

**Application
Premium Reimbursement Account Plan Services**

Company Information			
Company Name:		Tax ID #:	
Street Address:	City:	State:	Zip Code:
Mailing Address:	City:	State:	Zip Code:
Billing Address:	City:	State:	Zip Code:
Primary Contact:	Telephone #: () -	E-mail Address:	
Administrative Contact:	Telephone #: () -	E-mail Address:	
Facsimile #: () -			
Consultant/Broker Information			
Organization Name:		Broker ID:	
Contact:	Telephone #: () -	E-mail Address:	
Mailing Address:	City:	State:	Zip Code:
Application for BCBSMA Subsidy of implementation fees			
Do you have 11 or more Full Time Equivalent employees? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Please check the appropriate box:			
<input type="checkbox"/> We are current customers of Blue Cross Blue Shield of Massachusetts and do not offer medical coverage to our full time employees through another insurance carrier. Account Number: _____			
<i>OR</i>			
<input type="checkbox"/> We do not offer Blue Cross Blue Shield of Massachusetts exclusively to all of our full time employees and will enclose a check made payable to Benefit Concepts for requested services.			
Services Requested			
		<u>Participant Count:</u>	<u>Effective Date (MM/DD/YY)</u>
<input type="checkbox"/>	Preparation of Standardized PRA plan document for part time employees (\$195)		<u>Implementation Timeframe</u> 40 days
<input type="checkbox"/>	Case set up fee \$145		
Total Initial Fee:	<input type="checkbox"/> \$195, Standardized PRA plan document only		<input type="checkbox"/> \$340, Case set up and plan documentation
Application Procedures			
The undersigned employer applies to Benefit Concepts for the services indicated above. To retain Benefit Concepts' services, please sign the application. If the undersigned employer does not offer Blue Cross Blue Shield of Massachusetts coverage exclusively to all full time employees, please enclose a check for requested services made payable to Benefit Concepts Inc. and send it along with this application to:			
Benefit Concepts Inc. ATTN: Accounting Department, 20 Risho Avenue, East Providence, RI 02914.			
Authorization			
Authorized Employer Representative: (Print or Type)		Title:	
Signature of Authorized Representative:		Date:	
For Benefit Concepts Use Only			
Special Client Notes/ Comments/ Requests:			

SUBSCRIPTION AGREEMENT

This Subscription Agreement is entered into by and between Benefit Concepts, Inc. of Rhode Island (“Administrator”) a Rhode Island corporation with offices at 20 Risho Avenue, East Providence, Rhode Island 02914 – 1287, and [_____] as client employer (“Employer”) a [_____] corporation with offices at [_____] effective as of the ____ day of _____, 2007.

RECITALS

Employer provides health insurance to its employees pursuant to the requirements of the MassHealth Program under the Massachusetts General Laws and has opted to use a Section 125 plan that permits the payment of health insurance premiums on a pretax basis by insured employees.

Administrator has experience in benefit plan implementation and administration, claims processing and plan documentation, and has the systems, personnel and experience to provide Premium Reimbursement Account Administration Services (“PRA Services”) as more particularly defined herein.

Employer has requested that Administrator provide PRA Services for the benefit of its employees in connection with the Employer sponsored Section 125 Plan, and Administrator has agreed to provide the PRA Services upon the terms and subject to the conditions set forth herein.

AGREEMENTS

1. Engagement of Administrator. Employer hereby engages the Administrator to perform the PRA Services set forth on Schedule A in accordance with generally accepted professional standards. The terms of Schedule A shall not be amended or modified except in writing and agreed to by both parties.
2. Fees and Expenses. The Employer agrees to pay the fees and expenses set forth in Schedule B (the “Fee Schedules”) attached hereto and made a part hereof through ACH debits.
3. Term and Termination. This Agreement shall remain in effect for a one year period from the effective date set forth above, and thereafter shall remain in effect unless terminated by either party upon 60 days prior written notice. This Agreement may be terminated at any time (i) in the event of the filing of a petition of bankruptcy by or against either party (and subject to the approval of the appropriate bankruptcy court, if necessary); or (ii) upon Employer’s failure to have funds available to pay the fees and expenses due hereunder.
4. Changes in Fees. The fees set forth in the Schedule B attached to this Agreement shall be effective for a period of two (2) years. Administrator may propose an increase in the Fee Schedule to be effective thereafter by giving Employer written notice thereof.
5. Independent Contractor Relationship. The relationship of Administrator to Employer is that of an independent contractor, and nothing in this Agreement shall be construed as creating any agency, master-servant relationship, or any other relationship between the Administrator or any of its employees and Employer.

6. Ownership of Intellectual Property. Any concepts, ideas, know-how, techniques, software (including, without limitation, program listings and programming tools), improvements, manuals techniques, reports, drawings and other intellectual property developed and/or modified by Administrator and used by Administrator to perform PRA Services under the Agreement, shall be the sole and exclusive property of Administrator.

7. Insurance. The Administrator shall maintain errors and omissions liability insurance of not less than \$2,000,000. Administrator shall also maintain at all times during the performance of this Agreement commercial general liability insurance with limits of not less than \$1,000,000 each occurrence and aggregate; and commercial automobile liability insurance with a limit for bodily injury of not less than \$1,000,000 each accident.

8. General. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without regard to its conflicts of law provisions. This Agreement and all schedules attached hereto, constitutes the entire agreement between the Administrator and Employer with respect to the PRA Services to be provided by Administrator and merges any and all prior agreements, understandings, and representations between Administrator and Employer. The terms and conditions of this Agreement may only be modified in writing and signed by the authorized representatives of each party who have executed this Agreement.

IN WITNESS WHEREOF, Employer agrees to the terms and conditions set forth above and each party hereto has caused this Agreement to be executed by duly authorized individuals on the day first written above.

EMPLOYER_____

By:_____

Title:_____

Date:_____

SCHEDULE A

PRA ADMINISTRATIVE SERVICES

PRA Case Setup

- Establish Administrative Procedures
- Customize SRA Form
- Set-up Accounts and Plan Data
- Preparation of Standardized Plan Document/Summary Plan Description

Participant Data

- Enter Participant Elections (Initial Enrollment and ongoing)
- Edit Participant Data Due to Termination and Change in Family Status

Forms

- Generate and Mail EOBs to Participants
- Provide Claim Forms

Reimbursement Account Claims Processing

- On-line claim submission functionality
- Enter Manual Claims
- Produce Monthly Contribution Report
- Enter Contribution Adjustments per Contribution Report
- Process Claims Monthly
- Mail Checks to Direct Pay Participants
- ACH Monies to Direct Deposit Participants

Reporting

- Produce Client Reports

Communication with Plan Participants

- Resolve Participant Claim Issues
- 800# Service for Plan Participants, 8:30 AM to 9:30 PM, recorded lines
- Toll-free Participant and Client Inquiry
- Web Site Access to Account Balance and Claim Payment Information

Employer Web Portal

- Participant Look Up Capability
- On-line Reports

SCHEDULE B

Fee Schedule

Benefit Concepts, Inc. of Rhode Island

Implementation

Case Set-up Fee.....	\$145.00
Plan Document, SPD.....	\$195.00

Administration Services

Monthly Base Fee.....	\$50.00
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Monthly Processing Fee: Monthly Reimbursement

<u>Number of Participants</u>	<u>PPM Fee</u>
1 – 50	\$4.25
51 – 250	\$3.95
251+	\$3.65

The monthly processing fee is charged for each participant in a PRA account. The monthly processing fee applies upon the participant's entry into the plan and continues until the participant is no longer eligible for expense reimbursement.