

WEST SUBURBAN HEALTH GROUP

AGREEMENT for JOINT NEGOTIATION and PURCHASE OF HEALTH and LIFE COVERAGES

AS AMENDED THROUGH January 14, 2016

Article 1. Authority and Purpose.

This agreement is entered into in accordance with M.G.L. Chapter 32B, Section 12, to enable the governmental units executing this agreement as indicated in Article 17 hereof, and any additional governmental units accepted for participation in accordance with the procedures described in Articles 2 and 13 hereof, hereinafter referred to as the "Participating Governmental Units," to join together in negotiating and purchasing policies authorized under M.G.L. Chapter 32B, Section 3, including health, dental, and life insurance, Health Maintenance Organization coverage as authorized by M.G.L. Chapter 32B, Section 16, as well as Administrative Services Only coverage as authorized by G. L Chapter 32B, section 3A, which may include Preferred Provider Arrangements or other methods of self-funding as may be allowed by law. The economies of scale and other benefits derived through joint negotiation and purchase anticipated by the authority granted to the participants by M.G.L. Chapter 32B, Section 12, constitute the purpose of this agreement. The legal entity established by this agreement shall be known as the West Suburban Health Group ("the Group").

Article 2. Eligibility and Participating Governmental Units

- A. Participants
The participants in this joint negotiation and purchase agreement are those listed as signatories to this agreement on each page of Article 17. Additional governmental unit participants may be added pursuant to this Article 2, Section C and Article 13.
- B. Eligibility
Participants shall be Massachusetts governmental units as the term is defined in M.G.L. Chapter 32B, section 2(f).
- C. Application for Participation
Membership in the Group is granted at the discretion of the Board of the Group. A governmental unit that wishes to participate in the Group must submit a written application to the Chairman of the Board of the Group. The governmental unit must submit information and data as required by the Group. Upon acceptance into the Group, the Appropriate Public Authority of the new member unit must sign this agreement and fulfill all other obligations for participation as described in this agreement.
- D. Entry Fee
The Board may establish a one-time entry fee for each new member.

Article 3. Term of Agreement and Participation.

A. Duration

This agreement goes into full force and effect as of January 14, 2016 succeeding the April 1989 agreement and the 1995, 2006, and 2007 amended agreements of the West Suburban Health Group and shall continue in full force and effect for an indefinite period, subject to amendment as agreed upon in accordance with the terms of Article 13 of this agreement, so long as three or more governmental units elect to continue participation. This agreement shall continue unless and until terminated pursuant to law or by an instrument in writing executed by the Appropriate Public Authorities of at least two-thirds (2/3rds) of the Participating Governmental Units of the Group.

B. Withdrawal of a Participating Governmental Unit

A Participating Governmental Unit may withdraw participation at its discretion on the anniversary of the active employee plan health plan contracts, i.e. withdrawal effective midnight on June 30th of any year. A governmental unit contemplating withdrawal from the Group must submit written notification to the Board of such intent to withdraw no later than December 31st (for a withdrawal date of June 30th, midnight). Any election by a governmental unit to terminate participation in this agreement requires written notification to the Board of such vote to withdraw no later than February 15th (for a withdrawal date of June 30th, midnight). A withdrawing Governmental Unit shall be subject to the liabilities described in Article 14.A.

A governmental unit may terminate its participation in the Group off-anniversary. Off-anniversary withdrawal may take place only on December 31st, midnight. Notification to the Board of the Unit's intent to withdraw off-anniversary must be made by the governmental unit in writing to the Board and received by July 1st. Any election by a governmental unit to terminate participation in this Agreement off-anniversary requires written notification to the Board of such vote to withdraw no later than September 30th for a withdrawal date of December 31st, midnight.

A withdrawing governmental unit shall be subject to the liabilities described in Article 14 of this Agreement.

A governmental unit that does not comply with the provisions of this Article, Article 14, or any other provision of the Agreement applicable to withdrawing from the Group, including its post-withdrawal financial obligations, may be subject to additional financial penalties, as determined by the Board.

A Participating Governmental Unit that has withdrawn participation from the Group shall not be eligible to reapply for membership until after the

second anniversary date of the Group's health plan contracts following the unit's withdrawal of participation. The terms and requirements of Article 2.C. of this Agreement shall apply. A governmental unit that has withdrawn its membership twice or that has been terminated from the Group under Article 3.C., shall not be eligible to reapply for membership.

- C. Termination of a Participating Governmental Unit by the Group
Any Participating Governmental Unit which is 60 days in arrears for the payments due under Article 8 and Article 9 of this agreement may be terminated from participation in this Agreement for Joint Negotiation and Purchase of Health Coverage at the Board's discretion. Such termination shall not limit the Board from obtaining payment of all monies in arrears under Articles 8 and 9. A Governmental Unit that is terminated by the Group shall be subject to the liabilities described in Article 14.A.

- D. Termination of the Group
In the event that the Group terminates and there is a trust fund deficit as certified by the audited financial statements, each Participating Governmental Unit agrees to make payment of its share of such deficit. Such payments, if required, will be assessed on the basis set forth below.

In the event that the Group terminates and there is a trust fund surplus as certified by the audited financial statements, once all obligations of the Group have been met, surplus funds shall be distributed to the Participating Governmental Units on the basis set forth below.

The determination of a Participating Governmental Unit's proportionate share of the trust fund surplus or deficit as certified by the audited financial statements shall be calculated as follows:

The proportionate share of a Participating Governmental Unit shall be the sum of the Unit's active employee Self-only plan subscribers plus 2.35 times the number of Family plan subscribers, plus 0.35 times the number of self-funded medical-only senior plan subscribers participating in the West Suburban Health Group plans for each month of the one-year period immediately prior to the effective date of termination of the Group divided by the sum of all subscribers (number of active employee plan Self-only subscribers plus 2.35 times the number of Family plan subscribers plus 0.35 times the number of self-funded medical-only senior plan subscribers) in the West Suburban Health Group plans for this same period. This formula shall also be applied to determine each Unit's proportionate share of a certified trust fund surplus or deficit for purposes described in Article 8, Section A. and in that case will be based on enrollments in the year for which the surplus or deficit has been certified.

Distributions will be made as soon as all obligations have been met but not more than twenty-four (24) months following the termination of the Group.

Upon termination of the Group, the Board shall continue to serve to conclude the affairs of the Group.

Article 4. Administration and Governance/ Board and Committees

Administrative and governing authority shall be vested in a Board to be known as the West Suburban Health Group Board, hereinafter referred to as the "Board". The Appropriate Public Authority, as defined in M.G.L. Chapter 32B section 2(a), of each Participating Governmental Unit shall appoint one primary member of the Board, who shall have one vote, and one alternate representative who shall assume all of the responsibilities of the primary member in the event of the primary member's absence. Said appointments shall be made within thirty (30) days following the execution of this agreement by the Participating Governmental Unit. The Board Member representative of each governmental unit shall serve until replaced by the Appropriate Public Authority of the Participating Governmental Unit. It is understood and agreed that the Group may rely on the authority of each Board Member, or alternate representative, to represent the respective Participating Governmental Unit, and any vote of any individual Board Member shall be deemed to be binding upon the Participating Governmental Unit represented by such Board Member or alternate representative.

If both the primary and alternate representative attend a meeting, only the primary member may vote.

The West Suburban Health Group Board shall have full discretion to elect from its membership a chairman and any other officers that it deems appropriate and may elect to establish any committee for whatever purpose it deems appropriate and consistent with the terms of this agreement.

A. Steering Committee

The Board may elect from its membership (both primary and alternate members) a steering committee of up to seven (7) persons representing seven different Participating Governmental Units, hereinafter referred to as "the Steering Committee." The Steering Committee members shall serve for a term of one year or until removed by the Board, provided the members remain members of the Board. Steering Committee members may be elected for succeeding terms. In the event that a Steering Committee member is removed from the Board by the Appropriate Public Authority of the Participating Governmental Unit or by the Board, the Board may elect a replacement. The Steering Committee shall have whatever authority is granted to it by the Board including the establishment of advisory sub-committees. Such authority may include the authority to negotiate and contract with the insurance carriers or other health and dental coverage providers, claims administrators, reinsurers, consultants, and any other individuals or organizations deemed to be appropriate by the Steering Committee on behalf of and for the benefit of the Board and each Participating Governmental Unit concerning the subject of this agreement.

The Steering Committee may be empowered to review annual rate renewals and negotiate health coverage renewal contracts, negotiate funding and other financial arrangements, including adoption of an Administrative Service Only financial arrangement, as authorized by M.G.L. Chapter 32B, Section 3A, recommend levels of coverage to the Board, and undertake any other matter authorized by M.G.L. Chapter 32B which is not specifically reserved to each respective Participating Governmental Unit.

The Steering Committee shall elect a chairperson.

B. Finance Committee

In addition, the Board may elect from its membership (both primary and alternate members) a finance committee of three (3) persons, representing three different Participating Governmental Units, hereinafter referred to as the "Finance Committee". The Finance Committee members shall serve for a term of one year or until removed by the Board provided the members remain members of the Board. Finance Committee members may be elected for succeeding terms. In the event that a Finance Committee member is removed from the Board by the Appropriate Public Authority of the Participating Governmental Unit or by the Board, the Board may elect a replacement. The Finance Committee shall have authority to select one or more banks for the deposit of premiums, capitation charges, and other payments required to administer this agreement. The Finance Committee shall also be authorized to invest funds administered by the Board and recommend to the Board and the Participating Governmental Units the amounts to be allocated to claims trust funds and other funds and accounts relating directly or indirectly to this agreement. The Finance Committee shall have such additional authority as may be granted to it by the Board. The Finance Committee shall elect a chairperson.

C. Centralized Administration

The Board, either directly or acting through its Steering Committee, may establish a central administrative office and employ such personnel or contract for such administrative services as may be necessary to carry out the provisions of M.G.L. Chapter 32B and this agreement.

Article 5. Quorum.

The Board shall adopt a schedule of meeting dates and times for the conduct of ordinary business and shall establish a reasonable procedure for notice to the members of the Board and Appropriate Public Authorities concerning special meetings. The Steering Committee and the Finance Committee shall, in a like manner, establish a procedure for adequate notice to each member for all meetings to be conducted. A quorum of the Board, the Steering Committee, and the Finance Committee shall consist of a majority of the members of the Board with reference to Board meetings, and a majority of the members of the Steering Committee with reference to the Steering Committee, and a majority of the members of the Finance Committee with reference to the Finance Committee. A majority vote of the members in attendance at a duly called meeting shall be deemed to be a vote of the Board, the Finance Committee and the Steering Committee

respectively except where a two-thirds (2/3s) vote is required by this Agreement. In the event of a tie vote, the motion shall be deemed to have been defeated.

The Board and all Committees are subject to the requirements of M.G.L. Chapter 39, Section 23 B (Open Meeting Law).

Article 6. Chairperson.

The Board, the Steering Committee, and the Finance Committee shall each elect from their respective memberships, by majority vote of the members at a duly called meeting at which a quorum is present, a Chairperson, who shall serve for a term of twelve (12) months, unless replaced prior to termination of such twelve-month period by a vote of respective majorities of the Board, Steering Committee and Finance Committee members in attendance at a duly called meeting. The Chairperson may be elected for succeeding twelve month terms at the discretion of the Board, the Steering Committee and the Finance Committee, respectively.

The elected Chairperson of the Board may be a candidate for election as Chairperson of the Steering Committee if he or she is a member of the Steering Committee, and may be a candidate for election as Chairperson of the Finance Committee if he or she is a member of the Finance Committee. No person, however, shall serve simultaneously as Chairperson of both the Finance Committee and the Steering Committee.

It shall be the duty of the respective Chairpersons to call meetings of the Board and the Committees, including designation of the date, place, and time of such meetings, and to perform other duties and functions as delegated by the Board and Committees respectively.

The Board and the Committees of the Board may elect any other officers for their respective bodies whom the Board and the Committees respectively deem appropriate, by vote of a majority in attendance at a duly called meeting at which a quorum is present. The term of office of any such additional officers or chairpersons shall be determined at the discretion of the Board or Committees respectively.

Article 7. Communication with Participating Governmental Units.

It shall be the duty of each member of the Board, and in the primary member's absence, the duty of the alternate member, to communicate all matters relating to the action of the Board to the member's respective Participating Governmental Unit's Appropriate Public Authority. Copies of the minutes of Board and Steering Committee meetings shall be sent to each participant's Appropriate Public Authority and Town or District Clerk. In the event that both the primary and alternate members representing a governmental unit are absent, it is the duty of the Chairperson, acting directly or through the central administrative office or other designee of the Chairperson, to communicate in writing and in a timely manner to the absent Board member's respective Appropriate Public Authority any action taken by the Board.

It shall be the duty of the Chairperson of each Committee of the Board to report to the Board through the Chairperson of the Board all actions taken by the Committee. In

addition, it shall be the duty of each Committee to report to the Board membership at a duly called meeting of the Board, the actions of the Committee and, in any event, such reports shall be made no less than two times during each fiscal year.

Article 8. Determination of Contributions to the Trust Fund(s)

A. Determination of contributions for plans offered by the Group

The Board, either directly or through the Steering Committee, shall determine the monthly funding rates, or contributions, payable by each Participating Governmental Unit. Those rates shall be set at amounts which, in the aggregate, will fully satisfy the funding requirements of the claims trust fund, which requirements shall include all expected claims, claims administration, and reinsurance costs.

The Board may decide to reduce the contribution rates by use of Trust Fund unencumbered funds (surplus) or may decide to increase contribution rates to make up for any Trust Fund deficit.

In the case of a certified surplus in the health trust fund (or other trust fund, if applicable), the Board will determine whether some or all of the excess funds will remain in the Trust Fund as working capital, or will be used for the purpose of reducing future contribution rates, or be distributed to the Participating Governmental Units through the Joint Negotiation and Purchase Agreement according to each Participating Governmental Unit's proportionate share as outlined in Article 3, Section D of this agreement.

In the case of a certified deficit, the Board will determine whether it will resolve the deficit through increasing participants' future contributions or whether additional revenue will be raised from direct assessment of the Participating Governmental Units on the basis of each Participating Governmental Unit's proportionate share as outlined in Article 3, Section D of this agreement.

The Steering Committee shall have authority to negotiate monthly premiums with health, life, and dental insurance carriers, health maintenance organizations, and preferred provider organizations. Rates negotiated by the Steering Committee must be approved by a majority vote of the Board present at a duly called meeting at which there is a quorum.

B. Negotiation and Assessment of Administration and Other Expenses

The Steering Committee shall have the authority to negotiate claims administration fees, program management and central benefit administration fees, consulting fees, COBRA administration fees, reinsurance premiums, and other fees and payments related to the ongoing operation of the Group and the benefits programs sponsored by the Group.

It is agreed that program management and central benefit administration fees, consulting fees, COBRA administration fees, audit fees, treasurer's fees, and other fees and expenses related to the ongoing operation of the Group and the benefits programs sponsored by the Group shall be assessed annually to the Participating Governmental Units on a proportional basis.

C. Annual Independent Financial Audit and Certification of the Trust Fund Balance

The Board, either directly or through the Steering Committee, shall engage an independent certified public accounting firm to determine within six (6) months of the end of the policy year, a reconciliation of the trust fund balance for the joint purchase group. If the Group is self-funding more than one benefit coverage authorized by M.G.L. Chapter 32B, ex. health and dental plan coverage, the fund balances for these lines of coverage shall be separately certified.

In establishing the reconciled balance, the auditor shall include a factor to represent the cost of claims incurred within the Plan Year but which had not been paid as of the reconciliation date.

The Board shall provide one copy of the auditor's report to the Appropriate Public Authority of each of the Participating Governmental Units.

Article 9. Payment of Contributions to the Trust Fund(s) by Participating Governmental Units

A. Monthly Payments to the Trust Fund(s)

A Participating Governmental Unit shall make payment on a monthly basis of contributions and assessments allocated to it. The central administrative office or other designee of the Board shall determine the appropriate payment due from each participating governmental unit each month.

Each Participating Governmental Unit shall receive quarterly reconciliation reports detailing the basis for such payment requirements, and all such payments are subject to independent audit by each Participating Governmental Unit.

B. Additional Payments as May Be Required

In the event that the Board determines that additional funds are required to meet the plans' benefit obligations as contemplated in Article 8, Section A., the Board shall be authorized to obtain funds through borrowing or through requiring Participating Governmental Units to make advance payments of contributions.

C. Due Date for Payments

All payments described in this Article 9 shall be due and payable on the due date specified on the monthly trust fund invoice. Interest at a rate determined by the Board or its designee may begin to accrue starting on the 8th day following the due date on the invoice.

Article 10. Establishment and Operation of the Group's Trust Fund(s)

A. Appointment of Treasurer

The Board may appoint a Treasurer and an Assistant Treasurer to receive and hold all contributions described in Articles 8 and 9 and other funds of the Group as provided in this Article 10.

The Treasurer shall be required to obtain a fidelity bond for himself/herself and for the Assistant Treasurer in an amount designated by the Board. The premium expense for said bond shall be paid by the Group.

B. Trust Fund Bank Accounts and Investments

The Board, or Treasurer if designated by the Board, shall contract with one or more banks to act as depository of payments contemplated by Article 9, and accounts established shall be interest bearing accounts. Each designated bank shall be required, as a precondition to service as such depository, to act under the direction of the Board or its designee for the benefit of the Participating Governmental Units and the Board and shall provide for periodic reports and statements of accounts as required by the Board or its designee.

The Board, or Treasurer if designated by the Board, shall establish one or more checking accounts, which may be interest or non-interest-bearing accounts. Said checking accounts shall be funded from the Trust Fund depository account(s). The Board, or Treasurer if authorized by the Board, shall make deposits as required from the Trust Fund depository(ies) into the checking account(s) and the Board may authorize the Treasurer to draw on such checking accounts for the payment of covered benefits to plan members and for administrative and reinsurance expenses, and other expenses associated with the operation of the Group.

All payments for covered benefits for eligible plan members, all administrative fees, health plan premiums, reinsurance premiums, consulting fees, attorney's fees, Treasurer's fees, banking fees, and other expenses related to the operation and development of the Group and its programs shall be paid from the Group's Trust Fund.

The Board, or the Treasurer upon authorization by the Board, may invest a portion of the Group's Trust Fund monies in certain investments as permitted by law and this agreement. The Treasurer will report to the Board on the status of investments at least once per quarter-year.

C. Investment Policy

The Treasurer shall be responsible for the investment of cash generated from the operations of the trust fund and maintained as part of the working capital of the trust fund(s).

The Treasurer is authorized to invest available funds in a prudent manner considering quality, liquidity, safety and yield. The Treasurer may, with the approval of the Board, enter into banking agreements with the Massachusetts Municipal Depository Trust, and/or a commercial bank for the investment of available funds through a cash management program such as a daily "sweep account"; purchase a short-term commercial paper at no less than AA rated quality by a recognized rating service; employ a

Trust Department of a commercial bank, familiar with non-profit organizations, to invest such funds as the Treasurer believes can be prudently set aside for a longer period of time, not to exceed a weighted average maturity of 2.5 years.

D. Financial Accounting and Reporting

The Treasurer shall maintain a general ledger and shall report to the Board at least once per quarter-year on receipts and disbursements, assets and liabilities, and perform all matters of recording and reporting according to generally accepted accounting principles.

The Treasurer shall keep separate records and provide separate reports on health, life, dental (and any other coverage lines authorized by M.G.L. Chapter 32B) receipts and disbursements, if applicable.

Article 11. Autonomy of Participating Governmental Units in Collective Bargaining and Eligibility Determination

A. Collective Bargaining

Notwithstanding any other provisions of this agreement, a governmental unit maintains its autonomy and responsibility for collective bargaining. Each Participating Governmental Unit shall determine the level of contribution that it will make towards benefits provided to its employees/retirees through this agreement provided that said contribution is in conformance with M.G.L. Chapter 32B.

B. Eligibility Determination

Nothing contained in this Agreement for Joint Negotiation and Purchase of Health and Life Coverages shall in any way limit the authority of a Participating Governmental Unit to determine that a person is eligible for participation in the health coverage program, provided that the person is eligible under M.G.L. Chapter 32B. Unless the Group specifically contracts for centralized services regarding notification of eligibility, including notification to and from affected parties of eligibility rights under M.G.L. Chapter 32B, the Consolidated Omnibus Reconciliation Act (COBRA) of 1985, and any other applicable federal and state statutes, these functions and tasks, as well as employee direct billing, shall be the responsibility of and determined by the Participating Governmental Unit.

Article 12. Participation in Health Benefits Program

A. Requirements for Participation in Plans Sponsored by the Group

1. Employee plans

Participating Governmental Units agree to offer to employees at least one Exclusive Provider Organization (EPO)/Health Maintenance Organization (HMO) health plan from each health plan provider organization with

which the Group contracts. Each year by January 5th or the first business day thereafter, each Participating Governmental Unit shall report to the West Suburban Health Group Chair or to his/her designee the names of the employee plans that the Unit will offer for the next policy year that commences on July 1 of that year. If, because of ongoing collective bargaining, the Unit is not able to report the plan offerings by January 5th, the Unit will do so as soon as this information is known. Each year at least sixty (60) days prior to the health plan anniversary date, a Participating Governmental Unit may request the Board to make an exception to this requirement if a particular health plan provider organization's network of providers does not serve the geographical area represented by the Unit or its workforce. A majority vote of the members of the Board present at a duly called meeting at which a quorum is present is required to override these participation requirements.

2. Senior plans for retirees with Medicare Part A and Part B

Participating governmental units agree to offer all senior plans sponsored by the Group.

B. Exclusive Participation Requirement

Participating Governmental Units may offer to employees only those health plans sponsored by the Group. Each year at least sixty (60) days prior to the health plan anniversary date, a Participating Governmental Unit may request that the Board make an exception to this requirement by permitting the Unit to offer a plan not sponsored by the Group, but only to those employees and retirees who were enrolled in the Plan in the year immediately prior to the Plan Year for which the request for exception is sought (frozen enrollment basis). A majority vote of the members of the Board present at a duly called meeting at which a quorum is present is required to override the requirement of exclusive participation.

Article 13. Amendment Procedure

A. Language of this Agreement

This agreement may be amended at any time, provided that the Board representatives of two-thirds (2/3rds) of the governmental units then participating in this agreement vote to accept such amendment. However, no vote on an amendment shall take place until the Appropriate Public Authority has been provided with at least thirty (30) days written notice of the substance of the proposed amendment.

B. Addition of new Governmental Units

Additional governmental unit participants may be added commencing on a date mutually agreed upon, provided that the Board members representing no less than two-thirds (2/3rds) of the Participating Governmental Units vote to accept such additional participants.

Article 14. Liability Following Termination of Participation

A. Participating Governmental Unit's Liability

A Participating Governmental Unit shall have no liability for contributions and assessments for any period following the effective date of termination of its participation under this agreement, except for (1) the governmental unit's proportionate share of any trust fund deficit as certified by the audited financial statements in the applicable trust fund as of the effective date of the governmental unit's termination, (2) unpaid contributions or assessments attributable to periods prior to the effective date of the governmental unit's termination, and/or (3) subsequent expense for its covered members still on the plan after termination (where required by law).

A withdrawing participating governmental unit ("the Unit") that withdraws from the Group on anniversary, i.e. on June 30th, midnight of any year as described in Article 3, Section B, agrees to reimburse the Group for the full amount of the first month of run-out claims (claims paid by the Group in the first month of the Unit's withdrawal, i.e. July, for services incurred while the Unit was a participant of the Group) for covered services rendered to the Unit's covered employees, retirees, other eligibles as described in MGL Chapter 32B, and their dependents who had been enrolled in the Group's self-funded health plans prior to midnight on June 30 of the year of the Unit's withdrawal. The Group will submit a request for payment to the Unit in August for claims paid in July for services to the Unit's members. Payment by the Unit will be due to the Group no later than September 30 of the same year. A final settlement of the one-month of run-out claims liability will take place six (6) months after the Unit has withdrawn and will be based on actual claims paid in July following withdrawal.

A withdrawing governmental unit ("the Unit") that withdraws off-anniversary, i.e. on December 31 at midnight of any year, agrees to reimburse the Group in full for the Unit's run-out claims paid through June 30 of the following calendar year, i.e. six (6) months of run-out claims. A unit terminating its Agreement with the Group off-anniversary agrees to pay an up-front deposit ("the run-out claims deposit") for the Unit's estimated run-out claims. The run-out claims deposit will be calculated by multiplying the Unit's average monthly paid claims for the Unit's last six (6) months of participation in the Group by 1.5. The run-out claims deposit will be billed to the Unit in January, the effective month of withdrawal, and payment by the Unit will be due by February 28 of the same year. A final settlement of actual claims paid compared to the run-out claims deposit will be determined eight (8) months after the Unit's withdrawal/termination.

If a settlement on the post-withdrawal/termination run-out claims deposit compared to actual run-out claims for the six-month run-out period indicates an amount is due by the Unit to the Group or that an amount is due by the Group to the Unit, payment by either

party shall be made within thirty (30) days of delivery to the Unit of the settlement data and calculation.

A withdrawing or terminated Participating Governmental Unit shall not be entitled to any surplus in the trust fund(s).

B. Liability of the Group after Termination or Withdrawal of a Participating Governmental Unit

The Group shall have no liability for coverage for benefits received by a plan member of a terminated or withdrawn governmental unit after the date of termination/withdrawal, except as may be provided in the Plan Document of the applicable health plan.

Article 15. Hold Harmless Protection

A. Personal Protection for Board Members

Each Participating Governmental Unit agrees that it is its responsibility to assure that each primary representative and alternate representative designated by the Participating Governmental Unit to service on the Board and any committee established by the Board shall be indemnified and held harmless from personal financial loss and expense, including reasonable legal fees and costs, if any, to the full extent permitted by all applicable statutes, including M.G.L. Chapter 258, Sections 8, 9, and 13.

Indemnification should be provided for liability arising from all activities directly related to the establishment of this agreement and all related activities, commencing on and after the effective date of the April 1989 agreement and this agreement through and including the date which such designated representative terminates his or her position as a delegate or alternate delegate to the Board and the Board's committees. This hold harmless protection should include indemnification for any claim, demand, suit, or judgment relating to any act or omission arising as a result of such person's service to the West Suburban Health Group Board, except for intentional violation of the civil rights of any person. This hold harmless status should include any and all activities relating to such Board participation, including, but not limited to, serving on any related committee, holding an office as a member of the Board or Committee established by the Board, traveling to and from meetings relating to the designee's service, communications and all other acts related to the appointment as a delegate or alternate delegate of the Participating Governmental Unit.

B. For West Suburban Health Group

Each Participating Governmental Unit agrees to hold the Group harmless from any and all charges, including legal fees, judgments, administrative expenses, and benefit payment requirements, that may result at any time arising from or in connection with any and all negligent or willful acts or omissions (including failure to comply with any laws or regulations), fraud or criminal conduct of the Participating Governmental Unit and its employees, past or present.

Article 16. Miscellaneous

- A. Entire understanding
This agreement represents the entire understanding of the parties with respect to its subject matter and supersedes all prior agreements, written or oral, concerning the subject matter hereof and may not be changed or modified except as described in Article 13 of this agreement. No inferences shall be drawn from any variance between this agreement and any prior written agreement.
- B. Governing law
This agreement and all notices, instruments and documents executed pursuant hereto or in connection herewith shall be deemed to be governed by the laws of the Commonwealth of Massachusetts.
- C. Binding effect
All the terms and provisions of this agreement shall be binding on and inure to the benefit of and be enforceable by the respective parties hereto, their successors, and legal representatives.
- D. Counterparts
This agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but also such counterparts shall together constitute one and the same agreement.
- E. Severability
If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then the affected provision shall be curtailed and limited only to the extent necessary to bring said provision within the legal requirements, and this Agreement as so modified shall continue in full force and effect.

Article 17. Signatories to Agreement

By our signatures, we, the undersigned Appropriate Public Authority (M.G.L. Chapter 32B, Section 2(a)) evidence our acceptance of the terms of this Agreement for Joint Negotiation and Purchase of Health and Life Coverages on behalf of our governmental unit.

For:

Participating Governmental Unit (M.G.L. Chapter 32B, Section 2(f))

Signature of Board member

Date

(Name of Board member printed)