હો તો વિના મૂલ્ય ભાષાકીય સહાયતા સેવાઓ તમારે માટે ઉપલબ્ધ છે. કોલ કરો 1-800-662-8856 (TTY: 711).

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-662-8856 (TTY: 711).

ध्यान दें: यदि आप हिन्दी बोलते हैं, तो भाषा सहायता सेवाएँ, आप के लिए नि:शुल्क उपलब्ध हैं। कॉल करें 1-800-662-8856 (TTY: 711).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-800-662-8856 (TTY: 711).

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-800-662-8856 (TTY: 711).

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-800-662-8856 (TTY: 711).

注意事項：日本語を話される場合、無料の言語支援をご利用いただけます。1-800-662-8856 (TTY : 711) まで、お電話にてご連絡ください。