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**Section 125 Administrator Service Agreement**

**Boone County Board of Education** (hereafter referred to as the Client) and Houchens Insurance Group, desire to enter into the following Service Agreement for the purpose of communication and enrollment of eligible employees under the Client Benefits Plan effective February 10th, 2022.

**ARTICLE I – Definitions**

1. Benefits Plan means insurance benefits provided to employees either employer paid or employee paid. These include but not limited to: Life Insurance, Disability Insurance, Dental, Vision, Supplemental/Voluntary Benefits such as Cancer, Accident, Critical Illness, etc. and may include Section 125 plan administration.
2. Plan administration (or Administrator) means the Client or the person named in the documents describing the Plan as responsible for the operation and administration of the Plan.

**ARTICLE II – Duties of Houchens Insurance Group, Representative**

Houchens Insurance Group representative or its designee will perform the following comprehensive, customized service and advice to the Client and/or to any employee of the Client, including by not limited to:

1. Develop a Benefit Strategy to meet short and long-term objectives;
2. Provide Section 125 Administration Services for all benefits eligible under the law
3. Conduct group meetings to provide eligible employees an overview of benefits under the Plan;
4. Provide all benefits eligible employees with an individual benefit counseling session, to include an individual review of benefits available under the Plan and a benefit statement showing all current elections and payroll deduction information, enroll or change any benefits offered under the Plan, and provide education on how to file claims, etc.
5. Provide resources for the employees to learn and become familiar with benefit offerings, examples include benefit guides, websites, online videos, etc.
6. Throughout the plan year, monitor how the plan is being used, identify items of concern, and provide dedicated service;
7. Provide a toll-free number to the Houchens Insurance Group Service Center as a resource for employees to call with questions.

**ARTICLE III – Duties of the Client**

1. The client will provide access to all plan summaries, benefit information, and copies of the current billings from all existing vendors;
2. The client will provide access to all eligible employees annually to Houchens Insurance Group, Representative or their designee for the purpose of annual communication and enrollment in the benefits under the Plan. This includes group and/or individual benefit communication sessions and enrollments.
3. The Client will allow Houchens Insurance Group, to offer voluntary individual or group insurance products during the next open enrollment with the effective date of April 1st, 2022 upon approval by the Client.
4. The Client will appoint Houchens Insurance Group as the Agent of Record on the group dental coverage effective March 1st, 2022.
5. The Client is responsible for management of plan and billing provisions, eligibility, and management of all benefit plans.
6. The Client is responsible for member eligibility records and notification to Benefit Providers/Carriers. This includes tracking for terminations for age-out of members/dependents, or retirees, and/or employees that leave employment or retire.

ARTICLE IV – Fees for Service

1. If applicable, administration fees, mailing fees and annual plan service fees including plan document preparation will be arranged between the client and any third party administrator/insurance carrier. The fee structured will be outlined in an agreement between the third party administrator/insurance carrier and the client.
2. The Client understands and agrees that the fees for services under this Agreement may be renegotiated in the event that substantial changes to the Plan would significantly increase the obligations or costs of providing these services with respect to the Plan. Any adjustment will be discussed with the Client prior to becoming effective and typically take effect at the beginning of the next Plan Year. However, events may transpire beyond Houchens Insurance Group and the Client’s control, such as State or Federal Legislative actions, Department of Insurance regulation changes, etc. In the event any fee adjustment is necessary during Plan Year, due to this type issue, Houchens Insurance Group will meet with the Client in advance of any adjustments to discuss any revisions necessary, the timeline and alternative options.
3. The cost of voluntary benefit selections are the responsibility of the employee that chooses to participate in a specific voluntary benefit. The Client agrees to payroll deduct these premiums (costs) from the employee’s paycheck and remit the premiums to the appropriate provider.
4. The Client agrees that Houchens Insurance Group shall have the opportunity to submit a bid for any and all benefits, whether voluntary or employer paid to be offered to the client and/or their employees.
5. Due to the nature of this arrangement, if it is necessary to add additional products to the benefits package, it shall be done so upon mutual agreement between the Client and the Houchens Insurance Group Representative. This is to ensure appropriate amount of revenue is generated to cover the cost and the fees for the above-mentioned services.
6. Houchens Insurance Group agrees to grandfather in payroll deducted supplemental benefits as mutually agreed upon by the Client. The Client agrees that for the duration of the agreement, no competitive bids shall be offered to their employees at the worksite by any vendor. This would include additions, upgrades, transfers, etc. on existing plans from any vendor that currently has payroll deductions with the client. This section is effective from the date this agreement is signed and shall remain in effect until its termination. A copy of the current billings from all existing vendors will be attached to this agreement.

**ARTICLE V – Indemnity**

The Client agrees not to file suit against Houchens Insurance Group for any damages or losses arising out of any negligent act or omission or any intentional misconduct of the Client, its appointees, employees or elected officials.

**ARTICLE VI – Term of Agreement**

This agreement shall become effective upon execution and remain in effect until 4/1/2023 with three optional annual renewals.

**ARTICLE VII – Termination**

1. Either party may terminate this Agreement at any time with “cause” upon written notice to the other party ninety (90) days in advance of termination, unless both parties agree upon another date. “Cause” may include but is not limited to:
   * 1. Violation of State or Federal laws and regulations
     2. Engaging in any illegal conduct
     3. Deliberate misrepresentation of insurance coverage
     4. Failure to send moneys to pay for employees’ policies and/or services to the appropriate companies when due
     5. Failure to perform the duties and requirements of the agreement
2. Either party may terminate this Agreement at any time “without cause” upon written notice to the other party one hundred and eighty (180) days in advance of the date of the termination, unless both parties agree upon another date.
3. All obligations, duties, and responsibilities under this Agreement shall cease as of the date of termination of this Agreement.

This Service Agreement is signed and dated this \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20 \_\_\_\_.

This document must be executed by a person authorized to amend or obtain coverage under the Benefits Plan.

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Signature, Title

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Client Name

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Bryne Wiseman, President

Houchens Insurance Group