



# Group Services Plan Application

Please submit your completed Plan Application with enrollment fee to:

E-mail: [newbusiness@tasconline.com](mailto:newbusiness@tasconline.com)

Fax: 608-661-9638

Mail: TASC, c/o New Business Department

2302 International Lane, P.O. Box 14140, Madison, Wisconsin 53704-3140

Internal Use Only:  Large Client Qualifier

## (1) EMPLOYER/ADMINISTRATOR

Check all that apply:  FlexSystem  HSA  DirectPay  COBRAToday  FMLAMatters  PayPath  ERISAEdge

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

Company Name \_\_\_\_\_ E-mail (Required) \_\_\_\_\_

Company Physical Address (not PO Box) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Mailing Address—if different from Physical address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Fax Number \_\_\_\_\_

Business Federal ID # \_\_\_\_\_ NAICS or SIC Code \_\_\_\_\_

Tax Filing Status:  C-Corp  S-Corp  Partnership  Sole Proprietor  Non-Profit  LLC  Other \_\_\_\_\_

Nature of Business \_\_\_\_\_

Do you own an interest in any other business?  Yes  No

If you are a **current client** of TASC, please provide your 12-Digit TASC ID# \_\_\_\_\_

Current TASC service:  FlexSystem  HSA  DirectPay  COBRAToday  FMLAMatters  PayPath  ERISAEdge

Name of Health Insurance Carrier \_\_\_\_\_ Carrier Group ID# \_\_\_\_\_ Renewal Date \_\_\_\_\_

Name of Carrier Account Manager/Rep \_\_\_\_\_ AM/Rep Email \_\_\_\_\_

## (2) PAYMENT/BILLING INFORMATION

The Enrollment Fee is due at the time of application. (South Dakota residents add 4% sales tax.)

Service	Initial Set-up Fee	Minimum Monthly Fee	Per Participant Fee	Annual Renewal Fee <small>(For groups with 1-500 employees this fee will default to a minimum of \$100 unless noted otherwise.)</small>	Other Fees
<b>FlexSystem</b>	\$ _____	\$ _____	\$ _____	\$ _____	
<b>TASC HSA</b> (Full Service)	\$ _____	\$ _____	\$ _____	\$ _____	HSA (Limited or Plan Only) \$ _____
<b>DirectPay</b>	\$ _____	\$ _____	\$ _____	\$ _____	Benefits Card \$ _____
<b>COBRAToday</b>	\$ _____	\$ _____	\$ _____	\$ _____	TQB \$ _____ # of TQBs _____
<b>FMLAMatters</b>	\$ _____	\$ _____	\$ _____	\$ _____	Active Assumption \$ _____ Eligibility Determination \$ _____
<b>ERISAEdge</b> <small>(Set-up fees, annual fee, and Other fees are required with application)</small>	\$ _____	\$ _____	\$ _____	\$ _____	\$150/hr _____ Late 5500 Filing \$ _____ HCR Notices \$ _____ 105(h) Test \$ _____
<b>PayPath</b>	\$ _____	\$ _____	\$ _____	\$ _____	
<b>TOTAL</b>	\$ _____	<input type="checkbox"/> <b>Check here if you want TASC to ACH your initial set-up fees.</b> (Fill in E-Pay information.)			

Check # \_\_\_\_\_ (Make check payable to TASC)  MasterCard  Visa  American Express  Discover

Signature \_\_\_\_\_ Name of Cardholder (Name on Card) \_\_\_\_\_

Card # \_\_\_\_\_ Exp. Date \_\_\_\_\_



(3) E-PAY

Frequency of Invoicing:  Quarterly  Annually  1-15 Employees (default to Annually)

Send Administration Fee Invoice to different address. Billing Contact \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone Number \_\_\_\_\_ E-mail (Required) \_\_\_\_\_

E-Pay is TASC's standard method for submission of administration fees. With E-Pay, TASC conveniently deducts your fees from your checking account. Simply complete the following, signing where indicated. All written debit authorizations must agree that the Payer may revoke the authorization only by first notifying the Originator in the manner specified in the authorization. The language in the authorization represents the disclosure requirement associated with the clarification of OFAC economic sanction policies upon ACH Network Participants.

Financial Institution Name \_\_\_\_\_ State \_\_\_\_\_

Bank Routing Number

Checking Account Number

To determine your routing number, refer to your check. The routing number is always nine digits long and it is enclosed by colons. While the location of the routing and account numbers on your check varies depending on your bank, it is often printed in the bottom left corner.

(4) AUTHORIZATION

This Group Plan Application is a binding agreement between Total Administrative Services Corporation ("TASC") and you and, if applicable, the company or other legal entity you represent (collectively, "you"). By signing this Group Plan Application, you accept the terms of the Service Level Agreement. If this Group Plan Application is for full FlexSystem, TASC HSA, DirectPay HRA, COBRAToday, FMLAMatters, ERISAEdge, and/or PayPath plan administration, you acknowledge receipt of the HIPAA business associate terms and conditions provided to you with this Group Plan Application ("Business Associate Agreement"), and you agree to be bound by the terms and conditions, as stated therein, of the Business Associate Agreement. A copy of the Business Associate Agreement must be returned with this completed Group Plan Application.

Further, you, as plan sponsor and plan administrator, and on behalf of, the plan set forth in this Group Application, hereby appoint TASC and/or its subcontractors or agents to act as an authorized agent for purposes of receiving and/or retrieving electronic reports/responses ("Claim Feed Information") from the insurance carrier(s) listed in this Group Application or otherwise identified by you on your behalf. TASC and/or its subcontractors or agents use and disclosure of Claim Feed Information shall be subject to the terms of the Business Associate Agreement.

I have read, understand and agree to the terms and conditions stated in this Group Plan Application, the Service Level Agreement, and the Business Associate Agreement (if applicable), as attested by the signature below, effective on the date of the signature.

Employer (sign here) \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

I certify that the names listed below have HIPAA Business Associates Agreements with our company and are authorized to access information on our behalf.

Name \_\_\_\_\_ Name \_\_\_\_\_ Name \_\_\_\_\_

Provider/Agent Name \_\_\_\_\_ Provider/Agent Number \_\_\_\_\_ Retail Code \_\_\_\_\_

Primary Account Representative of Provider/Agent Name \_\_\_\_\_ E-mail \_\_\_\_\_

(5) FLEXSYSTEM

FlexSystem Administration Options (Check only one):  FSA  SIMPLE FSA  POP (only fields with \*)

\*Total number of eligible employees \_\_\_\_\_ Specify all applicable payroll cycles (12, 24, 26, etc) \_\_\_\_\_

Number of payrolls in first year \_\_\_\_\_ Number of pre-tax deductions in a typical 12 month Plan Year \_\_\_\_\_

\*Do you currently have a Section 125 Plan?  Yes  No If yes, indicate the following: Type of Plan:  FSA  POP

List ERISA Plan Number \_\_\_\_\_ Number of Participants \_\_\_\_\_

Name of Administrator \_\_\_\_\_

If you have a current FSA, indicate who will administer the Plan's Grace and Run Out:  Prior Administrator  TASC

Table with 4 columns: Prior Plan Year, New Plan Year, If "Yes", indicate number of days, Default. Rows include Grace Period (Plan Extension) and Run-Out Period.

NOTE: Grace and Run Out are consecutive, NOT concurrent. If you choose 75 days for the Grace and 90 days for the Run Out, your plan will extend a total of 165 days.

Employer Initial box



**(A) Participant and Eligibility Requirements**

The following eligibility requirements apply (choose all that are applicable). If a category is checked, but a maximum is not elected, it will be defaulted to the maximum.

**For a Standard FSA or POP:**

- Part-time employees working at least \_\_\_\_\_ hours per week will be included (maximum of 30 hours).
- Seasonal employees working at least \_\_\_\_\_ months within a year will be included (maximum of 6 months).
- Employees reaching \_\_\_\_\_ years of age will be included (maximum 21 years).
- \*Employees meeting Probationary period of \_\_\_\_\_ months will be included (maximum 24 months).
- Members of bargaining unit will be included.

**For a SIMPLE FSA:**

All non-excludable employees with at least 1,000 hours of service during the preceding Plan Year must be eligible to participate in a SIMPLE Cafeteria Plan. Select the eligibility option(s) below for your Plan (choose all that are applicable). If a category is checked, but a maximum is not elected, it will be defaulted to the maximum.

- Employees reaching \_\_\_\_\_ years of age before the end of the Plan Year will be included (maximum 21 years).
- Employees meeting the probationary period of \_\_\_\_\_ month(s) will be included (maximum 12 months).
- Employees who are covered under a collective bargaining agreement will be excluded.
- Employees who are non-resident aliens will be excluded.

After they have met the eligibility requirements above, an employee (other than a rehired employee) is able to enter and participate in the Plan on the first day of the Plan Year, or on such dates within the Plan Year noted: \_\_\_\_\_ (i.e. January 1 and July 1).

**(B) SIMPLE FSA Employer Contribution**

Due to the complexity of the Matching Contribution method, the Uniform Contribution method is recommended and does not require a completed Addendum with your election.

- Uniform Contribution:** A uniform percentage of employee compensation (at least 2%), whether the employee does or does not make pre-tax salary reduction contributions to the Plan: \_\_\_\_\_% (defaults to 2% if left blank).
- Matching Contribution\*:** The lesser of 2x the amount of the pre-tax salary reduction contributions (including premiums) of each qualified employee, or 6% of the employee’s compensation. (**\*Matching Contribution Addendum required.**)

**(C) Available Benefits**

Select the benefits available to the eligible employee(s). (Check all that apply.) These benefits are taken through salary deductions.

- \*Medical or Medical-Related Premium - (Group Sponsored - Employee and Family)
- Medical or Medical-Related Expense Reimbursement Account - (\$\_\_\_\_\_ Maximum Election - Employee and Family)
- Dependent Care Reimbursement Account - (Annual Maximum \$5,000; \$2,500 if married filing separately - Employee and Family)
- Transportation Reimbursement Account - (Employee Only - Call for current monthly maximum)
- Voluntary/Group Term Life Insurance Premium - (Employee Only - Up to \$50,000 in death benefits)
- Disability Insurance Premium - (Employee Only) - May eliminate pre-tax advantage of potential benefit payment.
- Supplemental Insurance - (Employee and Family) - Includes cancer, hospital confinement, intensive care, accidental death and dismemberment.
- Individual Premium Reimbursement Account - Not offered through employer.

**(D) Plan Start**

- Check if Mid-Plan Year takeover - If elected, please indicate current Plan Year dates under the current TPA.**  
From: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mo/dd/yr) — To: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mo/dd/yr) Plan Number (3 digits): \_\_\_\_\_

TASC first year administration shall begin on the first day of \* \_\_\_\_\_ (mo/yr) and continue for \* \_\_\_\_\_ consecutive months. For the second and successive years, the Plan shall operate starting on the first day of \* \_\_\_\_\_ (mo/yr) and continue for the following successive twelve (12) month period. Your first payroll deduction for FlexSystem administration will be taken on \_\_\_\_/\_\_\_\_/\_\_\_\_ (mo/dd/yr). Note: Plans need not run on the calendar year (i.e. January 1 - December 31).



**(E) Plan Funding (Required)**

The funding of your Participants' Flexible Spending Accounts will be set-up according to your payroll schedule. The Expected Date of Receipt (EDR) is the date TASC will expect to receive your funding payment. You may set your EDR to be the same day as your payroll or up to three days following payroll. The default method for making the contributions is TASC Auto ACH (on the EDR on your behalf, TASC initiates submission of your funding via ACH). Select from below to initiate the fulfillment of this requirement. To start this process, (1) choose which ACH process you want, (2) select your EDR, and (3) provide your bank information.

- (1)  TASC Auto ACH (TASC initiates TASC's funding payment via ACH on the EDR.) This is the default selection.
- Client initiates funding payment via MyTASC on or before the EDR. Note: Under this option, TASC will use your Account and Routing Numbers to post any unpaid funding amounts that are one (1) business day past the EDR.

*Note: Additional annual fee will apply if ACH is not elected (\$10 per payroll).*

(2) Please indicate the number of business days TASC will receive your funding payment:

- Same Day as payroll (default)
- 1 Day after payroll
- 2 Days after payroll
- 3 Days after payroll

(3) Bank Routing Number

Checking Account Number

**(F) TASC Card Feature**

For auto-substantiation, enter all applicable co-pay amounts:

- Medical/Office \$ \_\_\_\_\_
- Prescription Drug \$ \_\_\_\_\_
- Opt Out of TASC Card (*additional fees apply*)

**FlexSystem Admin. Only - Special Instructions** \_\_\_\_\_

**(6) TASC HSA (HEALTH SAVINGS ACCOUNT)**

TASC HSA Plan Selection:  TASC HSA Full Service\*  HSA Limited\*  HSA Plan Only

HSA Plan Start Date: \_\_\_\_\_ Number of HSA Eligible Employees: \_\_\_\_\_

Is this an existing HSA?  Yes  No

Number of Payroll Contributions: \_\_\_\_\_ Date of Employee's first payroll contribution: \_\_\_\_\_

Frequency of Employee Contributions:  Weekly  Bi-Weekly  Monthly  Other (please explain)

Employer Contributions:  Yes  No Amount of Employer Contribution: \$ \_\_\_\_\_

Is the Employer Contribution set up based on individual HSA or Family HSA?  Individual  Family  Both

Is this a one time Employer Contribution?  Yes  No If yes, please provide date of one time contribution: \_\_\_\_\_

If no, the Employer Contributions will be made:  Annually  Quarterly  Monthly  Each pay period

**\*ADDITIONAL FORMS REQUIREMENT: The TASC HSA Payroll Schedule Request form for *each* payroll group and an HSA ACH Bank Withdrawal Authorization form, and must be submitted with all full service TASC HSA applications.**

- I understand the pay dates can NOT be changed once the plan is enrolled.
- I understand TASC will send an e-mail prior to withdrawing funds for my account and that I should contact TASC with any changes no later than three days prior to the employee's payroll date.

**Disclaimer for a stand-alone HSA Plan (not combined with TASC FlexSystem):**

TASC has developed a service known as "TASC HSA" that provides full administrative services for Health Savings Accounts. It is understood that the client wishes to add the HSA to its current Section 125 Plan and that the client acknowledges they have amended their Section 125 Plan to include the required HSA language to allow HSA contributions to be pre-taxed and their Section 125 Plan Documents and SPD's are current according to Federal Law.



I understand the terms of a stand-alone TASC HSA Plan (sign below)

\_\_\_\_\_  
Employer Signature Date

**TASC HSA Admin. Only - Special Instructions** \_\_\_\_\_  
\_\_\_\_\_

**(7) DIRECTPAY**

**DirectPay Plan Selection (Check only one):**  **Health Reimbursement Arrangement (HRA)**  **Direct Reimbursement (DR)**

DirectPay Administration Options (Check only one):  Full Administration  Self Administration

Number of Participants \_\_\_\_\_ ERISA Plan Number \_\_\_\_\_ Do you currently have an HRA or DR Plan?  Yes  No

Number of full-time and part-time employees (needed to determine CMS Reporting Requirement): \_\_\_\_\_

**(A) Participant and Eligibility Requirements**

Choose one of the following:

- Eligibility requirements include participation in the named Health Insurance Plan.
- The following eligibility requirements apply (choose all that are applicable):
  - Part-time employees working at least \_\_\_\_\_ hours of work per week will be included (maximum of 25 hours)
  - Seasonal employees working at least \_\_\_\_\_ months of work within a year will be included (maximum of 7 months)
  - Employees reaching \_\_\_\_\_ years of age will be included (maximum 25 years)
  - Current employees completing \_\_\_\_\_ months of service with the employer will be included (maximum 36 months)
  - New employees completing \_\_\_\_\_ months of service with the employer will be included (maximum 36 months)

**(B) Available Benefits and Qualified Expenses**

Each Plan selected requires a separate DirectPay Plan Application. Plan administration fees and funding arrangements apply to each Plan Application. **Check only one Plan per Application.**

Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7
<input type="radio"/> Medical Deductible Only	<input type="radio"/> Medical Deductible & Prescription	<input type="radio"/> Medical Deductible & Co-Insurance	<input type="radio"/> Medical Deductible, Co-pay, & Prescription	<input type="radio"/> Medical Deductible, Co-pay, Co-Insurance, & Prescription	<input type="radio"/> Uninsured Medical	<input type="radio"/> Dental Plan <b>Select Benefits</b> <input type="radio"/> Dental <input type="radio"/> Orthodontics
<b>Minimum Funding</b>						
at 25%	at 50%	at 50%	at 50%	at 50%	at 50%	at 25% or dental premium method

Funding for plans are calculated based on anticipated utilization. If you do not see your plan design, please call TASC Provider Services at 1.800.422.4661 to discuss plan set up.

**Name of Health Insurance Carrier** \_\_\_\_\_

Is your health plan a High Deductible Health Plan?  Yes  No

If yes, please indicate the health plan deductibles: \$ \_\_\_\_\_ Individual \$ \_\_\_\_\_ Family

DirectPay Deductible Amount: Individual \$ \_\_\_\_\_ Family Maximum \$ \_\_\_\_\_  by Member  by Family Aggregate

DirectPay/Employer Reimburses: \_\_\_\_\_ % From \$ \_\_\_\_\_ to \$ \_\_\_\_\_ DirectPay/Employer Reimbursed \$ \_\_\_\_\_

\_\_\_\_\_ % From \$ \_\_\_\_\_ to \$ \_\_\_\_\_ DirectPay/Employer Reimbursed \$ \_\_\_\_\_

\_\_\_\_\_ % From \$ \_\_\_\_\_ to \$ \_\_\_\_\_ DirectPay/Employer Reimbursed \$ \_\_\_\_\_

\_\_\_\_\_ % From \$ \_\_\_\_\_ to \$ \_\_\_\_\_ DirectPay/Employer Reimbursed \$ \_\_\_\_\_

Maximum DirectPay/Employer reimbursement per Individual \$ \_\_\_\_\_

Maximum DirectPay/Employer reimbursement per Family \$ \_\_\_\_\_  by Member  by Family Aggregate

\_\_\_\_\_



**(C) Plan Start**

Check if Mid Plan Year takeover — If elected, please indicate the current Plan Year dates under the current third party administrator. From: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mo/dd/yr) To: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mo/dd/yr)

TASC first year administration shall begin on the first day of \_\_\_\_/\_\_\_\_ (mo/yr) and continue for \_\_\_\_ consecutive months. For the second and successive years, the Plan shall operate starting on the first day of \_\_\_\_/\_\_\_\_ (month/year) and continue for the following successive twelve (12) month period. Note: Plans need not run on the calendar year (i.e. January 1 - December 31).

Are you choosing a short Plan Year (less than 12 months)?  Yes  No

If yes, do you wish to extend a deductible credit to your Participants based on the amount of the health insurance deductible that has been satisfied thus far within this Plan Year?  Yes  No **If yes, please submit credit amounts.**

**(D) Plan Funding (Required for full administration Plans)**

To fund your account, DirectPay (TASC) will initiate debit entries from the checking account and financial institution named below:

\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|

Bank Routing Number

\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_|

Checking Account Number

**DirectPay Admin. Only - Special Instructions** \_\_\_\_\_

Funding: \_\_\_\_ % (Minimum of 25%) \_\_\_\_\_

**(8) COBRATODAY**

Total number of employees \_\_\_\_\_. Total number of employees on employer's health insurance plan \_\_\_\_\_

Current COBRA administrator:  Self  Other \_\_\_\_\_ Current number of participants in COBRA\* \_\_\_\_\_

**(A) Subsidiaries, Affiliates or Divisions**

Identify all subsidiaries, affiliates, or divisions to be included under this program and identify whether they are to be established as a separate group for service communications.

**Set-up Separately**

- 1. \_\_\_\_\_ Yes  No
- 2. \_\_\_\_\_ Yes  No
- 3. \_\_\_\_\_ Yes  No

**(B) Health Carriers**

Identify all health carriers (including current health insurance plan, HMO, dental, vision, EAP, MFS, etc.). **Please note if any Plan is self-insured:**

- 1. \_\_\_\_\_ 4. \_\_\_\_\_
- 2. \_\_\_\_\_ 5. \_\_\_\_\_
- 3. \_\_\_\_\_ 6. \_\_\_\_\_

**(C) Plan Start**

Applications must be received by the **15th of the month** if they are to begin on the first day of the following month. First year administration shall begin on the 1st day of \_\_\_\_\_ month/year.

**(D) COBRA Period Begins:**

- First of month, following qualifying event
- Day after qualifying event
- Other (please specify): \_\_\_\_\_

\*Premium Collection Form is required at time of Plan Application along with Takeover Qualified Beneficiary Form(s).

**COBRAToday Admin. Only - Special Instructions** \_\_\_\_\_

\_\_\_\_\_|\_\_\_\_\_|

(9) FMLAMATTERS

(A) FMLA Plan Information

Number of Employees: \_\_\_\_\_ Number of Employees Currently on FMLA Leave (Additional Fees Apply): \_\_\_\_\_
Number of Company Locations: \_\_\_\_\_ State Abbreviation and Corresponding Company Location Code: \_\_\_\_\_
Eligibility to be determined by TASC? [ ] Yes [ ] No (Please note that determination of eligibility by TASC may incur additional costs.)
Will your FMLA run concurrent with your workers compensation and short-term disability plans? [ ] Yes [ ] No
Will you be manually reporting FMLA hours used or providing an hour data feed? [ ] Manual [ ] Data Feed
FMLA 12-month Tracking Type (e.g., rolling, calendar, etc.): \_\_\_\_\_

(B) Plan Start Date: \_\_\_\_\_

FMLAMatters Admin. Only - Special Instructions \_\_\_\_\_

(10) ERISAEDGE

(A) Plan Design

The following benefits are subject to ERISA. Please complete each column as it relates to all benefits offered by the Employer.

Column A: List of applicable health & welfare benefits subject to ERISA - Indicate by completing all columns B-1 for benefits offered by Employer.

Column B: Contract Year - For each applicable benefit offered, enter the ACTUAL Contract Year of the policy with each carrier.
Example: Health-Contract Year is January 1 - renews each January 1.

Column C: Benefits Covered Under Group Insurance (Y/N) - enter Yes if covered under Group Insurance Policy - N if not.

Column D: Pre-Tax Benefit Y/N - For all applicable Employer benefits offered; are the employees allowed to pre-tax their contributions under your Section 125 Plan, Y/N.

Column E: Benefit Renewal Period - Typically will be same as Contract renewal unless the benefit renews, other than on the Contract Policy Year with carrier. Example: For Health-Contract Year with carrier is March 1 - February 28 but the benefit is a Calendar year deductible year. In this example, for health in Column B the Contract Year will be March 1 and Column E will be January 1.

Table with 9 columns: (A) Benefit Type, (B) Contract Year, (C) Benefits Covered Under Group Ins. (Y/N), (D) Pre-Tax Benefit (Y/N), (E) Benefit Renewal Period, (F) Carrier Name, (G) Employer Paid? Employee Paid? Or Both?, (H) Funding Arrangement (SI-Self-Insured, FI-Fully-Insured, EX-Experience Rated), (I) Total Number of Participants (not including Dependents\*). Rows include Health, Dental, Vision, Life, AD&D, STD, LTD, Severance Ins. Policy, Wellness or EAP, Stop Loss Insurance, Voluntary Products.

Empty rectangular box for Employer Initial



(B) Plan Start Date: \_\_\_\_\_

\* Requires Certificate of Coverage, which can be obtain from each carrier, must be received within two weeks of application submittal.

ERISAEdge Admin. Only - Special Instructions \_\_\_\_\_

(11) PAYPATH

(A) Fast Track Application Plan Information

Number of Employees: \_\_\_\_\_

Frequency of Payroll (Weekly, Bi-Weekly, Monthly, etc.): \_\_\_\_\_

Fast Track Application Process requires a follow up "telephone application" appointment with a TASC representative who will obtain more detailed Payroll information from you and complete the application process. A representative will be contacting you shortly to setup an appointment time for this "telephone application"

Preferred method of contact to schedule "telephone application" appointment (phone or email): \_\_\_\_\_

Best Time(s) to Contact: \_\_\_\_\_

**Owner/Principal's Guarantee**

Because I am an owner and/or principal of the employer identified in this Group Services Plan Application ("Administrator") and will benefit from TASC agreeing to provide the PayPath services to Administrator, I agree to guarantee payment of all obligations of Administrator under the Group Services Application and Service Level Agreement (together, the "Agreement"). This is an unconditional and continuing guarantee of payment of Administrator's obligations. I agree that my guarantee shall not be released, in whole or in part, or discharged by: (i) the renewal, extension, modification or alteration of the Agreement; (ii) any waiver, release or termination of any right or remedy of Administrator under the Agreement or the failure of Administrator to assert or claim any right, benefit, defense or remedy it may have under the Agreement; (iii) the invalidity or unenforceability of any of the payment obligations of Administrator; or (iv) the insolvency, bankruptcy, liquidation or dissolution of Administrator.

I expressly waive: (i) demand of performance or payment, presentment, protest, notice of dishonor, or nonpayment of any of Administrator's obligations; (ii) notice of acceptance of this guarantee and notice of any liability to which it may apply; (iii.) all other notices and demands of any kind; and (iv) any defenses of Administrator pertaining to its obligations except for the defense of discharge by payment. TASC shall not be required to pursue any remedies against Administrator as a condition to enforcement of my guarantee.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

\_\_\_\_\_



# Service Level Agreement

## SECTION I

THIS SERVICE LEVEL AGREEMENT ("Agreement"), entered into by and between Total Administrative Services Corporation (hereinafter referred to as the "Administering Agent" or "TASC") and the employer identified on the Group Services Plan Application attached hereto ("Plan Application," with the employer identified therein hereinafter referred to as "Administrator" or the "Plan Sponsor"). This Agreement shall be effective on the date of the Plan Sponsor's signature on the Plan Application. The terms of this Agreement apply to the plan or plans identified on the Plan Application (the "Plan," whether one or more). Except as otherwise provided in this Agreement, the terms of this Agreement shall be in effect indefinitely and will renew automatically.

### Services to be Provided by the Administering Agent

Under this Agreement, the Administering Agent will provide timely administration and management of the Plan identified in the Plan Application substantially as outlined in the applicable product administration manual and/or materials. Services provided by the Administering Agent are subject to change upon written notice to the Plan Sponsor. In the case of FlexSystem, DirectPay and FMLAMatters Plans, Agent will also provide support audit assistance under the terms of the applicable Audit Guarantee.

### Responsibility as the Plan Sponsor/Administrator

Pursuant to this Agreement, the Plan Sponsor must present to the Administering Agent, in an accurate, complete and timely manner, all relevant and requested information necessary or desired for administrative functions to be performed by the Administering Agent. This may include, but shall not be limited to enrollment and re-enrollment information, notification of employee and employer changes, payments relative to fees or funding of the Plan and its features and processes as well as information and data necessary for completing testing, reporting and filing requirements applicable to the Plan. The Administering Agent shall rely on the accuracy and timeliness of information provided to it by the Plan Sponsor. The Administering Agent has no responsibility to review or verify data provided by the Plan Sponsor; the Administering Agent is not responsible for detecting illegal acts by, and/or misrepresentations of, the Plan Sponsor's employees or representatives.

Failure to meet deliverable expectations, including but not limited to those noted above and elsewhere in this agreement, in an accurate, complete and timely manner will result in a status of delinquency. Delinquency status will result in service interruptions and/or delays including, but not limited to claim processing reporting and filing which will be the liability of the Plan Sponsor. It is the Plan Sponsor's responsibility to educate and inform Plan participants on the services being provided, including the delivery of administration materials (where needed) as well as compliance documents (e.g., Summary Plan Description). The Plan Sponsor is responsible for executing and retaining the Business Associate Agreement (where applicable) provided in the administration materials. The Plan Sponsor shall have the sole and final discretionary authority in respect to all legal and administrative functions of the Plan.

### Financial Responsibility of the Plan Sponsor/Administrator

Responsibility for payment of Plan benefits lies with the Plan Sponsor. Where applicable to the Plan, Plan funding will be processed via ACH transaction and the Plan Sponsor hereby authorizes the Administering Agent to initiate credit/debit entries to the bank account indicated in the Plan Application and further authorizes the Plan Sponsor's bank to debit the same to such account. If the Administering Agent does not receive payment for such invoices within ten (10) business days, the Plan Sponsor hereby authorizes the Administering Agent to initiate a debit entry to the bank account indicated in the Plan Application for the invoice amount. A fee will be charged for all debit entries that reject for insufficient funds or closed account. This authority is to remain in full force and effect until the Administering Agent has received written notification from the Plan Sponsor of its termination in such time and in such manner as to afford the Administering Agent and the Plan Sponsor's bank a reasonable opportunity to act on it. It is understood that the purpose of this authorization is to provide a means of payment for the administrative services provided to the Plan Sponsor by the Administering Agent and the funding of the Plan sponsored by the Plan Sponsor. Although the Administering Agent may fund or make payment on behalf of the Plan Sponsor, ultimately all Plan contributions and liabilities are the responsibility of the Plan Sponsor, including under any circumstances where the Plan Sponsor uses a third party to make payment for Plan benefits. The Administering Agent reserves the right to correct any processing errors, making a reasonable effort to recover any payment made in error for any reason and the Plan Sponsor authorizes the Administering Agent to debit or credit the Plan Sponsor's account as necessary to correct such errors. The Administering Agent will not be liable for any payments made in error. The Administering Agent will invoice or make adjustments to the Plan or the Plan Sponsor as deemed necessary. The Plan Sponsor understands and agrees Plan Sponsor shall be liable for and hold the Administering Agent harmless from any and all fees or penalties assessed by the Internal Revenue Service, the Department of Labor or any other federal, state and/or local government agency arising from the Plan; except in the case of FlexSystem, DirectPay and FMLAMatters Plans, as otherwise outlined in the Audit Guarantee, or in the case of a PayPath Plan, as otherwise set forth in Section II of this Agreement. Any request for refunds or adjustments by Plan Sponsor will be processed only after verification is made that sufficient funds were received by Administering Agent from the Plan Sponsor's bank account to cover all payments made by, and fees and other amounts due to, the Administering Agent. No refunds or adjustments will be made while the Plan Sponsor is in default under this Agreement.

### Representations and Warranties of Plan Sponsor/Administrator

The Plan Sponsor represents and warrants that:

- a. All information about the Plan Sponsor provided by the Plan Sponsor to the Administering Agent is and will be correct, including, as applicable, the Plan Sponsor's correct legal name, tax identification numbers, filing frequency requirements, and tax rates. TASC shall have no responsibility for errors or omissions related to erroneous information from the Plan Sponsor or the Plan Sponsor's failure to provide information; and
- b. The Plan Sponsor is duly organized, validly existing, and fully authorized to enter into this Agreement. The individual executing the Plan Application on behalf of the Plan Sponsor is fully authorized to do so.

### Terms of Payment

The Plan Sponsor agrees to pay the Administering Agent for services provided under this Agreement in accordance with the fees determined on the Plan Application. Payment for services will occur via E-pay or invoices will generate prior to the applicable service period and are due according to the terms on the invoice. In addition to the fees determined on the Plan Application, all interest on Plan funds shall be retained by TASC as a supplemental fee and such fees shall be considered earned at such time as any interest accrues on the Plan funds. Where applicable, funds attributed to Plan participant reimbursement checks not presented for payment within ninety (90) days of the end of the Plan year shall be retained by the Administering Agent as a supplemental fee used to defray administrative costs. The Administering Agent will adjust administrative fees on an annual basis. The adjustment will equal the average change in the consumer price index (according to the Bureau of Labor Statistics) over the prior three (3) year period. The Administering Agent may further adjust on a triennial basis (once every 3 years) by an amount relative to the current prevailing market rate for the same or similar services. The forgoing notwithstanding, the Administering Agent may adjust fees at its discretion at anytime, by any amount and for any reason.

Any Plan funding ACH debits that are rejected or which, for any reason, are not processed through the Plan Sponsor's bank will result in the Plan being placed in delinquency status until such ACH debit is properly processed or otherwise resolved.

### Default

The Administering Agent's obligations are subject to the Plan Sponsor's timely performance of its obligations and responsibilities. The Administering Agent will not be responsible for damages due to any events of default by the Plan Sponsor. In the event of a default by the Plan Sponsor in the payment of fees or Plan benefits, or any other term, covenant or condition of this Agreement, the Plan Sponsor may be assessed additional fees or this Agreement may be terminated and all amounts due and to become due to the Administering Agent shall become immediately due and payable, at the Administering Agent's sole option. In the event of a default by the Plan Sponsor, the Administering Agent reserves the right to suspend all or any services to the Plan Sponsor and the Plan, including the reporting or processing of Plan data and payments, and the Administering Agent will not be responsible for the timeliness or accuracy of any reporting, participant payments, tax deposits or payroll payments until the default(s) has been cured and all outstanding obligations the Plan Sponsor have been paid to the Administering Agent. The Plan Sponsor agrees to defend, indemnify and hold the Administering



Agent harmless from any claim, liability, damage or expense, including reasonable attorneys' fees, which the Administering Agent incurs as a result of the Plan Sponsor's default under this Agreement and/or the Administering Agent's exercise of its rights under this Agreement. Events of default by the Plan Sponsor shall include:

- a. Providing the Administering Agent with incorrect or incomplete information;
- b. Failing to timely provide data, other information, or notices required under this Agreement; and/or
- c. Failure to timely pay fees, remit Plan funds, or pay other amounts owed the Administering Agent.

#### **Termination of Agreement**

Except as otherwise provided in this subsection, this Agreement shall continue in effect until it is terminated by the Plan Sponsor or the Administering Agent with a minimum of sixty (60) days written notice prior to the Plan renewal date. The Plan Sponsor shall pay any termination fees specified in the Plan Application which shall be due at the time of any notice of non-renewal or termination. If services are terminated by the Plan Sponsor prior to the end of the existing Plan year or other applicable service period, the Plan Sponsor shall be responsible for administration fees for the remainder of that Plan year or other applicable service period. Failure to provide timely written notice of termination will result in an additional fee due by the Plan Sponsor equal to fees assessed to the Plan Sponsor during the sixty (60) days preceding the termination. If services are terminated under this Agreement, the Plan Sponsor will be responsible for providing any outstanding services required under the Plan.

This Agreement may be terminated by the Administering Agent by providing the Plan Sponsor with a ten (10) day written notice of said termination if this Agreement is being terminated for the Plan Sponsor's failure to pay fees, remit Plan funds, or any other default under this Agreement by the Plan Sponsor.

Either party may terminate this Agreement and regard the other party as in default by giving the other party written notice of the termination, if the other party becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceedings under any bankruptcy or insolvency law (which has not been terminated within thirty (30) days of any filing) whether domestic or foreign, or has been wound up or liquidated, voluntarily or otherwise.

Upon and after the expiration or termination of this Agreement, the rights granted to the Plan Sponsor pursuant to this Agreement shall revert back to the Administering Agent. In addition, it is understood that termination of this Agreement also terminates the provision of the prototype Plan Document (where applicable) and the Plan will thereafter be perceived as individually designed and the sole responsibility of the Plan Sponsor. Within twenty (20) days after termination or expiration of this Agreement, the Plan Sponsor shall return to the Administering Agent all manuals, brochures, customer and vendor data bases, any other documents regarding the TASC programs and systems and any copies thereof. In addition, the Plan Sponsor shall refrain from any further direct or indirect use of or reference to the TASC marks, systems, publications, manuals, brochures, documents and computer databases in connection with the marketing, use, implementation, license, sale or distribution of any program, system or Plan offered by the Administering Agent. Finally, the termination of this Agreement shall not affect the duty of the Plan Sponsor not to infringe on the Administering Agent's trademarks and copyrights and not to disclose and keep confidential all said confidential information supplied to the Plan Sponsor by the Administering Agent.

#### **Limitations of Warranties and Liabilities**

Except as expressly set forth in this Agreement, the Administering Agent disclaims any and all express warranties, warranties of fitness for a particular purpose and implied warranties of merchantability. Administering Agent will not be liable for any loss of business or profits, or for any consequential, incidental, punitive, or similar damages, or, other than as set forth in this Agreement, for claims of damages made by any third party for any cause whatsoever, regardless of the form of action, whether in contract or in tort, including negligence, even if it has been advised of the possibility of such damages. In no event will the Administering Agent's liability exceed the payments made by Plan Sponsor to the Administering Agent within the previous six (6) months for FlexSystem, DirectPay, COBRAToday, or FMLAMatters services provided under this Agreement or within the previous payroll period for PayPath services provided under this Agreement, and such amount shall be reduced by the total amount due from the Plan Sponsor to the Administering Agent under the terms of this Agreement. This shall be the Plan Sponsor's exclusive remedy. No action, regardless of form, arising out of the services provided under this Agreement, may be brought by the Plan Sponsor more than two years after the date the last services are provided under this Agreement. Each party acknowledges that this limitation of liability reflects an informed, voluntary allocation between the parties of the risks (known and unknown) that may exist in connection with this Agreement.

#### **Money Back Guarantee**

If you are not entirely pleased with the Plan, simply return all Plan materials within 30 days of the date received to obtain a refund of the related fee, less the \$100 nonrefundable minimum fee.

## **SECTION II**

In addition to the preceding paragraphs of Section I, the following terms and conditions shall be applicable depending on the Plan elected by the Plan Sponsor.

#### **FlexSystem**

All claims submitted to FlexSystem other than substantiated copayments, recurring medical expenses or debit card charges substantiated in real time, through an inventory information approval system, or through other means compliant with Internal Revenue Service regulations, must be substantiated by independent third-party information prior to claim payment. If, at any point, the Plan Sponsor makes the decision to adjudicate Plan participant claims, all claims and substantiation submitted to the Administering Agent by Plan participants shall be forwarded to the Plan Sponsor for review prior to payment of the claim by the Administering Agent. If Plan Sponsor does not reject the claim within three (3) business days of receiving the forwarded claim, the Administering Agent shall pay the claim.

Regardless of whether Plan Sponsor and/or Agent is adjudicating claims, any and all unsubstantiated or fraudulent claims by Plan participants (regardless of whether by use of the debit card, web submitted, Agent or Participant submitted or manually submitted claims) and amounts distributed to a Plan participant that exceed the Participant's account balances are the Plan Sponsor's responsibility. Agent reserves the right to request a deposit or payment if the aggregate Participant account balance is, or is likely to be, less than \$0 at any point. The Agent will require a deposit or payment for negative Plan participant account balances or potential negative Plan participant account balances upon termination of the Plan.

Plan fees are calculated at a minimum or per Plan participant fee which ever is greater. Fees are also calculated on the number of Plan participants in the Plan, including terminated employees, at the time of invoice. The Plan Sponsor is responsible for administration fees for the entire Plan year, including grace period and run out period. Failure to remit Plan participant funds or payment for administrative services will result in a disruption of services, the forwarding to collections and/or termination of the Plan.

#### **TASC HSA**

Agent provides administrative services to assist Plan Sponsor in offering its eligible employees the option to open Health Saving Accounts (HSA). Plan Sponsor acknowledges that Agent is not qualified to act as a trustee or custodian of the HSA funds and is not acting as such. Agent provides the Health Savings Account (HSA) services pursuant to an agreement with one or more third party financial institutions that serve as custodian and trustee of the HSA funds ("Custodian"). Agent is not responsible for claims, damages or liabilities arising from failure of Custodian to perform its obligations or provide resources as required by its agreement with Agent (Custodian is, however, liable for failure to perform its obligations)

Plan Sponsor represents and warrants that, to the best of its knowledge, the group health plan sponsored and maintained by Plan Sponsor pursuant to which medical coverage is provided to its employees electing to open a HSA with Custodian will be, at all times relevant to this Agreement, an HDHP, in accordance with Section 223 of the Internal Revenue Code of 1986, as amended (the "Code").

Plan Sponsor acknowledges and agrees that the HSAs owned by its employees and held by Custodian shall not be employee benefit plans and the assets held in the HSA shall not be plan assets subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Plan Sponsor acknowledges and agrees that at all times relevant to this Agreement participation in HSAs by employees shall be completely voluntary; and Plan Sponsor shall not: (i) limit the ability of participants to move monies in their HSAs to another HSA (except to the extent of restrictions imposed by the Code; (ii) impose any conditions on the utilization of HSA monies beyond those permitted by the Code; (iii) represent or advise that the HSAs are an employee welfare benefit plan established or maintained by the employer; or (iv) receive any payment or compensation in connection

with an HSA. Plan Sponsor acknowledges that Agent may, from time to time, change the Custodian and may subcontract other aspects of its performance. Agent may not, however, require any participant to close an HSA with the then current Custodian.

Agent shall have no responsibility with respect to contributions paid by Plan Sponsor, participants or other contributor or transferor to the HSAs, other than to allocate the contributions in accordance with clear instructions received from Plan Sponsor, participants, or other contributor or transferor. Agent shall have no obligation to take affirmative actions to collect monies paid as contributions, such as, by way of example, to pursue a check or electronic payment transfer from Plan Sponsor or a participant or other contributor or transferor that does not clear.

If this Agreement is terminated mid plan year, Plan Sponsor shall continue to be responsible for payment of administration fees set forth in the Group Plan Application for the entire plan year. Administration fees shall be calculated on a minimum or per participant basis, whichever is greater. For purposes of calculating fees on a per participant basis, the number of participant shall be determined as of the invoice date and shall include any employees terminated mid year. In addition to the administration fees set forth in the Group Plan Application, Agent shall also be entitled to payment from the Plan Sponsor of all expenses and costs reasonably incurred by it in the administration of the HSAs, including, but not limited to, reimbursement for the cost of debit card transactions, including any fraudulent charges, unless such expenses and costs are paid directly by participants.

#### **DirectPay**

Fraudulent claims by Plan participants (regardless of whether by use of the debit card, web submitted, TASC submitted, medical provider or manually submitted) and amounts distributed to Plan participants that exceed the Plan participants' account balances are the Plan Sponsor's responsibility. The Administering Agent also reserves the right to request a deposit or payment when the fund account goes into a negative account balance. Fees are calculated at the minimum administration fee or health enrolled fee which ever is greater. Fees are also calculated on the number of health enrolled in the Plan, including terminated employees at the time of invoice. The Plan Sponsor is responsible for administration fees for the entire Plan year, including the run out period. Standard run out period is 90 days following the end of the Plan Year.

#### **COBRAToday**

The Administering Agent will forward onto the Plan Sponsor the COBRA continuee premium amounts. COBRAToday charges the COBRA continuee an additional two percent above the premium amount for handling the payments. This two percent is maintained by COBRAToday. If the COBRA continuee's premium check is rejected due to non-sufficient funds, the Plan Sponsor will be responsible for reimbursing the Administering Agent any distributed amounts for the continuee while the Administering Agent attempts to collect dollars from the COBRA continuee.

#### **FMLAMatters**

The Plan Sponsor agrees, as is necessary for the Administering Agent to complete its responsibilities herein, to provide the Administering Agent with the following information. The Plan Sponsor understands they are responsible for notifying the Administering Agent when certain qualifying events occur, and that the Administering Agent cannot carry out its responsibilities without notification as defined, with relations to the Plan Sponsor's employees. 1) Absences, or proposed absences, in excess of 3 days from regularly scheduled work for the circumstance(s) of a birth, adoption or placement in foster care of a child, the care of a seriously ill child, spouse or parent, or the employee's own illness, 2) Eligibility of the proposed employee; employment by the Plan Sponsor in excess of 12 months and cumulative work hours of 1,250 in the preceding 12 months, 3) Notification to the Administering Agent if an employee who has been out on leave has returned to work. The Plan Sponsor must provide to the Administering Agent and keep the Administering Agent currently informed, of all pertinent information relating to the Plan Sponsor at the inception of the contract and as may be later modified by the Plan Sponsor, including but not limited to: 1) Advise the Administering Agent of any changes in employee population per location that may affect FMLA administration (increase or decrease with relation to the minimum of 50 employees per covered location), 2) Advise the Administering Agent of any newly acquired locations, in order to ensure compliance with FMLA administration, 3) Advise the Administering Agent of any divested location (closing or sale to separate organization) that affects FMLA administration, 4) Provide Administering Agent with current information regarding all benefit programs; providers rates and other pertinent information.

#### **PayPath**

##### **1. TASC'S RESPONSIBILITIES:**

- a. Tax filings. TASC will serve as a limited agent for Administrator only for purposes of any required deposits and filings with the Internal Revenue Service and/or any state reporting agency. TASC is not otherwise an agent of Administrator, nor is TASC in partnership or otherwise affiliated with Administrator's business. Any requests to deviate from the current withholding tax tables must be made in writing and will be the responsibility of the Administrator. TASC will not be responsible for tax deposits or tax reporting for payrolls that were not processed by TASC.
- b. Penalties and other assessments. Notwithstanding anything to the contrary in Section I of this Agreement, if TASC makes an error or omission that results in an assessment by a taxing authority against Administrator that includes penalties and/or interest, then TASC's sole liability will be to pay the penalties and/or interest. It remains Administrator's responsibility to pay any uncollected tax due. TASC will not be responsible for penalties, interest or other damages or liabilities otherwise assessed against Administrator, including due to: i) tax deposits or other amounts that are returned for insufficient funds ("NSF") from Administrator account, a closed Administrator account, or any other reason beyond TASC's reasonable control; or ii) Administrator's submission of untimely, inaccurate or illegible information to TASC. Administrator agrees to hold TASC harmless from any and all such penalties and interest (other than as described in the first sentence of this subsection 1.d.), and other damages and liabilities, which will be Administrator's sole responsibility.

##### **2. ADMINISTRATOR'S RESPONSIBILITIES:**

Administrator agrees to accept the following obligations and responsibilities with respect to the Plan and PayPath services:

- a. Administrator will submit to TASC Administrator's payroll data no less than three (3) business days in advance of the date payroll is to be effective. Once payroll data is submitted, Administrator cannot change the data. Administrator will make sufficient funds for direct deposit available to TASC in escrow no less than two (2) business days in advance of the date payroll is to be effective. Failure to timely submit payroll data and/or funds may result in delay of payment to employees, additional charges, or in Administrator default.
- b. Administrator will notify TASC in writing within fifteen (15) business days of any voided checks, overpayments, underpayments, or other payroll errors. If timely notice is not provided to TASC, additional charges may apply to correct these errors. TASC will not be responsible for uncollectible overpayments to employees, unless such overpayments are due solely to TASC's negligence.
- c. Administrator will notify TASC in writing no later than fifteen (15) days prior to any changes to Administrator's: (1) bank accounts that will affect the Plan or provision of PayPath services, including but not limited to payroll, reporting, fee collection, or tax deposits; (2) filing frequency; or (3) tax rate or tax jurisdiction. Administrator will notify TASC promptly if Administrator expects to employ, or has employed, persons in tax jurisdictions not presently included in the Plan. TASC will not be responsible for late or incorrect tax deposits due to Administrator's failure to provide TASC with timely notifications.
- d. Administrator will make TASC aware of any local tax or state unemployment insurance requirements. TASC will not be responsible for ascertaining the Administrators' responsibility for local taxes or state unemployment insurance. It also shall be Administrator's responsibility to determine whether an individual constitutes an employee or independent contractor for tax and unemployment insurance purposes. Administrator will be responsible for forwarding any W-4 forms that require forwarding to IRS or any state agency.

- e. Administrator will forward any notice of penalty or interest assessed against Administrator to TASC within five (5) business days of Administrator's receipt of such notice. TASC agrees to acknowledge receipt of these notices in writing within five (5) business days of receipt by TASC. TASC will not be responsible for assessments that are no longer appealable, nor will TASC be responsible for interest charges that have accrued because Administrator did not timely forward a notice to TASC.
- f. Administrator will arrange for valuation of non-cash fringe benefits or the tax valuation of health or life insurance benefits paid to employees, partners, or corporate officers during the course of the year ("Benefit Valuation"). TASC is not responsible for Benefit Valuation.
- g. Administrator will allow TASC to collect its fees for services provided as set forth on the Plan Application or a separate statement of fees and all other amounts due TASC (including any termination or NSF fees) via ACH debit.
- h. Administrator will be responsible for the payment of all fees and funding costs incurred by TASC to run a payroll process in the event that TASC attempts to process a scheduled payroll and the Administrator's business account does not have sufficient funds available to be pulled to fund the payroll process.
- i. Administrator will keep TASC informed in writing of Administrator personnel authorized to access TASC's payroll and service systems.
- j. Administrator agrees to obtain, prior to an employee being covered by the PayPath Plan services, written authorization from the employee for TASC to make deposits and correcting entries/debits to the employee's bank account. In the event of an overpayment to any employee that TASC cannot recover through such a correcting entry, the amount of the overpayment will be due and owing by Administrator to TASC upon notice from TASC.

**3. ADDITIONAL REMEDIES OF TASC:** In addition to any to remedies TASC may have at law or under Section I of this Agreement, if Administrator fails to timely pay fees and/or other amounts due TASC under this Agreement, or if Administrator has items returned for insufficient funds, Administrator shall pay such amounts immediately upon demand by TASC, plus interest at the lesser of 18% annually or the maximum rate allowed by law, plus attorneys' fees and other costs of collecting the amounts owed as allowed by law. In addition to the foregoing, and without notice to Administrator: (i) if TASC is holding Administrator money other than for tax payments, TASC may apply it to any amount Administrator owes TASC; and/or (ii) TASC may take any steps necessary to recover tax deposits made by TASC on behalf of Administrator from any taxing agencies, including, but not limited to, instructing taxing agencies to remove such deposit from Administrator's tax account(s) and credit such deposit to TASC's own tax account(s). TASC may also make appropriate reports to credit reporting agencies, financial institutions, taxing agencies and law enforcement authorities, and cooperate with such agencies, institutions, or authorities in any resulting investigation or prosecution.

**SECTION III**

The following terms and conditions shall apply to all Plans.

**Execution and Delivery**

The Plan Application is incorporated herein by reference and may be executed and delivered (including by facsimile or Portable Document Format (PDF) transmission) in one or more counterparts, all of which will be considered one and the same agreement, and this Agreement will become effective when the Plan Application is signed by a representative of the Plan Sponsor. Any such facsimile or PDF documents and signatures shall have the same force and effect as manually-signed originals and shall be binding on the Plan Sponsor/Administrator and the Administering Agent.

**Governing Law**

This Agreement shall be construed, governed by, and enforced in accordance with the internal laws of the State of Wisconsin, without giving effect to the principles of comity or conflicts of laws thereof.

**Entire Agreement**

This Agreement represents the entire agreement of the parties and supersedes any prior written or oral agreements. This Agreement shall not be altered or amended, except by written agreement of duly authorized representatives of the Administering Agent and the Plan Sponsor.

**Attorneys' Fees**

In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the non-prevailing party in such litigation, as determined by the court in a final judgment or decree, shall pay to the prevailing party or parties all costs, expenses and reasonable attorneys' and accountants' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such prevailing party shall recover judgment in any such action or proceeding, such costs, expenses and fees shall be included as part of such judgment.

**Notices**

Any notice, demand or other communication required or permitted to be given to either party to this Agreement shall be in writing and shall be either personally delivered by hand or delivered by prepaid courier or sent by electronic means such as facsimile, telex or electronic mail. Any notice personally delivered or delivered by courier shall be deemed received upon delivery. Any notice sent by electronic means shall be deemed received upon the date the sending terminal confirms that the notice was received. The address to which communications shall be sent to the Plan Sponsor is identified in Section 1 of the Plan Application. Either party may change its address by giving written notice to the other party as provided in this subsection.

**Assignment**

Neither this Agreement nor the Plan Sponsor's rights or obligations may be assigned, delegated or transferred without the prior written consent of the Administering Agent. The Administering Agent may assign this Agreement without limitation.

**Waiver**

The failure of either party at any time to require performance or observance by the other party of any term or condition of this Agreement shall not affect the full right to require such performance or observance at any subsequent time. Further, no single or partial waiver of any right, power or privilege will preclude any other or further exercise of any other right, power or privilege.

**Severability**

If any term or condition of this Agreement is held to be invalid or unenforceable by reason of any statute, rule of law or public policy, all other terms and conditions of this Agreement shall nevertheless remain in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion thereof eliminated.





**BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, in the year 20\_\_\_\_, by and between \_\_\_\_\_ as plan sponsor and plan administrator acting on behalf of \_\_\_\_\_ ("Covered Entity") and Total Administrative Services Corporation, a Wisconsin corporation ("Business Associate").

**RECITALS**

**WHEREAS**, Covered Entity is a group health plan ("Plan") and wishes to engage the services of Business Associate with respect to certain administrative aspects of the Plan as more specifically set forth in a Service Level Agreement ("SLA");

**WHEREAS**, Covered Entity wishes to disclose certain information to Business Associate pursuant to the terms of the SLA, some of which may constitute Protected Health Information ("PHI") (defined below).

**WHEREAS**, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI disclosed to Business Associate pursuant to the SLA in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (the "HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.

**WHEREAS**, as part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require Covered Entity to enter into a contract containing specific requirements with Business Associate prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this Agreement.

**NOW THEREFORE**, in consideration of the mutual promises below and the exchange of information pursuant to this Agreement, the parties agree as follows:

The general terms and conditions attached hereto are incorporated herein and deemed part of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the date first written above.

COVERED ENTITY:  
\_\_\_\_\_

BUSINESS ASSOCIATE:  
**TOTAL ADMINISTRATIVE SERVICES CORPORATION**

By: \_\_\_\_\_

By:

Print Name: \_\_\_\_\_

Print Name: Brad Hoffman

Title: \_\_\_\_\_

Title: Executive Vice President, Customer Service



# TERMS AND CONDITIONS

## 1. Definitions

- a. **Breach** shall have the meaning given to such term under the HITECH Act [42 U.S.C. Section 17921].
- b. **Business Associate** shall mean Total Administrative Services Corporation.
- c. **Covered Entity** shall mean the party identified above.
- d. **Data Aggregation** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- e. **Designated Record Set** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- f. **Electronic Protected Health Information** means Protected Health Information that is maintained in or transmitted by electronic media.
- g. **Electronic Health Record** shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- h. **Health Care Operations** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- i. **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- j. **Protected Health Information** or **PHI** means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].
- k. **Protected Information** shall mean PHI provided by Covered Entity to Business Associate or created or received by Business Associate on Covered Entity's behalf.
- l. **Security Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.
- m. **Unsecured PHI** shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h).

## 2. Obligations of Business Associate

- a. **Permitted Uses.** Business Associate shall not use Protected Information except for the purpose of performing Business Associate's obligations under the SLA and as permitted under the SLA and this Agreement. Further, Business Associate shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by Covered Entity. However, Business Associate may use Protected Information (i) for the proper management and administration of Business Associate; (ii) to carry out the legal responsibilities of Business Associate; or (iii) for Data Aggregation purposes for the Health Care Operations of Covered Entity [45 C.F.R. Sections 164.504(e)(2)(i), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(i)].
- b. **Permitted Disclosures.** Business Associate shall not disclose Protected Information except for the purpose of performing Business Associate's obligations under the SLA and as permitted under the SLA and this Agreement. Business Associate shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by Covered Entity. However, Business Associate may disclose Protected Information (i) for the proper management and administration of Business Associate; (ii) to carry out the legal responsibilities of Business Associate; (iii) as required by law; or (iv) for Data Aggregation purposes for the Health Care Operations of Covered Entity. If Business Associate discloses Protected Information to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from such third party that such Protected Information will be held confidential as provided pursuant to this Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) an agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the Protected Information, to the extent it has obtained knowledge of such breach [42 U.S.C. Section 17932; 45 C.F.R. Sections 164.504(e)(2)(i), 164.504(e)(2)(ii)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)].
- c. **Prohibited Uses and Disclosures.** Business Associate shall not use or disclose Protected Information for fundraising or marketing purposes. Business Associate shall not disclose Protected Information to a health plan for payment or health care operation purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates [42 U.S.C. Section 17935(a)]. Business Associate shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act, 42 U.S.C. Section 17935(d)(2); however, this prohibition shall not affect payment by Covered Entity to Business Associate for services provided pursuant to the SLA.
- d. **Appropriate Safeguards.** Business Associate shall implement appropriate safeguards as are necessary to prevent the use or disclosure of Protected Information otherwise than as permitted by the SLA or this Agreement, including, but not limited to, administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Protected Information, in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. Business Associate shall comply with the policies and procedures and documentation requirements of the HIPAA Security Rule, including, but not limited to, 45 C.F.R. Section 164.316 [42 U.S.C. Section 17931].
- e. **Reporting of Improper Access, Use or Disclosure.** Business Associate shall report to Covered Entity any access, use or disclosure of Protected Information not permitted by the SLA and this Agreement, and any Breach of Unsecured PHI of which it becomes aware without unreasonable delay and in no case later than 60 calendar days after discovery [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)].
- f. **Business Associate's Agents.** Business Associate shall ensure that any agents, including subcontractors, to whom it provides Protected Information, agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI and implement the safeguards required by subparagraph d above with respect to Electronic PHI [45 C.F.R. Section 164.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)].
- g. **Access to Protected Information.** Within thirty (30) days of receiving a written request from Covered Entity, Business Associate shall make Protected Information maintained by Business Associates or its agents or subcontractors in Designated Record Sets available to Covered Entity, in reasonable time and manner, for inspection and copying to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17935(e).

- h. **Amendment of PHI.** Business Associate or its agents or subcontractors shall, in a reasonable time and manner, make Protected Information available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If any individual requests an amendment of Protected Information directly from Business Associate or its agents or subcontractors, Business Associate shall notify Covered Entity of the request. Any approval or denial of an amendment of Protected Information maintained by Business Associate or its agents or subcontractors shall be the responsibility of Covered Entity [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- i. **Accounting Rights.** Business Associate and its agents or subcontractors shall, in a reasonable time and manner, make available to Covered Entity the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to, 42 U.S.C. Section 17935(c). In the event that the request for an accounting is delivered directly to Business Associate or its agents or subcontractors, Business Associate shall forward it to Covered Entity. It shall be Covered Entity's responsibility to prepare and deliver any such accounting requested. Business Associate shall not disclose any Protected Information except as set forth in Sections 2.b. of this Agreement [45 C.F.R. Sections 164.504(e)(2)(ii)(G) and 165.528]. The provisions of this subparagraph i shall survive the termination of this Agreement.
- j. **Governmental Access to Records.** Business Associate shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining Business Associate and/or Covered Entity's compliance with the Privacy Rule [45 C.F.R. Section 164.504(e)(2)(ii)(H)].
- k. **Minimum Necessary.** Business Associate (and its agents or subcontractors) shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)(3)]. Business Associate and Covered Entity acknowledge and agree that the definition of "minimum necessary" is in flux and shall keep themselves informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary."
- 1. **Notification of Breach.** During the term of the SLA, Business Associate shall notify Covered Entity, as soon as practicable after discovery, of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI of which Business Associate becomes aware.
- m. **Breach Pattern or Practice by Covered Entity.** Pursuant to 42 U.S.C. Section 17934(b), if Business Associate knows or learns of a pattern of activity or practice of Covered Entity that constitutes a material breach or violation of Covered Entity's obligations under the SLA, this Agreement or other arrangement, Business Associate shall take reasonable steps to cure the breach or end the violation or cause Covered Entity to cure the breach or end the violation. If the steps are unsuccessful, Business Associate is legally obligated to terminate the SLA or other arrangement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS. Notwithstanding anything to the contrary in the SLA, Business Associate shall not be liable for any damages suffered by Covered Entity as a result of the termination of the SLA to satisfy this obligation.

**3. Obligations of Covered Entity.** Covered Entity shall promptly notify Business Associate, in writing and in a timely manner, of any of the following:

- a. Changes in the form of notice of privacy practices ("NPP") that Covered Entity provides to individuals pursuant to 45 C.F.R. Section 164.520, and provide Business Associate a copy of the NPP currently in use.
- b. Changes in, or withdrawal of, the consent or authorization provided to Covered Entity by individuals pursuant to 45 C.F.R. Sections 164.506 or 164.508.
- c. Any arrangements permitted or required of Covered Entity that may impact in any manner the use and/or disclosure of Protected Information by Business Associate under the SLA or this Agreement, including but not limited to, restrictions on use and/or disclosure of Protected Information as provided for in 45 C.F.R. Sections 164.522.

**4. Termination**

- a. **Material Breach.** In the event that Covered Entity determines Business Associate has materially breached this Agreement, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation. If Business Associate does not cure the breach or end the violation within a reasonable time, Covered Entity may terminate this Agreement. [45 C.F.R. Section 164.504(e)(2)(iii)].
- b. **Effect of Termination.** Upon termination of the Contract for any reason, Business Associate shall, to the extent feasible, return or destroy all Protected Information that Business Associate or its agents or subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by Business Associate, Business Associate shall continue to extend the protections of Section 2 of this Agreement to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible [45 C.F.R. Section 164.504(e)].

**5. Amendment to Comply with Law.** The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the SLA or this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of PHI. Upon the request of Business Associate, Covered Entity agrees to promptly, in no case later than thirty (30) days from Business Associate's request, enter into an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws.

**6. No Third-Party Beneficiaries.** Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

**7. Effect on SLA.** Except as specifically required to implement the purposes of this Agreement, or to the extent inconsistent with this Agreement, all terms of the SLA shall remain in force and effect.

**8. Interpretation.** This Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

**9. Counterparts.** This Agreement may be executed and delivered (including by facsimile or Portable Document Format (PDF) transmission) in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other party. Any such facsimile documents and signatures shall, subject to applicable legal requirements, have the same force and effect as manually-signed originals and shall be binding on the parties hereto.