BlueCross BlueShield of Texas

APPLICATION FOR STOP LOSS COVERAGE

Employer Group Name: South San Antonio ISD

Employer Group Address: 5622 Ray Ellison Blvd.

City: San Antonio   **State of Situs:** TX   **Zip Code:** 78242

Account Number: 217766

Employer Group Number(s): _____

Current Effective Date of Policy 11/01/2018

Current Policy Period: These specifications are for the Policy Period commencing on 11/01/2018 and ending on 10/31/2019

The specifications below shall become effective on the first day of the Policy Period specified above and shall continue in full force and effect until the earliest of the following dates: (1) The last day of the Policy Period; (2) The date the Policy terminates; or (3) The date this Application is superseded in whole or in part by a later executed Application.

A. **Aggregate Stop Loss Coverage:** ☒ Yes   ☐ No

If yes, complete items 1 through 9 below.

1. ☒ New Coverage   ☐ Renewal of Existing Coverage

2. Stop Loss Coverage during the current Policy Period:

    ☒ New Coverage (Select one from below):

    ☒ Incurred and paid during the Policy Period: Claims incurred and paid from 11/1/2018 to 10/31/2019

    ☐ Incurred with Run-Out: Claims incurred from _____ to _____

    and Claims paid from _____ to _____

    ☐ Run-in coverage: Claims incurred from _____ to _____

    and Claims paid from _____ to _____

    If coverage is for claims incurred prior to the effective date of the Policy and paid by Policyholder's prior claim administrator, then such claims must be reported by the Policyholder to the Company (Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) and paid by the Policyholder's prior claim administrator by the end of the current Policy Period.

    ☐ Renewal of Existing Coverage:

    ☐ Claim Administrator's Claims: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

    ☐ Incurred with Run-Out: Claims incurred from _____ to _____

    and Claims paid from _____ to _____

A Division of Health Care Service Corporation, a Mutual Legal Reserve Company
an Independent Licensee of the Blue Cross and Blue Shield Association

TXStopLossApp-06/17

3. Aggregate Stop Loss Coverage shall apply to:

    ☒ Medical Claims

    ☐ Outpatient Prescription Drug Claims with Company's Pharmacy Benefit Manager

    ☒ Outpatient Prescription Drug Claims with Policyholder's Pharmacy Benefit Manager: <u>ESI</u>

    ☐ Dental Claims

    ☐ Other (please specify): _____

4. Average Claim Value: <u>318.78</u> (per Employee per Month)

    Attachment Factor: <u>115</u>% of the Average Claim Value

5. Aggregate Claim Liability and Run-Off Claim Liability Factors

    a. Employer's Claim Liability for each Policy Period shall be the sum of the Monthly amounts obtained by multiplying the number of Individual and Family Coverage Units for each Month by the following factors:

        $<u>366.60</u> for each Coverage Unit

        $<u>366.60</u> for each Family Coverage Unit

        Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed:

        ____

    b. Employer's Run-Off Claim Liability shall be calculated by multiplying the sum average of the total of all Coverage Units during each of the three calendar Months immediately preceding termination by the factors shown below. Settlement for the final accounting period will be described in the section of the Policy entitled SETTLEMENTS.

        $<u>189.52</u> for each Coverage Unit

        $<u>189.52</u> for each Family Coverage Unit

        Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed:

        ____

6. CAP Arrangement   ☒ Yes   ☐ No

7. Aggregate Stop Loss Claims

    a. The amount of Paid Claims during the current Policy Period, less:

        i.   Individual (Specific) Stop Loss Claims

        ii. Any claims in excess of the Individual (Specific) Stop Loss Claims per Covered Person per Lifetime Maximum

        iii. Any claims in excess of the Individual (Specific) Stop Loss Claims maximum Point of Attachment

        that exceeds the Aggregate Point of Attachment. The Aggregate Point of Attachment shall equal the sum of the Employer's Claim Liability amounts calculated Monthly as described in item A.5.a. above for the current Policy Period.

    b. In the event of termination at the end of a Policy Period, the Final Settlement Aggregate Point of Attachment shall equal the sum of the Employer's Claim Liability amount for the Final Policy Period and the Employer's Run-Off Claim Liability calculated as described in item A.5.b. above. However, for the current Policy Period the minimum Aggregate Point of Attachment shall be $<u>unlimited</u>.

8. Stop Loss Premium (Select one):

    ☐ Annual Premium (Due on the first day of the current Policy Period): $_____.

    ☒ Monthly Premium shall be equal to the amounts obtained by multiplying the number of Individual and Family Coverage Units for a particular Month by:

    $<u>3.59</u> for each Coverage Unit

    $<u>3.59</u> for each Family Coverage Unit

    Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed:

    _____

9. The premium is based upon a current membership of <u>1077</u> Individual Coverage Units and <u>--</u> Family Coverage Units.

B. **Individual (Specific) Stop Loss Coverage:**   ☒ Yes   ☐ No
   If yes, complete items 1 through 6 below.

  1. ☒ New Coverage   ☐ Renewal of Existing Coverage

  2. Stop Loss Coverage Period:
     ☒ New Coverage (Select one from below):

        ☒ Incurred and paid during the Policy Period: Claims incurred and paid from <u>11/1/2018</u> to <u>10/31/2019</u>

        ☐ Incurred with Run-Out: Claims incurred from _____ to _____
          and Claims paid from _____ to _____

        ☐ Run-in coverage: Claims incurred from _____ to _____
          and Claims paid from _____ to _____

        If coverage is for claims incurred prior to the effective date of the Policy and paid by Policyholder's prior claim administrator, then such claims must be reported by the Policyholder to the Company (Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) and paid by the Policyholder's prior claim administrator by the end of the current Policy Period.

     ☐ Renewal of Existing Coverage:

        ☐ Claim Administrator's Claims: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

        ☐ Incurred with Run-Out: Claims incurred from _____ to _____
          and Claims paid from _____ to _____

  3. Individual (Specific) Stop Loss Coverage shall apply to:

    ☒ Medical Claims

    ☐ Outpatient Prescription Drug Claims with Company's Pharmacy Benefit Manager

    ☒ Outpatient Prescription Drug Claims with Policyholder's Pharmacy Benefit Manager: <u>ESI</u>

    ☐ Dental Claims

    ☐ Vision Claims

☐ Other (please specify): _____

4. Individual (Specific) Stop Loss Claims

   a. For n/a who is identified by the health identification (ID) number n/a, the amount of Paid Claims during the current Policy Period in excess of the Individual Point of Attachment of $n/a. Such amount shall apply for the current Policy Period.

   b. For each other Covered Person:
The amount of Paid Claims during the current Policy Period in excess of the Individual Point of Attachment of $200,000 per Covered Person but not to exceed a maximum Point of Attachment of $ unlimited per Policy Period. Paid Claims in excess of the maximum point of attachment shall not be eligible to satisfy the Aggregate Point of Attachment. Such amount shall apply for the current Policy Period.

   c. Covered Person per Lifetime Maximum:

   The Individual (Specific) Stop Loss Claims shall not exceed _____ per Covered Person per Lifetime. Paid Claims in excess of the Covered Person per Lifetime Maximum shall not be eligible to satisfy the Aggregate Point of Attachment.

   Point of Attachment   ☐ Includes Claim Administrator's Provider Access Fee
                                      ☐ Excludes Claim Administrator's Provider Access Fee

5. Stop Loss Premium (select one):

   ☐ Annual Premium (Due on the first day of the current Policy Period): $_____.

   ☒ Monthly Premium shall be equal to the amounts obtained by multiplying the number of Individual and Family Coverage Units for a particular Month by:

   $48.82 for each Coverage Unit

   $48.82 for each Family Coverage Unit

   Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed:

   _____

6. The premium is based upon a current membership of 1077 Individual Coverage Units and -- Family Coverage Units.

Additional Provisions:

Monthly Accomodation is on Medical Claims only. RX claims data will be considered under the year end Settlement Statement.

The undersigned person represents that he/she is authorized and responsible for purchasing stop loss coverage on behalf of the Employer. It is understood that the actual terms and conditions of coverage are those contained in Application the Stop Loss Coverage Policy into which this Application shall be incorporated at the time of acceptance by Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company ("HCSC"). Upon acceptance, HCSC shall issue a Stop Loss Coverage Policy to the Employer. Upon acceptance of this Application and issuance of the Stop Loss Coverage Policy, the Employer shall be referred to as the "Policyholder."

Rae M. Bailey
_____
Sales Representative

_____
Signature of Authorized Purchaser

Tammy Cornelison
_____
Name of Underwriter

_____
Title of Authorized Purchaser

_____
Signature of Underwriter

_____
Date

INTERNAL USE ONLY	Date Application approved by Underwriting: