

**GREENBUSH ADMINISTRATIVE AGREEMENT  
REGARDING EMPLOYEE BENEFIT PLANS**

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This Agreement is made by and between Southeast Kansas Education Service Center – U.S.D. No. 609 d/b/a Greenbush (“Greenbush”) and each of the undersigned Participating Employers that have executed a participation agreement pursuant to the terms of this Agreement.

**W I T N E S S E T H:**

**WHEREAS**, Greenbush is an education service center that provides a wide array of educational services and programs to school districts across Kansas;

**WHEREAS**, Greenbush previously adopted the Greenbush Health Plan (the “Plan”), which is a multiple employer welfare arrangement as defined by Section 3(40) of the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”) and its governing regulations, on behalf of the Participating Employers;

**WHEREAS**, the terms of the Plan document designate Greenbush as the plan sponsor and plan administrator of the Plan; and

**WHEREAS**, the parties desire to enter into this Agreement in order to set forth in writing the distinct duties and responsibilities of Greenbush and the Participating Employers in connection with the settlor, administration, and trustee functions of the Plan.

**NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, Greenbush and the Participating Employers hereby covenant and agree as follows:

## ARTICLE I DEFINITIONS

Where the following words and phrases appear in this Agreement, they shall have the respective meanings as set forth in this Article, unless the context clearly indicates otherwise. Where the defined meaning is intended, the term is capitalized.

**Section 1.01** “**Affordable Care Act**” means the Patient Protection and Affordable Care Act of 2010, as amended from time to time.

**Section 1.02** “**Agreement**” means the Greenbush Administrative Agreement Regarding Employee Benefit Plans, as amended from time to time.

**Section 1.03** “**Benefits-Eligible Employee**” means any eligible employee within the meaning of the Plan.

**Section 1.04** “**Board of Directors**” means the Greenbush Board of Directors, as that Board of Directors was established by the Greenbush Bylaws.

**Section 1.05** “**Bylaws**” means the Greenbush Bylaws, as amended from time to time.

**Section 1.06** “**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time.

**Section 1.07** “**Code**” means the Internal Revenue Code of 1986, as amended from time to time.

**Section 1.08** “**FMLA**” means the Family and Medical Leave Act of 1993, as amended from time to time.

**Section 1.09** “**Greenbush Employee Benefits Committee**” means the committee created to oversee the settlor, plan administration, and trustee functions related to the Plan. The Greenbush Employee Benefits Committee may be referred to as the “Committee” from time to time throughout this Agreement.

**Section 1.10** “**HIPAA**” means the Health Insurance Portability and Accountability Act of 1996, as amended from time to time.

**Section 1.11** “**Participating Employer**” means an employer that has executed a participation agreement pursuant to the terms of this Agreement and has neither withdrawn nor been removed as a Participating Employer.

**Section 1.12** “**Plan**” means the Greenbush Health Plan, as amended from time to time. The Plan encompasses the core document, any benefit description(s) related thereto, and the participation agreement executed by each Participating Employer.

**Section 1.13** “**Plan Year**” means the 12-month consecutive period running from October 1 through the following September 30.

**Section 1.14** “**Trustee**” means the Greenbush Employee Benefits Committee, or any successor in office who, in writing, accepts the position of Trustee.

**Section 1.15** “**Trust**” means the Greenbush Health Plans Trust, originally established on February 2000, and as amended from time to time.

## **ARTICLE II PARTICIPATION IN AGREEMENT**

**Section 2.01 Participating Employers.** To become a Participating Employer in this Agreement, an employer must be eligible to become a Participating Employer and must agree in writing to be bound by the terms and conditions of this Agreement by executing a valid participation agreement. Employers must be approved by the Board of Directors before executing a participation agreement and must satisfy any conditions that the Board of Directors may impose before they may become a Participating Employer.

**Section 2.02 Eligibility to Participate in this Agreement.** Participation in this Agreement shall be limited to qualified school districts.

**Section 2.03 Approval of Participation.** A school district that is not an original party to this Agreement may become a Participating Employer upon application to and approval by the Board of Directors in accordance with the provisions of this Article II.

- (A) **Discretion on the Part of the Board of Directors.** The Board of Directors shall have the authority, in its sole discretion, to approve or deny a request by an employer to become a Participating Employer. The Board of Directors may deny an employer's request to participate in this Agreement for any reason that the Board of Directors, in its sole discretion, considers to be appropriate.
- (B) **Conditions That May Be Imposed.** As a condition precedent to approving the participation of a prospective Participating Employer, the Board of Directors shall have the authority to require the prospective Participating Employer to satisfy such conditions as it may see fit, in its sole discretion, to impose. Such conditions may include, but are not limited to, a requirement that the prospective Participating Employer pay a reasonable amount to help offset certain costs that were previously incurred by other Participating Employers. The Board of Directors shall have the sole discretion to designate the person or persons to whom such payment should be made.
- (C) **Acceptance of This Agreement.** A prospective Participating Employer whose participation is approved pursuant to this provision and who has satisfied any and all conditions imposed by the Board of Directors must sign a participation agreement and agree to be bound by its terms and conditions as a condition precedent to becoming a Participating Employer.

**Section 2.04 Effective Date of Participation.**

- (A) **Original Parties to this Agreement.** For a Participating Employer that signed this Agreement on or before [REDACTED], the effective date of participation in this Agreement shall be deemed to be [REDACTED].
- (B) **Other Participating Employers.** For all other Participating Employers, the effective date of participation shall be the date specified by the Board of Directors, which date shall be specified on the participation agreement for such Participating Employer.

**Commented [HLF1]:** Confirm effective date with client.

**Section 2.05 Binding Nature of Agreement.** By signing this Agreement, a Participating Employer agrees that it will be bound by all of the terms and conditions of this Agreement.

**Section 2.06 Withdrawal from Agreement.** A Participating Employer's participation in this Agreement may end as described in Subsections (A), (B), or (C) below.

- (A) **By a Participating Employer.** A Participating Employer may withdraw from this Agreement as of the last day of the Plan Year by providing at least 90 days advance written notice to the Board of Directors; however, the Board of Directors, in its sole discretion, may waive this 90-day notice requirement and permit the Participating Employer to withdraw from this Agreement as of any date that the Board of Directors deems appropriate. Absent the issuance of a waiver by the Board of Directors, a Participating Employer's withdrawal from this Agreement shall not take effect before the last day of the Plan Year. Moreover, any Participating Employer that does not provide the required advance written notice of withdrawal at least 90 days prior to the end of the Plan Year shall be deemed to have renewed its participation in this Agreement for the entire next Plan Year.
- (B) **As a Result of a Merger.** A Participating Employer shall be removed from this Agreement if each of the following conditions exists:
- (1) The Participating Employer merges with another entity that is not a Participating Employer;
  - (2) The surviving entity is not a Participating Employer; and
  - (3) The surviving entity does not become a Participating Employer in accordance with the provisions of this Agreement following the merger.

The Board of Directors shall have the authority, in its sole discretion, to establish the effective date of the removal of the Participating Employer from this Agreement. If the Board of Directors does not affirmatively act to establish a different date, the effective date shall be the last day of the month in which the merger took place.

- (C) **By Action of the Board of Directors.** The Board of Directors may require a Participating Employer to withdraw at any time during the Plan Year if the Participating Employer fails to fulfill its obligations under this Agreement, including, but not limited to, its obligation to pay the cost of the benefits being provided to its employees and their dependents.
- (1) If the Board of Directors determines that a Participating Employer has failed to fulfill its obligations under this Agreement, the Participating Employer will be given 30 days to cure the breach, measured from the date that the Board of Directors provides notice of the breach to the Participating Employer.

- (2) If the breach is not cured within this time period, such Participating Employer shall be asked to withdraw voluntarily from this Agreement pursuant to Section 2.06(A) and the 90-day advance notice period shall be waived.
- (3) If the Participating Employer fails to withdraw within 30 days as requested, then the Board of Directors may expel such Participating Employer.
- (D) **Obligation of Cooperation Following Withdrawal.** A Participating Employer that withdraws from this Agreement has a continuing obligation to cooperate with the Board of Directors, Trustee(s), and other Participating Employers (as may be applicable) with respect to any actions or events that took place before the date of withdrawal. This obligation is in addition to any financial obligations that a Participating Employer might owe as of the date of its withdrawal and/or as a result of its withdrawal.
- (E) **Costs Associated with Withdrawal.** In the event that a Participating Employer withdraws from this Agreement for any reason, the Board of Directors may require the withdrawing employer to pay any costs reasonably associated with its withdrawal, as determined by the Board of Directors in its sole discretion. Such costs may include, but are not limited to, standard fixed costs, administrative costs, the cost of funding and administering runout claims, the cost of stop-loss coverage for the runout period, and the cost of maintaining adequate reserves during the runout period. The Board of Directors may determine, in its sole discretion that other costs should also be charged to the withdrawing employer; however, any such costs must be reasonable in amount and must be reasonably related to costs that were incurred as a result of the withdrawing employer's participation in and/or withdrawal from the Agreement. The costs to be charged will not include any costs that are attributable to a general loss of efficiency as a result of a reduction in the scale of operations. A Participating Employer that withdraws from this Agreement shall not be entitled to any refund of any funds paid to the Trust.
- (F) **Obligations with Respect to COBRA Continuation Coverage Upon Withdrawal.** In the event that a Participating Employer withdraws from this Agreement for any reason, and unless otherwise agreed by the Board of Directors, that employer shall be responsible for providing any COBRA continuation coverage that may be required by law or by the terms of a Plan document to those persons who were its employees (or the dependents of its employees) as of the date on which the obligation to provide COBRA continuation coverage arose.
- (G) **Obligation to Notify Employees and Dependents Upon Withdrawal.** If the participation of a Participating Employer in this Agreement is terminated, that employer shall have the responsibility of notifying its employees and their dependents or beneficiaries of such fact. Notwithstanding the foregoing, however, the Board of Directors may, but is not obligated to, provide such notice. In the event that the Board of Directors provides such notice, the cost of providing such notice shall be charged to that employer.

**ARTICLE III  
BENEFITS PROVIDED UNDER THIS AGREEMENT**

**Section 3.01 Benefit Plan.** The employee benefit plan that is governed by this Agreement is the Greenbush Health Plan; however, in the event that additional welfare benefit plans are sponsored and maintained by Greenbush as authorized by Section 4.02(G), they shall also be governed by this Agreement.

**Section 3.02 Plan Documents.**

- (A) **Plan Document for Medical/Dental Plan.** The terms and conditions upon which the plan(s) subject to this Agreement are offered shall be set forth in a written plan document. The Greenbush Employee Benefits Committee shall be responsible for ensuring that a proper plan document is prepared by qualified and experienced employee benefits counsel and that such document is updated on a timely basis to reflect changes in the applicable law and/or changes in the terms and conditions upon which benefits are being offered.
- (B) **Cafeteria Plan and Other Welfare Benefit Plan Documents.** With the exception of the plan(s) subject to this Agreement referenced in Subsection (A), each Participating Employer shall be responsible for ensuring that proper plan documents are prepared for any cafeteria plan or other welfare benefit plan that such Participating Employer may be sponsoring for its employees. Such other plans include, but are not limited to, health flexible spending account plans, dependent care assistance plans, disability plans, and group life insurance plans. Each Participating Employer is also strongly encouraged to work with experienced employee benefits counsel to help it prepare and adopt a “wrap document” that encompasses all of the various welfare benefit plans sponsored by that Participating Employer.

**Section 3.03 Joint and Several Liability Under the Plan.** Participating Employers shall be jointly and severally liable for their obligations under the Plan governed by this Agreement. Upon a Participating Employer’s withdrawal or removal from the Agreement and satisfaction of any costs imposed by the Board of Directors under Section 2.06 (in coordination with the Trustee, as appropriate), such joint and several liability shall be discharged with regard to events or conduct arising after the date of its withdrawal. Even after its withdrawal or removal from the Agreement, however, a Participating Employer shall remain jointly and severally liable for any obligations that relate to events or conduct arising before the date of withdrawal or removal (even if not discovered until after the withdrawal or removal) unless the Board of Directors has agreed in writing to release the withdrawn or removed Participating Employer from such joint and several liability.

**Section 3.04 Premiums and Employer Subsidies for the Plan.** The Greenbush Employee Benefits Committee shall determine the amount of the total premium under the Plan. Each Participating Employer, however, may, in its discretion, subsidize this premium for its employees. The amount of any such premium must be communicated to the Committee (or its designee) no later than 30 days prior to the beginning of the Plan Year, or such other time as the Committee specifies. Such premium shall be fully compliant with all federal laws and regulations, including the Code’s non-discrimination rules and any requirements of the Affordable Care Act.

**ARTICLE IV**  
**PLAN SPONSOR FUNCTIONS OF THE BOARD OF DIRECTORS**

**Section 4.01 Settlor Functions.** The responsibility for all settlor functions associated with the Plan shall rest with the Greenbush Employee Benefits Committee.

**Section 4.02 Specific Responsibilities of the Greenbush Employee Benefits Committee.** The responsibilities of the Greenbush Employee Benefits Committee shall include the following:

- (A) **Benefits Offered.** The Committee shall determine what benefits will be offered under this Agreement, the terms and conditions upon which those benefits shall be offered, the effect on the Plan document of any proposed changes to the benefits offered. This duty encompasses:
  - (1) Communicating with Participating Employers, their employees, and vendors about what benefits to offer under the Plan;
  - (2) Analyzing the costs associated with proposed changes to benefits offered by the Plan;
  - (3) Communicating with employee benefits counsel regarding legal issues associated with proposed changes to benefits offered by the Plan;
  - (4) Communicating with employee benefits counsel regarding amendments to the Plan document and coordinating the preparation of new or amended plan documents; and
  - (5) Determining whether the Plan will be fully-insured or self-funded.
- (B) **Terms and Conditions Upon Which Benefits Are Offered.** Subject to the limitations set forth elsewhere in this Article IV, the Committee shall determine the terms and conditions upon which benefits will be offered under this Agreement, including (but not limited to):
  - (1) Minimum eligibility conditions;
  - (2) Plan entry dates;
  - (3) The premiums that must be paid to provide coverage for each individual who may be covered under the Plan; and
  - (4) The overall design of the plan.
- (C) **Participating Employer Elections Regarding Certain Eligibility Issues.** Subject to any limitations imposed by the Committee and/or federal laws and regulations, each Participating Employer shall be responsible for making elections (and communicating such elections to the Committee) regarding the following eligibility provisions under the Plan:



- (1) The minimum number of hours an employee must be regularly scheduled to work each week/month in order to be eligible to participate in the Plan;
  - (2) The waiting period (if any) for entry into the Plan;
  - (3) Whether dental benefits will be offered to employees in conjunction with the medical benefits under the Plan; and
  - (4) Any such other elections as Participating Employers are required to make in their participation agreement.
- (D) **Selection and Retention of Vendors.** The Committee shall select and retain such vendors as may be required to perform its settlor, administration, and trustee duties under the Agreement, including actuaries, accountants, attorneys, auditors, and consultants. Its duties in this regard shall include the following:
- (1) Requesting and evaluating qualifications and fee quotes from vendors; and
  - (2) Negotiating the terms, conditions and duties of Vendor contracts.
- (E) **Insurance Companies and Claims Fiduciaries.** In connection with its responsibility to determine the terms and conditions upon which benefits will be offered, the Committee shall determine the following:
- (1) Whether benefits offered through the Plan will be fully insured or self-funded;
  - (2) If benefits offered under the Plan are to be fully insured, the insurance carrier that should be selected for this purpose and the assessment as to whether the terms and conditions of the underlying policy of insurance should be accepted;
  - (3) If benefits offered under the Plan are to be self-funded, whether stop-loss coverage should be obtained and, if so, the carrier that should be selected for this purpose and the terms and conditions upon which the stop-loss coverage should be provided; and
  - (4) Whether the Committee should have the final responsibility for adjudicating claims under the Plan or whether the final responsibility for adjudicating claims should rest on an insurance company, third-party administrator, or other outside party to be named by the Committee.
- (F) **Freezing or Termination of the Plan.** The Committee shall have the authority to freeze or terminate the Plan in its discretion.
- (G) **Adoption of New Employee Benefit Plans.** The Committee shall have the authority to adopt one or more additional employee benefit plans providing new or additional benefits to employees of Participating Employers and their beneficiaries and to determine the terms and conditions upon which such benefits will be offered. Participation in such plan(s) shall be left to the discretion of each Participating Employer.

- (H) **Premium Holiday / Rebate.** The Committee, as Trustee, shall have the authority to declare a premium holiday under the Plan and to specify how the premium holiday will be implemented. In the event that a rebate is received from an insurance carrier, the Committee shall have the authority to specify, in its sole discretion and subject to any legal constraints, the disposition of the rebate, including (but not limited to) whether the rebate should be returned to Participating Employers, returned to plan participants, applied against future premiums, or used in some other way.
- (I) **Other Plan Sponsor Functions.** The Committee shall have the authority to take such other actions as may be necessary and proper in its role as the sponsor of the Plan.

**Section 4.03 Reliance on Others.** In carrying out its responsibilities, the Committee shall have the authority to select and retain such vendors as may be needed to carry out its responsibilities, including, but not limited to, accountants, actuaries, attorneys, auditors, and consultants. The Committee also may rely on the advice and expertise of employees of Participating Employers.

**ARTICLE V  
PLAN ADMINISTRATION FUNCTIONS OF  
THE GREENBUSH EMPLOYEE BENEFITS COMMITTEE**

**Section 5.01 Responsibility for Plan Administration Functions.** The responsibility for all plan administration functions associated with the Plan, and any other plans that might be adopted in the future pursuant to Section 4.02(G), shall rest with the Greenbush Employee Benefits Committee.

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**Section 5.02 Specific Plan Administration Responsibilities.** The plan administration responsibilities of the Greenbush Employee Benefits Committee shall include, but are not limited to, the following:

- (A) **Provide Information Regarding the Plan.** The Committee shall develop and distribute to Participating Employers such forms, notices, and other informational materials as may be necessary for the proper operation and administration of the Plan. The Committee, at its discretion, also may permit vendors to communicate with employees of Participating Employers and their dependents regarding such matters. The Committee shall respond to questions from Participating Employers regarding the Plan.
- (B) **Summary Plan Descriptions / Benefit Description.** The Committee shall be responsible for preparing and distributing a Summary Plan Description (SPD), and if not included in the SPD, a description of the benefits offered under the Plan.
- (C) **Plan Enrollment.** The Committee shall develop and implement an enrollment process for the Plan; however, each Participating Employer shall be responsible for coordinating the enrollment of its own employees (and, as applicable, their eligible dependents) in the Plan, including annual enrollment before the start of each Plan Year.
- (D) **COBRA Administration.** The Committee shall be responsible for the administration of COBRA continuation coverage under the Plan in accordance with applicable law, including issuing all required COBRA notices; however, each Participating Employer shall be responsible for timely communicating to the Committee the occurrence of all COBRA qualifying events involving the employees (and any covered dependents) of such Participating Employer.
- (E) **Eligibility Determinations.** The Committee shall have the authority to determine whether an individual is eligible to enroll in the Plan; however, Greenbush will generally defer to each Participating Employer to make such an eligibility determination in the first instance and will involve itself in the process only in the event of an eligibility-based appeal or if it has reason to believe that a Participating Employer made an erroneous eligibility determination.
- (F) **Selection of Third-Party Administrators.** The Committee shall select and retain any third-party administrators for the Plan in the event that it is self-funded.
- (G) **Selection and Retention of Vendors.** The Committee shall select and retain such vendors as may be required to perform its plan administrator duties under

**Commented [HLF3]:** Discuss with client.

the Agreement, including actuaries, accountants, attorneys, auditors, and consultants. Its duties in this regard shall include the following:

- (1) Requesting and evaluating qualifications and fee quotes from vendors; and
  - (2) Negotiating the terms, conditions and duties of vendor contracts.
- (H) **Communication with Vendors.** The Committee shall manage data exchange and eligibility feeds for the Plan with vendors (as applicable), direct the vendors pursuant to the terms and conditions of the vendor agreements, and, in general, communicate with the vendors about plan administration issues regarding the Plan that affect the vendors. The Committee shall also obtain such information from the vendors as needed in order for the Committee to prepare and file reports or returns required by law. The Committee shall have responsibility for resolving performance issues with vendors.
- (I) **Claims Appeals.** The Committee shall have the responsibility for deciding any appeals that are made by a participant regarding the denial of a claim for benefits. Notwithstanding the preceding sentence, however, the Committee may select and retain an insurance company, third-party administrator, or other claims administrator to serve as the claims fiduciary for the Plan. If a claims fiduciary is retained, the claims fiduciary shall have the final responsibility for deciding any appeals that are made by a participant in such plan regarding the denial of a claim for benefits.
- (J) **Stop-Loss Insurance Coverage.** On at least an annual basis, the Committee shall determine whether stop-loss insurance coverage is prudent, and, if so, what the amount and terms of such coverage should be. If the Committee determines that stop-loss insurance coverage is prudent, the Committee shall obtain and evaluate fee quotes from stop-loss insurance carriers, identify an appropriate carrier, and negotiate the contract with such carrier.
- (K) **Non-Discrimination Testing.** The Committee shall be responsible for, and shall oversee the performance of, any required non-discrimination testing for the Plan to ensure that legal requirements are satisfied.
- (L) **QMCSOs.** The Committee shall evaluate, process, and respond to all qualified medical child support orders ("QMCSOs") directed to the Plan and shall communicate with vendors, as needed, regarding such orders.
- (M) **HIPAA.** The Committee shall develop and enforce policies and procedures for compliance with the requirements of HIPAA, including the HIPAA Medical Privacy and Security Rules. The Committee shall ensure that it has Business Associate Agreements in place with any consultants or vendors having access to the protected health information of Plan participants. The Committee shall further ensure that any directors and/or employees with access to protected health information have had proper training, as required by HIPAA.

- (N) **Record Retention.** To the extent that original executed documents exist in connection with its duties as plan administrator, the Committee shall retain such original documents, including but not limited to the Plan document, minutes, bylaws, policies and procedures, trust agreements, COBRA continuation coverage documents, and QMCSOs. Such documents may be retained in electronic form.
- (O) **Reports, Returns, and Notices.** The Committee shall prepare and file any reports or returns required by law, prepare data and other information that may be necessary for an audit of the Plan, and distribute any notices that may be required by law, this Agreement, or the terms and conditions of the Plan.
- (P) **Administrative Rules.** The Committee may make such reasonable rules relating to the administration of the Plan as it may consider advisable in order to carry out its purposes and to promote the consistent administration of the Plan. To the extent practicable, such administrative rules shall be documented in writing and the Committee shall endeavor to apply such rules in a reasonably consistent manner.
- (Q) **Legal Compliance.** The Committee shall ensure compliance with the terms and conditions of the Plan document, trust documents, FMLA, HIPAA, and other laws governing the administration and operation of the Plan.

**Section 5.03 Responsibilities Related to Welfare Benefit Trust.** The Greenbush Employee Benefits Committee shall manage the collection of premiums. In that regard, its responsibilities shall include the following:

- (A) **For fully insured Welfare Plans.** The Committee shall establish a payment schedule for insurance premiums, collect the premiums from participants and/or Participating Employers, and either forward the premiums to the insurance carriers or to the Trust for appropriate handling by the Trustee.
- (B) **For self-funded Welfare Plans.** The Committee shall establish a payment schedule for benefit premiums, collect premiums from participants and/or Participating Employers, either forward the premiums to the insurance carriers or to the Trust for appropriate handling by the Trustee.

**Section 5.04 Reliance on Others.** In carrying out its responsibilities, the Committee may rely on the advice and expertise of such outside consultants and advisors as it may retain from time to time. The Committee shall have the authority to select and retain such other vendors as may be needed to carry out its responsibilities, including, but not limited to, accountants, actuaries, attorneys, auditors, consultants, and outside record-keepers.

**Section 5.05 Greenbush Health Trust Administrator.** The Greenbush Health Trust Administrator shall assist in performing all plan administration functions by providing any services that are otherwise the responsibility of the Greenbush Employee Benefits Committee under this Agreement; however, the Greenbush Health Trust Administrator shall render such services at the pleasure of the Committee, and the Committee retains the authority to terminate the Greenbush Health Trust Administrator's services or override any act or decision of the Greenbush Health Trust Administrator under this Agreement.

**Section 5.06 Delegation of Signature Authority.** The Greenbush Employee Benefits Committee may delegate signature authority to the Greenbush Health Trust Administrator for the legal documents listed in Exhibit A to this Agreement, attached hereto and incorporated by reference; however, certain types of documents listed on Exhibit A require prior approval by the Committee and/or legal review by the Committee's employee benefits counsel before the Greenbush Health Trust Administrator has authority to sign those documents, as set forth on Exhibit A. Exhibit A may be amended at any time by the Committee in its sole discretion. Notwithstanding the foregoing, nothing herein shall be construed to limit the ability of the Greenbush Health Trust Administrator to act upon the direction of the Committee, as reflected in the Committee's minutes, or to execute routine correspondence and administrative documents necessary to perform the day-to-day duties of Plan administration.

**Section 5.07 Compliance with Plan and Agreements.** All actions taken by the Greenbush Employee Benefits Committee under this Agreement shall be in accordance with the terms and conditions of the Plan documents, the Trust, and applicable laws and regulations.

**ARTICLE VI**  
**GREENBUSH EMPLOYEE BENEFITS COMMITTEE – SELECTION AND OPERATION**

**Section 6.01 Composition of the Greenbush Employee Benefits Committee.** The Greenbush Employee Benefits Committee shall consist of seven (7) members. Each member of the Committee must be an employee of a Participating Employer. The Committee will include the following:

- (A) Three (3) members from Participating Employers with 1000 or more students enrolled;
- (B) Two (2) members from Participating Employers with 600 to 999 students enrolled;
- (C) One (1) member from a Participating Employer with less than 600 students enrolled; and
- (D) One (1) member at large.

**Section 6.02 Selection of Greenbush Employee Benefits Committee.** The Greenbush Employee Benefits Committee shall appoint individuals to serve as members of the Committee. To be eligible for such an appointment, the individual must be a current employee of a Participating Employer.

**Commented [HLF4]:** Alternatively, we could change these provisions so that Committee members are appointed by Participating Employers in each of the groups listed in Section 6.01 and then sent to a vote. Let us know what Greenbush prefers.

- (A) **Voting for Appointed Member.** A simple majority vote of all Greenbush Employee Benefits Committee members present at a duly called meeting shall be required in order to appoint a member to the Committee.
- (B) **Procedures.** The Committee shall develop written procedures for conducting all appointments pursuant to this Section in order to ensure their fairness, security, integrity, and efficiency.
- (C) **Term of Service.** Members of the Committee shall serve two-year terms. Terms shall coincide with the Plan Year so that, except in the case of a vacancy, terms shall begin on October 1 of the applicable year and shall expire on September 30 of the applicable year.
  - (1) **Staggered Terms.** The terms of certain members will be less than the standard two-year term so that members serve staggered terms, thereby allowing the Committee to preserve institutional memory and expertise and enhance efficiency.
  - (2) **Loss of Eligibility.** In the event that a member ceases to be an employee of a Participating Employer, that member shall be ineligible to continue to serve as a member and shall immediately resign his/her position as a member of the Committee.
  - (3) **Vacancy.** In the event of a vacancy, the Committee members shall select a person to fill the unexpired term of the member.

**Section 6.03 Qualifications.** The Greenbush Employee Benefits Committee members shall use their best efforts to appoint persons who are qualified by training, experience, and temperament to meet the responsibilities that will be placed on the Committee. The considerations that should be taken into account in selecting persons for service on the Committee shall include, but are not limited to, the following:

- (A) Understanding of financial markets, including investment products and the role played by various parties, such as investment managers;
- (B) Understanding of and willingness to carry out the responsibilities of the Committee, including the fiduciary standards to which members of the Committee will be subject;
- (C) Understanding of the role and responsibilities of a plan administrator under the provisions of the Code and other federal laws relating to employee benefit plans;
- (D) Ability and willingness to commit the time that will be required to carry out the responsibilities of a member of the Committee; and
- (E) Ability and willingness to participate in training and development programs that are designed and intended to educate members of the Committee on various aspects of their responsibilities.

**Section 6.04 Operation of the Greenbush Employee Benefits Committee.** Members of the Greenbush Employee Benefits Committee shall have the authority to adopt rules addressing the operation of the Committee. Such rules shall address, but are not limited to, the following matters:

- (A) **Quorum.** The Committee shall determine how many members are required to constitute a quorum; provided, however, that such number may not be less than a majority of all members.
- (B) **Chair and Vice Chair.** The Committee shall select one of its members to serve as its Chair. In addition, the Committee shall select one of its members to serve as its Vice Chair. The Committee shall determine, as part of its internal operating rules, the term and responsibilities of its Chair and Vice Chair.
- (C) **Meetings.** The Committee shall determine how often it shall meet. The Committee may adopt rules permitting meetings to be held telephonically, via videoconferencing, or via other similar technology.
- (D) **Authority to Call a Meeting.** The Committee shall determine who has the authority to call a meeting and how such a meeting should be called.
- (E) **Records.** The Committee shall establish rules requiring the keeping of accurate records of its meetings and actions.
- (F) **Vendor Selection and Retention.** The Committee shall establish rules relating to the process of selecting and entering into contracts with vendors.



**Section 6.05 Compensation for Service on Greenbush Employee Benefits Committee.** Members of the Greenbush Employee Benefits Committee shall be reimbursed for their actual out-of-pocket expenses for each meeting they attend. They shall not otherwise be entitled to compensation for their service on the Committee.

**ARTICLE VII  
OBLIGATIONS OF PARTICIPATING EMPLOYERS**

**Section 7.01 Obligations of the Participating Employers.** Each Participating Employer shall be obligated as follows:

- (A) **Compliance with Terms of Agreement and Underlying Plan Document.** Each Participating Employer shall be bound by the terms and conditions of this Agreement and the terms and conditions of the Plan, to the extent it is offering such Plan to its employees and their dependents.
- (B) **Prompt Payment.** Each Participating Employer shall promptly pay its share of the cost of the benefits provided pursuant to this Agreement in accordance with the provisions set forth elsewhere in this Agreement.
- (C) **Duty of Cooperation.** Each Participating Employer shall cooperate in good faith with the Greenbush Employee Benefits Committee, the Trustee, any person or outside vendor to whom any responsibility under this Agreement has been delegated, and/or any other Participating Employer as to any matter in which the other person may reasonably require the assistance of the Participating Employer. Such assistance may include, but is not limited to, the following:
  - (1) *Providing Information.* Participating Employers shall promptly provide any information that the Greenbush Employee Benefits Committee and/or Trustee may require in order to carry out their responsibilities under this Agreement. Such information may include, but is not limited to, information regarding the name, date of birth, name and number of dependents, and compensation of each participant.
  - (2) *Providing Information to Plan Participants.* Participating Employers shall provide information regarding the Plan to their employees and/or participants, as may be appropriate, on a timely basis. Such information may include, but is not limited to, information explaining the benefits being offered and information that an employee might require in order to enroll in a given plan.
  - (3) *Executing Documents.* Participating Employers shall promptly execute and return any legal documents that they are reasonably asked to sign.
- (D) **Timely Assertion of Claims.** In the event that a Participating Employer believes that an action has been taken (or has not been taken when it should have been taken) in violation of this Agreement, the Participating Employer shall be required to assert such claim (or claims) on a timely basis. Such claims shall include, but are not limited to, claims relating to the dollar amounts charged or assessed against a Participating Employer for benefits and/or services provided pursuant to this Agreement. To be asserted on a timely basis, any claim by a Participating Employer must be asserted no later than one year after the date on which the action in question was taken or, in the event of a claim relating to a failure to act, within one year after the date on which the Participating Employer believes that the action should have been taken. In order to be timely, claims relating to dollar amounts charged or assessed against a Participating Employer must be asserted

within one year after the date such charges or assessments were communicated to the Participating Employer. To assert a claim, a Participating Employer must notify the Greenbush Employee Benefits Committee of the claim in writing.

- (E) **Compliance with Terms and Conditions of the Agreement.** A Participating Employer shall be responsible for all costs and expenses directly attributable to the failure of such Participating Employer to comply with the terms and conditions of this Agreement. Such costs and expenses shall include, but are not limited to, the following:
  - (1) The costs and expenses incurred in order to address and correct any action (or failure to act) of such Participating Employer that causes the Plan to fail to comply with the terms and conditions of this Agreement or with the terms and conditions of the underlying Plan document; and
  - (2) Any sanctions or penalties imposed by the Internal Revenue Service or other governmental agency.
- (F) **Maintenance of Plans Compliant with Federal and State Law.** Each Participating Employer shall maintain plan documents – including cafeteria plan documents and “wrap documents” (as necessary) – that are fully compliant with the Code and any other applicable federal or state law. Participating Employers shall work with experienced benefits counsel or consultants in preparing such documents.

## **ARTICLE VIII BENEFITS FUNDING**

**Section 8.01 Benefits Funding.** Each Participating Employer must fund the benefits that are being provided to its employees and their eligible dependents under the Plan.

**Section 8.02 Cost of Fully Insured Plan.** To the extent that the Plan is being provided through a contract of insurance, the cost of benefits shall be equal to the premium charged by the insurance company. Each Participating Employer shall be responsible for payment of the premium that is attributable to its employees and their eligible dependents as determined by and in accordance with the payment schedule established by the Greenbush Employee Benefits Committee.

**Section 8.03 Cost of Self-Insured Plan.** Consistent with the Trust, to the extent that the Plan is being provided on a self-insured basis, the cost of benefits shall be determined by the Greenbush Employee Benefits Committee prior to the beginning of each calendar year. In determining the costs of benefits, the Committee may rely on the recommendations and advice of such actuaries and consultants as it may choose to retain.

- (A) **Establishment of Funding Policy.** As required by Section 5.03 of the Trust, the Committee shall establish and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law. As part of such funding policy, the Committee shall from time to time direct the Trustee to exercise its investment direction so as to provide sufficient cash assets in an amount determined by the Committee, under the funding policy then in effect, as may be necessary to meet the liquidity requirements for the administration of the Plan.
- (B) **Risk Pooling.** In determining the risk for a self-insured benefit, all employees and their dependents who are eligible to enroll in or receive the benefit shall be taken into account regardless of their employer.
- (C) **Per Capita Charge.** After calculating the expected risk that will be presented by a self-insured benefit, the Committee shall determine the funding that is required to provide that benefit for the upcoming calendar year. This amount shall then be expressed as a dollar amount for each individual who will be covered under the Plan in the next calendar year.
- (D) **Stop-Loss Coverage.** The cost of any stop-loss coverage that is obtained by the Committee shall be included in the per capita charge that is assessed to Participating Employers.
- (E) **Administrative Costs.** To the extent allowed by law and consistent with Section 7.04 below, the Committee shall include its projected annual Plan administrative costs in the per capita charge that is assessed to Participating Employers.
- (F) **Reserves.** The Committee shall endeavor to avoid funding shortfalls by maintaining adequate reserves. The funding necessary to create and maintain a reserve shall be included in the per capita charge that is assessed to Participating Employers.

- (G) **Funding Shortfalls.** The Committee shall use its best efforts to avoid funding shortfalls through the use of sound actuarial projections of funding needs and by holding adequate reserves in trust. In the event that funding is not sufficient to pay claims for a self-insured benefit, the Committee may require those Participating Employers who are providing that benefit to their employees and their dependents to make an additional contribution in whatever amount is necessary to close the shortfall. Such amount shall be assessed to each Participating Employer on a per capita basis.

**Section 8.04 Administrative Costs.** In addition to the costs set forth above, Participating Employers shall be required to contribute toward the costs and expenses that are incurred in administering this Agreement and the benefits that are being provided thereunder.

- (A) **Direct Out-of-Pocket Costs.** For this purpose, administrative costs and expenses shall include any out-of-pocket costs incurred by the Greenbush Employee Benefits Committee. Such costs may include, but are not limited to, the cost of fiduciary liability insurance and amounts expended on outside auditors, accountants, consultants, counsel, and any other third parties who are retained by such committees to assist them in the performance of their responsibilities under this Agreement.
- (B) **Allocation to Trusts and to Participating Employers.** To the extent that it is reasonably practicable to do so, administrative costs and expenses shall be charged against the trust for the Plan. If the cost or expense is not properly chargeable to the trust, the Committee will bill the Participating Employers on a fair and equitable basis for their share of such costs and expenses.
- (C) **Allocation of Costs on a Fair and Equitable Basis.** To help ensure that administrative costs are allocated on a fair and equitable basis, the Committee shall be required to develop, maintain, and implement policies and procedures related to the allocation of administrative costs among the Participating Employers and the trusts involved. The cost allocation processes and methodologies shall be reviewed periodically and may be modified by the Committee, acting in its sole discretion, from time to time.

**Section 8.05 Consequences of Failing to Pay Required Amounts.** If a Participating Employer fails to pay any amount assessed by the Greenbush Employee Benefits Committee on or before the date such amount is due, the Committee may terminate that employer's participation in this Agreement.

- (A) **Effect of Termination.** Upon termination, no further benefits will be provided to any employees or their dependents who had enrolled to receive benefits under the Plan through the employer whose participation has been terminated. However, any claims that were incurred prior to the date of termination will be paid if such claims are otherwise properly payable.
- (B) **No Obligation to Notify Employees and Dependents.** If the participation of a Participating Employer is terminated, that employer shall have the responsibility of notifying its employees and their dependents or beneficiaries of such fact. Notwithstanding the foregoing, however, the Committee may choose to provide

such notice. In the event such notice is provided, the cost of providing such notice shall become a debt due and owing from the employer.

- (C) **Resumption of Participation.** The Committee shall have the discretion to allow an employer whose participation has been terminated due to a default to resume its participation in this Agreement. As a condition precedent to resuming participation, any past due amounts must be paid along with interest on the same at the average one-month LIBOR rate for the applicable period plus two percent. The Committee may also require, as an additional condition precedent, advance payment of a reasonable amount as protection against a future default.

**Section 8.06    Trust Requirement.** Amounts paid to the Greenbush Employee Benefits Committee by a Participating Employer shall be held in trust and shall be used for the sole purpose of (a) providing benefits to participants and their beneficiaries in the Plan and/or (b) paying reasonable operating expenses of the Committee, including amounts that the Committee may owe to outside vendors, including but not limited to auditors, actuaries, consultants, and attorneys.

**ARTICLE IX  
PROVISIONS RELATING TO LIABILITY**

**Section 9.01 Fidelity Bond.** Greenbush shall be required to purchase a fidelity bond in an amount not less than the lesser of (a) 10% of the assets normally held in trust or (b) \$500,000. Such bond shall cover members of the Board of Directors and any other person who has control over the assets being held in trust.

**Section 9.02 Fiduciary Liability Insurance.** The Greenbush Employee Benefits committee shall purchase a policy of fiduciary liability insurance covering the following persons: (i) members of the Committee; (ii) the Greenbush Health Trust Administrator; and (iii) any other director, officer, or employee of Greenbush who might be a fiduciary with respect to the Plan.

**Section 9.03 Indemnification of Greenbush Employee Benefits Committee and Employees.** The Participating Employers shall indemnify any person serving as a member of the Greenbush Employee Benefits Committee against any and all claims, loss damages, expenses, including reasonable attorney's fees and liability arising from any action or failure to act in such person's capacity as a member of such board; provided, however, that such indemnity shall not apply when the action or failure to act is determined by an arbitrator or by a court of law to be due to gross negligence or willful misconduct of the member of the committee. Each Participating Employer shall similarly indemnify any employee (including the Greenbush Health Trust Administrator) who is providing services in the course of his/her employment to the Greenbush Employee Benefits Committee against claims arising out of such services. The cost of any indemnity provided pursuant to this provision shall be allocated among the Participating Employers on a per capita basis based on the number of employees who are covered under the Plan; however, if the cost of such indemnity arises from or is the result of an action or inaction by one or more specific Participating Employers, then such Participating Employer(s) shall be jointly and severally liable to all other Participating Employers for the cost of such indemnity.

**Section 9.04 Survival of Obligation to Indemnify.** The obligation to provide an indemnity under this Article shall survive both a Participating Employer's withdrawal from this Agreement and the termination of this Agreement.

**ARTICLE X**  
**PROVISIONS RELATING TO THIS AGREEMENT**

**Section 10.01 Amendment of Agreement.** The Greenbush Employee Benefits Committee may amend this Agreement at any time. Unless otherwise specified in the amendment, such amendments shall take effect as of the first day of the next Plan Year. Following the adoption of any amendment to the Agreement, the Committee shall notify all Participating Employers of the amendment within 30 days and shall distribute to them a copy of both the amendment and the revised/restated Agreement.

**Section 10.02 Restated Agreement Following Amendment.** In the event that this Agreement is amended, the Agreement may be simultaneously restated to incorporate such amendment(s) without the need for new Participating Employer Agreements to be executed. The chair of the Greenbush Employee Benefits Committee shall sign the restated Agreement. Previously executed Participating Employer Agreements for all other Participating Employers shall be fully applicable to any post-amendment restated Agreement.

**Section 10.03 Notices.** Any notices that are required or permitted by this Agreement to be directed to the Greenbush Employee Benefits Committee shall be sent to the Greenbush Health Trust Administrator, in care of the Greenbush Employee Benefits Committee. Any notices that are required or permitted by this Agreement to be directed to Participating Employers shall be provided to the Superintendent of that Participating Employer and shall be addressed to the principal place of business for the Participating Employer. Notices may be provided using First Class Mail (postage prepaid) or via electronic mail.

**Section 10.04 Records and Confidentiality.** All records sent to or received by the Greenbush Employee Benefits Committee under this Agreement shall remain the property of the Committee; however the Committee may destroy records that it has held beyond the retention period required by law. The Committee agrees to treat as confidential all records and other information relative to the Plan. The Committee shall not disclose such records or other information to third parties except as required by law, regulation, court order, this Agreement, or formal request by regulators or external auditors of any Participating Employer. Regardless of the above, the Committee shall only disclose confidential employee information to a Participating Employer related to its own employees.

**Section 10.05 Assignment.** No party shall assign or transfer any rights or obligations under this Agreement without the prior written consent of the Greenbush Employee Benefits Committee. Any attempted assignment of this Agreement, in whole or in part, without the prior written consent of the Greenbush Employee Benefits Committee shall be null and void.

**Section 10.06 Successors.** The benefits and obligations under this Agreement shall be binding upon and inure to the benefit of each of the parties, their successors, heirs, and permitted assigns.

**Section 10.07 Headings.** Article, section, or paragraph headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.



**Section 10.08 Entire Agreement.** This Agreement, along with any Appendices, Schedules, Exhibits, and amendments thereto, is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of its terms. No course of prior dealings between the parties shall be relevant or admissible to supplement, explain, or vary any of the terms of this Agreement. No other representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein. This Agreement shall supersede any and all prior agreements covering the services to be provided to the Plan executed or entered into prior to the effective date of this Agreement. The waiver by either party of a breach of any provision of this Agreement is not a waiver of any subsequent breach.

**Section 10.09 Severability.** If any provision or any part of a provision of this Agreement is held invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable any other portion of this Agreement.

**Section 10.10 Counterparts.** This Agreement may be executed by the parties hereto in one or more separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

**Section 10.11 Dispute Resolution.** The parties agree to work together in good faith to resolve any dispute that may arise under this Agreement. If informal discussions are not successful, they agree to submit to mediation with a neutral mediator in accordance with such procedures as the Greenbush Employee Benefits Committee may establish from time to time. If mediation is not successful, they shall so inform the Greenbush Employee Benefits Committee, which shall arrange for their dispute to be resolved through binding arbitration before a panel of three arbitrators. Such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

**Section 10.12 Waivers.** No course of dealing or failure of either party to strictly enforce any term, right or condition of this Agreement shall be construed as a general waiver or relinquishment of such term, right or condition.

**Section 10.13 Governing Law.** Except as preempted by federal law, this Agreement shall be governed by the laws of the State of Kansas, without regard to its conflict of law rules.

**Section 10.14 Forum.** Unless otherwise agreed by the parties, mediation and arbitration shall take place in Wichita, Kansas.

**Section 10.15 Construction.** Words used in the masculine also apply to the feminine where applicable, and wherever the context of this Agreement dictates, the plural includes the singular and the singular includes the plural. Captions used in this Agreement are for the convenience of the parties and are not controlling if they conflict with the actual text of the Agreement. If the terms of this Agreement are in conflict with any of the terms of the Plans, the terms of the Plans shall control.

**Section 10.16 Survival.** All provisions regarding indemnification, confidentiality, and cooperation upon termination of this Agreement shall survive the termination of this Agreement.

**EXHIBIT A**

Commented [HLF5]: Discuss with client.

**Greenbush Health Trust Administrator Signature Authority for Documents  
As Delegated by Greenbush Employee Benefits Committee**

<b>Types of Documents / Actions</b>	<b>Health Trust Administrator Signature Authority</b>	<b>Greenbush Employee Benefits Committee Approval Required</b>	<b>Legal Review by Employee Benefits Counsel</b>
Approved Plan document			
Approved Amendments to Plan document			
Stop-Loss Coverage Applications			
ASO / Claims Administration Master Services Contracts			
SPD / Benefit Description			
Insurance Policy Contracts			
Business Associate Agreements			
TPA Contracts			
Engagement Letters with Consultants and Vendors			
Attorney Engagement Letters			
Purchase Fidelity Bond			
Purchase Fiduciary Liability Insurance			
Reports Required By Law			

Deleted: 1/1/19

<b>Types of Documents / Actions</b>	<b>Health Trust Administrator Signature Authority</b>	<b>Greenbush Employee Benefits Committee Approval Required</b>	<b>Legal Review by Employee Benefits Counsel</b>
<b>Returns Required by Law</b>			
<b>QMCSOs</b>			
<b>Stop-Loss Insurance Contracts</b>			

<sup>1</sup> Approval required only if does not follow model previously approved by Employee Benefits Counsel.