

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS DATE 12/1/15

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

135



FROM: Human Resources Department

SUBMITTAL DATE:
 December 1, 2015

SUBJECT: Ratify and approve the Medicare Advantage with Prescription Drug Benefit (MA-PD) Group Agreement with RxSupplement with UHC of California for the 2015 Calendar Year. [District- ALL] [Total Cost - \$0] [SOURCE OF FUNDS - Employee and Retiree Health Premiums]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Medicare Advantage with Prescription Drug Benefit (MA-PD) Group Agreement with RxSupplement with UHC of California ("UnitedHealthcare") and the County of Riverside for the period of January 1, 2015 through December 31, 2015 (Attachment A);
2. Authorize the Human Resources Director to execute (4) copies of the Protected Health Information (PHI) Certification which is Exhibit B of the MA-PD Agreement;
3. Authorize the Chairperson to sign four (4) copies of the Agreement; and
4. Retain one (1) copy of each agreement and return three (3) copies of the agreement to Human Resources for distribution.

BACKGROUND:

Summary

Effective January 1, 2015, the County started offering UnitedHealthcare to active employees and retirees.

[Handwritten Signature]

Michael T. Stock
 Asst. County Executive Officer/
 Human Resources Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$	\$	\$	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	
SOURCE OF FUNDS: Employee and Retiree Health Premiums				Budget Adjustment: No	
				For Fiscal Year: 2014/15-15/16	

C.E.O. RECOMMENDATION:

APPROVE
 BY: Lani Sison
 Lani Sison

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 07/15/14, 3.44 | District: ALL | Agenda Number:

3-25

BACKGROUND:

Summary Continued:

The selection of UnitedHealthcare provides County employees and retirees' greater network access and lower costs on national and local levels.

UnitedHealthcare is a covered entity under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). To comply with HIPAA and the applicable requirements of 45 CFR Section 164.504 (f) (2), the Human Resources Department Benefits Division must implement an internal Privacy Policy requiring Benefits Workforce, Designated Employees, and Subcontractors who have been authorized to access protected health information ("PHI") to comply with the policy. The Privacy Policy is included as reference in Attachment B.

The MA-PD plan Group Agreement with RxSupplement (Attachment A) is offered to County Medicare eligible retirees.

Impact on Residents and Businesses

There is no direct impact to residents or private businesses in the County of Riverside.

SUPPLEMENTAL:

Additional Fiscal Information

The 2015 total annual cost for the Medicare Advantage plan is \$1 million. Currently, there are 239 Medicare retirees enrolled in the MA-PD plan. There is no direct cost to the County for the recommended action. Medicare eligible retirees pay the full cost of medical premiums, after receiving a County contribution toward retiree premiums, which range from \$25 to \$256 per month.

Contract History and Price Reasonableness

UnitedHealthcare was the top ranking company in the insurance and managed care sector on Fortune's 2015 "World's Most Admired Companies" list. UnitedHealthcare provides health benefits and services to more than 85 million individuals worldwide.

ATTACHMENTS:

- A. Medicare Advantage with Prescription Drug Benefit (MA-PD Plan) Group Agreement with RxSupplement, including Protected Health Information (PHI) Certification (Exhibit B)**
- B. Human Resources Department, Employee Benefits Division, Privacy Policy**

Attachment A
Medicare Advantage with Prescription Drug Benefit (MA-PD Plan)
Group Agreement with RXSupplement

**MEDICARE ADVANTAGE WITH PRESCRIPTION
DRUG BENEFIT (MA-PD PLAN) GROUP AGREEMENT
WITH RXSUPPLEMENT**

This Medicare Advantage with Prescription Drug Benefit (MA-PD Plan) Group Agreement with RxSupplement (this "Agreement") is entered into effective as of January 1, 2015 (the "Effective Date") between UHC of California, a California corporation, hereinafter referred to as "UnitedHealthcare," and the County of Riverside, a political subdivision of the State of California, hereinafter referred to as "Group."

RECITAL OF FACTS

UnitedHealthcare is a Medicare Advantage with Prescription Drug Benefit Plan sponsor certified by the Centers for Medicare & Medicaid Services to offer a Medicare Advantage with prescription drug benefit plan.

UnitedHealthcare also provides commercial prescription drug plan coverage that supplements its MA-PD Plan drug coverage (the "RxSupplement Plan"). The RxSupplement Plan is a fully insured state filed insurance product.

Group is an employer or other entity which sponsors an employee welfare benefit plan and desires to provide a UnitedHealthcare MA-PD Plan for its Eligible Retirees and their Eligible Dependents.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, UnitedHealthcare and Group agree as follows:

1. DEFINITIONS

1.01 Agreement is this MA-PD Plan group agreement, including, but not limited to any attachments or exhibits and any amendments thereto, and by reference, the Evidence of Coverage, Summary of Benefits, RxSupplement Plan Certificate of Coverage, and any amendments thereto.

1.02 Bonus Drugs are prescription drugs and drug products that are covered by the MA-PD Plan through the RxSupplement Plan coverage.

1.03 Centers for Medicare & Medicaid Services ("CMS") is a Federal agency within the United States Department of Health and Human Services and is responsible for administering various Medicare programs.

1.04 Coinsurance is the portion of medical expenses for a service the Member must pay out-of-pocket, usually a fixed percentage. Coinsurance is usually applied after

a deductible or Copayment requirement is met. Coinsurance is in addition to the MA-PD Plan Beneficiary Premium.

1.05 Copayment(s) is a fixed dollar amount payable to a health care provider or pharmacy by the Member when the Member receives a health care service or product that is covered by the MA-PD Plan. Copayments are in addition to the MA-PD Plan Beneficiary Premium.

1.06 Covered Part D Drugs are the Medicare Part D eligible prescription drugs and drug products covered pursuant to the current terms of the MA-PD Plan, in compliance with Medicare Laws and Regulations.

1.07 Covered Services are the health care services and products covered pursuant to the current terms of the MA-PD Plan.

1.08 Eligible Dependent(s) is any person defined as a qualified dependent by Group, who meets all the eligibility requirements of Group and the MA-PD Plan and who is eligible to enroll in a Medicare Advantage with prescription drug benefit plan under the Medicare Laws and Regulations and who permanently resides within the Service Area.

1.09 Eligible Retiree(s) is a former Group employee who has met the minimum required retiree participation conditions as determined by Group, who is eligible to enroll in a Medicare Advantage with prescription drug benefit plan under the Medicare Laws and Regulations, who meets the eligibility and enrollment requirements of the MA-PD Plan, and who permanently resides in the Service Area.

1.10 Enrollment is the enrollment of Group's Eligible Retirees and Eligible Dependents into the MA-PD Plan by Group. Enrollment is conditioned upon acceptance of the Eligible Retiree or Eligible Dependent by UnitedHealthcare and by CMS, the execution of this Agreement by UnitedHealthcare and by Group, and the receipt of MA-PD Plan Beneficiary Premium by UnitedHealthcare.

1.11 Evidence of Coverage ("EOC") is the document supplied by UnitedHealthcare and issued to Members disclosing and setting forth the health care and prescription drug benefits and terms and conditions of coverage of the Medicare Parts A, B and D portions of the plan to which Members of the MA-PD Plan are entitled. The EOC is incorporated fully into this Agreement by reference.

1.12 Group is the single employer or other entity identified above.

1.13 Group Plan is the employee welfare benefit plan sponsored by Group.

1.14 Group Contribution is the amount of the MA-PD Plan Beneficiary Premium applicable to each Member which is paid by Group.

1.15 Low Income Subsidy ("LIS") is a low-income subsidy provided to a LIS-eligible Member for the cost of the Member's premium or drug cost-sharing coverage

under a Medicare Advantage with prescription drug benefit plan, as described in Medicare Laws and Regulations.

1.16 MA-PD Plan collectively refers to the Medicare Advantage with prescription drug benefit plan and the RxSupplement Plan described in this Agreement, subject to modification, amendment or termination pursuant to the terms of this Agreement and the Group Plan.

1.17 MA-PD Plan Beneficiary Premium is an amount established by UnitedHealthcare to be paid to UnitedHealthcare by or on behalf of each Member enrolled in the MA-PD Plan for coverage under the MA-PD Plan. MA-PD Plan Beneficiary Premium may include late enrollment penalties as assessed by CMS for those Members who did not have creditable prescription drug coverage for a period that exceeds sixty-three (63) calendar days from or after eligibility for Medicare Part D Plan.

MA-PD Plan Beneficiary Premium will not include Income Related Monthly Adjustment Amounts (IRMAA), if any, as assessed and billed to Member by the Social Security Administration to certain individuals with higher incomes. Member is responsible for the payment of IRMAA and if not paid, Member will be disenrolled from the MA-PD Plan by CMS.

1.18 Medicare Laws and Regulations are, collectively, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (the "MMA"), the Medicare Improvements for Patients and Providers Act of 2008, the Patient Protection and Affordable Care Act, the regulations implementing the Medicare Advantage provisions at 42 CFR Part 422, together with guidance, instruction and other directives from CMS relating to Medicare Advantage Plans, and the regulations implementing the Medicare Part D Plan provisions of the MMA at 42 CFR Part 423, together with guidance, instruction and other directives from CMS relating to the Medicare Part D Plan.

1.19 Medicare Part D Plan is a Medicare Part D prescription drug benefit plan.

1.20 Member is the Eligible Retiree and/or Eligible Dependent who is eligible and covered by the MA-PD Plan.

1.21 Open Enrollment Period is the annual period established by Group, or if no Open Enrollment Period is declared by Group, another period required by CMS, during which all eligible and prospective Group Eligible Retirees and Eligible Dependents may enroll in the MA-PD Plan.

1.22 RxSupplement Plan Certificate of Coverage ("RxSupplement COC") is the document supplied by UnitedHealthcare and issued to Members disclosing and setting forth the prescription drug benefits, terms and conditions and coverage of the RxSupplement Plan portion of the MA-PD Plan to which Members of the MA-PD Plan are entitled.

1.23 Service Area is a geographic area approved by CMS within which an MA-PD Plan Member must permanently reside in order to enroll in the MA-PD Plan.

1.24 UnitedHealthcare Affiliates are all companies controlling, controlled by or under common control with UHC of California.

1.25 UnitedHealthcare Enrollment Packet is the packet of information supplied by UnitedHealthcare to prospective and current Members which discloses plan policy and procedure, and provides information about MA-PD Plan medical and prescription drug benefits and exclusions.

2. ELIGIBILITY AND ENROLLMENT

2.01 Eligibility. The MA-PD Plan specifies the coverage for which Eligible Retirees and Eligible Dependents are eligible, in consideration of their continued entitlement to Medicare Part A and enrollment in Part B, and in consideration of UnitedHealthcare's receipt of any specified MA-PD Plan Beneficiary Premium. Only persons with Medicare Parts A and B are allowed to be enrolled in the MA-PD Plan. The Member is responsible for paying the appropriate premiums for Medicare Part A and/or Part B.

2.02 Submission of Eligibility List and Enrollment Election Forms. Group shall submit an electronic list of Eligible Retirees and Eligible Dependents (the "Group Eligibility List"). Group shall submit any and all modifications to the Group Eligibility List to UnitedHealthcare by the tenth (10th) calendar day of each month. Additions to the Group Eligibility List must be received by the tenth (10th) calendar day of the month before a Member's coverage becomes effective in order for such Member's coverage to be considered effective as of the first day of the following month. The Group Eligibility List is subject to modification by UnitedHealthcare based upon acceptance or rejection of Enrollment by UnitedHealthcare and CMS.

2.02.01 Enrollment/Election. A properly completed Enrollment form must be submitted to UnitedHealthcare by Group for each Eligible Retiree and Eligible Dependent to be enrolled in the MA-PD Plan. UnitedHealthcare may accept a uniform group Enrollment (without individual enrollment election forms and usually in an electronic file format), if such group Enrollment is conducted pursuant to Medicare Laws and Regulations. If Group utilizes the group enrollment process to enroll its Eligible Retirees and Eligible Dependents in the MA-PD Plan, Group will make available to its Eligible Retirees and Eligible Dependents the ability to opt out of the enrollment in a manner that allows its Eligible Retirees and Eligible Dependents to enroll in another plan of their choice on a timely basis and in accordance with Medicare Laws and Regulations.

Required elements for an Enrollment include, but are not limited to the following: the MA-PD Plan name; Member name; Member birth date; Member gender; Member permanent residence address; Member Medicare number; Member's response to the end-stage renal disease question; contact information if signed by an authorized representative; Group name and Group number. For a paper Enrollment form, an

additional required element is Member's signature or Member's authorized representative's signature.

2.02.02 Time of Enrollment. All Enrollment forms shall be completed by Eligible Retirees and Eligible Dependents and retained by Group to UnitedHealthcare during the Open Enrollment Period. Group will provide enrollment and disenrollment information via the Group Eligibility List. The EOC applicable to the MA-PD Plan includes information regarding Initial Enrollment Period and Special Enrollment Period, as defined by CMS, during which Eligible Retirees and Eligible Dependents may enroll in the MA-PD Plan outside of the Open Enrollment Period.

Group shall forward all enrollment information for receipt by UnitedHealthcare by the tenth (10th) calendar day of each month. Group acknowledges that any Enrollment form not received by UnitedHealthcare by the tenth (10th) calendar day of each month may be rejected by UnitedHealthcare or may result in a later effective date of coverage.

2.02.03 Enrollment Notice to Eligible Retirees and Eligibles Dependent. Group shall provide a written notice, prepared by UnitedHealthcare, to Eligible Retirees and Eligible Dependents at the commencement of the Open Enrollment Period and throughout the year to persons who become eligible at times other than during the Open Enrollment Period. The written notice shall provide notice of the availability of coverage under the MA-PD Plan.

2.02.04 Enrollment Record Retention. Group's record of Member's enrollment election must exist in a format that can be easily, accurately and quickly reproduced for later reference by each individual Member, UnitedHealthcare and/or CMS, as necessary, and be maintained by Group for the term of this Agreement and for ten (10) years thereafter.

2.03 Commencement of Coverage. The commencement date of coverage under the MA-PD Plan shall be effective in accordance with the terms of this Agreement and Medicare Laws and Regulations (or, if applicable, in accordance with the eligibility date CMS communicates to UnitedHealthcare). UnitedHealthcare's acceptance of each Member's Enrollment is contingent upon receipt of the applicable MA-PD Plan Beneficiary Premium payment and CMS' confirmation of enrollment.

2.04 Involuntary Disenrollment. In the event a Member no longer meets Group's eligibility requirements for participation in the MA-PD Plan, Group and/or Member shall provide written notice to UnitedHealthcare of such Member's disenrollment from the MA-PD Plan or Group shall provide notice via the monthly Group Eligibility List submission, if applicable. Such notice, regardless of medium, shall include the reason for disenrollment. Group shall notify UnitedHealthcare within thirty (30) calendar days of receiving involuntary disenrollment notification on the proposed effective date of disenrollment. Disenrollment generally cannot be effective prior to the date Group submits the disenrollment notice.

In the case of a Member who no longer meets Group's eligibility requirements for participation in the MA-PD Plan or in the case of termination of this Agreement in accordance with Section 6, Group will issue prospective notice to Member of the termination a minimum of twenty-one (21) calendar days prior to the effective date of said termination. Such notice must advise Member of other insurance options that may be available through Group. Group will also advise such Member that the disenrollment action means the Member will not have Medicare prescription drug coverage. Notice must include information about the potential for late-enrollment penalties that may apply in the future.

The effective date of disenrollment always falls on the last calendar day of a month. In the case of a Member no longer meeting Group's eligibility requirements, Group will send UnitedHealthcare notice of a Member's termination from the MA-PD Plan by the first calendar day of the month for an effective date of the last calendar day of that month. All notifications received after the first calendar day of the month will result in a termination effective date of the last calendar day of the following month. Group agrees to pay any applicable MA-PD Plan Beneficiary Premium through the last calendar day of the month in which Member is enrolled.

2.05 Voluntary Disenrollment. In the event a Member elects to discontinue being covered by the MA-PD Plan, UnitedHealthcare must receive a written notice signed by Member that complies with Medicare Laws and Regulations by the tenth (10th) calendar day of the month in order for termination of the MA-PD Plan to be effective as of the last day of the month. In the event Group submits Member voluntary disenrollment via the Group Eligibility List, Group must include in the Group Eligibility List the date Member advised Group of disenrollment. The effective date of disenrollment always falls on the last calendar day of a month. Disenrollment cannot be effective prior to the date Member advises Group of disenrollment or Member submits the Member's signed, written disenrollment notice. All notifications received after the tenth (10th) calendar day of the month can result in a termination effective date of the last calendar day of the following month. Group agrees to pay any applicable MA-PD Plan Beneficiary Premium through the last calendar day of the month in which Member is enrolled.

2.06 Disenrollment Record Retention. Group's record of Member's election to disenroll must exist in a format that can be easily, accurately and quickly reproduced for later reference by each individual Member, UnitedHealthcare and/or CMS, as necessary, and be maintained by Group for at least ten (10) years following the effective date of the Member's disenrollment from the MA-PD Plan.

3. GROUP OBLIGATIONS, MA-PD PLAN BENEFICIARY PREMIUM AND COPAYMENTS

3.01 Notices to Member. If Group or UnitedHealthcare terminates this Agreement pursuant to Section 6 below, Group shall promptly notify all Members enrolled through Group of the termination of their coverage in the MA-PD Plan. Such

notification will include any other plan options that may be available through Group. Group shall provide such notice by delivering to each Member a true, legible copy of the notice of termination sent from UnitedHealthcare to Group, or from Group to UnitedHealthcare, at the Member's then current address. Group shall promptly provide UnitedHealthcare with a copy of the notice of termination delivered to each Member, along with evidence of the date the notice was provided. In the event that UnitedHealthcare terminates Member's enrollment in the MA-PD Plan for non-payment of MA-PD Plan Beneficiary Premium or UnitedHealthcare's non-renewal of this Agreement, Members will receive notice of termination from UnitedHealthcare.

If UnitedHealthcare or Group makes any changes affecting Members' benefits or obligations under the MA-PD Plan, including but not limited to, increasing the MA-PD Plan Beneficiary Premium payable by Member, increasing Copayments or Coinsurance or reducing Covered Services, Covered Part D Drugs or Bonus Drugs unless the change is to be communicated by UnitedHealthcare through the Annual Notice of Change process, the party promulgating the change shall promptly notify all Members enrolled through Group of the applicable change. If Group promulgates the change and is required to provide notice to Members, Group shall provide such notice by delivering to each Member a true, legible copy of the notice of the applicable change at the Member's then current address. When required by CMS, Group shall promptly provide UnitedHealthcare with a copy of any notice delivered to each Member, along with evidence of the date the notice was provided. UnitedHealthcare shall have no responsibility to Members in the event Group fails to provide the notices required by this Section 3.01.

3.02 MA-PD Plan Beneficiary Premium. MA-PD Plan Beneficiary Premium will be paid to UnitedHealthcare by the Due Date in accordance with Section 3.04 below. Group shall pay or ensure payment of any portion of MA-PD Plan Beneficiary Premium for Members for which Group is responsible. Each Member is responsible for paying to UnitedHealthcare or Group, as applicable, any portion of MA-PD Plan Beneficiary Premium for which he or she is responsible. When agreed by UnitedHealthcare and Group, UnitedHealthcare will bill each Member for Member's amount of the MA-PD Plan Beneficiary Premium. UnitedHealthcare shall arrange for Covered Services, Covered Part D Drugs and Bonus Drugs under the MA-PD Plan only for those Members for whom the applicable MA-PD Plan Beneficiary Premium has been paid.

3.03 Late Enrollment Penalty. MA-PD Plan Beneficiary Premium may include any late enrollment penalties as determined applicable by CMS. The late enrollment penalty ("LEP") is based on the combination of a percentage of the national average Part D bid amount set by CMS and the number of months a beneficiary has not enrolled in a Medicare Part D plan, when eligible or a Member does not have creditable coverage (coverage containing a prescription drug benefit that is equivalent to Medicare Part D). The LEP is communicated to UnitedHealthcare by CMS upon confirmation of Member enrollment by CMS. In the event Member is assessed a LEP by CMS, UnitedHealthcare will bill the LEP directly to Member.

3.04 Due Date. MA-PD Plan Beneficiary Premium is due in full on a monthly basis by check or electronic transfer and must be paid directly by Group and/or by Member, as applicable, to UnitedHealthcare on or before the first business day of the month for which the premium applies ("Due Date"). Failure to pay the MA-PD Plan Beneficiary Premium on or before the Due Date may result in termination of the Member from the MA-PD Plan in accordance with eligibility requirements as determined by the Group, the procedures set forth in the EOC, the RxSupplement COC and Medicare Laws and Regulations. For payments due from Group, UnitedHealthcare reserves the right to assess Group an administrative fee of five percent (5%) of the monthly premium prorated on a thirty (30)-day month for each day it is delinquent thereafter. This fee will be assessed solely at UnitedHealthcare's discretion. In the event that deposit of payments not made in a timely manner are received by UnitedHealthcare after termination of Group, the depositing or applying of such funds does not constitute acceptance, and such funds shall be refunded by UnitedHealthcare within twenty (20) business days of receipt, if UnitedHealthcare, in its sole discretion, does not reinstate Group.

3.05 Modification of MA-PD Plan Beneficiary Premium and Benefits.

3.05.01 Modification of MA-PD Plan Beneficiary Premium. MA-PD Plan Beneficiary Premium may be modified by UnitedHealthcare if such change is proposed by CMS, or other Medicare Laws and Regulations, or if Group does not meet the required membership as set forth in Exhibit A upon at least one hundred and eighty (180) calendar days written notice to Group. Any such modification shall take effect commencing the first of the month of the following calendar year.

3.05.02 Modification of Benefits or Terms. Covered Services and Covered Part D Drugs, as set forth in the EOC, as well as other terms of coverage under the MA-PD Plan may be modified by UnitedHealthcare if such change is proposed by CMS, or other Medicare Laws and Regulations, upon sixty (60) calendar days written notice to Group. Any such modification shall take effect commencing the first full month following the expiration of the sixty (60) day notice period or on a later date specified in the notice.

3.06 Effect of Payment. Except as otherwise provided in this Agreement, only Members for whom the MA-PD Plan Beneficiary Premium is received by UnitedHealthcare are entitled to benefits under the MA-PD Plan, and then only for the period for which such payment is received.

3.07 Adjustments to Payments. No retroactive adjustments may be made beyond ninety (90) calendar days for any additions to or terminations of Eligible Retiree, Eligible Dependent or Member or changes in coverage classification not reflected in UnitedHealthcare's records at the time UnitedHealthcare calculates and bills for MA-PD Plan Beneficiary Premium.

Any imposition of or increase in any premium tax, guarantee or uninsured fund assessments, or other governmental charges relating to or calculated in regard to the MA-

PD Plan Beneficiary Premium shall be automatically added to the MA-PD Plan Beneficiary Premium as of their legislative effective dates, as permitted by law. In addition, any change in law or regulation that significantly affects UnitedHealthcare's cost of operation can result in an increase in the MA-PD Plan Beneficiary Premium, in an amount to be determined by UnitedHealthcare, as of the next available date of MA-PD Plan Beneficiary Premium adjustment, as permitted by law. UnitedHealthcare will provide Group with a thirty (30) day advance notice of any such MA-PD Plan Beneficiary Premium adjustments addressed in this Section 3.07.

3.08 Member/Marketing Materials. Group shall provide UnitedHealthcare with copies of any and all materials relating to the coverage available through the MA-PD Plan that Group intends to disseminate to Eligible Retiree, Eligible Dependent or Member. All materials relating to the MA-PD Plan and/or UnitedHealthcare shall be subject to review and written approval by UnitedHealthcare prior to its distribution by Group. Group understands that the MA-PD Plan is subject to federal and state regulatory oversight, and that Eligible Retiree, Eligible Dependent or Member materials and marketing materials (including, but not limited to, cover letters accompanying direct mail kits, announcement mailings, etc.) may be required to be filed with, reviewed and approved by, CMS or state regulators prior to use. Group agrees not to distribute such material prior to receipt of written approval of the material by UnitedHealthcare. Group shall assume all liabilities and damages arising from Group's unauthorized dissemination of Eligible Retiree, Eligible Dependent or Member materials and/or marketing materials. Group also agrees to comply with all relevant federal and state regulatory requirements regarding the distribution and fulfillment of Eligible Retiree, Eligible Dependent or Member materials and/or marketing materials and applicable timeframes.

3.09 Employer/Union-Only Group MA-PD Plan Obligations. Pursuant to Medicare Laws and Regulations, Group acknowledges and agrees to comply with the following obligations with respect to the MA-PD Plan.

3.09.01 Uniform Premium Requirements: Group may determine how much of a Member's MA-PD Plan Beneficiary Premium Group will subsidize, subject to the following conditions in determining the MA-PD Plan Beneficiary Premium subsidy:

a. Group can subsidize different amounts for different classes of Members in the MA-PD Plan provided such classes are reasonable and based on objective business criteria, such as years of service, date of retirement, business location, job category, and nature of compensation (e.g., salaried v. hourly). Different classes cannot be based on eligibility for Low Income Subsidy individuals;

b. Group cannot vary the MA-PD Plan Beneficiary Premium subsidy for individuals within a given class of Members, other than as is required for the CMS-assessed late enrollment penalty; and

c. Group cannot charge a Member for prescription drug coverage provided under the MA-PD Plan for more than the sum of his or her monthly MA-PD Plan Beneficiary Premium attributable to basic prescription drug coverage and 100% of the monthly MA-PD Plan Beneficiary Premium attributable to his or her supplemental prescription drug coverage (if any).

3.09.02 Low Income Subsidy: For all MA-PD Plan Low Income Subsidy eligible individuals:

a. UnitedHealthcare will administer Low Income Premium Subsidy (LIPS) credits. Pursuant to federal regulations, the LIPS amount must first be used to reduce the portion of the monthly MA-PD Plan Beneficiary Premium attributable to basic prescription drug coverage paid by Member, with any remaining portion of the LIPS amount then applied toward the portion of the monthly MA-PD Plan Beneficiary Premium attributable to basic prescription drug coverage paid by Group. If, however, UnitedHealthcare does not or cannot directly bill Group's Members, CMS will waive this up-front reduction requirement and permit UnitedHealthcare to directly refund the amount of the LIPS to the Member.

b. If the sum of Member's and Group's monthly MA-PD Plan Beneficiary Premium is less than the amount of the LIPS credit, any amount of the LIPS credit above the total MA-PD Plan Beneficiary Premium must be returned to CMS; and

c. If the LIPS credit for which a Member is eligible is less than the portion of the monthly MA-PD Plan Beneficiary Premium paid by Member, Group shall communicate to Member the financial consequences for Member of enrolling in the Group MA-PD Plan as compared to enrolling in another Medicare Part D Plan with a monthly beneficiary premium equal to or below the LIPS amount.

d. Any LIPS credit due to Member and/or Group must be applied within forty-five (45) calendar days of receipt.

e. To enable UnitedHealthcare to appropriately administer LIPS disbursements, Group shall complete and return an annual attestation issued by UnitedHealthcare.

i. The attestation validates the Group's current billing procedures and is used to determine the recipient of LIPS disbursements.

- ii. The lack of an up-to-date attestation will default the disbursement of LIPS to Member regardless of prior year attestation information.
- iii. UnitedHealthcare will not refund Group for LIPS disbursements made to Member during periods prior to an adequate attestation being completed and returned.
- iv. In order to collect and redistribute misappropriated LIPS disbursements made to Group, UnitedHealthcare reserves the right to bill Group who has received LIPS disbursements on behalf of Member due to incorrect attestation information.

f. UnitedHealthcare shall provide reporting to Group for Members currently receiving LIPS disbursements. These reports will identify Member by name and display their respective monthly disbursements. These reports are intended to allow Group to recoup, if applicable, any remaining portion of the LIPS credit (payment that remains after the LIPS credit is used to exhaust the monthly MA-PD Plan Beneficiary Premium attributable to basic prescription drug coverage paid by the Member). If the reported amount exceeds \$30, the amount distributed would likely cover multiple months. The employer would only be allowed to recoup the difference between the monthly MA-PD Plan Beneficiary Premium and the monthly LIPS credit amount. In these cases, a request for a more detailed report from UnitedHealthcare should be sought before attempting to recoup LIPS disbursements.

3.10 Compliance with the Health Insurance Portability and Accountability Act of 1996; Creditable Coverage. UnitedHealthcare is not responsible for issuing any and all notices of creditable coverage required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to eligible Members.

4. PARTIES AFFECTED BY THIS AGREEMENT; RELATIONSHIPS BETWEEN PARTIES

4.01 Relationship of Parties. UnitedHealthcare is not the agent or representative of Group and shall not be liable for any acts or omissions of Group, its agents or employees, or any other person or organization with which Group has made, or hereafter shall make, arrangements for the performance of services under this MA-PD Plan. Group is not the agent or representative of UnitedHealthcare and shall not be liable for any acts or omissions of UnitedHealthcare, its agents, employees or providers, pharmacies, or any other person or organization with which UnitedHealthcare has made, or hereafter shall make, arrangements for the performance of services under this MA-PD Plan.

4.02 Roles. UnitedHealthcare shall not be deemed or construed as an employer or as an employee for any purpose with respect to the administration or provision of benefits under Group's benefit plan. UnitedHealthcare shall not be responsible for fulfilling any duties or obligations of an employer or an employee with respect to Group's benefit plan. This Agreement is a business transaction between two unrelated parties.

5. TERM OF AGREEMENT; RENEWAL PROVISIONS

The term of this Agreement shall be one (1) year, commencing on the Effective Date, unless this Agreement is terminated as provided herein. Renewal of this Agreement shall be subject to modification of rates and benefits pursuant to Section 3.05.

6. TERMINATION

6.01 Termination by Group. Group may terminate this Agreement by giving a minimum of sixty (60) calendar days written notice of termination to UnitedHealthcare, to allow processing time for UnitedHealthcare to notify Member with a minimum of twenty-one (21) calendar days advance notice of termination. Group termination shall always be effective on the first day of the month. Group shall continue to be liable for MA-PD Plan Beneficiary Premium for all Members enrolled in this MA-PD Plan through Group until the date of termination or, if later, the termination date indicated by CMS.

6.02 Termination by UnitedHealthcare.

6.02.01 Termination in the Event of Non-Renewal or Termination of CMS Contract. This Agreement shall automatically terminate in the event of a termination or non-renewal of UnitedHealthcare's contract with CMS (including termination or non-renewal with respect to a Service Area or a portion of a Service Area in which Member resides, as applicable). If the contract between UnitedHealthcare and CMS is not renewed, Member's MA-PD Plan coverage will be terminated unless Member decides to enroll in another Medicare Advantage with prescription drug benefit plan. If either UnitedHealthcare or CMS decides not to renew the contract at the end of the year, UnitedHealthcare will send Member a letter at least ninety (90) calendar days before the end of the contract. If CMS ends the contract in the middle of the year, Member will receive a letter at least thirty (30) calendar days before the end of the contract. In the event UnitedHealthcare exits a portion of the Service Area, Member will be notified prior to the Service Area exit, pursuant to CMS requirements.

6.02.02 Termination in the Event of Non-Renewal of this Agreement. This Agreement shall terminate in the event it is not renewed by UnitedHealthcare (including non-renewal with respect to a Service Area or a portion of a Service Area in which Member resides, as applicable). If this Agreement is not renewed, Member's MA-PD Plan coverage under this Agreement will be terminated. If UnitedHealthcare decides not to renew this Agreement at the end of the year, UnitedHealthcare will send Member a letter at least ninety (90) calendar days before the end of this Agreement. In the event

UnitedHealthcare exits a portion of the Service Area, Member will be notified prior to the Service Area exit, pursuant to CMS requirements.

6.02.03 Termination for Nonpayment of MA-PD Plan Beneficiary Premium. UnitedHealthcare may terminate this Agreement in the event Group or its designee, or Member fails to remit MA-PD Plan Beneficiary Premium, including LEP, in full by the Due Date to UnitedHealthcare by giving written notice of termination of this Agreement to Group. Nonpayment of MA-PD Plan Beneficiary Premium includes, but is not limited to, payments returned due to non-sufficient funds (NSF) and post-dated checks. Such notice shall specify that payment of all unpaid MA-PD Plan Beneficiary Premium must be received by UnitedHealthcare within fifteen (15) calendar days of the date of issuance of the notice, and that if payment is not received within the fifteen (15) day period, no further notice shall be given, and coverage for all Members enrolled in this MA-PD Plan shall automatically be terminated effective at the end of the month for which MA-PD Plan Beneficiary Premium has been actually received by UnitedHealthcare, subject to compliance with notice requirements.

6.02.04 Termination for Breach of Material Term. UnitedHealthcare may terminate this Agreement if Group breaches any material term, covenant or condition of this Agreement and fails to cure such breach within sixty (60) calendar days after UnitedHealthcare sends written notice of such breach to Group. For purposes of this Section 6.02.04, material terms of this Agreement specifically include, but are not limited to, Sections 3.01 (Notices to Member) and 7.02 (Assignment). UnitedHealthcare's written notice of breach shall make specific reference to Group's action causing such breach. If Group fails to cure its breach subject to UnitedHealthcare's satisfaction within sixty (60) calendar days after UnitedHealthcare sends notice of the breach to Group, UnitedHealthcare may terminate this Agreement at the end of the sixty (60)-day notice period.

6.02.05 Termination for Providing Misleading or Fraudulent Information. UnitedHealthcare may terminate this Agreement sixty (60) calendar days after UnitedHealthcare sends written notice to Group if Group provides materially misleading or fraudulent information to UnitedHealthcare in any Group questionnaire or is aware that materially misleading or fraudulent information has been provided on Eligible Retiree, Eligible Dependent or Member Enrollment forms.

6.02.06 Termination for Ceasing to Meet Group Eligibility Criteria. UnitedHealthcare may terminate this Agreement upon sixty (60) calendar days written notice to Group if Group fails to abide by and enforce the conditions of Enrollment set forth in this Agreement.

6.02.07 Termination for Withdrawal of Product from Market. UnitedHealthcare may terminate this Agreement upon at least ninety (90) calendar days prior written notice to Group if UnitedHealthcare no longer issues this particular MA-PD Plan within the applicable market, as permitted by law.

6.02.08 Termination for Withdrawal from Market. UnitedHealthcare may terminate this Agreement upon at least ninety (90) calendar days prior written notice to the applicable state regulatory authority and to Group if UnitedHealthcare no longer issues group health benefit plans within the applicable market.

6.02.09 Minimum Requirements. UnitedHealthcare may terminate this Agreement upon sixty (60) calendar days prior written notice to Group if Group no longer meets UnitedHealthcare's minimum contribution or participation requirements, as set forth in Exhibit A.

6.02.10 For Loss of Group's Office Location within Service Area. Group acknowledges that in the event of such change of Group's office location, a modification to MA-PD Plan Beneficiary Premium may be necessary. In the event of a change of Group's office location, UnitedHealthcare and Group shall negotiate any changes requested by either UnitedHealthcare or Group to the MA-PD Plan Beneficiary Premium. In the event that the parties are unable to reach agreement regarding modified MA-PD Plan Beneficiary Premium, UnitedHealthcare may terminate this Agreement upon ninety (90) calendar days written notice to Group prior to such termination.

6.03 Return of Prepayment Premium Fees Following Termination. In the event of termination by either UnitedHealthcare (except in the case of fraud or deception in the use of UnitedHealthcare services or facilities, or knowingly permitting such fraud or deception by another) or Group, UnitedHealthcare will, within thirty (30) calendar days, return to Group the pro-rata portion of money paid to UnitedHealthcare which corresponds to any unexpired period for which payment has been received, together with amounts due on claims, if any, less any amounts due to UnitedHealthcare. UnitedHealthcare's exercise of its termination rights under Section 6.02 does not waive UnitedHealthcare's right to payment by Group for all coverage provided, including late fees as provided in Section 3.04.

7. MISCELLANEOUS PROVISIONS

7.01 Names, Logos and Service Marks. UnitedHealthcare and Group each reserve the right to control all use of its name, product names, symbols, logos, trademarks, and service marks currently existing or later established. However, either party may use the other party's name, product names, symbols, logos, trademarks, or service marks with the prior written approval of the other party.

7.02 Assignment and Delegation. Except as provided herein, this Agreement and the rights, interests and benefits hereunder shall not be assigned, transferred, pledged, or hypothecated in any way by either party and shall not be subject to execution, attachment or similar process, nor shall the duties imposed herein be subcontracted or delegated by either party without the prior written approval of the other party, which will not be unreasonably withheld. UnitedHealthcare may delegate its obligations under this Agreement ("delegated duty") to UnitedHealthcare Affiliate(s) as allowed by CMS, provided that:

a. UnitedHealthcare maintains ultimate responsibility for fully complying with all terms and conditions of this Agreement. It is the sole responsibility of UnitedHealthcare to ensure that any such delegated duty is performed in accordance with all applicable law and in full compliance with this Agreement. UnitedHealthcare shall remain accountable to Group for the performance of any such delegated duty;

b. Upon written request by Group, UnitedHealthcare shall provide Group with the following information: delegated duty, effective date of delegation, and name of the UnitedHealthcare Affiliate(s); and,

c. To the extent that Group or members of Group would experience any impact whatsoever related to UnitedHealthcare's obligations designated in this subsection (c), UnitedHealthcare shall provide at least thirty (30) days written notice to Group prior to the parties' execution of this Agreement or prior to the effective date of the delegation with respect to the following delegated duty: (1) RxSupplement Plan; and/or (2) Enrollment functions. Such written notice shall identify the effective date of the delegation and the name of the UnitedHealthcare Affiliate(s).

7.03 Validity. The unenforceability or invalidity of any part of this Agreement shall not affect the enforceability and validity of the balance of this Agreement.

7.04 Amendments. This Agreement may be modified by UnitedHealthcare as set forth in Section 3.05 above, or it may be amended upon the mutual written consent of the parties.

7.05 Attachments. The attachments to this Agreement, and all terms and conditions set forth therein, as they are from time-to-time amended by the parties, are incorporated by reference herein and made an integral part of this Agreement.

7.06 Use of Gender. The use of masculine gender in this Agreement includes the feminine gender and the singular includes the plural.

7.07 Waiver of Default. The waiver by either party of any one or more defaults by the other party shall not be construed as a waiver of any other or future defaults under the same or different terms, conditions or covenants contained in this Agreement.

7.08 Notices. Any notice required or permitted under this Agreement shall be in writing and either delivered personally or by regular, registered, or certified mail, U.S. Postal Service Express Mail, or overnight courier, postage prepaid, or by facsimile transmission at the addresses set forth below:

If to UnitedHealthcare: UnitedHealthcare Insurance Company
Attention: President Group Retiree Services
UnitedHealthcare Medicare & Retirement
a United Health Group Business
9800 Health Care Lane
Minnetonka, MN 55343

UnitedHealthcare Insurance Company
Attention: Christine Caloza, Strategic Account
Executive
PO Box 9472
CA940-1000
Minneapolis, MN 55440
Fax number: 1-888-823-7275

If to Group: County of Riverside
Human Resources Benefits Division
P.O. Box 1569
Riverside, CA 92502-1569
Attn: Human Resources Division Manager

Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark date. If sent by regular mail, the notice shall be deemed given five (5) business days after the postmark date. Notices delivered by U.S. Postal Service Express mail or overnight courier that guarantees next day delivery shall be deemed given one (1) Group business day after the postmark date. If any notice is transmitted by facsimile transmission or similar means, the notice shall be deemed served or delivered upon telephone confirmation of receipt of the transmission, provided a copy is also delivered via by registered or certified mail, regular mail, or U.S. Postal Service Express mail or overnight courier that guarantees next day delivery.

7.09 Acceptance of Agreement. Execution of this Agreement by the parties shall render all terms and provisions of this Agreement binding on UnitedHealthcare and Group as of the Effective Date.

7.10 Entire Agreement. This Agreement, including all exhibits, attachments and amendments, contains the entire understanding of Group and UnitedHealthcare with respect to the subject matter hereof and it incorporates all of the covenants, conditions, promises, and agreements exchanged by the parties hereto with respect to such matter. This Agreement supersedes any and all prior or contemporaneous negotiations, agreements, representations, or communications, whether written or oral, between Group and UnitedHealthcare with respect to the subject matter of this Agreement.

7.11 Headings. The headings of the various sections of this Agreement are inserted merely for the purpose of convenience and do not expressly, or by implication, limit or define or extend the specific terms of the section so designated.

7.12 No Third Party Beneficiaries. Except as otherwise expressly indicated in this Agreement, this Agreement shall not create any rights in any third parties who have not entered into this Agreement, nor shall this Agreement entitle any such third party to enforce any rights or obligations that may be possessed by such third party.

7.13 Superseding of Other Agreements. The MA-PD Plan replaces and supersedes any previous Medicare Advantage with Prescription Drug Benefit plan between UnitedHealthcare and Group. The terms and conditions of this Agreement shall in turn be superseded by those of any subsequent agreement to provide a Medicare Advantage with Prescription Drug Benefit plan between UnitedHealthcare and Group.

7.14 Indemnification. Group and UnitedHealthcare each agree to indemnify, defend and hold the other party, and its affiliates, harmless, and to accept all legal and financial responsibility for any liability (including reasonable attorneys' fees) arising out of its own failure to perform its obligations as set forth in this Agreement, or under Medicare Laws and Regulations.

7.15 ERISA. UnitedHealthcare makes no representations or determinations regarding whether the arrangement contemplated by this Agreement constitutes an employee welfare benefit plan under the Employee Retirement Income Security Act ("ERISA"), 29 USC § 1001 et seq. This determination is solely the responsibility of Group. UnitedHealthcare will administer this Agreement in accordance with the requirements of Medicare Laws and Regulations and applicable state laws and is not responsible for complying with the provisions of ERISA or administering any applicable obligations that may arise under ERISA, including those relating to claims procedures or appeals, providing summary plan descriptions, required filings, member materials or disclosures. UnitedHealthcare is neither the plan administrator nor named fiduciary of the employee benefit welfare plan, as those terms are used in ERISA.

7.16. HIPAA and HITECH. UnitedHealthcare agrees to comply with all relevant requirements of Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, the Health Information Technology for Economic and Clinical Health Act provisions of American Recovery and Reinvestment Act of 2009 (HITECH), Public Law 111-5, enacted February 17, 2009, and the laws and regulations promulgated subsequent hereto, for purposes of this Agreement.

7.17. Governing Law and Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, without regard to applicable conflict of law rules. All actions and proceedings arising with this Agreement shall be tried and litigated exclusively in the state or federal (if permitted by law and a party elects to file an action in federal court) courts located in the County of Riverside, State of California. The applicable provisions of the Government Claims Act (California Government Code Section 900, et seq.) must be followed first for any disputes under this Agreement.

7.18. Certification of Authority to Execute this Agreement. UnitedHealthcare certifies that the individual(s) signing herein has the authority to execute this Agreement on behalf of UnitedHealthcare and may legally bind UnitedHealthcare to the terms and conditions of this Agreement, and any attachments hereto.

8. MEDIATION AND ARBITRATION

UnitedHealthcare and Group will work together in good faith to resolve any disputes about their business relationship. If the parties are unable to resolve the dispute within thirty (30) calendar days following the date one party sent written notice to the other party, and if any party wishes to pursue the dispute, the pursuing party may request non-binding mediation, within ninety (90) calendar days following the date one party sent written notice to the other party, facilitated by a third-party neutral mutually agreeable to both parties. The mediation shall be held in Riverside County, California. If agreement is not reached at the mediation, the pursuing party may submit the dispute to arbitration in accordance with the rules of the American Arbitration Association. In no event may arbitration be initiated more than one (1) year following the sending of written notice of the dispute, and no dispute may be initiated before the pursuing party submits to non-binding mediation. Any arbitration proceeding under this Agreement shall be conducted in Riverside County, California. The arbitrators may construe or interpret but shall not vary or ignore the terms of this Agreement, shall have no authority to award any punitive or exemplary damages and shall be bound by controlling law. Each party shall be responsible for its own costs, including attorneys' fees, incurred in connection with any arbitration. The parties acknowledge that because this Agreement affects interstate commerce, the Federal Arbitration Act applies. Notwithstanding the provisions of this Section 8, if any party would suffer irreparable and immediate injury as a result of another party's breach or violation of any provision of this Agreement for which there would be no adequate remedy at law, such party may seek preliminary and other injunctive relief against any such breach or violation in a court located in the County of Riverside, State of California.

[Signature page follows.]

**Medicare Advantage with Prescription Drug Benefit (MA-PD Plan)
Group Agreement with Rx Supplement
Between the County of Riverside and
UHC of California
Plan Year 2015**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

ATTEST:

Clerk of the Board
Kecia Harper-Ihem

COUNTY OF RIVERSIDE

By: _____
Deputy

By: _____
Chairman, Board of Supervisors

Date: _____

Date: _____

Approved as to form:

Gregory P. Priamos
County Counsel

By: 
Deputy County Counsel

**CONTRACTOR: UHC OF CALIFORNIA,
a California corporation**

By: 

Printed Name: Greta Redmond, FSA, MAIA

Title: VP

Date: November 11, 2015

EXHIBIT A
2015 MA-PD Plan Beneficiary Premium

UNITEDHEALTH GROUP*

Medicare Advantage - HMO
Group name: County of Riverside
Final Rates for 1/1/2015 - 12/31/2015

Rates are Per Member Per Month (PMPM)

Option 1

<u>Quoted Service Area</u>	<u>Quoted Membership</u>	<u>Medical: Custom Pharmacy Custom</u>
California: Alameda, Los Angeles, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego	310	\$307.51

Stipulations HMO

- This is a final quote effective 1/1/2015 - 12/31/2015. The situs state is California.
- These rates are quoted on a full replacement basis for the Health Net Medicare Advantage membership
- This quote assumes that the employer pays 8% of the premium.
- If the enrollment were to change by more than +/- 10% of what was assumed in the quote, we reserve the right to adjust the rates.
- Please note the following with regard to the drug coverage on these MA-PD products:
 - ~ We reserve the right to change our Part D formulary for calendar year 2015. We also reserve the right to change our pharmacy benefit manager and/or our pharmacy network for calendar year 2015.
 - ~ There is a specific, Part D drug formulary that applies to all of our MA-PD plan offerings.
 - ~ All Part D prescription drug coverage is considered to be creditable, therefore Creditable Coverage Notices are not required.

- Unless there are significant changes in regulation, a reduction in CMS reimbursement level, or a change in the methodology used to calculate CMS payments in the interim, UnitedHealth Group will hold the rate(s) and plan design(s) through 12/31/2015.
- Quote assumes \$5.00 PMPM commission level.
- 26 Pre-65 Medicare eligible disabled are included.

EXHIBIT B

PROTECTED HEALTH INFORMATION CERTIFICATION

I hereby certify that I am an authorized representative of the County of Riverside, a political subdivision of the State of California, ("Plan Sponsor") and have the authority to execute this certification with respect to the Medicare Advantage with Prescription Drug Benefit (MA-PD) Plan Group Agreement with RxSupplement. I further certify that the Plan Sponsor, through Riverside County Human Resources Department, has in place appropriate policy and procedures (collectively, "Policy") necessary to demonstrate compliance with applicable privacy requirements described below:

- A. The Policy describes classes of employees of the Plan Sponsor to be given access to the protected health information ("PHI") to be disclosed, provided that any employee or person who receives PHI relating to payment under or other matters pertaining to the MA-PD Plan in the ordinary course of business must be included in such description;
- B. Restrict the access to and use by such employees and other persons described in the paragraph A above for the purpose of payment to UnitedHealthcare for the provision of health care to Members of the MA-PD Plan;
- C. Provide an effective mechanism for resolving any issues of noncompliance by persons described in paragraph A above with the Policy provisions required by law; and
- D. The Policy comply with the requirements of 45 C.F.R. Section 164.504(f)(2) as applicable and that the Plan Sponsor will safeguard and limit the use and disclosure of PHI that the Plan Sponsor may receive from UnitedHealthcare for the purpose of payment to UnitedHealthcare for the provision of health care to Members of the MA-PD Plan.

Specifically, the Plan Sponsor will:

- 1. Not use or further disclose the information other than as permitted or required by the Policy or as required by law;
- 2. Ensure that any agents, including a subcontractor, to whom it provides PHI received from UnitedHealthcare, agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such information;
- 3. Not use or disclose the information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor;
- 4. Report to UnitedHealthcare any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware;
- 5. Make available PHI in accordance with 45 CFR §164.524;

6. Make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR §164.526;
7. Make available the information required to provide an accounting of disclosures in accordance with 45 CFR §164.528;
8. Make its internal practices, books and records relating to the use and disclosure of PHI received from UnitedHealthcare available in response to an inquiry from UnitedHealthcare or the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance with federal privacy requirements;
9. If feasible, return or destroy all PHI received from the UnitedHealthcare that the Plan Sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose of which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

On Behalf of the County of Riverside
(Plan Sponsor)

Authorized Representative:

Name: _____

Signature: _____

Title: _____

Date: _____

Attachment B
Human Resources Department
Employee Benefits Division
Privacy Policy

County of Riverside Human Resources Department
Employee Benefits Division
Privacy Policy

A. Background

The Human Resources Department Employee Benefits Division ("Benefits") acts in the representative capacity for the County of Riverside ("County") as Plan Sponsor with respect to UnitedHealthcare's Medicare Advantage with Prescription Drug Benefit ("Plan") with Rx Supplement for the County's Medicare eligible retirees. Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), UnitedHealthcare is a covered entity.

B. Purpose

This Policy requires Benefits Workforce and Designated Employees who are authorized to have access to protected health information ("PHI") of Plan participants for the limited purpose of payment to UnitedHealthcare to comply with this Policy, HIPAA and the requirements of 45 CFR Section 164.504 (f)(2), as applicable.

C. Definitions

1. Benefits Workforce. Benefits Workforce means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for Benefits, is under the direct control of Benefits, whether or not they are paid.

2. Payment. Payment means activities that involve reimbursement for provision of health care, such as determination of eligibility for coverage, obtaining and payment of premiums, and billing.

3. Protected Health Information or PHI. Protected health information means information that is created or received by the UnitedHealthcare and relates to the past, present, or future physical or mental health or condition of a Plan participant; the provision of health care to a Plan participant; or the past, present, or future payment for the provision of health care to a Plan participant; and that identifies the Plan participant or for which there is a reasonable basis to believe the information can be used to identify the Plan participant. For purposes of this Policy, the PHI disclosed by UnitedHealthcare to Benefits includes Medicare eligibility and ID number.

4. Subcontractor. Subcontractor means a person that performs a service, function or activity for Benefits, other than in the capacity of the County workforce, which involves the creation, receipt, maintenance or transmission of Plan PHI on behalf of Benefits.

D. Policy

1. Access to PHI Limited to Designated Employees

Benefits authorize the following designated employees ("Designated Employees") of the County to be given access to PHI disclosed by UnitedHealthcare:

Human Resources Department Employee Benefits Division:

- Human Resources Division Manger
- Principal Human Resources Analyst

County of Riverside Human Resources Department
Employee Benefits Division
Privacy Policy

- Human Resources Analyst
- Human Resources Technician
- Senior Human Resources Clerk

Riverside County Information Technology Department for data maintenance and reporting as required:

- Application Developer

The above-enumerated Designated Employees include all employees or persons who are authorized to receive PHI relating to payment under or other matters pertaining to the Plan in the ordinary course of business.

2. Agents and Subcontractors

Benefits will ensure that any agents, including a Subcontractor, to whom Benefits provide PHI received from UnitedHealthcare, agree in writing to the same restrictions and conditions that apply to the County with respect to such information, including without limitations, the applicable provisions of this Policy.

3. Scope of Uses and Disclosures of PHI

Designated Employees may use and disclose PHI received from UnitedHealthcare for the purpose of payment to UnitedHealthcare for the provision of health care to Plan participants. Reasonable efforts will be made to use, disclose and request only the minimum amount of PHI needed to accomplish this purpose.

PHI shall not be used or further disclosed other than as permitted or required by this Policy or as required by law.

PHI shall not be used or further disclosed for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the County.

4. Administrative, Technical and Physical Safeguards

Benefits maintain appropriate administrative, technical and physical safeguards to protect the privacy of PHI. Appropriate safeguards are implemented to prevent PHI from any intentional or unintentional use or disclosure in violation of this Policy and HIPAA and to limit incidental uses and disclosures, including but not limited to: maintaining proper facility access control, appropriate workstation use/security, i.e. passwords and screen time-outs, keeping devices in secured locations and maintaining media controls. Hardcopy documents containing PHI are secured in a locked facility during non-business hours. Additionally, access to and use of PHI received from UnitedHealthcare is restricted to those Designated Employees for the purpose of payment to UnitedHealthcare.

Disposal of PHI involves using locked receptacles located in a secure area. Benefits contract with a disposal vendor as a business associate to pick up and shred or otherwise destroy PHI. PHI in paper form are shredded or otherwise destroyed so that the PHI is rendered essentially unreadable, indecipherable, and otherwise cannot be reconstructed prior to it being placed in a

County of Riverside Human Resources Department
Employee Benefits Division
Privacy Policy

dumpster or other trash receptacle. Destruction of PHI on electronic media is completed in accordance with the County Board of Supervisor's Policy A-58.

Benefits provide training for its Benefits Workforce and Designated Employees on this Policy, as necessary and appropriate for them to carry out their functions and report any privacy concerns. Training is provided within a reasonable period of time regarding any material changes to this Policy.

5. Complaints and Inquires

The Privacy Coordinator is responsible for receiving complaints and resolving any issues of noncompliance with this Policy and HIPAA requirements for the privacy of PHI. Also, Privacy Coordinator will answer any inquiries regarding this Policy. The Privacy Coordinator may be contacted at (951) 955-9510 or anonymously at (951) 955-5757.

6. Sanctions for Violations

Sanctions for using or disclosing PHI in violation of this Policy or HIPAA by Benefits Workforce or Designated Employees will be imposed in accordance with the County's discipline policy, up to and including termination.

7. Reporting and Mitigation

Benefits will report to UnitedHealthcare any use or disclosure of PHI that is inconsistent with the uses or disclosures provided for of which Benefits becomes aware.

Benefits will mitigate, to the extent possible, any harmful effect that is known to Benefits of a use or disclosure of PHI in violation of this Policy or HIPAA.

8. Access to PHI, Amendment and Disclosure Accounting

Benefits will make available PHI in accordance with 45 CFR Section 164.524. With some exceptions, an individual has a right to inspect and obtain a copy of his or her PHI in a designated record set. Benefits will act on a request for access no later than 30 days after receipt of the request.

Benefits will make available PHI for amendment and incorporate any amendment to PHI in accordance with 45 CFR Section 164.526. Benefits have in place an "Individual Request to Correct or Amend a Record" form for individuals to submit their amendment requests. Benefits will act on the individual's request for an amendment no later than 60 days after receipt of such request.

Benefits will make the information required to provide an accounting of disclosures in accordance with 45 CFR Section 164.528. With some exceptions, an individual has a right to receive an accounting of disclosures of PHI made by Benefits in the 6 years prior to the date on which the accounting is requested. Accounting of disclosures will include for each disclosure: (1) the date of disclosure, (2) the name and, if known, the address of the entity or person who received the PHI; (3) a brief description of the PHI disclosed; and (4) the purpose of the disclosure. Benefits will act on the individual's request for accounting no later than 60 days after receipt of such a request.

County of Riverside Human Resources Department
Employee Benefits Division
Privacy Policy

9. Access to Benefits' Records by UnitedHealthcare and HHS

Benefits will make its internal practices, books and records relating to the use and disclosure of PHI received from UnitedHealthcare available in response to an inquiry from UnitedHealthcare or the Secretary of the U.S. Department of Health and Human Services ("HHS") for purposes of determining compliance with federal privacy requirements.

10. Disposition of PHI

If feasible, Benefits will return or destroy all PHI received from the UnitedHealthcare that the County still maintains in any form and retain no copies of such information when no longer needed for the purpose of which disclosure was made. However, if such return or destruction is not feasible, Benefits will limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.