Administrative Services Only - Addendum

Name of Employer
Effective Date

Coverage	☐ EHC & Dental ☐ EHC Only ☐ Dental Only
Stop Loss coverage of $10,000 per person per year (mandatory with ASO EHC plans)	4.9% of Health Revenue (claims plus administration)
Optional: Travel Coverage – Deluxe plan with 60 day per trip limitation	☐ Include - $2.38 Single / $4.76 Family

Administrative Services Only (ASO)

The Employer agrees to the terms and conditions as set out in the Master Agreement between Benefits by Design Inc. (BBD) and Green Shield Canada (for Administrative Services Only).

BBD is contracted in the administration of cash flow healthcare and dental benefits for the Employer and its eligible employees and dependents.

The Employer recognizes that this agreement is for Administrative Services Only and in no way should be considered "insurance", with the exception of the Travel and Stop Loss coverage. Its purpose is to lower expenses over and above the Employer's claims. The costs of all claims plus administrative expenses are the responsibility of the Employer. Please note that insured benefits are addressed in other portions of the *Benepac*® Employer Application for Group Insurance.

A "claim" means the amount of money claimed by a participating Practitioner or an eligible member for health services covered by the plan (see plan design).

A "contestable claim" means a claim in respect of which the claim procedure or eligibility is subject to determination.

The Employer shall pay to BBD the amount of all claims paid to the participating Practitioner or eligible employees for health services provided to eligible members plus an administration fee. Applicable taxes will also be added.

A 2 month minimum security deposit plus administration fees and applicable taxes is required. This is a security deposit which is held by Green Shield Canada and may be adjusted by Green Shield Canada based on claims volume and the demographics of the Employer group. It is fully refunded if the ASO arrangement is discontinued. Before the deposit is refunded, BBD will conduct a final accounting and the deposit will be reduced by claims incurred plus administration fees and applicable taxes.

The Employer is responsible for any surpluses or deficits that may occur. BBD reserves the right to reconcile the ASO account at any point during the year. At reconciliation, the Employer agrees to pay the full amount of the deficit to BBD if one exists. If a surplus exists, BBD will pay the surplus in a manner agreed to by BBD and the Employer.

Payments are due on the 1st of each month, and must be set up on our Pre-Authorized Payment plan.

Should the Employer fail to pay when due any amount payable to BBD under this agreement, the Employer shall pay interest on all the amounts past due at a rate of 1% per month from the date of default until payment. It should also be noted that claim payments may be suspended until such time as late payments and interest are paid to BBD.

In the event the administrative fees require any adjustment, BBD, at least 30 days prior to the anniversary date of this agreement, shall provide the Employer with full particulars of any proposed adjustment.

Authorized Signature of Employer	Date	Witness Signature	Date
Name and Title of Authorized Signing Officer		Signature of Licensed Insurance Agent	Date

ASO0210

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