



Flexible Spending Account Administrative Services Agreement

This Agreement is between INSURAPATH, INC. and _____.
INSURAPATH, INC. will be known as INSURAPATH and _____
will be known as the Plan Sponsor.

Section 1 – Terms

The term of this Agreement shall be _____. This Agreement specifies the services to be provided by INSURAPATH to the Plan Sponsor and Plan Sponsor’s enrolled, eligible participants under the IRS Section 125 Plan (the “Plan”). This Agreement shall automatically continue for successive twelve-month (12-month) periods unless modified or terminated according to this Agreement.

Section 2 – INSURAPATH Responsibilities

Enrollment Materials and Communication

In addition to the Summary Plan Description/Plan Document, INSURAPATH will provide the Plan Sponsor with the following materials:

1. Employer Agreement and Administrative Services Agreement
2. Employee Enrollment Application
3. Claim for Reimbursement form
4. Continuation Election form
5. Customer service for participants Monday through Friday, 8 am to 5 pm CT, excluding holidays

Enrollment Meetings

INSURAPATH will assist the Plan Sponsor in holding annual employee group meetings, as requested, for purposes of enrolling eligible employees in the Plan.

Summary Plan Description/Plan Document and Amendments

The Summary Plan Description/Plan Document will be prepared by INSURAPATH and reviewed and approved by the Plan Sponsor. (Please note as the Plan Sponsor you are responsible for the contents of the Summary Plan Document.)

The Summary Plan Description/Plan Document will provide details regarding:

1. Eligibility of employees and participation requirements
2. Termination and continuation provisions
3. Eligible reimbursements and excluded expenses
4. The procedures and requirements for submitting eligible expenses Claims

Processing/Funding Account

INSURAPATH will process and pay flexible spending claims as allowed by IRS regulations. INSURAPATH acknowledges that Plan Sponsor maintains the right to resolve all Summary Plan Description/Plan Document ambiguities and disputes relating to Covered Person’s eligibility, coverage, denial of claims or decisions regarding appeal or denial of claims, or any questions about the Summary Plan Description/Plan Document.

INSURAPATH will coordinate the funding of a flex reimbursement checking account for the Plan Sponsor against which checks or ACH transactions will be written for payment of flex reimbursements. INSURAPATH will notify the Plan Sponsor via telephone, fax or email of the amount necessary to fund the account as the eligible expenses are reimbursed.

Reports

INSURAPATH will provide to the Plan Sponsor standard reports used in administering a flexible spending account.

Monthly Invoices

INSURAPATH will prepare a monthly invoice for Administrative Services fees. This invoice will be prepared at least 10 days before fees are due and will reflect the number of covered subscribers for the current month.

Records Retention

INSURAPATH shall maintain for the duration of the Agreement and for at least seven (7) years after the termination of the Agreement, adequate records of all transactions between INSURAPATH, the Plan Sponsor and Covered Persons to the extent INSURAPATH has not given the records to the Plan Sponsor or its agent or agents upon termination of this Agreement.

Section 3 – The Plan Sponsor

Enrollment

The Plan Sponsor will be responsible for remitting all completed set-up documents and enrollment forms prior to the first day of the Plan. The Plan Sponsor will report all Plan enrollment changes to INSURAPATH (new eligible employee and eligible dependents, terminations, including COBRA terminations, coverage and status changes) within thirty (30) days of receiving such information.

Annual Contribution Amounts/Grace Period/Run-Out Period

The Plan Sponsor will be responsible for determining the annual medical expense spending account. The Plan Sponsor will also be responsible for determining if a grace period exists, the length of the grace period, up to 2½ months, as allowed by the IRS, as well as determining the run-out period as it relates to the grace period, if any.

Distribution of Printed Materials

The Plan Sponsor will be responsible for distribution of all materials to eligible participants, including copies of the Summary Plan Description/Plan Document or any amendments as pertaining to the Plan. The Plan Sponsor shall complete the Employer Agreement in its entirety, prior to the first day of the Plan year.

Amendments to Summary Plan Description/Plan Documents

The Summary Plan Description/Plan Document may be changed or amended from time to time, as requested by the Plan Sponsor. The Plan Sponsor is responsible to properly notify covered members of any plan changes that significantly affect their eligibility or provided benefits.

Payroll Deductions

The Plan Sponsor will be responsible for providing payroll deduction amounts of the elected contributions for flexible spending accounts for each payroll, for verification purposes.

COBRA Continuation Rights

The Plan Sponsor will notify terminated members of their COBRA coverage continuation privilege at the time of the Qualifying Event, unless otherwise noted on the Employer Agreement.

Monthly Fees

On or before the last day of the plan month, the Plan Sponsor will remit to INSURAPATH all fees due, including fees for Administrative Services and any other services for which a fee has been established and agreed to by the Plan Sponsor.

Discrimination

The Plan Sponsor shall initiate any action required in the event that the Plan becomes discriminatory.

Financial Risk/Outside Audits

The Plan Sponsor shall accept the financial risk of the flexible benefit plan. The Plan Sponsor will be responsible for the cost of any required outside audits.

Filing with the Department of Labor/IRS Form 5500

The Plan Sponsor will file the Summary Plan Description/Plan Document and related amendments with the Department of Labor (if required by the Department of Labor). The Plan Sponsor will be responsible for filing the required IRS Form 5500. The completed and signed report is to be submitted to the IRS by the last day of the seventh month immediately following the completion of the Plan Year.

Section 4 – Liability Clause

The Plan Sponsor shall hold harmless INSURAPATH and INSURAPATH's shareholders, directors, officers, employees and agents, against any and all loss, cost, damage, liability and expense (including reasonable attorney's fees), resulting or arising from the Plan Sponsor's performance of service under this Agreement, except to the extent of gross negligence, intentional misconduct or bad faith by INSURAPATH.

The Plan Sponsor agrees that INSURAPATH shall not be liable to the Plan Sponsor for any error or mistake made in good faith in connection with its performance of services under this Agreement, provided such error does not involve gross negligence, intentional misconduct or bad faith by the INSURAPATH.

Section 5 – Termination of Modification of Agreement

This Agreement can be terminated by either party on the first day of any month following a thirty-day (30-day) notice of termination in writing.

This Agreement may not be modified or changed in any way, except upon the agreement of both parties in writing, provided that if any provision is and shall be totally ineffective to that extent, but the remaining provisions shall be unaffected and remain in full force and effect. This Agreement supersedes any prior oral or written Agreement.

Section 6 – General Provisions

INSURAPATH may contract with its affiliates to perform any of the services provided under this Agreement.

This Agreement is entered into in the State of South Dakota wherein INSURAPATH is located and shall be governed in accordance with the laws thereof. In the event INSURAPATH is administering claims in another state, INSURAPATH will abide by the state laws and regulations set forth in that state.

If the Plan is amended and such Amendment significantly increases the service responsibilities, INSURAPATH reserves the right to adjust its fees accordingly upon written notice to the Plan Sponsor.

This Agreement and services provided herein are based on laws and regulations in effect for the period of this Agreement, as stated in Section 1. Any changes in the laws or regulations that result in a change in the services provided may result in an adjustment to the fee schedule.

The relationship between the parties is solely one of independent contractors and nothing in this Agreement shall be construed or deemed to create any relationship between the parties, including one of employment, agency or joint venture.

Execution of this Administrative Services Agreement occurs by signature of the authorized representatives.

Insurapath, Inc.	
	Plan Sponsor
Printed Name	Printed Name
Signature	Signature
Date	Date

Insurapath, Inc. 5300 S Broadband Lane Sioux Falls, SD 57108

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Avera Health Plans complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Avera Health Plans provides language assistance services free of charge through our Customer Care team available from 8 a.m. to 5 p.m. CT, Monday through Friday. Please see our translations PDF by visiting AveraHealthPlans.com/language.