



**BBP Admin**  
BENEFITS ADMINISTRATION  
COBRA, FMLA, FSA, HRA, HSA, TRANSIT  
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## **General Terms and Conditions of Service COBRA**

### **Terms and Conditions of Service**

1. **Term:** 1 Year unless specific rate guarantee
2. **General Terms and Conditions of Service:** You are purchasing the service(s) from BBP Admin. In doing so, acknowledge and agree to BBP Admin's General Terms and Conditions of Service that this document represents. Either party may terminate service without cause at any time.
3. **Fees:** Client shall pay all Fees via direct deposit initiated by BBP Admin. All payments will process within the first five days of the month. If pre-negotiated, the client can pay by check and all payments are due net 25 days from the date of the invoice.
4. **Service Charge:** A service charge of 1.5% per month will apply to any overdue amounts.
5. **Client Accounts** that have outstanding invoices over 90 days past due will have service temporarily deactivated until all payments are current. The client will also be responsible for a \$50 reinstatement fee. Reactivation will occur three days after a successful ACH pull. Re-activation can happen the same day with a wire transfer of all outstanding funding.
6. **Annual Service Increase:** Your fee rate is fixed for the initial term of one year, and is subject to a 3% increase upon each subsequent renewal period.

#### **I. Client's Responsibilities**

You are the plan administrator and fiduciary as described under ERISA and the Internal Revenue Code. As such, only you have the power to waive, alter, breach or modify any of the terms and conditions of your Plan(s), and you exercise all discretion, control or authority with respect to the disposition of the available benefits. As such, you shall:

- a. Provide BBP Admin with a complete copy of all carrier and rate information, for our reference in connection with the provision of services.
- b. **Eligibility and Enrollment—Qualifying Event.** Determine whether a Qualified Beneficiary has had a Qualifying Event and provide to us in a timely manner all accurate and complete data regarding the Qualifying Event in the electronic data file format prescribed by BBP Admin.
- c. **Eligibility and Enrollment—Open Enrollment.**
  - Notify BBP Admin of the annual Open Enrollment Period.
  - Determine which individuals are eligible to participate in your Plan(s) and provide us with accurate and complete eligibility data in the prescribed electronic data file format.
- d. Provide accurate and timely changes to Participant enrollment and eligibility data, including, but not limited to, information that modifies a Participant's eligibility, status or election under a Plan, in the electronic data file format prescribed by BBP Admin.
- e. Notify BBP Admin in writing of any changes in carriers and/or Plan(s) at least sixty (60) days prior to the effective date of the change.
- f. Notify BBP Admin in writing of any changes in premiums that shall apply at least sixty (60) days prior to the effective billing date of the new premium.

- g. On a monthly basis, reconcile all carrier invoices and Participant reports, and notify both BBP Admin and the carrier of any discrepancies.
- h. Ensure that your Plan carriers and payroll/pension data processors provide timely, accurate and complete data files in the electronic data file format and method prescribed by BBP Admin.
- i. Obtain all required Participant consents necessary to disclose Participant PHI to BBP Admin for the provision of services.
- j. Correct all errors in any data, files or other materials provided to BBP Admin by you or on your behalf by your third party service providers (e.g. carriers, payroll/pension data providers). BBP Admin does not audit data, files or other information provided by you or your third party service providers.
- k. Timely pay all fees.
- l. Timely pay all costs, including postage (billed at then-current USPS First Class Mail rates), print, copying and travel charges.
- m. Manage access to the employer portal of our website by your personnel based upon your internal confidentiality and HIPAA privacy policies and procedures.
- n. Comply with all applicable laws (e.g., HIPAA, COBRA and ERISA) with respect to your Plan(s) and make any required filings with the appropriate governmental agencies, including the DOL and the IRS.

## II. BBP Admin's Responsibilities

BBP Admin has been engaged by you to provide certain COBRA administration services in connection with your Plan(s). Accordingly, you have authorized us to use our standard procedures for the provision of services that have been designed to ensure that the administration of your Plan(s) are in compliance with COBRA, ERISA and all other applicable regulations. We shall provide our services in accordance with the framework of policies, interpretations, rules, practices and procedures as set forth in the Plan documents, and as otherwise mutually agreed upon or as directed by you. We shall provide the following services:

- a. Provide you with a set of electronic file specifications for the delivery of data to BBP Admin.
- b. Process data files submitted by you in the electronic data file format prescribed by BBP Admin.
- c. Provide each Qualified Beneficiary with a COBRA Qualification Event notice and enrollment form packet after receipt of notification from you that a Qualifying Event has occurred.
- d. Based on your election of full or partial open enrollment services, BBP Admin will:

<p>Full Service</p> <ul style="list-style-type: none"> <li>• Send BBP Admin's standard Open Enrollment Letter to all Qualified Beneficiaries and</li> <li>• Send BBPadmin's standard Rate Change Notification to all Qualified Beneficiaries and Participants.</li> <li>• Send BBP Admin's standard Open Enrollment Change Form to all Qualified Beneficiaries and Participants.</li> <li>• Include client-provided inserts in standard mailings (subject to size limitation)</li> </ul>	<p>Partial Service</p> <ul style="list-style-type: none"> <li>• Provide you with BBP Admin's standard Open Enrollment Change Form to provide to Qualified Beneficiaries and Participants.</li> </ul>
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- e. Process COBRA enrollment and change forms submitted directly by Qualified Beneficiaries and/or Participants through proper methods (e.g., BBP Admin's website). Enrollment and elections will be considered made timely if the form is postmarked by the U.S. Postal Service or express delivery service within the applicable statutory period or Open Enrollment Period.
- f. Provide monthly premium payment coupons to Participants.
- g. Collect premium payments (and administrative surcharges) via a BBP Admin-owned lockbox and deposit those funds in a BBP Admin-owned bank account. Premiums shall be considered paid timely if postmarked by the U.S. Postal Service or express delivery service within thirty (30) days of the due date.
- h. Remit premium payments received, less a 2% surcharge retained by BBP Admin, to you by the 20th business day of each month.
- i. Process data files received from and/or prepare data files for submission to your medical plan carriers and/or payroll data processor in the format and method prescribed by BBP Admin.
- j. Provide a Notice of Termination of COBRA coverage to Participants upon termination of coverage.
- k. Provide compliance management services, including processing disability extensions, Medicare entitlement and all second Qualifying Events and changes, upon receipt of proper and timely notification from you or the Participant in the format and method prescribed by BBP Admin.
- l. Provide you with access to our website where you may:
  - View and download standard reports
  - View individual account information
  - Access to our online communications gateway and download standard electronic communication material at no additional charge. Customized items may be provided for an additional fee, plus charges for applicable bulk sales, taxes, shipping and handling.
- m. Provide you with a client services representative to answer phone or email inquiries by your staff regarding any service matters during the period of 8:30 a.m. (CT) to 5:00 p.m. (CT), Monday through Friday, excluding holidays and other non-business days.
- n. Provide customer service representatives who are available to answer Eligible, Qualified Beneficiary and Participant phone calls during the period of 8:30 a.m. (CT) to 5:00 p.m. (CT), Monday through Friday, excluding holidays and other non-business days.
- o. Provide Qualified Beneficiaries and Participants with 24/7 access (excluding scheduled maintenance) to our website where Participants can access information regarding their COBRA coverage.
- p. Provide eligibility reporting to carriers in the electronic data file format prescribed by BBP Admin.

### III. Additional Services

In addition to the services set forth above, BBP Admin may also provide you with the following optional services, as elected and subject to the payment of additional fees. Optional services may include the following:

- a. On-site Meetings: participation in enrollment meetings and benefits fairs.
- b. DOL Initial Notification of Rights: provide DOL Initial Notification of Rights to all Eligibles.
- c. Customization Services: provide customization services for non-standard files and/or communications.
- d. Carrier Reconciliation and Remittance Services: reconcile carrier files against eligibility and enrollment information maintained by BBP Admin and remit premiums directly to carrier.
- e. Post-termination Transition Services: provide mutually agreed upon post-termination transition services. BBP Admin shall not be obligated to provide post-termination transition services if services are terminated due to your failure to pay amounts due.

#### IV. Disclaimer

Notwithstanding anything to the contrary, BBP Admin shall not be responsible to receive or review claims for benefits under any Plan(s), or be liable for the payment of any claims for benefits under, or in connection with, any Plan(s).

#### V. Definitions

“Eligible” - an employee who is eligible to receive COBRA continuation coverage.

“COBRA” - the Consolidated Omnibus Budget Reconciliation Act of 1985.

“Open Enrollment Period” - the period during which a Qualified Beneficiary may elect COBRA continuation coverage and enroll in or change coverage under a Plan.

“Participant” - any Qualified Beneficiary who elects COBRA continuation coverage under a Plan.

“PEPM” - per Eligible, per month.

“Plan” - any healthcare plan established by you.

“Qualified Beneficiary” - an Eligible or an Eligible’s dependent with individual rights to COBRA continuation coverage, including a surviving spouse.

“Qualifying Event” can refer to any instance listed below:

a) i. the death of an Eligible, if such event results in the loss of coverage by a Qualified Beneficiary under your Plan(s); ii. termination of employment or reduction in hours of an Eligible; iii. divorce/legal separation from an Eligible; iv. the filing for bankruptcy by you (provided that if you file for bankruptcy under Title 11, U.S.C., you shall advise BBP Admin of any loss or substantial elimination of coverage under your Plan(s) with respect to any Qualified Beneficiaries); and v. any other event resulting in a Qualified Beneficiary losing coverage under your Plan(s);

b) a determination under Title II or XVI of the Social Security Act that a Qualified Beneficiary was disabled at the time of a Qualifying Event described in (a) above, or a determination that a Qualified Beneficiary is no longer disabled; or

c) the termination of any Plan(s).