



## GROUP HEALTH INSURANCE AGREEMENT

This Group Health Insurance Agreement (“Agreement”) is between the WEA Insurance Corporation (“WEA Trust,” or “Plan”) and the policyholder, referred to as the Employer:

School District of Random Lake  
605 Random Lake Road, Random Lake, WI 53075  
Group Number: 30623

This Agreement, along with the Certificate of Coverage and any Optional Eligibility and Optional Benefit Provisions (“Certificate”), the Benefit Summary, the Employer’s application form and the employee enrollment forms constitute the Entire Contract for insurance between the Plan and the Employer.

As of the effective date of coverage, the Eligible Employees who apply for coverage will be covered under the group insurance plan indicated below. The Entire Contract provides covered employees and their covered dependents (“Members”), the benefits and coverage further described in the Certificate and Benefit Summary, pursuant to the provisions of the Entire Contract, as administered by the Plan, in consideration for the Employer timely paying to the Plan the required premiums specified herein. Nothing in this Agreement shall be construed so as to establish a fiduciary relationship between the Plan and the Employer. Except as provided in this Agreement, the required premiums will not be changed without mutual agreement prior to the next renewal date. The Employer agrees to pay to the Plan the premiums set forth below, on or before the 20<sup>th</sup> day of each month preceding the month of coverage.

This Entire Contract is guaranteed renewable unless one of the reasons stated under the “Termination” provision of this Agreement exists, or there is some other legally permissible reason to nonrenew.

### I. OVERVIEW OF COVERAGE

Effective Date of Coverage: July 1, 2020, beginning at 12:01 a.m.

Contract Period: July 1, 2020 – June 30, 2021

Eligible Employees: Teachers and Administrators who work 20 hours or more per week.  
Support Staff who work 30 hours or more per week

Group Insurance Plan: WEA Trust Essential Qualified Health Plan

Orientation Period for New Eligible Employees: None

Waiting Period for New Eligible Employees: First day worked

Waiting Period for Employees Rehired or Returned from Layoff:	First day returned to work
Coverage During Paid Leave of Absence:	Coverage continues until accumulated leave is exhausted as long as the individual is considered to be an employee of the Employer and the Employer does not discriminate for or against any Eligible Employee.
Participation Requirement:	70%
Annual Open Enrollment Period:	May 7 through May 31 for coverage effective July 1, unless an alternate open enrollment period is mutually agreed upon between the Employer and the Plan.

Essential Qualified is a high deductible preferred provider health plan intended for use with a tax qualified health savings account (HSA). However, the Plan makes no guarantee that any Member will be eligible for tax benefits associated with an HSA as a result of coverage under this health plan. Contact your tax advisor/financial advisor to determine if Members are eligible for HSA-associated tax benefits.

## II. RATE SUMMARY

The following monthly premiums are guaranteed for the Contract Period:

All Eligible Employees \$2,000/\$4,000 Deductible Plan:	Single	\$745.72
	Family	\$2,087.42
	Single Medicare	\$579.50
	Family Medicare	\$1,159.00
	Single Medicare without Drug	\$231.84
	Family Medicare without Drug	\$463.68
	Special Medicare one Rx	\$977.56
	Special Medicare both Rx	\$1,325.22
All Eligible Employees \$3,500/\$7,000 Deductible Plan:	Single	\$610.92
	Family	\$1,710.04
	Single Medicare	\$474.77
	Family Medicare	\$949.54
	Single Medicare without Drug	\$189.93
	Family Medicare without Drug	\$379.86
	Special Medicare one Rx	\$800.85
	Special Medicare both Rx	\$1,085.69

The rate(s) quoted in this Agreement are based in part upon anticipated claims as reported by the Employer, benefits selected, demographic make-up, and Employer location. If the Employer failed to reveal relevant information that results in significantly higher claims costs, the Plan reserves the right to adjust rates.

The Plan will review the Employer's claims, demographic characteristics, and other underwriting factors, and adjust premium rates at renewal. If any Federal or State statute or the governmental administration thereof materially changes the Plan's financial exposure, the Plan reserves the right to adjust the rates or benefits under this group health plan.

The Plan has the right to change premium rates at renewal. The Plan also has the right at renewal to alter the plan's benefit design consistent with that available to other policyholders as long as the alterations are not based upon the Employer's particular claims experience. If the Entire Contract is terminated on any renewal date, the Plan will give written notice to the Employer at least 60 days before that date.

All benefits are subject to all provisions, exclusions, and limitations contained in the Certificate.

**(Agreement continues on the following page with the III. CONDITIONS OF ISSUANCE)**

### **III. CONDITIONS OF ISSUANCE**

The Entire Contract will take effect on the Effective Date of Coverage, in accordance with the terms specified herein between the Employer and the Plan if the following requirements are met. If these requirements are not maintained, the Plan may terminate the Entire Contract.

- A. The Employer's plan that provides the benefits of this Agreement must satisfy the nondiscrimination requirements of I.R.C. sec. 501(c)(9) and sec. 505(b).
- B. The Employer must meet all minimum participation and minimum contribution requirements the Plan has established for this health plan.

The Plan will not permit this health plan to be offered in a dual choice situation with another WEA Trust or non-WEA Trust plan without the Plan's prior written approval.

### **IV. MINIMUM PARTICIPATION REQUIREMENT**

The Plan reserves the right to nonrenew or terminate the Entire Contract at its sole discretion, if the number of employees enrolled falls below 70% of the employees eligible for coverage. In evaluating whether enrollment has fallen below 70% of Eligible Employees, the Plan will apply the following rules:

- A. In calculating the total number of Eligible Employees for determining participation, the Plan will not include as Eligible Employees individuals who are covered only because they elected state continuation coverage or individuals who have completed a waiver or enrollment form identifying other qualifying coverage, unless the other coverage is another health benefit plan sponsored by this Employer.
- B. Before the nonrenewal or termination of the Entire Contract for failure to meet minimum participation requirements, the Plan will notify the Employer of the reason for the nonrenewal or termination, consistent with all statutory notice requirements.
- C. Upon request, the Plan will continue the group health coverage provided under the Entire Contract for at least 60 days after the nonrenewal or termination date, at the premium rate applicable for that time period, in order to give the Employer an opportunity to increase the number of enrolled Eligible Employees so as to meet the minimum participation requirement. If the Employer does so, the Plan will not nonrenew or terminate the Entire Contract.
- D. The Plan will not nonrenew or terminate the Entire Contract if the reason the number of enrolled employees is less than the required percentage is due to an employee's sickness or injury, approved leave of absence, or temporary layoff.

### **V. MINIMUM EMPLOYER CONTRIBUTION**

The Employer must contribute at least 50% of the premium cost for a family plan for each full-time, covered employee, or 50% of the premium cost for a single plan if that is the plan selected. For part-time covered employees, the Employer must contribute at least 50% of the regular contribution for full-time

employees.

## **VI. WHEN PREMIUMS ARE DUE**

The required premium is due each month on or before the 20th day of the month that precedes the month of coverage. This payment deadline applies whether the premium is due from the Employer or from a covered individual who submits his or her own premium directly to the Plan.

## **VII. AMOUNT OF PREMIUM**

The monthly premium due is the sum of the premiums for all covered individuals. Premium is owed for each individual for each month in which he or she is covered by this Certificate, except that when an employee's coverage begins after the 15th day of a month, the premium liability for that employee will begin on the first day of the following month.

The Employer must notify the Plan immediately whenever a covered employee ceases to be eligible for coverage. Depending on the event that caused the ineligibility, coverage for the employee will end either on the date the employee ceased to be eligible or on the last day of the month in which the employee ceased to be eligible. Premium liability will end when coverage ends. If coverage ends on or before the 15th of the month, no premium will be due for that month. If coverage ends after the 15th of the month, premium will be due for the entire month regardless of the date of the event that caused the ineligibility.

The Plan will not be obligated to provide benefits to any individual who is not eligible for coverage even if premiums have been paid for that individual.

The premium will always be based on the rates for the benefits that are in effect on the date that the premium is due. The Plan may establish a new rate for any or all of the health plan's benefits on any of the following dates:

- Any renewal date of the Entire Contract, if the Plan notifies the Employer at least 31 days before that date.
- Any date the premium is due, if previous rates have been in effect for at least 12 months and the Plan notifies the Employer at least 31 days before that date.
- Any date on which the Plan and the Employer agree to materially change any provision of the Entire Contract.
- Any date on which a federal or state statute, or the governmental administration of a statute, materially changes any provision or term of the Entire Contract.

The Plan will never increase premium rates by 25% or more without 60 days' notice to the Employer.

## **VIII. GRACE PERIOD**

The Plan will allow a grace period of 31 days for the receipt of any premium due after the first payment.

The Entire Contract will continue in force during the grace period. The grace period will start on the first day of the month following the day the premium is due. There will be no grace period, however, if either the Plan or the Employer has given written notice of termination to the other as stipulated below.

## **IX. DISCOUNT PROGRAMS AND THIRD PARTY SERVICES**

The Plan may arrange for third party service providers to provide discount programs, well-being programs or other programs and services to Employers, Members, and other employees of the Employer, at no additional cost. Although we arrange for these services, they are not covered benefits under the Entire Contract.

At times, the third party provider may make additional programs or services available to the Employer for an additional charge. As a service to the Employer, the Plan may collect from the Employer and submit to the third party, monthly fees for the additional programs or services purchased by the Employer. Such programs or services, however, are not considered covered benefits under the Entire Contract.

## **X. ENROLLMENT**

Permanent employees and their dependents, who meet eligibility requirements specified in this Agreement, may enroll as described in the Certificate.

Enrollment and changes in enrollment must be made by completing an enrollment form.

## **XI. RESPONSIBILITIES OF THE EMPLOYER**

The Employer agrees to:

- A. Offer coverage to all eligible employees and their eligible dependents as described in Section 3 of the Certificate.
- B. Offer each new employee the opportunity to elect the Plan membership as a procedure of employment when such a person attains the status of an eligible employee as described in Section I of this Agreement.
- C. Obtain signed enrollment forms, or waiver forms from all eligible employees and return these forms to the Plan within 31 days of employees' eligibility.
- D. Notify the Plan, in writing, of any change in an employee's eligibility for coverage within 31 days of such a change. Examples include, but are not limited to:
  - An employee becomes eligible for coverage.
  - A change in job or hours renders an employee eligible for coverage.
  - A covered employee is no longer eligible for coverage because of termination, retirement, reduction in hours, change in jobs, etc.

- A covered employee dies.
- E. Notify the Plan immediately whenever a covered employee suffers a work-related illness or injury or files a claim for worker's compensation benefits.
- F. Comply with all policies and procedures established by the Plan in administering and interpreting this Agreement.
- G. Remit the premiums set forth in Section II to the Plan, in accordance with the terms outlined in Section VI.

The Employer may submit enrollment information to the Plan via a method other than the enrollment form if pre-approved by the Plan. The Plan will determine, in its sole discretion, whether such method contains substantially similar information sufficient for enrollment.

The Plan has the right to inspect, at any reasonable time, any of the Employer's records that are relevant to administering the Entire Contract, including verification that the health plan's minimum participation and minimum contribution requirements are being met.

## **XII. HOW CLERICAL ERRORS WILL BE HANDLED**

If, due to a clerical error, the Employer fails to notify the Plan of an employee who is eligible for coverage, that error will not deprive the employee and any dependents of coverage or affect their entitlement to benefits provided the error is corrected.

If, due to a clerical error, the Employer fails to report the termination of coverage for an employee, that error will not extend coverage for the employee and any dependents beyond the termination date as defined by the Certificate, or beyond the last date for which the employee paid premium contributions, whichever is later. The Plan may refund, at its own discretion, premium paid beyond the appropriate termination date for such an individual, up to a maximum of six months' premium, if claims were not paid during that time.

If, however, as a result of the Employer's failure to report the termination of coverage for an employee, the Plan pays claims beyond the appropriate termination date, the Employer will pay premium for that employee's coverage for the period of time up to and including the month during which the Plan last paid claims or the Employer reported the eligibility change to the Plan, whichever is earlier.

An Employer's error will not create any liability whatsoever for the Plan.

## **XIII. TERM, TERMINATION, AND REINSTATEMENT**

- A. Term: Subject to payment of the applicable premiums, the Entire Contract will remain in force for the Contract Period shown in Section I of this Agreement, unless otherwise terminated in accordance with the terms of this section.

The Entire Contract shall be automatically renewed on the same terms and conditions for an additional period of time equivalent to the Contract Period, unless the Employer provides written notice of intention not to renew or the Plan terminates the Entire Contract.

The Plan has the right to change premium rates at renewal. The Plan also has the right at renewal to alter the health plan's benefit design consistent with that available to other policyholders as long as the alterations are not based upon the Employer's particular claims experience.

- B. Termination: Upon termination of the Entire Contract, benefits hereunder shall terminate for all covered Members as of the effective date of termination.

By the Employer:

The Employer may terminate the Entire Contract on the first day of any month by giving the Plan written notice at least 31 days before that date. Similarly, the Employer may terminate coverage under the Entire Contract, on the first day of any month, for an occupational group(s) of employees that is specified in this Agreement as eligible for coverage by giving the Plan written notice at least 31 days before that date. If the Employer terminates the Entire Contract or terminates coverage for an occupational group of employees under the Entire Contract on any date other than the contract renewal date, the Plan has the right to charge a penalty for early termination, up to the equivalent of one month's premium for the group.

If the Employer does not pay the premium when it is due or within the grace period, this Entire Contract will terminate at the end of the grace period. The Employer is liable for payment of all premiums due and unpaid, including the premium for coverage during the grace period, as well as the costs and reasonable legal fees the Plan incurs in collecting any premiums owed.

The Plan may agree to waive the automatic termination of the Entire Contract resulting from nonpayment of premium. If termination is waived, the Plan has the right to charge interest on the delinquent premium, and the Employer will be obligated to pay that interest. The interest rate charged will be the prime interest rate published in The Wall Street Journal on the first business day of that month plus 1%.

By the Plan:

If the Plan terminates the Entire Contract on any contract renewal date, the Plan will give written notice to the Employer at least 60 days before that date.

The Plan will not terminate the Entire Contract midterm except for one or more of the following reasons:

1. The Employer's failure to pay premium when due.
2. Fraud or misrepresentation by the Employer.
3. Substantial breaches of contractual duties, conditions, or warranties by the Employer.



4. The number of individuals covered under the health plan is less than the minimum participation requirement.
5. The Employer ceases operations.
6. The Employer has aligned this health plan in a dual choice situation with another plan without the Plan's prior written approval.

If the Plan terminates the Entire Contract for any of the above reasons, the Plan will give written notice to the Employer at least 31 days before the termination date. The exception is termination due to breach of the minimum participation requirement. In that case, termination will follow the procedure described above in "Minimum Participation Requirement."

7. The Plan uniformly ceases to offer the type of coverage provided in this Agreement without regard to any health status-related factors of any Members or potential Members of those groups. In this case the Plan will notify the Employer and Members not less than ninety (90) days prior to cessation of coverage
  8. The WEA Trust or its wholly-owned subsidiary elects to discontinue offering all health insurance coverage and/or health benefit plans in the market that includes the Employer, or in all markets, in the Employer's state of domicile. In this case, the Plan will:
    - a. Notify the state insurance regulator, the Employer, and the Members not less than 180 days prior to discontinuation of coverage;
    - b. Discontinue all health benefit plans in the state in the affected market or markets, and will not renew such coverage; and
    - c. Not provide for the issuance of any health insurance coverage and/or health benefit plans in the discontinued market in the state for the five-year period beginning on the date of discontinuation of the last coverage in that market.
- C. Reinstatement: In the event the Entire Contract is terminated for non-payment, the Plan shall determine, at its sole discretion, whether the Employer's Entire Contract may be reinstated after termination.

#### **XIV. RELATIONSHIP BETWEEN PARTIES**

- A. Between the Plan and Network Providers: The relationship between the Plan and Network Providers is a contractual relationship between independent contractors. Network Providers are not agents or employees of the Plan, nor is the Plan or any employee of the Plan an agent or employee of Network Providers.
- B. Between Network Providers and Members: The relationship between a Network Provider and any Member is that of physician and patient. The Network Provider is solely responsible for the health care services provided to any Member. The Plan is not liable for any act, omission, or other conduct of any provider in furnishing professional, ambulatory, hospital, or any other services to Members,

nor is any Network Provider liable for the acts of any other provider based solely upon his or her association with the Plan.

C. Between the Plan and the Employer – The contractual relationship is bound by the terms of the Agreement established by this document and nothing shall be construed to be a fiduciary relationship between the two.

## **XV. NOTICE**

All notices to the parties of this Entire Contract shall be in writing, postage prepaid, registered or certified mail, return receipt requested, and shall be deemed given when mailed. The notices shall be mailed to the parties indicated on the title page of this Agreement or to such other address or person designated by either party, in writing, during the term of this Entire Contract.

Notice given by the Plan to an authorized representative of the Employer shall be deemed notice to all affected Members in the administration of this Entire Contract, including termination of this Entire Contract or the termination of the Members' coverage. The Employer agrees to provide appropriate notice to all affected Members at its own expense.

## **XVI. CERTIFICATE OF COVERAGE**

The Plan will provide to the covered individuals, a Certificate of Coverage and Benefit Summary which will describe the health care services to which they are entitled.

## **XVII. WORKERS' COMPENSATION NOT AFFECTED**

The coverage provided under this Entire Contract is not in lieu of and does not affect any requirements for coverage under Workers' Compensation Insurance or under any Occupational Disease Act or Law.

## **XVIII. RESERVATIONS AND ALTERNATIVES**

The Plan reserves the right to contract with other corporations, associations, partnerships, or individuals for the furnishing and rendering of any of the services or benefits herein described on behalf of any Member.

## **XIX. PROTECTION OF LOGONS, PASSWORDS, AND ACCOUNT ACCESS CREDENTIALS**

The Employer shall protect and maintain the confidentiality of any logons, passwords, or account access credentials assigned to it by WEA Trust for use in conjunction with WEA Trust's electronic enrollment process or any other WEA Trust system, application, or program. The Employer shall permit only appropriate authorized personnel to use such logons, passwords, or account access credentials. The Employer shall be responsible and liable for all transactions, activities, and other consequences resulting from the Employer's use or disclosure of such logons, passwords, or account access credentials. Upon request of WEA Trust, the Employer shall immediately return and/or destroy all copies of such logons, passwords, or account access credentials.

## **XX. RULES AND REGULATIONS**

The Plan may request information from the Employer as is reasonably necessary to administer the Entire Contract in compliance with state or federal regulation. Upon the Plan's request, the Employer, and Members if applicable, agrees to assist the Plan in administration and compliance by:

- A. Providing verification of group size/number of employees;
- B. Providing Members' Social Security Numbers;
- C. Providing information reasonably necessary for the Plan to calculate its Patient-Centered Outcomes Research Institute (PCORI) fee;
- D. Distributing the Summary of Benefits and Coverage (SBCs) to some or all Members, in compliance with the scope, timing, and method of distribution of 29 C.F.R § 2590.715-2715 and any associated sub-regulatory guidance.

**(The signature page follows.)**

IN WITNESS WHEREOF, duly authorized representatives of the Employer and the WEA Insurance Corporation have executed this Agreement on the dates shown below.

**Payment for coverage by the Employer constitutes the Employer's acceptance of the terms and conditions of the Entire Contract even if the Employer fails to execute and return this Group Health Insurance Agreement to the WEA Insurance Corporation.**

Signed This \_\_\_\_\_ Day of \_\_\_\_\_, \_\_\_\_\_

Employer: School District of Random Lake

By: \_\_\_\_\_  
(Include Title)

Accepted by: WEA Insurance Corporation

WEA Insurance Corporation Representative:  \_\_\_\_\_

Date: 05/06/2020

The above group insurance plan is underwritten by WEA Insurance Corporation.