

HEALTHTRUST, INC.
AGREEMENT REGARDING COMBINATION OF MEMBERS
FOR RATING PURPOSES

- | | |
|---|--|
| <input type="checkbox"/> <u>BCEP Solid Waste</u> | <input type="checkbox"/> <u>Town of Epsom</u> |
| <input checked="" type="checkbox"/> <u>Town of Allenstown</u> | <input type="checkbox"/> <u>Town of Pembroke</u> |
| <input type="checkbox"/> <u>Town of Barnstead</u> | <input type="checkbox"/> <u>Town of Pittsfield</u> |
| <input type="checkbox"/> <u>Town of Chichester</u> | <input type="checkbox"/> <u>Town of Strafford</u> |

This Agreement Regarding Combination of Members for Rating Purposes (“Combination Agreement”) is made by and between BCEP Solid Waste, Town of Allenstown, Town of Barnstead, Town of Chichester, Town of Epsom, Town of Pembroke, Town of Pittsfield and Town of Strafford (“Combined Members”) and HealthTrust, Inc. (“HealthTrust”). This Combination Agreement is effective as of January 1, 2016 (“Effective Date”).

Preamble

HealthTrust is a pooled risk management program operating pursuant to RSA 5-B and offering its member political subdivisions the opportunity to participate in its Coverage Programs and related services. HealthTrust and each of the Combined Members are parties to separate Application and Membership Agreements (“Membership Agreement(s)").

Each entity comprising the Combined Members is a Member in HealthTrust and participating in the group medical Coverage Program. The Combined Members have requested that HealthTrust combine their Employees into a single group and utilize such Combined Members’ claims experience, Employee enrollment data and other relevant data for medical plan rating purposes. HealthTrust desires to fulfill the request of the Combined Members through this Combination Agreement.

Agreement

Now, therefore, in consideration of the mutual covenants contained herein and other consideration, HealthTrust and the Combined Members agree as follows:

1. Rating Procedure.
 - 1.1 Combined Rating of Members. Upon initial implementation of the combined rating under this Combination Agreement, HealthTrust will combine the claims experience, enrollment data and other relevant data of the Employees of the Combined Members and will utilize its then standard rating formula and procedures in connection with the offering of the medical Coverage Program of HealthTrust to the Combined Members and their Employees, to produce rates for the Combined Members.

- 1.2 Separate Members. For all other purposes, each entity comprising the Combined Members shall be a separate Member in HealthTrust, as that term is defined in the Bylaws of HealthTrust (the "Bylaws").
- 1.3 Pool Year. For the purposes of this Agreement a "Pool Year" shall mean the twelve (12) consecutive months commencing on January 1 or July 1 of a calendar year.
2. Commencement of Combined Rating.
- 2.1 Effective Date of Combined Rating. The rates to be delivered by HealthTrust pursuant to this Combination Agreement shall commence as of the Pool Year beginning on the Effective Date and shall be renewed in accordance with HealthTrust procedures as of the beginning of each successive Pool Year thereafter for and during which the Combination Agreement is effective.
- 2.2 Conditions Precedent to Effectiveness of Agreement. Notwithstanding the foregoing Section 2.1, this Combination Agreement shall become effective only if the following items have been delivered to HealthTrust within the stated time periods:
- a. No later than one hundred and twenty (120) days prior to the Effective Date of this Combination Agreement, the Combined Members shall have delivered to HealthTrust a written request to enter into the combined rating arrangement provided for in this Combination Agreement.
 - b. Prior to the Effective Date, the Combined Members shall have delivered to HealthTrust evidence of the approval of this Combination Agreement in accordance with its terms by the governing bodies of each of the Members comprising the Combined Members, substantially in the form of attached Addendum A. Each of the Combined Members also must have signed and delivered an Application and Membership Agreement which has been accepted by HealthTrust as evidenced by HealthTrust's execution thereof.

For the purposes of this Section 2 and this Combination Agreement, governing bodies shall have the same meaning as set forth in NH RSA 21:48. The approval of the governing bodies referred to and required by this Section shall be in writing and shall be in form and content satisfactory to HealthTrust. It is agreed that a certificate of resolution of the appropriate officer of each respective governing body shall be an acceptable form to HealthTrust for the purposes of this Section and this Combination Agreement.

3. Term.
- 3.1 Minimum Term of Combination. The Combined Members agree that as long as the Combined Members continue participation in HealthTrust's medical Coverage Program, they must remain so combined pursuant to this Combination Agreement

for a minimum of two full, consecutive Pool Years (the "Minimum Term of Combination"). Thereafter, the Combined Members may continue this Combination Agreement or one or more of the Combined Members may terminate participation in the combined rating pursuant to Section 3.2.

If one or more of the Combined Members terminate participation in the combination before the end of the Minimum Term of Combination, such Member(s) shall be prohibited from participating in any Combination Agreement for the next two (2) full, consecutive Pool Years following the year of their termination.

- 3.2 Termination. The Combined Members agree that in addition to the Minimum Term of Combination they shall continue their participation in HealthTrust as a combination until at least the end of each Pool Year with respect to which the Combined Members accept renewal rates in accordance with HealthTrust procedures. A Combined Member that no longer intends to be part of the combination must provide HealthTrust with written notice of such termination at least twelve (12) months prior to the first day of the Pool Year for which the termination is to be effective.

If, upon the effective date of the termination of such combination by any Member or number of Members, there remains two (2) or more Members that comprise the Combined Members that have not delivered notices of termination to HealthTrust, then such non-terminating Members shall continue as new Combined Members under this Combination Agreement as if such continuing Combined Members were the only Members that are parties hereto.

Upon termination of a combination under this Combination Agreement, the terminating Combined Member(s) may continue their participation in HealthTrust but shall be rated in accordance with the then applicable procedures of HealthTrust.

4. Representations and Warranties. Each entity comprising the Combined Members represents and warrants to HealthTrust that each, respectively, and in combination, have the authority to enter, execute, deliver and perform this Combination Agreement.
5. Not an Agreement for Coverage. HealthTrust and the Combined Members acknowledge that this Combination Agreement is not and shall not be construed to be an agreement for continued participation in HealthTrust with regard to the provision of group health benefits except as otherwise provided herein or in any other written agreement between HealthTrust and a Combined Member that is duly authorized and in full force and effect.
6. Application and Membership Agreement Required. If there is not at the commencement of this Combination Agreement in existence an executed Application and Membership Agreement between HealthTrust and each of the Combined Members, respectively, such Application and Membership Agreement(s) shall be executed and delivered contemporaneously with delivery of this Combination Agreement to HealthTrust. A fully

executed Application and Membership Agreement between HealthTrust and each of the Combined Members, respectively, is a condition precedent to the effectiveness of this Combination Agreement.

7. Other Requirements for Participation. Notwithstanding any other provision of this Combination Agreement, the Combined Members shall be required to meet all of the requirements of HealthTrust for membership and continued membership in HealthTrust and participation and continued participation in the medical Coverage Program that are not directly in contravention of the contents of this Combination Agreement, including, without limitation, those requirements and conditions contained in the Bylaws and Operative Documents of HealthTrust, as they may be amended from time to time.
8. Defined Terms. Unless otherwise specifically indicated in this Combination Agreement, all capitalized terms utilized herein shall have the same meaning as set forth in the Bylaws.
9. Counterparts. This Combination Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original and all collectively but one and the same agreement.

EXECUTED and AGREED TO by the duly-authorized representatives of the parties.

HEALTHTRUST, INC.

BCEP SOLID WASTE

By: _____

By: _____

Name: David Frydman

Name: _____

Title: Interim Executive Director,
duly authorized

Title: _____, duly authorized

Date: _____

Date: _____

TOWN OF ALLENSTOWN

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF BARNSTEAD

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF CHICHESTER

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF EPSOM

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF PEMBROKE

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF PITTSFIELD

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

TOWN OF STRAFFORD

By: _____

Name: _____

Title: _____, duly authorized

Date: _____

ADDENDUM A

HEALTHTRUST, INC.

COMBINATION OF MEMBERS FOR RATING PURPOSES

CERTIFICATE OF AUTHORIZING RESOLUTION

I hereby certify to HealthTrust, Inc. ("HealthTrust") that the following is a true copy of a resolution adopted by the governing body of Town of Allenstown at a meeting duly held on _____ [Date].

RESOLVED: That Town of Allenstown shall participate in the combined rating arrangement for medical coverage offered by HealthTrust to BCEP Solid Waste, Town of Allenstown, Town of Barnstead, Town of Chichester, Town of Epsom, Town of Pembroke, Town of Pittsfield and Town of Strafford. Further, that the "Agreement Regarding Combination of Members for Rating Purposes" between Town of Allenstown, HealthTrust, and the other combining HealthTrust Member(s) (the "Combination Agreement") is hereby approved in the form presented to this meeting and that _____ [Name/Title] is/are hereby authorized and directed to execute and deliver to HealthTrust (i) an acknowledgement of the terms and (ii) a certificate of this resolution.

I further certify that the foregoing resolution remains in full force and effect without modification.

DATE

Authorized Official Signature

NAME: _____

TITLE: _____, duly authorized.

