

APPLICATION IS HEREBY MADE FOR
A GROUP HEALTH SERVICE CONTRACT TO
Blue Shield of California
(California Physicians' Service)

BY: County of San Bernardino
Human Resources Department
Employee Benefits and Services Division
157 West Fifth Street, 1st Floor
San Bernardino, CA 92415-0440

This Contract, number **W0052236-P0000328, P0000329 & P0000330**, shall be effective **January 1, 2020 through December 31, 2022** with the option to extend one (1) additional two (2) year term. It has been read and approved, and the terms and conditions are accepted by the County of San Bernardino ("County" or "the County").

The County, on behalf of itself and its Members, hereby expressly acknowledges its understanding that this agreement constitutes a Contract solely between the County and Blue Shield of California (hereafter referred to as "Blue Shield" or "the Plan"), which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association ("Association"), an Association of independent Blue Cross and Blue Shield plans, permitting the Plan to use the Blue Shield Service Mark in the State of California, and that the Plan is not contracting as the agent of the Association. The County further acknowledges and agrees that it has not entered into this agreement based upon representations by any person other than the Plan and that neither the Association nor any person, entity or organization affiliated with the Association, shall be held accountable or liable to the County or its Members for any of the Plan's obligations to the County created under this agreement. This paragraph shall not create any additional obligations whatsoever on the part of the Plan, other than those obligations created under other provisions of this agreement.

The County shall sign, date and return this original application page to Blue Shield of California, 50 Beale Street, 18th Floor, San Francisco, California 94105, Attention: Customer Contract Development. The Contract shall be retained by the County. Payment of plan premiums and acceptance of Blue Shield's performance hereunder by the County shall be deemed to constitute the County's acceptance of the terms hereof, whether or not this agreement is signed by the County.

It is agreed that this application supersedes any previous application for this Contract.

Dated at _____ (City, State)
this _____ day of _____ 20 _____

(Legal Name of County)

By _____
Title _____

PLEASE SIGN, DATE AND RETURN THE ORIGINAL APPLICATION PAGE TO BLUE SHIELD OF CALIFORNIA AT THE ABOVE ADDRESS. RETAIN THE CONTRACT.

Inquiries concerning any problems that may develop in the administration of this Contract should be directed to Blue Shield of California at the address provided on page GC-1.

blue  of california



50 Beale Street
San Francisco, California 94105
(415) 229-5000

GROUP HEALTH SERVICE CONTRACT

Blue Shield of California Medicare Rx Plan Group Prescription Drug Plan Health Service Contract

between

County of San Bernardino

("Contractholder")

and

California Physicians' Service
dba Blue Shield of California
a not-for-profit corporation

In consideration of the applications and the timely payment of plan premiums, Blue Shield agrees to provide Benefits of this Contract to covered Retirees and Dependents.

This Contract shall be effective as of **January 1, 2020**, for a term of three years with the option to extend one (1) additional two (2) year term, subject to the provisions entitled, "Changes: Entire Contract".

A handwritten signature in black ink that reads "Jason Bleau".

Jason Bleau
Vice President
Core Accounts
Blue Shield of California

Group Number: **W0052236-P0000328, P0000329 & P0000330**

IMPORTANT

No Member has the right to receive the Benefits of this Contract for Services or supplies furnished following termination of coverage, except as required by law. Benefits of this Contract are available only for Medicare Part D prescription drugs furnished during the term the Contract is in effect and while the individual claiming Benefits is actually covered by this Contract. Benefits may be modified during the term of this Contract under the applicable section in Part VII.B. or upon renewal. If Benefits are modified, the revised Benefits apply for prescription drugs furnished on or after the effective date of the modification unless another effective date is required by law. There is no vested right to receive the Benefits of this Contract.

The Medicare prescription drug plan Benefits covered under this Contract are provided through a contract between the Centers for Medicare and Medicaid Services (CMS) and Blue Shield and, as such, are subject to regulation under applicable Medicare law and related CMS regulations and guidance.

In the event of a conflict between this Contract and CMS regulations and guidance, CMS regulations and guidance will control.

TABLE OF CONTENTS

	<u>Page</u>
PART I. INTRODUCTION.....	C-3
PART II. RATES.....	C-3
PART III. DEFINITIONS	C-5
PART IV. ELIGIBILITY, ENROLLMENT AND DISENROLLMENT	C-6
A. Eligibility.....	C-6
B. Enrollment and Disenrollment.....	C-6
C. Retroactive Enrollments	C-7
D. Termination of Benefits.....	C-8
PART V. GROUP RENEWAL PROVISIONS.....	C-9
A. Advance Notification of Blue Shields's Intent to Renew the Group Health Service Contract	C-9
B. Renewal of the Group Health Service Contract.....	C-9
PART VI. CANCELLATION/REINSTATEMENT/GRACE PERIOD	C-10
A. Cancellation Without Cause	C-10
B. Cancellation for Non-Payment of Plan Premiums.....	C-10
C. Cancellation for Fraud, Intentional Misrepresentations of Material Fact or Failure to Provide Records	C-10
D. Grace Period	C-10
E. Payment or Refund of Plan Premiums Upon Cancellation.....	C-10
F. Termination of Benefits.....	C-11
G. Notice to Members Confirming Termination of Coverage.....	C-11
PART VII. GENERAL PROVISIONS.....	C-12
A. Use of Masculine Pronoun	C-12
B. Changes: Entire Contract.....	C-12
C. Statutory Requirements	C-12
D. Legal Process.....	C-12
E. Time of Commencement or Termination	C-12
F. Records and Information to be Furnished	C-12
G. Membership Cards and Evidence of Coverage Booklets	C-13
H. Inquiries and Complaints.....	C-13
I. Confidentiality.....	C-14
J. Termination of a Plan Provider Contract.....	C-14
K. Notification of Cancellation to Subscribers.....	C-14
PART VIII. ACCESS TO REPORTS	C-15
EVIDENCE OF COVERAGE.....	C-17

PART I. INTRODUCTION

Blue Shield of California ("Blue Shield") will provide or arrange for the provision of Covered Prescription Drugs to eligible Members of the County in accordance with the terms, conditions, limitations and exclusions of the executed Letter of Agreement, its Attachments, and this Group Health Service Contract. The Medicare Benefits covered under this Contract are provided through a contract between the Centers for Medicare and Medicaid Services (CMS) and Blue Shield and, as such, are subject to regulation under applicable Medicare law and related CMS regulations and guidance.

PART II. RATES

- A.** Rates for the Prescription Drug Plan (PDP), described herein, are included in the applicable premium amount associated with the Medicare plan the Member is enrolled in.

Monthly premiums

Blue Shield Signature COB

Subscriber.....	\$386.64
Additional for one Dependent.....	\$386.64
Additional for two or more Dependents.....	\$773.27

Blue Shield PPO COB CA

Subscriber.....	\$248.39
Additional for one Dependent.....	\$248.40
Additional for two or more Dependents.....	\$496.79

Blue Shield PPO COB Hybrid

Subscriber.....	\$370.57
Additional for one Dependent.....	\$370.57
Additional for two or more Dependents.....	\$741.14

B. When and Where Payable

1. Premiums will be paid by the County on a monthly eligibility basis.
2. Applicable Premiums due are payable by the County to Blue Shield of California.
3. Payments for Premiums due shall be made via Electronic Funds Transfer (EFT) and/or via check remittance.

C. Changes to Premium

The County shall remit to Blue Shield the applicable amount(s) specified in Part II. A. If a state or any other taxing authority imposes upon Blue Shield a tax or license fee which is levied upon or measured by the PDP Premiums or by the gross receipts of Blue Shield or any portion of either, then Blue Shield may amend the Contract to increase the base PDP Premiums by an amount sufficient to cover all such taxes or license fees rounded to the nearest cent. This amendment shall be executed and effective in accordance with the terms set forth in the Letter of Agreement between the County and Blue Shield, with a minimum notice of at least 90 days before the effective date of the amendment.

D. Premium Delinquency

A grace period of 45 days to pay all delinquent Plan Premiums and avoid cancellation will be granted for the payment of Plan Premiums accruing, other than the initial premiums due on the effective date of this Contract during which period this Contract shall continue in force, but the County shall be liable to Blue Shield for the payment of all Plan Premiums accruing during the period the Contract continues in force during the grace period. Cancellation for non-payment of Plan Premiums shall be in accordance with section VI.B of this contract.

PART II. RATES

- E. The County contribution toward PDP plan premiums.** The County does not contribute for any portion of the premium under these plan(s). The retiree is responsible for paying 100% of applicable premiums.
- F. Low Income Subsidy.** The County also understands that certain low income individuals may qualify for Part D rate subsidies ("Low Income Subsidy"). Blue Shield will advise the County of the amount of any Low Income Subsidy available for a Member. The County acknowledges that application of the Low Income Subsidy is subject to the following restrictions:
1. The County agrees that, for all Members eligible for the Low Income Subsidy, the Low Income Subsidy will first be used to reduce the portion of the PDP plan premiums paid by the Member and any remaining Low Income Subsidy will then be applied to reduce the portion of the PDP plan premiums paid by the County.
 2. The County agrees that if the sum of the PDP plan premiums paid by the Member are less than the Low Income Subsidy amount, any amount above the total PDP plan premiums will be returned to CMS.
 3. The County agrees that, if the Low Income Subsidy for any Member is less than the portion of the PDP plan premiums paid by the Member, the County will provide a communication to the Member comparing the consequences of enrolling in the Group PDP with the consequences of enrolling in other Medicare Part D plans that have a monthly Member premium that is equal to or less than the Member's Low Income Subsidy. This communication will be provided within 30 days after the County learns of the Member's Low Income Subsidy.
 4. The County agrees to retain for a period of 10 years, and to provide to Blue Shield upon request, documents evidencing the County's adherence to the requirements herein. Moreover, the County agrees to provide access to this documentation for inspection or audit by CMS (or its designee) in accordance with the requirements of 42 CFR 423.504(d) and 423.505(d) and (e).
- G. Late Enrollment Penalty.** Members are generally charged a late enrollment penalty by CMS for each month they are eligible for and failed to enroll in a Medicare prescription drug plan, if they did not have other creditable prescription drug coverage during that time. CMS will subtract the base premium paid on behalf of that Member by the amount of the Member's late enrollment penalty in the premium paid to Blue Shield. In such instances, Blue Shield will notify the County of any late enrollment penalties applicable to its Members. Upon notification, the County will let Blue Shield know if they wish to pay to Blue Shield the late enrollment penalty in addition to the monthly plan premiums owed or if the County would like Blue Shield to collect directly from the member.

PART III. DEFINITIONS

In addition to the provisions contained in the Definitions section of the Evidence of Coverage, the following provisions apply to this Group Health Service Contract:

Covered Prescription Drugs – The prescription drugs covered by this Contract.

Dependent - are individuals who meet the eligibility requirements for coverage and have been enrolled by the retiree.

Domestic Partner - an individual who is personally related to the Retiree by a domestic partnership that meets the following requirements: (1) domestic partners are two adults who have chosen to share one another's lives in an intimate and committed relationship of mutual caring; and (2) both persons have filed a Declaration of Domestic Partnership with the California Secretary of State. California state registration is limited to same sex domestic partners and only those opposite sex partners where one partner is at least 62 and eligible for Social Security based on age. The domestic partnership is deemed created on the date the Declaration of Domestic Partnership is filed with the California Secretary of State.

Medicare Beneficiary - an eligible Subscriber or an enrolled Dependent who is not currently employed by the County and meets the eligibility requirements for retiree coverage as established by the County and who is entitled to Medicare Part A and Part B.

Member - a Retiree (as defined by the County) enrolled for coverage, meeting eligibility requirements as set forth in the Evidence of Coverage Disclosure Form, under the plans defined herein.

PART IV. ELIGIBILITY, ENROLLMENT AND DISENROLLMENT

A. Eligibility

Retirees are eligible for coverage and will be enrolled for coverage as determined by the County. See the Evidence of Disclosure Form for complete enrollment and eligibility details.

B. Enrollment and Disenrollment

1. **Enrollment.** The County and Blue Shield will work cooperatively to ensure that Group PDP enrollments and disenrollments are handled in accordance with the CMS PDP Guidance: Eligibility, Enrollment and Disenrollment. Blue Shield and the County will mutually determine, and document, which enrollment process will be used and which party is responsible for providing CMS-required pre-enrollment materials to eligible Members.
2. The County agrees that Members can enroll directly with Blue Shield by using the enrollment mechanisms available to individuals or may be enrolled using a Group enrollment process as allowed by CMS. In order to use the Group enrollment process, the County must:
 - a. Provide Blue Shield with any information the County has on a Member's other insurance coverage for the purposes of coordination of benefits.
 - b. Provide Blue Shield with information on a Member's creditable coverage history for purposes of CMS assessing the late enrollment penalty.
 - c. Notify each Member as follows:
 - 1) Each Member must be notified in advance that the County intends to enroll them in a PDP that the County is offering; and that the Member may affirmatively opt out of such enrollment, explaining the process to opt out, and any consequences to employer or union benefits opting out would bring.
 - 2) This notice must be provided by the County not less than 21 calendar days prior to the effective date of the Member's enrollment in the Group sponsored PDP.
 - 3) Additionally, the information provided must include a Summary of Benefits offered under the Group sponsored PDP, an explanation of how to get more information about the PDP, and an explanation on how to contact Medicare for information on other Part D options that might be available to the Member.
 - 4) Each Retiree must also receive the information currently contained under the sections labeled "Stop, Please Read This Important Information" and "Please Read and Sign Below:" on Page 3 of Exhibit 1 of CMS's PDP Guidance: Eligibility, Enrollment and Disenrollment.
 - d. Provide Blue Shield with all the information required for Blue Shield to submit a complete enrollment request transaction to CMS.
 - e. The County must maintain a copy of the advance notice provided to Members, the list of Members that received the advance notice, and any opt-out requests.

PART IV. ELIGIBILITY, ENROLLMENT AND DISENROLLMENT

3. **Enrollment Data Provided to Blue Shield.** The County recognizes that particular data elements must be provided to Blue Shield in order to facilitate enrollment in the Group PDP. These data elements include the following: PDP plan name; PDP plan/product choice; Member name (first and last); Member Medicare number (HICN); Member date of birth; gender; permanent residence address (cannot contain a P.O. Box); authorized representative contact information (if applicable); Part A and Part B effective dates. The County will be responsible for providing this data prior to the effective date of the Member's enrollment. Failure to provide required data in a timely manner may result in a delay of a Member's effective date in the Group PDP of up to 30 days. In the event that the County provides enrollment data in electronic form, the County shall provide the electronic data in the file formats specified by Blue Shield. Blue Shield also requires that the County provide the following data for each Member that the County intends to enroll: Employer Group name; Employer Group number; enrollment effective date; if Member is a spouse / dependent, include the Member's name, date of birth and HICN; and response to having other insurance / coordination of benefits information.
4. **Disenrollment.** In certain circumstances, a Member may be disenrolled on either a voluntary or involuntary basis. The County and Blue Shield will work cooperatively to ensure that Member disenrollments are handled in accordance with the CMS Enrollment and Disenrollment Guidance. At a minimum, disenrollments will be conducted in accordance with one of the following procedures:
 - a. For voluntary disenrollments and for involuntary disenrollments other than those described in b. below, Blue Shield will process the disenrollment under the individual disenrollment requirements specified in the CMS Enrollment and Disenrollment Guidance. If eligible, the Member may elect to become a member of an Individual PDP offered by Blue Shield.
 - b. For involuntary disenrollments that occur when the County determines that a Member is no longer eligible to participate in the Group PDP, or when Blue Shield or the County terminates this Contract, the County and Blue Shield agree that:
 - 1) When possible, the County will provide a prospective notice of the termination event to Blue Shield. This notice must be sent 60 days or as soon as reasonably possible prior to the effective date of disenrollment, but in no event later than 30 days prior to the effective date of disenrollment.
 - 2) That Blue Shield shall provide to the affected Member(s), at least 21 calendar days prior to the effective date of enrollment in the individual plan, notice alerting the Member that his/her plan is changing, including information about benefits, premiums and/or copayments.

C. Retroactive Enrollments

Any retroactive enrollments shall be processed in accordance with CMS regulations, but where permitted:

1. The County shall make all reasonable efforts to timely report any additions or terminations of Retirees or dependents so that retroactive Premium adjustments are avoided and claims are not paid for ineligible individuals. However, if it has been determined that an administrative error has been made in the processing of eligibility for a Retiree or dependent, Blue Shield will accept the retroactive changes subject to the following limitations:
 - a. Blue Shield will accept enrollment of the Retiree or dependent retroactively for a maximum of 90 days, as long as Premiums are received from the County for the entire retroactive enrollment period. If a Retiree or dependent is retroactively enrolled pursuant to this, and the Retiree or dependent received covered medical care Services during that retroactive period, Blue Shield will reimburse the Retiree for payments made for covered Services received in accordance with the rules of the Evidence of Coverage and Disclosure Form, minus the Member's Copayments as stated in the Evidence of Coverage and Disclosure Form;

PART IV. ELIGIBILITY, ENROLLMENT AND DISENROLLMENT

- b. Blue Shield will accept termination/disenrollment of the Retiree or dependent retroactive for a maximum of 90 days and will refund appropriate Premiums paid for the retroactive termination period. In such case, Blue Shield reserves the right to request refund from the Retiree for any payments made for services rendered during the retroactive termination period. In making a request for retroactive termination or disenrollment, the County shall comply with all applicable state and federal law, including, but not limited to, the Patient Protection & Affordable Care Act and any related regulations.

D. Termination of Benefits.

In addition to the provisions contained in the Termination of Benefits section of the Evidence of Coverage and Disclosure Form, the following provisions apply to this Group Health Service Contract, the Letter of Agreement, and all applicable Amendments and/or Attachments:

1. The Benefits of a Member shall cease on the first day of the month following the month in which the Subscriber ceases to be a member of a class eligible for coverage, unless a different date on which the Subscriber no longer meets the requirements for eligibility has been agreed to between Blue Shield and the County.
2. For Medicare plans, termination of coverage shall be processed in accordance with plan rules as laid out in this Group Health Service Contract, the Letter of Agreement, and all applicable Amendments and/or Attachments EXCEPT where there is a conflict with CMS regulations. In such instances, CMS regulations shall take precedence.

PART V. GROUP RENEWAL PROVISIONS

A. Advance Notification of Blue Shield's Intent to Renew the Group Health Service Contract

The term of this contract is for a three (3) year period with an option to extend for one (1) additional two (2) year term. The County shall notify Blue Shield of its intent to exercise the two-year extension of this Group Health Service Contract at least 90 days prior to the proposed effective date of the renewal. However, this renewal advance notification is distinct from, and does not alter the notification periods specified in this contract, the Letter of Agreement, and applicable amendments and attachments.

B. Renewal of the Group Health Service Contract

Blue Shield will renew this Group Health Service Contract at the option of the County except in the following instances:

1. the County violates a material contract provision relating to Employer or other group contribution or group participation rates by the County or Employer;
2. the County fails to pay the required Rates as specified under Part II. Rates;
3. the County commits fraud or other intentional misrepresentation of material fact;
4. Blue Shield ceases to offer a plan type purchased by the County;
5. Blue Shield ceases to offer health benefit plans in the state (withdrawal of all products).

PART VI. CANCELLATION/REINSTATEMENT/GRACE PERIOD

A. Cancellation Without Cause

The County may cancel this Contract at any time by written notice delivered or mailed to Blue Shield, effective on receipt or on such later date as specified in the notice.

B. Cancellation for Non-Payment of Plan Premiums

Blue Shield may cancel this Contract for non-payment of Plan Premiums. Blue Shield will, if Plan Premiums are not received when due, and the 45 day grace period has been exhausted, provide a 30 day notice of intent to cancel coverage to the County. The County will be liable for all Plan Premiums accrued while this Contract, Letter of Agreement and Attachments and any Amendments continue in force including those accrued during the 45 day grace period and subsequent 30 day notice of intent to cancel period. A new application for coverage will be required by the County and a new Contract will be issued only upon demonstration that the County meets all underwriting requirements at the time of application.

C. Cancellation for Fraud, Intentional Misrepresentations of Material Fact or Failure to Provide Records

Upon 45 days written notice, Blue Shield may cancel or rescind this Contract for fraud or intentional misrepresentation of material fact by the County. This Contract may also be cancelled for failure to provide Blue Shield with records and information in accordance with state and federal law. A rescission voids the Contract retroactively as if it was never effective; Blue Shield will provide 45 days written notice prior to any rescission.

As it applies to coverage of Retirees and/or dependents, Retiree coverage provided under this contract may be cancelled for fraud or intentional misrepresentation of material fact by the Retiree, dependent, or (by way of power of attorney) their representative. Blue Shield shall notify the County of any such cancellation fifteen (15) days prior to the effective date such cancellation.

D. Grace Period

The County shall be entitled to a grace period of 45 days for payment of Plan Premiums and a subsequent 30 day Notice of Intent to Terminate contract once the 45 day grace period has been exhausted (for a total of 75 days).. If during a Plan Premiums 45 day grace period written notice is given by the County to Blue Shield that the Contract or (subject to the consent of Blue Shield) any part of the Contract is to be discontinued, in accordance with applicable requirements specified by the Letter of Agreement, before the expiration date of the grace period, the Contract or applicable section shall be discontinued as of the date specified by the County or the date of receipt of such written notice by Blue Shield, whichever is the later date, and the County shall be liable to Blue Shield for applicable monthly premiums. If discontinuance of coverage occurs then Plan Premiums payment will be waived and refunded to the group for the applicable monthly period.

E. Payment or Refund of Plan Premiums Upon Cancellation

In the event of cancellation, the County shall promptly pay any earned plan premiums which have not previously been paid. Blue Shield shall within 30 days of cancellation (1) return to the County the amount of prepaid plan premiums, if any, that Blue Shield determines have not been earned as of the date of cancellation, and (2) provide Benefits of the Plan for Services incurred during the time coverage was in effect up to and including the date of cancellation.

PART VI. CANCELLATION/REINSTATEMENT/GRACE PERIOD

F. Termination of Benefits

No Benefits shall be provided for services rendered after the effective date of cancellation, except as specifically provided in the Group Continuation of Coverage and Extension of Benefits sections of the Evidence of Coverage and Disclosure Form.

In the event this Contract is cancelled for any reason, including but not limited to for non-payment of Plan Premiums, no further Benefits will be provided after cancellation unless the Member is a registered Inpatient or is undergoing treatment for an ongoing condition and obtains an extension of Benefits in accordance with the Extension of Benefits section of the Evidence of Coverage and Disclosure Form.

G. Notice to Members Confirming Termination of Coverage

If this Contract is rescinded, or cancelled by either party, the County shall notify the Subscribers.

If rescinded or cancelled by Blue Shield, Blue Shield shall have the option, in addition to the County notification, to distribute to Subscribers such notices that are required by either 1) internal Blue Shield protocols and procedures or 2) applicable state and federal law. These notices shall be subject to review by the County prior to distribution.

PART VII. GENERAL PROVISIONS

In addition to the provisions contained in the Evidence of Coverage, the following provisions apply to this Group Health Service Contract:

A. Use of Masculine Pronoun

Whenever a masculine pronoun is used in this Contract, it shall include the feminine gender unless the context clearly indicates otherwise.

B. Changes: Entire Contract

Any statement made by the County or by any Member shall, in the absence of fraud, be deemed a representation and not a warranty.

The terms of this Contract shall be subject to the conditions set forth in this Group Health Service Contract, the Letter of Agreement, and all applicable Amendments and/or Attachments EXCEPT where there is a conflict with CMS regulations. In such instances, CMS regulations shall take precedence.

Notice of changes in benefits, and any documents that may be delivered to the County or the County's representative for the purpose of informing members of the details of their coverage under this Contract, will be distributed by the County or its representative immediately upon receipt but in no event later than 60 days after receipt of such material.

C. Statutory Requirements

This Contract is subject to the requirements of the Medicare Act and related CMS regulations and guidance. Any provision required to be in this Contract by reason of these laws, regulations and/or guidance shall bind Blue Shield and the County whether or not such provision is actually included in this Contract. In addition, this Contract is subject to applicable state and federal statutes and regulations, which may include the California Knox-Keene Health Care Service Plan Act and related regulations, the Employee Retirement Income Security Act, Health Insurance Portability and Accountability Act ("HIPAA") and applicable Centers for Medicare and Medicaid Services ("CMS") requirements. Any provision required to be in this Contract by reason of such state and federal statutes shall bind the Group and Blue Shield whether or not such provision is actually included in this Contract.

D. Legal Process

Legal process or service upon Blue Shield must be served upon a corporate officer of Blue Shield.

E. Time of Commencement or Termination

Wherever this Contract provides for a date of commencement or termination of any part or all of this Contract, commencement or termination shall be effective as of 12:00 a.m. Pacific Time of the commencement date and as of 11:59 p.m. Pacific Time of the termination date.

F. Records and Information to be Furnished

The County shall furnish Blue Shield with such information as Blue Shield may require to enable it to administer this Plan, to determine the plan premiums and to enable it to perform this Contract. CMS specifically requires Blue Shield to obtain the following information: Social Security numbers for Subscribers and dependents over forty-five (45) years of age, Subscriber employment status, Employer identification number and Employer size.

PART VII. GENERAL PROVISIONS

G. Membership Cards and Evidence of Coverage Booklets

Membership cards will be issued by Blue Shield for all Members, in addition to an Evidence of Coverage (EOC) which summarizes the Benefits of this Contract and how to obtain Covered Prescription Drugs. The Membership cards will be sent directly to the Members. Blue Shield will make available to the County an electronic version of the EOC applicable to the Contract via the Blue Shield employer website. The County shall ensure distribution of the EOC to Subscribers by one of the following methods: (1) post the electronic EOC in a read-only format on the intranet site that can be accessed by retired employees of the County., (2) Emailing the EOC directly to Subscribers, or, (3) providing Subscribers with instructions from Blue Shield about how to electronically retrieve the EOC from the Blue Shield website. The County is not authorized to modify or alter in any way the text or the formatting of the electronic EOC file. Blue Shield assumes no responsibility for any changes in text or formatting that may occur in the EOC after it is provided to the County.

If the County posts the electronic EOC on its intranet site, it shall do so in such a way so as to permit retired employees of the County to download and print a complete and accurate copy of the EOC. The County will notify retired employees enrolled with Blue Shield that the EOC for their plan is available to review, download and print from the County's intranet site and will provide enrollees with reasonable and appropriate instructions by which to access and print the document from the intranet site.

Blue Shield will also, via annual postcard mailing, notify Retirees that printed hard copies of the Evidence of Coverage and Disclosure Form are available and will be promptly provided to Retirees by Blue Shield upon request. Upon request, Blue Shield will also provide the County with printed EOC booklets in an amount not to exceed 10% of the total Subscriber count at no additional charge.

If Blue Shield receives inquiries from enrollees in the County's plan regarding obtaining a copy of the EOC, Blue Shield will refer the enrollee to the County's human resources benefits staff with instructions that a copy of the EOC is available electronically and in printed hard copy on request.

In the event Blue Shield reasonably concludes that the County is either using the electronic Evidence of Coverage and Disclosure Form in a manner not permitted by this Agreement or is not providing Subscribers with access to the Evidence of Coverage and Disclosure Form in accordance herewith, Blue Shield will provide written notice to the County of such conclusion. This notice shall contain the reasons, data, and/or other relevant evidence that supports Blue Shield's position. Upon acknowledged receipt of such written notice, Blue Shield will allow a 30 day period for the County to respond or to cure any such identified deficiencies. Blue Shield will then notify the County should there be a need for Blue Shield to print copies of the Evidence of Coverage and Disclosure Form, and with the County's cooperation, ensure that printed copies of the Evidence of Coverage and Disclosure Form are timely provided to all Retirees of the County enrolled with Blue Shield. County agrees to reimburse Blue Shield for the reasonable cost of printing and delivering the Evidence of Coverage and Disclosure Form documents.

H. Inquiries and Complaints

Inquiries concerning any problems that may develop in the administration of this Contract should be directed to the Plan at the address or telephone number indicated on page GC-1 of this Contract. (See also the Member Services information in the Evidence of Coverage.)

PART VII. GENERAL PROVISIONS

I. Confidentiality

The County shall comply with all applicable state and federal laws regarding the privacy and confidentiality of the personal and health information of Members. The County shall not require the Plan to release the personal and health information of individual Members without written authorization from the Member, unless permitted by law. No information may be disclosed by either party in violation of Cal. Civ. Code §§ 56, *et seq.* At the request of the County, the Plan may provide aggregate, encrypted or encoded data regarding Members to the County, unless such data would explicitly or implicitly identify specific Members. To the extent the County receives, maintains or transmits personal or health information of Members electronically, the County shall comply with all state and federal laws relating to the protection of such information including, but not limited to, the Health Insurance Portability and Accountability Act (HIPAA) provisions on security and confidentiality and those of the Medicare Prescription Drug Program as set forth at 42 CFR § 423.136.

J. Termination of a Plan Provider Contract

1. Blue Shield shall provide written notice to the County within fifteen (15) days of any termination or breach of Contract of a Blue Shield of California Provider if such termination or breach may materially affect the County or its Subscribers.
2. Upon termination of a Blue Shield of California Provider's Contract, Blue Shield shall be liable for Benefits rendered by such provider to an eligible Member (other than for Copayments) until the authorized Services being rendered to the Member by the former Blue Shield of California Provider are completed, unless Blue Shield makes reasonable and medically appropriate provision for the assumption of such Benefits by another Blue Shield of California Provider.

K. Notification of Cancellation to Subscribers

If this Contract is rescinded, or cancelled by either party, the County shall notify the Subscribers.

If rescinded or cancelled by Blue Shield, Blue Shield shall have the option, in addition to the County notification, to distribute to subscribers such notices that are required by either 1) internal Blue Shield protocols and procedures or 2) applicable state and federal law. These notices shall be subject to review by the County prior to distribution.

VIII. ACCESS TO REPORTS SECTION L

Access to Reports

- A. Blue Shield agrees to provide the County with access to Health Data & Management Solution's ("HDMS") application Custom Reports Now ("CRN"), in order for the County to comply with its responsibilities as plan sponsor, as that term is defined in the Health Insurance Portability and Accountability Act, as amended ("HIPAA") at 45 CFR § 164.103.
- B. Blue Shield and the County agree that CRN contains Confidential Information, as defined herein. Confidential Information shall mean the confidential and proprietary information of Blue Shield available through CRN, including but not limited to proprietary systems, financial data and provider information including aggregated provider payment rates as well as aggregated and statistically de-identified claims, records and medical information of Members. The parties hereto stipulate that, as between them, the same are important, material and confidential. Confidential Information shall not include information which: (i) is already known by the County; (ii) becomes publicly known through no act or fault of the County; (iii) is received by the County from a third party without a restriction on disclosure or use; (iv) is independently developed by the County without reference to the Confidential Information provided by Blue Shield.
- C. Blue Shield represents that it has obtained statistical certification that the reports available through CRN do not contain any Protected Health Information ("PHI") as that term is defined at 45 CFR § 160.103.
- D. The County hereby agrees that: (a) Unauthorized access to CRN or unauthorized use of the Confidential Information contained therein may cause irreparable harm, loss, damage to Blue Shield; and (b) that it has been and will be conferred a benefit as a result of its knowledge of and access to the CRN; and (c) that it has agreed to the provisions contained in this Amendment.
- E. The County shall require that any Retirees, agents, or independent contractors retained by the County that have access to CRN shall each comply with the requirements set forth in this Contract and with all applicable state and federal law.
- F. The County hereby agrees that it shall not disclose or communicate to any person, firm, or corporation, any Confidential Information, without the written consent of Blue Shield. In addition, the County agrees to undertake the following obligations with respect to the Confidential Information.
 - a. The County agrees not to attempt re-identification of Subscribers or their Dependents (collectively "Members") based upon the Confidential Information provided through the CRN; and
 - b. The County agrees to restrict the use, locations, storage and access to Confidential Information through CRN; and
 - c. The County agrees to return or destroy any Confidential Information obtained through CRN upon termination of the Group Contract; and
 - d. The County agrees not to link any other data elements in its possession with the Confidential Information available through CRN without a statistician's certification that the data remains statistically de-identified pursuant to 45 CFR § 164.514; and
 - e. The County agrees to implement and maintain appropriate data security and privacy procedures with associated physical, technical and administrative safeguards as needed to assure that the Confidential Information is accessed only by personnel authorized to do so and will remain de-identified; and ensure that all personnel authorized to access the data are trained on proper protocols for protecting the data in accordance with: 1) the terms of the HDMS data licensing agreement and 2) the conditions contained herein relative to the statistical deidentification requirements of the HIPAA.
- G. The County agrees to allow access to CRN and use the Confidential Information solely in its capacity as plan sponsor for payment and administrative activities as plan sponsor.
- H. The County agrees to retain all Confidential Information in strict confidence and not to use or disclose the same except as otherwise provided or permitted in this Contract.
- I. The County agrees to limit the individuals who are authorized to have access to CRN to those who have a reasonable need to do so. On an annual basis, the County must provide the names and titles of those

VIII. ACCESS TO REPORTS SECTION L

individuals authorized to access CRN. The County must notify Blue Shield within thirty (30) days of any changes to those authorized to access CRN.

- J. The County acknowledges and agrees that, in the event of any breach of this Contract by the County, Blue Shield may immediately block further access by the County to CRN and may terminate this Amendment immediately. These remedies shall be in addition to and not in limitation of any other rights or remedies to which Blue Shield is or may be entitled.
- K. In the event of a breach of the terms of this Contract by the County, its Retirees, agents or independent contractors, the County agrees to indemnify, defend and hold Blue Shield harmless from and against any claims, causes of action or costs, arising out of the indemnifying parties breach of its obligations hereunder.
- L. The restrictions and obligations of the parties as contained in this Part, Sections A-H and Section K, shall survive the expiration, termination or cancellation of the Group Contract, and shall continue in full force and effect indefinitely.

EVIDENCE OF COVERAGE

An Evidence of Coverage and Disclosure Form booklet and any applicable Supplements will be issued by Blue Shield for all Subscribers covered under this Group Health Service Contract. The following pages contain the exact provisions of this Evidence of Coverage and Disclosure Form and any applicable Supplements and are included as part of this Contract.

The County and Blue Shield both mutually agree that no changes shall be made to the Evidence of Coverage and Disclosure Form unless they have been subject to the terms of the conditions set forth in the section "Contract Modification" (Section B.B.2) of the executed Letter of Agreement (LOA) between the County of San Bernardino and Blue Shield.

Note: In the Evidence of Coverage and Disclosure Form, references to "you" or "your" shall mean the eligible Subscriber and/or Dependent of this Plan. References to "we" or "us" shall mean the Plan and/or Blue Shield of California.