

## FFM Regulatory Compliance Addendum

This Regulatory Compliance Addendum (this “Addendum”) supplements and is made part of the Agent Agreement (“the Agreement”) between SHA L.L.C. d/b/a FirstCare Health Plans (referred to herein as “FirstCare”) and enter Company Name (referred to herein as “referred to Name”). This Addendum is effective as of the Effective Date of the Agreement and applies to FirstCare’s Qualified Health Plan (“QHP”) products. This Addendum shall apply to the extent that referred to Name is a Delegated Entity or Downstream Entity, as defined below. In the event of a conflict between this Addendum and the Agreement, this Addendum shall govern with respect to the services related to FirstCare’s participation in state and federal Exchanges.

### SECTION I QHP Definitions

Capitalized terms used in this Addendum that are not otherwise defined herein shall have the meanings set forth in the Agreement.

- 1.1 Delegated Entity. Any party that enters into an agreement with FirstCare to provide administrative or health care services to FirstCare members or employers if such members or employers use FirstCare’s QHP products.
- 1.2 Downstream Entity. Any party that enters into an agreement below the level of the arrangement between FirstCare and Delegated Entity for the provision of administrative or health care services related to FirstCare’s agreement with a Delegated Entity. These written arrangements continue down to the level of the ultimate provider of administrative or health care services.
- 1.3 Exchange or Health Insurance Marketplace. A governmental agency or non-profit entity that meets the applicable standards of 45 C.F.R. §155 subpart D and makes QHPs available to individuals and employers. This term includes both State-based and Federally-facilitated Exchanges.
- 1.4 Federally-facilitated Exchange. An Exchange established by the United States Department of Health and Human Services and operated by the Centers for Medicare & Medicaid Services (“CMS”) under section 1321(c)(1) of the Affordable Care Act for individual or small group market coverage, including the Federally-facilitated Small Business Health Options Program and the Federal eligibility and enrollment platform upon which certain State-based Exchanges rely for their eligibility and enrollment functions.
- 1.5 Qualified Health Plan or QHP. A health plan that has been certified that it meets the standards described in 45 C.F.R. § 156 subpart C or that has been approved by the state Exchange through which such plan is offered.
- 1.6 QHP Issuer Agreement. An agreement between the Centers for Medicare & Medicaid Services (“CMS”) and FirstCare, for FirstCare to offer QHPs through a Federally-facilitated Exchange.
- 1.7 QHP Services. Administrative or health care services provided to FirstCare members or employers if such members or employers use FirstCare’s QHP products.

### SECTION II QHP Requirements

2.1 Provision of Services. referred to Name will provide Services, as defined in the Agreement, and which include QHP Services, in a manner consistent with professionally recognized standards of care as may be required pursuant to the QHP Issuer Agreement and all applicable laws, regulations and instructions and in a manner so as to assure quality of Services.

2.2 Laws, Rules and Instructions. referred to Name will and will cause any Downstream Entities to, comply with:

- (a) all applicable state and federal laws;
- (b) all applicable state and federal regulations and CMS bulletins, instructions and guidance including but not limited to:
  - (i) 45 C.F.R. §156, subpart C as amended, if applicable;
  - (ii) 45 C.F.R. §155, subparts H and K as amended, if applicable;
  - (iii) 45 C.F.R. §155.705 as amended, if applicable;
  - (iv) 45 C.F.R. §155.220 as amended, if applicable;
  - (v) 45 C.F.R. §156.705 as amended, if applicable;
  - (vi) 45 C.F.R. §156.715 as amended, if applicable; and
  - (vii) 45 C.F.R. §156.340 as amended, if applicable;
- (c) all federal laws and regulations designed to prevent or ameliorate fraud, waste or abuse including, but not limited to, applicable provisions of federal criminal law, the False Claims Act (31 U.S.C. 3729 et. seq.) and the anti-kickback statute (section 1128B(b) of the Social Security Act);
- (d) HIPAA administrative simplification rules at 45 CFR Parts 160, 162, and 164 and the Health Care Administrative Simplification Act of 1994;
- (e) The Standard Rules of Conduct contained in the QHP Issuer Agreement as may be amended, if applicable.

2.3 Provision of QHP Services.

- (a) FirstCare has contracted with referred to Name for certain QHP Services that allow FirstCare to perform under the QHP Issuer Agreement and in compliance with state statutes. referred to Name acknowledges and agrees that to the extent CMS directs revocation, FirstCare shall provide immediate written notice of such to referred to Name, and such revocation shall become effective as directed by CMS. FirstCare shall provide for revocation of the delegated activities and reporting standards or specify other remedies in instances where a regulatory body or FirstCare oversight determines that referred to Name has not performed satisfactorily. referred to Name shall cooperate with FirstCare regarding the transition of any QHP Services that have been revoked by FirstCare. No additional financial obligations shall accrue to FirstCare with respect to such revoked activities from and after the date of

such revocation in accordance with this section.

- (b) If FirstCare asks referred to Name to provide additional QHP Services other than the activities described herein and in the Agreement, FirstCare and referred to Name agree that this Addendum shall apply to the provision of the additional QHP Services.
  - (c) If FirstCare has delegated to referred to Name the selection of any subcontractor, or other Downstream Entity, FirstCare retains the right to approve, suspend or terminate the arrangement with such subcontractors or other Downstream Entities.
- 2.4 Downstream Entities. If referred to Name has any arrangements, in accordance with the terms of the Agreement, with affiliates, subsidiaries, or Downstream Entities, directly or through another person or entity, to perform any QHP Services, referred to Name shall ensure that all such arrangements are in writing, duly executed, and include all the terms contained in this Addendum as may be interpreted, supplemented or amended in accordance with the terms and conditions of this Addendum. referred to Name shall provide proof of such to FirstCare upon request.
- 2.5 Monitoring and Oversight. referred to Name agrees to cooperate with the monitoring and oversight activities reasonably requested by FirstCare.
- 2.6 Privacy. referred to Name agrees to comply with all applicable state and federal privacy and security requirements. To the extent that referred to Name is a Business Associate of FirstCare, the terms of any Business Associate Agreement or Addendum between the parties shall apply.
- 2.7 Record Retention. referred to Name shall maintain records arising out of or related to the Agreement and the provision of QHP Services for at least ten (10) years from the date of termination or expiration of the Agreement or the date of completion of any audit, whichever is later, or such longer period required by law.
- 2.8 Government Access to Records. referred to Name acknowledges and agrees that the Secretary of the U.S. Department of Health and Human Services (“HHS”), the Office of Inspector General or their designees, shall have the right to audit, evaluate and inspect any pertinent books, contracts, computer or other electronic systems, including FirstCare records and documentation related to referred to Name’s QHP Services. This right shall exist through ten (10) years from the date of termination or expiration of the Agreement or the date of completion of any audit, whichever is later, or such longer period required by law.
- 2.9 FirstCare Access to Records. referred to Name shall grant FirstCare or its designees such audit, evaluation, and inspection rights identified in Section 2.8 herein, as are necessary for FirstCare to comply with its obligations to perform under the QHP Issuer Agreement and applicable law. Whenever possible, FirstCare will give referred to Name reasonable notice of the need for such audit, evaluation or inspection, and will conduct such audit, evaluation or inspection at a reasonable time and place.

**{Signatures on following page}**

**Acknowledge and Accepted:**

**SHA L.L.C. d/b/a FirstCare Health Plans**

**{Company Name}**

Signed By:

Signed By:

Printed Name:

Printed Name:

Title:

Title:

Date:

Date:



## Scott & White Health Plan Assignment of Commissions

To: \_\_\_\_\_ Tax ID: \_\_\_\_\_  
(Herein called the Assignee)

Assignee's Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_

For valuable consideration, the undersigned, herein called the Assignor, hereby assigns to the Assignee all of the Assignor's right, title, interest, claim or demand in and to any and all compensation now due and payable, or which may become due and payable, under existing contracts and agreements heretofore entered into by and between Scott & White Health Plan, on behalf of itself and its affiliates (collectively, the "Company") and Assignor.

Assignor hereby authorizes and empowers the Company to pay Assignee all compensation (including but not limited to over-riding commissions) now due or which may become due under the Agreement until such time as Assignor terminates this assignment by written notice to the Company. Assignor acknowledges and agrees that such payment of compensation to Assignee shall constitute payment of such compensation to the Assignor as if paid directly to the Assignor and the Company shall be fully released from any and all responsibility to the Assignor for such payments. Assignor hereby acknowledges and agrees that assignment of compensation payable under the agreement does not release or otherwise relieve Assignor of any obligation or responsibility under the Agreement including, but not limited to, the obligation to pay commissions to Solicitor Agents and/or the obligation to reimburse the Company for compensation paid on premiums subsequently refunded.

Assignor hereby covenants and agrees that Assignor is the absolute and sole owner of said compensation, free from assignment or encumbrance of any kind or character whatsoever, and has full right and lawful authority to so assign same. The Assignor shall at all times defend, indemnify and hold harmless the Company and its officers, agents, and employees from and against any and all suits, actions, losses, damages, claims, expenses (including but not limited to the Company's legal expenses) and liability of any character, type of description arising out of the execution or performance of this assignment.

Assignor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Assignor Name (printed): \_\_\_\_\_

Assignee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The Company acknowledges receipt of, and consents to the foregoing assignment, but assumes no responsibility for the validity or sufficiency hereof. This assignment is effective on the date signed by an authorized officer of the company.

By: \_\_\_\_\_ Date: \_\_\_\_\_  
(Authorized Company Signature)

Company Officer Name (printed): \_\_\_\_\_ Title: \_\_\_\_\_