

# AccertaChoice Private Health Services Plan Administration Contract

This agreement is between AccertaClaim Inc. and (the "Plan Sponsor"). AccertaClaim Servcorp Inc. and the Plan Sponsor agree as follows:

## 1. PURPOSE:

This agreement provides for the establishment and administration of a Private Health Services Plan (the Benefit Plan) for the Plan Sponsor.

## 2. BENEFIT EFFECTIVE DATE:

**Benefit Effective Date**        **1<sup>st</sup>, 20** , class of participant will be entitled to the benefits described below.

## 3. ELIGIBLE PARTICIPANTS/SCHEDULE OF BENEFITS:

**3.1** The Plan Sponsor may vary benefit levels and types of coverage by class of Participant.

**PLEASE CHECK IF SOLE PROPRIETOR**

| CLASS | Eligible Participants | Member Counts | Annual Maximum | Percent Co-Payment | Dental | EHC | Prescription Drugs | AccertaChoice Plus |
|-------|-----------------------|---------------|----------------|--------------------|--------|-----|--------------------|--------------------|
| A     |                       |               | \$             | %                  | ☒      | ☒   | ☒                  | ☒                  |
| B     |                       |               | \$             | %                  | ☒      | ☒   | ☒                  | ☒                  |
| C     |                       |               | \$             | %                  | ☒      | ☒   | ☒                  | ☒                  |
|       |                       |               | \$             | %                  | ☒      | ☒   | ☒                  | ☒                  |

| Added Value Products |               |                        |
|----------------------|---------------|------------------------|
| Coverage Type        | Member Counts | Annual Rate Per Member |
|                      |               | \$                     |
|                      |               | \$                     |
|                      |               | \$                     |
|                      |               | \$                     |

**3.2** The number of participants can be changed during the year as employees join or leave the firm. See Terms and Conditions on the reverse.

## 4. FEES AND PAYMENT OF FEES:

**4.1** The Plan Sponsor shall pay to Accerta a One-time Set-up Fee, as set out in the Payment Schedule below.

**4.2** The Plan Sponsor shall pay to Accerta the amount of all claims paid by Accerta to or on behalf of Participants plus a Transaction Fee of 10% of the Total Plan Coverage Limit (TPCL), plus all applicable taxes.

**4.3** Plan contributions shall be made on a **Pay Per Use** basis.

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**5. PAYMENT SCHEDULE:**

|   |           |
|---|-----------|
| <b>5.1</b> One-time Set-up Fee  | \$ 200.00 |
| <b>5.2</b> Total Plan Coverage Limit (TPCL), based on plan design and the current census of eligible participants | \$        |
| Transaction Fee (10.00% of TPCL)  | \$        |
| Added Value Products Combined   | \$        |
| HST (# 882482625) 13% (apply to Set up Fee, Transaction Fees)   | \$        |
| Premium Tax 2% (apply to Set up fees, TPCL & Transaction Fees)  | \$        |
| RST 8% (apply to TPCL and Travel and Catastrophic Stop Loss)  | \$        |
| Total Annual Cost   | \$        |
| Deposit (includes Annual Premium, Travel and/or Catastrophic Stop Loss Coverage, if applicable)                   | \$        |

The Plan Sponsor agrees to pay the costs of all claims plus taxes and fees as they fall due.

**6. GENERAL:**

- 6.1** This contract shall become binding upon acceptance by AccertaClaim Servcorp Inc.
- 6.2** This agreement is subject to all applicable taxes.
- 6.3** The Plan Sponsor acknowledges having read and understood, and agrees to, the Terms and Conditions set out on the reverse of this Agreement.

**AccertaClaim Servcorp Inc.**

Date:

Date:

Per:



Per: \_\_\_\_\_

Print: Nadine Dozois

Print:

Title: Director, Sales

Title:

An authorized signing officer for AccertaClaim Servcorp Inc.

An authorized signing officer for

# AccertaChoice Private Health Services Plan

## Terms and Conditions

### 1. PURPOSE:

This agreement provides for the establishment and administration of a Private Health Services Plan (the Benefit Plan) for the Plan Sponsor. Under this contract Accerta agrees to provide administrative assistance to the Plan Sponsor by adjudicating and paying the costs of Eligible Benefits provided to Participants of the Plan by Service Providers.

### 2. DEFINITIONS:

In this contract:

- 2.1** "Fee(s)" means a fee payable to Accerta by the Plan Sponsor in respect of ongoing administrative services.
- 2.2** "Benefit Plan" means the detailed description of Eligible Benefits set out in the Schedule of Benefits, including any limitations or conditions set out therein and the Administrative Policies Accerta follows in administering the Benefit Plan.
- 2.3** "Claim" means the amount of money due to be paid to or on behalf of a Participant for provision of Eligible Benefits by Service Providers.
- 2.4** "Direct Deposits" means an arrangement whereby Accerta pays claims directly into a participant's bank account using electronic means.
- 2.5** "EHC" means Extended Health Care benefits covering services provided by eligible Service Providers, as described in the Employee Handbook.
- 2.6** "Eligible Benefits" means those dental and health services listed in the Schedule of Benefits and include the provision of necessary goods related to the delivery of any such service.
- 2.7** "One-Time Set-up Fee" means a one-time payment for initial plan set-up, enrollment of eligible participants and the provision of identity cards and claim forms to participants.
- 2.8** "Participant" means the Plan Sponsor, any employee of the Plan Sponsor and those dependents of the Plan Sponsor or its participating employees that come within the definition of dependent for the purposes of a Private Health Services Plan pursuant to the Income Tax Act.
- 2.9** "Responsible Officer" means Accerta's President and CEO or any other individual duly appointed.
- 2.10** "Service Provider" means any person, corporation or other entity authorized by law to provide dental and other healthcare services listed in the Schedule of Benefits.

**2.11** "Total Plan Coverage Limit" means the total amount of coverage at any time chosen by the Plan Sponsor for all eligible participants exclusive of One-time Set up Fee, Transaction Fees and applicable taxes.

**2.12** "Transaction Fee" means a fee paid by the Plan Sponsor to Accerta on each claim paid by Accerta to or on behalf of Participants.

**2.13** "Travel and Catastrophic Stop Loss". Travel coverage provides travel medical emergency benefits to the enrolled participants. Catastrophic Stop Loss coverage pays for covered expenses in excess of \$10,000. Coverage details are provided in booklets issued by the insurance company which underwrites these benefits.

### 3. ENROLMENT OF ELIGIBLE PARTICIPANTS:

**3.1** The Plan Sponsor shall determine the classes of employees and dependents which are eligible to participate in the Plan.

**3.2** The Plan Sponsor agrees to furnish in a form acceptable to Accerta particulars of:

**3.2.1** Those persons who are eligible to be enrolled as participants in the plan upon plan commencement.

**3.2.2** Coverage limits and co-payment levels, if any, for each participant or class of participants.

**3.2.3** Those persons who become eligible to be enrolled as participants subsequent to plan commencement.

**3.2.4** Those persons who cease to be eligible to participate in the plan by reason of termination of employment or through no longer qualifying as a dependent.

**3.3** Particulars as to persons who cease to be eligible participants shall be provided by the Plan Sponsor to Accerta forthwith. Accerta shall not be liable for any payment made to a person who has ceased to be an eligible participant prior to Accerta receiving written notice that the person is no longer an eligible participant.

**3.4** The Plan Sponsor agrees to provide, or cause eligible participants to provide, sufficient particulars to enable Accerta to make direct deposits of claim payments into the participants' bank account. Claim payments are also acceptable.

# AccertaChoice Private Health Services Plan

## Terms and Conditions

### **4. FEES AND PAYMENT OF FEES:**

#### **Pay Per Use**

**4.1** The Plan Sponsor shall maintain a deposit with Accerta as set out in the payment schedule.

**4.1.1** Claims, plus fees and taxes will be paid out of funds on deposit. Accerta will invoice the Plan Sponsor for claims paid plus fees and taxes on a monthly basis as funds are used. Monthly invoices are sent 10 days prior to the first banking day of each month funds are used.

**4.1.2** From time-to-time, Accerta may need to increase or decrease the amount of funds on deposit to reflect actual claims experience. Accerta will provide fifteen (15) days notice to the Plan Sponsor of any such required change.

#### **General**

**4.2** In the event that submitted claims exceed the amount on deposit, Accerta may, at its discretion, suspend payment of claims until such time as sufficient funds are on deposit to cover any outstanding claims plus fees and taxes. In the event claims payment is suspended due to lack of funds in the Plan Sponsor's account, Accerta will refer claims enquiries from plan participants to the Plan Sponsor.

**4.3** Travel and/or Catastrophic Stop Loss coverage premiums shall be paid annually in advance. Failure to pay premiums when due can result in the cancellation of coverage subject to such grace periods as are set out in the governing insurance policies and applicable law, if any.

**4.4** After the payment of the One-time Set-up Fees, Accerta shall apply the monies paid by the Plan Sponsor hereunder firstly in payment of Claims and secondly in payment of the Transaction Fee due to the Accerta.

**4.4.1** Should the Plan Sponsor fail to pay when due any amount payable to Accerta under this Agreement, the Plan Sponsor shall pay interest to Accerta on all amounts past due at the rate of 12% per annum from the date of default to the date of payment.

### **5. ACCERTACHOICE PLUS OPTION:**

**5.1** The Plan Sponsor may, at its sole discretion, submit claims for amounts in excess of a plan participant's annual limit for payment by Accerta.

**5.2** A "plus" claim can only be made in respect of participants who have exhausted their basic benefit entitlement.

**5.3** Accerta will charge a minimum fee of \$20.00 and a maximum fee of \$300.00 for adjudication and payment of cost plus claims.

### **6. OUT-OF-PROVINCE/CANADA TRAVEL MEDICAL EMERGENCY INSURANCE AND CATASTROPHIC STOP LOSS**

**6.1** Out-of-Province/Canada Travel Medical Emergency Insurance and Catastrophic Stop Loss coverage are provided pursuant to policies of insurance underwritten by the Royal & Sun Alliance Insurance Company and issued in favour of AccertaClaim Servcorp Inc. Terms and conditions of said coverage are set out in the attached contracts.

**6.2** All claims shall be made in accordance with the terms and conditions set out in the respective contracts and shall be adjudicated in the sole discretion and at the sole responsibility of the Royal & Sun Alliance Insurance Company.

### **7. STATEMENTS AND RECORDS:**

**7.1** Accerta shall furnish to the Plan Sponsor annual statements of total Claims and Transaction Fees payable and paid during the immediately preceding twelve (12) months, commencing at the end of the first year that this Agreement is in force, such statement to be certified correct by a responsible officer of Accerta. Within forty-five (45) days after delivery of such annual statement, Accerta or Plan Sponsor (as the case may be) shall make the appropriate adjusting payment in the amount of the difference between the total amounts paid to Accerta during the preceding twelve (12) month period and the actual amounts that should have been paid, on the basis of the amounts set out in each annual statement.

**7.2** Accerta shall keep proper and sufficient records and accounts for the purposes of this Agreement. The Plan Sponsor or its duly accredited agent may at any reasonable time and upon not less than ten (10) days' prior notice to Accerta inspect such records and accounts at the head office of Accerta for the purpose of verifying any statement furnished by Accerta. Provided however, that any such inspection must be completed not later than six (6) months after delivery to the Plan Sponsor of such statement. Provided further, that in no event shall such inspection or planned inspection permit the Plan Sponsor to delay payment of any amounts required by this Agreement.

# AccertaChoice Private Health Services Plan

## Terms and Conditions

### **8. AMENDMENT AND TERMINATION:**

- 8.1** Accerta may from time to time but not less than ninety (90) days' notice to the Plan Sponsor amend any of the provisions of this Agreement.
- 8.2** This Agreement may be terminated by not less than sixty (60) days' notice given by either party to the other. The Plan Sponsor shall make all closing payments for claims processed or yet to be processed for the entire contract period plus the 60 day notice period.
- 8.3** The Plan Sponsor shall give notice to Accerta of any proposed changes in the Plan and such changes shall form part of this Agreement when accepted by Accerta in writing.

### **9. ADMINISTRATION OF PLAN:**

- 9.1** For the purposes of determining the eligibility of any Claim, the responsible officer shall have the exclusive right to determine any question which may arise in connection with any Claim and such determination made in good faith shall be conclusive and binding upon the Plan Sponsor and Accerta.
- 9.2** Any controversy or claim arising out of or relating to this Agreement or its breach between or by either or both of the parties shall be determined by a single arbitrator agreeable to both parties. If the parties fail to agree upon an arbitrator or if such arbitrator fails to act, then another arbitrator may be appointed by a lawyer upon the application of either party. The decision of the arbitrator shall be final and binding on both parties. The arbitration shall be governed by the laws of Ontario.
- 9.3** If any part of this Agreement or any amendment of it shall be determined by any arbitrator, court or other competent authority to be illegal, void or unenforceable, such determination shall not abrogate this Agreement or any part of it other than the part determined to be illegal, void or unenforceable, unless the invalid part shall be an essential term.
- 9.4** Notwithstanding any other provision of this Agreement, if the Plan Sponsor fails to pay Accerta when due any of the amounts provided for in the Agreement:

**9.4.1** Accerta may refuse or suspend payment of claims until the default is remedied;

and

**9.4.2** Accerta may terminate this Agreement forthwith by notice to the Plan Sponsor, whether or not payment of Claims has been refused or suspended.

- 9.5** When benefits provided under the Plan are available to a Participant under government healthcare benefits or healthcare insurance plans, the benefits of the other plan or plans will be deemed payable prior to the application of benefits under the Plan. The amount payable under the Plan with any co-ordination of benefits will be limited to the extent that the total amount available under all coverage's will not exceed one hundred (100 %) per cent of the allowable expenses.

### **10. GENERAL:**

- 10.1** This Agreement, including the terms defined in paragraph 2, shall be construed with all changes in gender and number required by the context.
- 10.2** This Agreement shall be deemed to have been made in and shall be governed by the laws of the Province of Ontario.
- 10.3** No waiver by either party of any breach of this Agreement shall be taken or held to be a waiver of any other breach of the same provision.
- 10.4** Notices required to be given under this Agreement shall be in writing given to the parties at their respective addresses set forth on the face of this agreement. Either party may change its address for notices at any time by written notice to the other. Notices given by mail shall be deemed to have been received on the second postal delivery date next following the date of mailing. Provided that in the event of disruption of mail service a notice shall only be effective if actually delivered.
- 10.5** Accerta may assign all rights and conditions of this Agreement upon notice to the Plan Sponsor.
- 10.6** This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.
- 10.7** This Agreement and any amendments embody the entire agreement between the parties with regard to the subject matter.
- 10.8** The Plan Sponsor authorizes Accerta to conduct a credit evaluation of the Plan Sponsor and further authorizes any credit reporting agency to provide credit information concerning the Plan Sponsor to Accerta.