

# **ADMINISTRATIVE SERVICES AGREEMENT**

Between

**ICMA Retirement Corporation**

and

City of Coconut Creek

**Type:** VantageCare RHS

**Account Number:** 800800, 803132

## ADMINISTRATIVE SERVICES AGREEMENT

This Agreement, made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (herein referred to as the "Inception Date"), between The International City Management Association Retirement Corporation ("ICMA-RC"), a nonprofit corporation organized and existing under the laws of the State of Delaware; and the City of Coconut Creek ("Employer") a local governmental instrumentality organized and existing under the laws of the State of Florida with an office at 4800 West Copans Road, Coconut Creek, Florida 33063.

### RECITALS

Employer acts as a public plan sponsor for a retiree health plan with responsibility to obtain investment alternatives and services for employees participating in that plan;

Employer desires to make the VantageCare Retirement Health Savings ("RHS") Program provided by ICMA-RC available to its employees through the Employer's integral part trust ("Trust") and the Employer's welfare benefits plan ("Plan");

ICMA-RC, or its wholly owned subsidiary, acts as investment adviser to VantageTrust Company, LLC ("VTC"), the Trustee of VantageTrust II Multiple Collective Investment Funds Trust ("VantageTrust II);

VantageTrust II is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Rulings 81-100 and 2011-1, which provides for the collective investment and reinvestment of assets of certain tax- exempt, governmental pension and profit sharing plans, and retiree welfare plans, and other eligible investors;

VTC makes a series of separate funds (the "VT II Funds") available through VantageTrust II for the investment of plan assets as referenced in VantageTrust II's Declaration of Trust and Disclosure Memorandum ("Disclosure Materials");

VTC is a wholly owned subsidiary of ICMA-RC and has exclusive management and investment authority with respect to the VT II Funds;

The VT II Funds are available only through adoption of VantageTrust II; and

ICMA-RC provides a complete offering of services to public employers for the operation of employee retirement and retiree health savings plans including, but not limited to, communications concerning investment alternatives, account maintenance, account record-keeping, investment and tax reporting, form processing, and benefit disbursement.

This Administrative Services Agreement shall supersede the Administrative Services Agreement between the parties dated October 8, 2009 for Account Number 803132 and the Administrative Services Agreement between the parties dated October 1, 2004 and amended June 22, 2017 for Account number 800800.

## AGREEMENTS

### 1. Acceptance of RHS Program

Employer agrees to make the RHS Program provided by ICMA-RC available to its employees. The details of the RHS Program shall be as mutually agreed between the Employer and ICMA- RC, and in general shall be as set forth in the RHS Program materials developed by ICMA-RC and provided to Employer. The RHS Program materials are hereby incorporated by reference and made a part of this Agreement as Exhibit A, except that Employer and ICMA-RC may from time to time mutually agree in writing to terms that vary from the RHS Program materials. RHS Program materials shall include the *VantageCare RHS Employer Manual*, available electronically through the EZ Link System upon adoption of the RHS Program.

The functions to be performed by ICMA-RC and its agents include:

- (a) allocation in accordance with participant direction of individual accounts to investment funds ("Funds") made available to Plan participants;
- (b) maintenance of individual accounts for participants reflecting amounts contributed, income, gain, or loss credited, and amounts disbursed as benefits;
- (c) provision of periodic reports to the Employer and participants of the status of Plan investments and individual accounts;
- (d) communication to participants of information regarding their rights and elections under the Plan;
- (e) disbursement of benefits as agent for the Employer in accordance with terms of the Plan; and
- (f) performance of tax withholding and reporting in conjunction with the Employer for each RHS account.

### 2. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities with respect to the Plan, including information needed to allocate individual participant accounts to Funds, and information as to the benefit eligibility and employment status of participants, and participants' ages, addresses, dependents, spouses and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the

Employer or any information relating to an individual participant, spouse or dependent that is furnished by such participant, spouse or dependent, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports, statements and account information to the Employer through EZLink, the online plan administrative tool.

3. ICMA-RC Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement.
- (b) ICMA-RC is an investment adviser registered as such with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.
- (c) ICMA-RC will handle participant information in the manner described in the Business Associate Agreement to be executed between the Plan and ICMA-RC, a form of which is provided as Exhibit B to this Agreement.

4. Employer Representations and Warranties

Employer represents and warrants to ICMA-RC that:

- (a) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (b) Information required to be retained by the Employer shall be set forth in the RHS Program materials developed by ICMA-RC and provided to the Employer (Exhibit A).
- (c) Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC.
- (d) Employer is responsible for determining that there are no state or local laws that would prohibit it from establishing the RHS Program. Employer is also responsible for determining that the investments selected for the Plan fall within state or local requirements. ICMA-RC shall not be responsible for monitoring state or local law applicable to retirement plans or for administering the Plan in compliance with local or state requirements unless



Employer notifies ICMA-RC of any such local or state requirements.

- (e) Employer acknowledges that the RHS Plan is a “health plan” for Health Insurance Portability and Accountability Act (“HIPAA”) purposes and therefore is subject to HIPAA privacy rules. Employer also acknowledges that the RHS Plan is a Health Reimbursement Arrangement, subject to applicable provisions of the Affordable Care Act (“ACA”). An employer sponsoring the Plan is responsible for complying with the HIPAA privacy and security rules with respect to all protected health information created, maintained, received, or transmitted in relation to the Plan and is responsible for complying with the ACA.
- (f) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.
- (g) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan’s investment options. Employer shall have exclusive responsibility for the selection and retention of the Plan’s investment options, including the selection of the applicable mutual fund share class.
- (h) Employer confirms that it has executed a Participation Agreement for VantageTrust II and acknowledges that it has received the Disclosure Materials.

5. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings regarding the Plan involving the garnishment of benefits or the transfer of benefits pursuant to a medical child support order. Unless Employer notifies ICMA-RC otherwise, Employer authorizes ICMA-RC to determine whether disbursement of benefits to a spouse or child pursuant to a medical child support order is appropriate.

6. Compensation and Payment

Absent an explicit agreement to the contrary between ICMA-RC and Employer, participant fees and expenses shall be payable from RHS assets, in accordance with the requirements of the RHS Program as set forth below.

- (a) Asset-based fees will be included in the daily unit value of each VT II Fund, and no separate asset-based fees will be assessed. The \$25 annual account

administration fee will be waived.

- (b) **Compensation for Advisory and other Services to VT III Vantagepoint Funds.** Employer acknowledges that ICMA-RC, including certain of its wholly owned subsidiaries, receives compensation for advisory and other services furnished to the VT III Vantagepoint Funds, which are collective funds serving as the underlying funds to certain VT II Funds.

7. Contribution Remittance

Employer understands that amounts contributed to the Plan are to be remitted directly to Vantagepoint Transfer Agents in accordance with instructions provided to Employer in the RHS Program materials and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred, ICMA-RC will return it to Employer with proper instructions.

8. Responsibility

- (a) ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan, or related Trust, other than ICMA-RC in connection with the administration or operation of the Plan or related Trust.
- (b) The Employer understands that, as a general matter, the Internal Revenue Service ("IRS") may decline to rule on certain design features or provisions that the Employer may request to have added to the RHS Program materials. The Employer agrees to hold ICMA-RC harmless in connection with the addition and administration of any Plan feature or provision requested by the Employer for which the IRS will not provide express interpretive guidance.

9. Indemnification

Employer shall release ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or related Trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct. Nothing herein is intended to serve as a waiver of sovereign immunity by City under Section 768.28, Florida Statutes, nor shall anything included herein be construed as consent to be sued by third parties in any matter arising out of this Agreement.

10. Term

This Agreement shall be in effect for an initial term beginning on the Inception Date and ending five (5) years after the Inception Date (“Initial Term”). This Agreement may be renewed for an additional five (5) year term provided both parties consent in writing no less than 60 days before the end of the Initial Term.

11. Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) ICMA-RC may modify this agreement by providing 60 days’ advance written notice to the Employer prior to the effective date of such modification. Such modification shall become effective unless, within the 60-day notice period, the Employer notifies ICMA-RC in writing that it objects to such modification. This permission shall not apply to the provisions regarding the manner of compensation, the Term of the Agreement, indemnification provisions, insurance requirements, or the functions to be performed described in Section 1, which may only be modified by a written instrument signed by the parties. Failure of both parties to reach an agreement regarding any modification that is not statutorily required shall constitute cause for termination under Section 10 of this Agreement.
- (c) The parties agree that enhancements may be made to administrative and operations services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements, electronic messages or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement, electronic messages or special mailing.
- (d) No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver of such right, remedy, power or privilege.

All notices required to be delivered under this Agreement shall be delivered electronically, personally or by registered or certified mail, postage prepaid, return receipt requested, to (i) Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C, 20002-4240; (ii) Employer at the office set forth in the first paragraph hereof, or to any other address designated by the party to receive the same by written notice similarly given.

13. Complete Agreement

This Agreement, with an executed Business Associate Agreement (Exhibit B), shall constitute the sole agreement between ICMA-RC and Employer relating to the object of this

Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State of Florida applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions. The venue for actions arising out of this Agreement is situated exclusively in the Seventeenth Judicial Circuit in and for Broward County, Florida or in the United States District Court for the Southern District of Florida.

15. Insurance

ICMA-RC shall not commence work under this Agreement until it has obtained all insurance required under this Section and such insurance has been approved by the Risk Manager of the Employer. ICMA-RC shall provide a certificate of insurance showing comprehensive general liability insurance to cover liability for bodily injury and property damage. Exposures to be covered are: premises, operations, products/completed operations, and certain contracts. Same shall name the City of Coconut Creek as an additional insured. Coverage must be written on an occurrence basis and must be maintained as \$1,000,000 per occurrence. Workers' Compensation insurance coverage shall be maintained during the life of this Agreement to comply with the statutory limits for all employees. Employer reserves the right to require any other insurance coverage it deems necessary depending upon the exposures. Notwithstanding the above requirements, if the Risk Manager of the Employer has determined in advance that ICMA-RC cannot obtain insurance as described herein, separate documents entitled "Waiver, Release, and Hold Harmless Agreement" and "City of Coconut Creek Release of any and all Workers' Compensation Claims" must be executed by ICMA-RC in addition to this Agreement.

16. Cyber and Professional Liability Insurance

ICMA-RC shall provide a certificate of insurance showing evidence of professional liability insurance at a minimum of \$1,000,000.00 per occurrence and in the aggregate. "Claims-Made" forms are acceptable for Professional Liability insurance. Coverage shall include all claims arising out of ICMA-RC's operations or premises, any person directly or indirectly employed by ICMA-RC, and ICMA-RC's obligations under indemnification under this contract. ICMA-RC acknowledges that the City is relying on the competence of their service providers and any incorrect information provided or processed due to ICMA-RC's negligent errors and omissions, ICMA-RC shall promptly rectify them at no cost to City and shall be responsible for additional costs, if any, of the service to the proportional extent caused by such negligent errors or omissions. ICMA-RC shall name the City of Coconut Creek as an additional insured.

ICMA-RC shall provide a certificate of insurance showing evidence of cyber liability insurance with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by ICMA-RC in this agreement and shall include, but not limited to, information theft, damage to or destruction of electronic information, release of private information, liability to third parties for failure to handle, manage, store, and control personal identifiable information, alteration of electronic information, extortion, network security, legal fees, judgments, settlements, forensic experts and public relations efforts. The policy shall provide coverage for regulatory fines and penalties as well as credit monitoring expenses. ICMA-RC shall name the City of Coconut Creek as an additional insured.

17. Anti-Discrimination

That ICMA-RC shall for itself, its representatives, successors in interest, assigns, subcontractors, and sub-lessees retained to provide custom services unique to Employer, as a part of the consideration hereof, hereby covenants and agrees that:

- (a) No person on the ground of race, color, religion, sex, national origin, age, marital status, political affiliation, familial status, disability, sexual orientation, pregnancy, gender identity or expression, or veteran or service member status shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Employer property or performance of this Agreement; and
- (b) No employee or applicant for employment on the ground of race, color, religion, sex, national origin, age, marital status, political affiliation, familial status, disability, sexual orientation, pregnancy, gender identity or expression, or veteran or service member status shall be discriminated against during the course of employment or application for employment to be employed in the performance of this Agreement with respect to hiring, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to performance of this Agreement.

That in the event of a proven breach of the above non-discrimination covenant, the Employer shall have the right to terminate this Agreement as if this it had never been made, and avail itself of any remedies available in law or equity.

18. Public Records

ICMA-RC shall comply with all public records laws in accordance with Chapter 119, Fla. Stat. In accordance with Florida law, ICMA-RC agrees to:

- (a) Keep and maintain all records that ordinarily and necessarily would be required by the Employer in order to perform the services;
- (b) Upon request from the Employer's custodian of public records, provide the Employer with a copy of the requested records or allow the records to be inspected or copies

within a reasonable time at a cost that does not exceed the costs provided in Chapter 119, Fla. Stat., or as otherwise provided by law;

- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if ICMA-RC does not transfer the records to the Employer;
- (d) Upon completion of the services within this Agreement, at no cost, either transfer to the Employer all public records in possession of ICMA-RC or keep and maintain public records required by the Employer to perform the services. If ICMA-RC transfers all public records to the CITY upon completion of the services, ICMA-RC shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If ICMA-RC keeps and maintains public records upon completion of the services, ICMA-RC shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Employer, upon request from the Employer's custodian of public records, in a format that is compatible with the information technology systems of the Employer.

If ICMA-RC does not comply with this Section, the Employer shall enforce the Agreement provisions in accordance herewith and may unilaterally cancel this Agreement in accordance with state law.

**IF ICMA-RC HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLA. STAT., TO ICMA-RC'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE EMPLOYER'S CUSTODIAN OF PUBLIC RECORDS AT 954-973-6774, [PublicRecords@coconutcreek.net](mailto:PublicRecords@coconutcreek.net), 4800 West Copans Road, Coconut Creek, FL 33063.**

19. Independent Contractor

This Agreement does not create an employer/employee relationship between the parties. ICMA-RC is not entitled to any benefits paid to Employer's employees. ICMA-RC is not an employee of the Employer for all purposes, including but not limited to, the application of the Fair Labor Standards Act minimum wage and overtime payments, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State Worker's Compensation Act, and the State Unemployment Insurance Law.

20. No Assignment

This Agreement, or any interest herein, shall not be assigned, transferred or otherwise encumbered, under any circumstances, by ICMA-RC without the prior written consent of Employer.

21. Signatory Authority

Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

22. Severability

Should any part, term or provision of this Agreement be determined by a court of competent jurisdiction to be illegal or in conflict with any law of Florida or the United States, the validity of the remaining portions or provisions shall not be affected thereby.





**Exhibit A**  
**RHS Program Materials**

# RETIREE HEALTH PROGRAM

EMPLOYER MANUAL | JANUARY 2019

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## **IMPORTANT INFORMATION**

This manual, formerly known as the VantageCare Retirement Health Savings Employer Manual, provides administrative instructions for ICMA-RC's Retiree Health Program, i.e., VantageCare Retirement Health Savings (RHS) Plan and 401(h) Retiree Health Account. The administration of the RHS plan and 401(h) account are operationally the same. As such, the instructions throughout this manual for the RHS plan generally apply to the 401(h) account. Please find a list of resources on page 2 for any additional questions relating to the RHS plan or 401(h) account.

## CHAPTER ONE: OVERVIEW

- ICMA-RC Mission Statement
- Introduction
- What is the VantageCare Retirement Health Savings Plan?
- Important Information on Non-Discrimination Rules

### ICMA-RC MISSION STATEMENT

Our focus on our singular mission of building retirement security began at our founding in 1972; the ICMA Retirement Corporation (ICMA-RC) was created by the public sector for the public sector. Established by the International City/County Management Association with the assistance of a Ford Foundation grant, ICMA-RC was first to provide a portable retirement plan, enabling accumulated retirement assets to be transferred between employers. Our personal commitment to public service reflects our values of independence, integrity, and excellence.

ICMA-RC is an independent non-profit corporation focused on providing retirement plans and related services for more than a million public sector participant accounts and approximately 9,000 retirement plans.

### INTRODUCTION

Welcome to ICMA-RC's VantageCare Retirement Health Savings (RHS) Plan. You have decided to provide a funding mechanism to assist your employees in paying for retiree health benefits by pre-funding them in a trust. The RHS Plan allows you to do just that.

The purpose of this Manual is to assist employers in administering the VantageCare Retirement Health Savings Plan.

This Manual is divided into sections covering each important topic related to the RHS Plan:

- Provisions of the RHS Plan
- Administration of the program (enrollment, contributions, benefits and claims, etc.)
- Telephone and Internet fund transfers and allocation changes
- Special services offered through ICMA-RC
- Investment options

All information, especially concerning taxation, is presented as a service to employers and reflects ICMA-RC's understanding at the time this Manual is made available. Employers are cautioned that this information is not intended to be tax or legal advice, which must be obtained from your tax adviser or legal counsel.

The information in this Manual takes into account only the federal tax rules related to ICMA-RC's VantageCare Retirement Health Savings Plan. Prior to implementing an RHS plan, the employer is responsible for determining that there are no state or local laws that would prohibit it from offering the plan to its employees. The employer must also determine that the options it selects in the VantageCare Retirement Health Savings Plan Adoption Agreement and the investments selected for the RHS plan fall within state/local requirements.

ICMA-RC will periodically update this online manual. You are urged to submit any questions about the ICMA-RC-administered RHS Plan by telephone at 800-326-7272.

On the following page is a quick reference chart that provides all the contact information for inquiries on various topics.

## WHO TO CONTACT

FOR HELP WITH...	CONTACT...
<ul style="list-style-type: none"> <li>• <b>Product Information</b></li> <li>• <b>General Inquiries</b></li> <li>• <b>Participant Accounts</b></li> <li>• <b>RHS Forms*</b></li> <li>• <b>Account Administration</b> (Also see Chapters 2, 4, 5, and 6)</li> <li>• <b>Contribution Processing</b> (Also see Chapter 3)</li> </ul>	<p><b>ICMA-RC's Plan Sponsor Services</b></p> <p><b>Phone:</b> 800-326-7272</p> <p><b>Mail:</b> ICMA Retirement Corp. Plan Sponsor Services Suite 600 777 North Capitol Street, N.E. Washington, DC 20002-4240</p> <p><b>Fax:</b> 202-962-4601 <b>Attn:</b> Plan Sponsor Services</p>
<ul style="list-style-type: none"> <li>• <b>Claims and Reimbursements</b> (Also see Chapter 4)</li> </ul>	<p><b>Meritain Health Inc.</b> (ICMA-RC's Third Party Claims Processor)</p> <p><b>Phone:</b> 888-587-9441</p> <p><b>Mail:</b> VantageCare RHS Plan c/o Meritain Health, Inc. PO Box 30136 Lansing, MI 48909-7611</p> <p><b>Fax:</b> 888-665-8495</p>

\* RHS Plan forms can also be downloaded and printed from EZLink in the "Forms and Publications" tab.

## WHAT IS THE VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN?

ICMA-RC's VantageCare Retirement Health Savings (RHS) Plan allows governmental employers to allow their employees to accumulate assets to pay for health insurance and out-of-pocket medical expenses in retirement. The RHS Plan has a number of advantages including tax-deferred contributions, tax-free income accumulation, and tax-free withdrawals for eligible medical expenses for participants, their spouses and dependents.

### PLEASE NOTE

**The information in this Manual takes into account only the federal tax rules related to ICMA-RC's VantageCare Retirement Health Savings Plan. Prior to implementing an RHS plan, the employer is responsible for determining that there are no state or local laws that would prohibit it from offering the plan to its employees. The employer must also determine that the options it selects in the VantageCare Retirement Health Savings Plan Adoption Agreement fall within state/local requirements and the investments.**

## IMPORTANT INFORMATION ON NON-DISCRIMINATION RULES

### PLEASE NOTE

The following information is presented as a service to employers and reflects ICMA-RC's understanding at the time this Manual is made available. Employers are cautioned that this information is not intended to be tax or legal advice, which must be obtained from your tax adviser or legal counsel. ICMA-RC cannot determine the applicability of nondiscrimination rules to your RHS plan.

**AN EMPLOYER'S RETIREE HEALTH PROGRAM (I.E., VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN/401(H) RETIREE HEALTH ACCOUNT)** will generally be covered by nondiscrimination requirements that are already applicable to the employer's other health and welfare plans (under Internal Revenue Code Section 105(h)).

**However, please note that nondiscrimination requirements will not adversely impact your Retiree Health Program (Program) in the following scenarios:**

- A. If the Program is limited to one or more collective bargaining groups that bargained regarding health benefits and the Program provides for fixed dollar contributions for all employees.

- B. If the Program limits reimbursements to insurance premiums only (health insurance premiums, Medicare supplemental insurance premiums, Medicare Part B insurance premiums COBRA insurance premiums, long-term care insurance premiums).

Premium-Only Programs are currently excluded from nondiscrimination testing. However, under the Affordable Care Act, Premium-Only Programs will likely be subject to nondiscrimination testing upon future IRS guidance.

If the Program does not fall into one of the two scenarios above, health and welfare nondiscrimination requirements may adversely impact your Plan.

Generally speaking, if your program does not fall under one of the two scenarios above, the following requirements apply:

1. An IRS-approved proportion of your employees must be covered. For instance, coverage must be extended to at least 70 percent of employees (excluding part-time and seasonal employees, employees under age 25, employees with less than three years of service, and collectively bargained employees). Once the employer identifies the applicable coverage group, up to 30 percent of that group can be excluded.<sup>1</sup>
2. Benefits must be provided on a substantially equal basis to all covered employees. What this means, in practical terms, is that contributions must be substantially equal for each participant, and thus cannot be determined as a percentage of compensation or based on age or years of service. A fixed dollar contribution would comply.

Please note that "failure" to meet the nondiscrimination requirements does not result in "disqualification" of the Program. The ramifications of not meeting the requirements are that "excess benefits" paid to "highly compensated individuals" that participate in the RHS plan are taxable as W-2 income to the participant.

An excess benefit is generally equal to the amount of the benefit made available to the highly compensated individuals but not made available to other employees. Highly compensated individuals will generally consist of the highest paid 25 percent of all employees.

**What does all this mean?**

Employers need to consider nondiscrimination requirements when developing their Program. The employer may want to consider talking to benefits counsel to determine if these rules will impact its participants. Should an employer establish a program that does not fall under scenario A or B above and does not meet the nondiscrimination requirements, the out-of-pocket expenses paid to highly compensated employees may be taxable.

You are encouraged to discuss the results with a tax or benefits advisor because the IRS rules are complex.



## CHAPTER TWO: IMPLEMENTING THE PLAN AND ENROLLING PARTICIPANTS

- Implementing Your VantageCare Retirement Health Savings Plan
- Establishing Participant RHS Accounts
- Eligibility to Participate in RHS
- Using the VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form
- Enrolling Employees Via ICMA-RC's EZLink System
- Non-Enrolled Participants

### IMPLEMENTING YOUR VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN

Once your plan adoption paperwork is received in good order, ICMA-RC will establish two record keeping plans for your RHS program. The "80" plan will be your primary plan. Participant enrollments and accounts will be maintained in this primary plan. The "88" plan will hold accounts of surviving spouses and dependents ("survivors"). You will not be required to enroll individuals in the "88" plans. ICMA-RC will transfer RHS participant assets to this plan upon the death of the participant. All employer RHS administration will be accomplished with the primary "80" plan.

When you receive notification that your plan setup has been completed, you can put the program in place with the following steps:

1. Inform your employees about the RHS Plan. Your ICMA-RC RPS can help you plan and implement your education/enrollment meetings. ICMA-RC will provide:
  - The VantageCare Retirement Health Savings Plan Announcement Letter.

You can print this letter on your own letterhead if you wish – it describes the specific features of your RHS Plan, such as participation requirements and types of contributions permitted.

- The VantageCare Retirement Health Savings Plan Employee Enrollment Kits.

The Employee Enrollment Kit includes everything the employee needs to enroll in the RHS Plan, including a VantageCare RHS Employee Enrollment/Change Form, Employee Question & Answer, and an Investment Options Sheet. Please let ICMA-RC know how many Enrollment Kits you need. You may contact either your ICMA-RC Retirement Plans Specialist or order them online through EZLink.

2. Next, submit enrollment information to ICMA-RC via the EZLink System. Detailed instructions for submitting enrollment data can be found later in this chapter. For additional assistance, please contact an EZLink Specialist at 800-326-7272
3. ICMA-RC will set up individual participant accounts and send a "welcome" letter to each participant.
4. Send your first RHS contributions. See Chapter 3 for details on contribution submittals.

### ESTABLISHING PARTICIPANT RHS ACCOUNTS WITH EZLINK

To fully participate in the VantageCare Retirement Health Savings Plan, each employee must be enrolled in the program.

These steps are discussed further below. Please note that this information applies to the enrollment of employees that are eligible for contributions. Once participants are eligible to begin receiving benefits from the Plan, additional information will be required. See Chapter 4 for a discussion of benefit eligibility.

#### **Step 1. The employer notifies the employee that he/she is eligible to participate in the RHS Plan.**

When an employee has met the requirements established by the employer for participation in the RHS Plan, the employee should be notified of his/her eligibility to participate. Your ICMA-RC RPS can help you organize and implement education/enrollment meetings. The employer (or provisions of the collective bargaining agreement) establishes eligibility criteria in the VantageCare Retirement Health Savings Plan Adoption Agreement. The RHS plan requires mandatory participation for all employees in a covered group.

#### **Step 2. The employer provides the employee with the Employee Enrollment Kit, the Announcement Letter, and other RHS materials.**

Upon notification of eligibility, all employees must receive the kit and sign up to participate in the plan. To make enrolling employees as simple as possible, ICMA-RC provides all the following materials in the VantageCare Retirement Health Savings Plan Employee Enrollment Kit:

- *Investment Options Sheet*
- *VantageCare Retirement Health Savings Plan Questions and Answers for Employees*
- *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form*

**Step 3. The employee completes the *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form*.**

In order to fully participate in the plan and its benefits, each employee not previously enrolled in the group covered by your plan must complete and submit the *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form*. The information provided on this form is used to establish an account within your RHS Plan for the employee.

As part of enrolling, the participant must fully complete the participant information contained in Parts 1 through 5. Please note that enrollment cannot be completed for the participant if all of the following information is not submitted:

- Name
- Address
- Social Security number
- Date of birth
- Date of employment

ICMA-RC cannot perform quarterly statement mailing and proper crediting of contributions for participants without this information.

**Part 1: Essential Information** – Participant account data will be entered into ICMA-RC's EZLink system from the information provided on this form. The participant is asked to include the Employer Plan Number, which is the six-digit number assigned to the employer, beginning with "80."

**Part 2: Participant Personal Information** – This section is self-explanatory. ICMA-RC will mail account statements and notices of interest to the address provided in this section.

**Part 3: Work Information** – This section is self-explanatory.

**Part 4: Survivor Information** – When a participant dies, the surviving spouse and dependents ("survivors") will have use of the account for tax-free medical expense reimbursement. The participant should submit survivor information at enrollment, and update this information as their life circumstances change over time.

The employee should list the complete name, address, phone number, and relationship for each survivor.

### **Same-sex Marriage**

The Treasury Department and IRS guidance provides that the "state of celebration" will establish whether same-sex

married couples are entitled to be treated as spouses for federal tax purposes.

For all marriages that are valid, as of September 16, 2013, unless the plan sponsor specifies an earlier date, the same-sex spouse may receive covered reimbursements. Same-sex spouses should consult a local expert regarding the validity of their marriages.

**Part 5: Authorized Signatures and Part 6: Employer Use Only** – The employee should sign the form and submit it to the employer for signature. The employer should also complete the benefit eligibility information (if applicable) in Part 6. The information is then ready to be entered into the EZLink system by the employer.

The participant's signature is an acknowledgment that the participant has received the fund disclosure materials. The signature also confirms the participant is aware of the procedures and consequences of the use of ICMA-RC's self-service phone line and Account Access, of the post-death provisions of the Plan, mandatory participation of the RHS Plan, as well as other important disclosures.

Please encourage participants to read the instructions on the back of the form.

After completing the Form, the employee submits the form to the employer.

**Step 4. The employer confirms the employee's RHS enrollment eligibility.** The employer should complete Part 6 and sign the form. The employer's signature is an acknowledgment that the employer has reviewed the information and that, to the best of the employer's knowledge, it is accurate.

#### PLEASE NOTE

**The employer should verify all required information.**

**Step 5. The employer enters and transmits the employee's enrollment information via ICMA-RC's EZLink System and retains the enrollment form in its files.**

EZLink is an internet tool provided by ICMA-RC that gives the employer electronic access to a wide range of plan specific information and transaction processing capabilities. If you are already an existing user, your plan will automatically display on the EZLink drop down menu. If you are new to EZLink, you will need to fill out an EZLink Access Form to obtain user IDs and passwords.

EZLink is accessed by employers through ICMA-RC's website at [www.icmarc.org](http://www.icmarc.org). Questions regarding the use of EZLink should be directed to ICMA-RC's EZLink Specialists at 800-326-7272.

Enter the information into EZLink prior to submitting contributions for the employee. If ICMA-RC receives contributions for a participant before receiving the employer-submitted EZLink enrollment, ICMA-RC cannot invest the funds and may need to refund contributions to the employer. (Note that the EZLink System will not allow you to enter contribution detail if the participant has not already been enrolled in the program.)

After logging into EZLink, click on "Participant" tab and "Participant Administration" menu option, then choose "Enroll or Rehire Participant." You will then be prompted to choose the plan for which enrollments are to be made. The primary "80" RHS Plan should be selected. Follow the screen prompts to enroll the participant. Always print the confirmation screen for your records after completing an enrollment.

#### PLEASE NOTE

**If a participant who is being enrolled in the RHS Plan via EZLink is already eligible for benefits at the time of enrollment, enter the Benefit Eligibility Date when requested. The Benefit Eligibility Date may not be earlier than the date the employer's RHS plan was implemented. See Chapter 4 for more information.**

## NON-ENROLLED PARTICIPANTS

Proper processing of contributions depends on timely and complete submission of employee enrollment information via EZLink. If a participant is not enrolled by 4:00 PM EST on EZLink the day following receipt of contributions, ICMA-RC cannot hold the assets in suspense. In these cases ICMA-RC is required to refund the participant's contribution to the employer. A refund will be initiated and a check or wire sent within 3-5 business days.

If the employee is required to participate and has not completed the VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form, the employer may choose to complete the form on the employee's behalf and enter the information via EZLink. The "administrative enrollment" must provide, at a minimum:

- Participant's full name
- Mailing address
- Social Security number
- Employer Plan name and six-digit plan number
- Gender
- Birth date
- Benefit eligibility date (if applicable)
- Employer signature

**Step 6. ICMA-RC establishes an RHS account for the employee.** ICMA-RC will use the information submitted via EZLink to establish the participant account. If enrollment information is received prior to 4:00 p.m. Eastern time, the account will be established the same business day.

**Step 7. ICMA-RC sends a letter to the employee, welcoming him/her to the RHS Plan.** The letter is mailed ICMA-RC will send a "welcome" letter to the participant the next business day after the account is established.

## COMPLETING THE EMPLOYEE ENROLLMENT/CHANGE FORM

The *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form* is also used for subsequent changes in participant information (name, address, etc.) and survivor information.

For information on changes to the account, see Chapter Six. For changes in investment allocation and fund transfers, please see Chapter 6. Participants may submit changes through the internet (Account Access). (See Chapter 6 for a discussion of Account Access.)

All contributions will initially be invested in the Vantagepoint Milestone Fund (or another default fund as designated by the Plan). The participant may change his/her investment

allocation for future contributions and execute fund-to-fund transfers of existing account balances using Account Access (our participant website) or by calling an ICMA-RC Investor Services Representative at our toll-free number (800-669-7400). Participants may generally make this change in investment allocation prior to the first contribution. Should the change in investment allocation not be made prior to the first contribution, the participant can transfer assets between funds at a later date.

Participants are encouraged to consult the current fund disclosure materials carefully for a complete summary of all fees, expenses, charges, financial highlights, investment objectives, risks and performance information. For current fund disclosure materials, participants may contact Investor Services at 800-669-7400. Participants may also use Account Access to move existing account balances among the funds. Survivor information should also be provided by the participant to the employer for entry into EZLink. (See Chapter 5.) It is recommended that survivor information is provided within 7-10 business days.

Participants making subsequent changes in their accounts should use the *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form* or Account Access (See Chapter 6).

## CHAPTER THREE: SUBMITTING CONTRIBUTIONS

- Types of Contributions
- Submitting Contributions: Instructions for Employers
- Setting Up Participant Accounts
- Preparing the Contribution Detail
- Remitting Contributions to ICMA-RC
- Vesting and Using Forfeiture Assets
- Contribution Confirmations
- Processing Steps and Cycles
- RHS Tax Reporting

This chapter provides a step-by-step guide for submitting RHS contributions to ICMA-RC. Our daily processing cycle is also described. Questions regarding contribution processing can be addressed to an ICMA-RC EZLink Specialist at 800-326-7272.

### TYPES OF CONTRIBUTIONS

The contribution features available in your Plan will be determined in your VantageCare RHS Plan Adoption Agreement in Section VI.

The Plan may include the following contribution types:

#### Direct Employer Contributions

You may make a direct employer contribution to each participating employee's RHS account. This contribution may be a fixed dollar amount, a percentage of earnings (as defined in your Adoption Agreement), or a discretionary amount to be determined each year or on some other schedule outlined in your Adoption Agreement.

Direct employer contributions may be subject to a vesting schedule. See Vesting and Use of Forfeited Assets below for more information.

#### Mandatory Employee Contributions

Your RHS Plan may require participating employees to make a contribution from their earnings or from their accrued leave. A mandatory contribution from earnings may be a fixed dollar amount or a percentage of earnings. A mandatory contribution from accrued leave may be required at the inception of the Plan (for example, to bring all participant accrued leave balances down to a desired level), at the end of each year, or at separation from service. You may require a contribution from one type of leave (e.g., vacation) or from multiple types of leave (e.g., vacation and sick).

The contribution will be made for each eligible employee who enrolls in the Plan. Thus, for mandatory contributions from earnings, the employer should automatically set up the payroll deduction at the time of enrollment. The contribution from accrued leave should likewise be made on behalf of the participant without initiation by the participant.

Mandatory employee contributions are always 100% vested.

The plan may allow for contributions to be made in any combination of the above.

### SUBMITTING CONTRIBUTIONS: INSTRUCTIONS FOR EMPLOYERS

When you are ready to make contributions, the following steps must be followed to ensure accurate and efficient processing of contributions, resulting in maximum opportunity for the individual participant to benefit from ICMA-RC's daily processing, valuation and investing environment. The contribution submittal process consists of four steps:

- Participant accounts are established via ICMA-RC's EZLink System.
- The employer submits the contribution detail to ICMA-RC via the EZLink System.
- The employer remits contributions to ICMA-RC.
- ICMA-RC sends contribution and dividend confirmations to the employer via EZLink.

### SETTING UP PARTICIPANT ACCOUNTS

#### Two Key Questions

Before you remit contributions to the RHS Plan, two key questions should be answered:

- **Has the employer's plan been established at ICMA-RC?**

Once your RHS Plan has been established, ICMA-RC will send you a Notice of Plan Acceptance indicating that we have received your VantageCare Retirement Health Savings Plan Adoption Agreement and other adoption documents necessary for setting up the RHS Plan. This letter will also inform you of your six-digit RHS plan number beginning with "80."

- **Have all participating employees been enrolled?**

As discussed fully in Chapter 2, the RHS enrollment process provides ICMA-RC with all the information necessary to establish a complete account for each participating employee. The information

must be submitted via ICMA-RC's EZLink System before the participant's first contribution to ensure contributions are properly credited to the participant's account. In a daily transaction and valuation environment, there is no tolerance for holding unlocated contributions pending participant information. As a result, ICMA-RC has established procedures to facilitate daily processing for all submitted participant contributions, including contacting the employer for information. Contributions received for non-enrolled participants that are not resolved immediately will be returned to the employer. See Chapter Two for more details.

You can determine if an employee has been enrolled in the RHS Plan by checking EZLink. Go to the "Participant" tab and click on "Search."

### PREPARING THE CONTRIBUTION DETAIL

ICMA-RC's RHS Plan operates in a daily processing and valuation environment; contributions are credited to participant accounts with same-day credit only if the contribution is considered in a "good order" when received by ICMA-RC. Any deviation from "good order" will result in processing delays and subsequent lag in crediting the contribution to individual participant accounts.

Each time a check, wire or electronic funds transfer is submitted, employers must supply conforming contribution information detail via EZLink *at the same time* (or before) in order to receive contribution credit for participants.

EZLink provides an electronic confirmation number after you have submitted your contribution detail. *Note: Posting of contributions to participant accounts may be delayed if contribution detail is not accurate.*

Immediate credit to participant accounts is especially important because ICMA-RC invests contributions for participants in the investment option(s) of their choice upon receipt of the contributions are received in "good order" prior to 4:00 PM Eastern Time. "Good order" is defined as receipt, prior to 4:00 PM Eastern Time, of both contribution deposit and matching, reconciling contribution detail (instructions for crediting the deposit to individual accounts).

A contribution is in "good order" and will receive same-day settlement and same-day participant investment of funds if both of the following conditions exist:

1. Contribution detail is accurately provided to ICMA-RC via EZLink.

2. Cash received equals the amount specified on EZLink.

For all funds, the investment is credited at the closing price for that date if the receipt date is a business day and the New York Stock Exchange (NYSE) is open. If the receipt date is not a business day or if the NYSE is closed, the investment is credited as of the closing price of the next business day that the NYSE is open.

Contributions received by ICMA-RC on a business day prior to the receipt by ICMA-RC of contribution detail will be held in the Vantagepoint Transfer Agents, LLC (VTA) bank account, and no credit to individual accounts will take place. ICMA-RC may hold the assets for up to three days prior to returning them to the employer if complete information is not provided. The contribution will not earn interest credit. Participants will receive contribution credit and subsequent investment earnings and losses from the date the conforming detail is received via EZLink. ICMA-RC will not make "as of" date of receipt adjustments (crediting earnings from the date of receipt) when the detail is received after the cash deposit's date of receipt.

ICMA-RC reserves the right to process the received cash and detail in situations where the overages or shortages are relatively small. In these cases, ICMA-RC will credit overpayment or account for underpayments and notify employers of the discrepancy between the amount received and the amount that should have been received.

### Submittal Specifications – EZLink

ICMA-RC's EZLink electronic data transfer process runs on a secure portion of ICMA-RC's website ([www.icmarc.org](http://www.icmarc.org)), and the transmission will be fully encrypted and secure. An ICMA-RC EZLink Specialist can assist you with EZLink processing and help you to test a transmission.

If you are an existing ICMA-RC employer already using EZLink, your existing EZLink User ID will provide you access to all of your ICMA-RC plans. Just select the RHS Plan (beginning with "80") from the drop-down listing after you log into the EZLink system. If you are new to ICMA-RC or to EZLink only, the RHS Plan will be available when you log in to EZLink.

For help using the contribution submittal feature of EZLink, contact ICMA-RC's EZLink Specialist at 800-326-7272. We encourage you to contact an EZLink Specialist if you are a first time user and to avoid common mistakes that could delay posting of your contributions.

There are two options for submitting contribution detail via EZLink: Contribution Pre-formatted File and Online Contribution Submission.

## PLEASE NOTE

**In order for ICMA-RC to accept contribution remittances on behalf of Plan participants, an account must be established on our record keeping system. You can determine if any employee has been enrolled in your Plan by checking EZLink. Go to the Participant tab and click on Search.**

### Contribution File Feature

The Contribution File feature allows you to prepare a file containing the contribution detail in a specified format, which is then transmitted electronically to ICMA-RC via EZLink. This method provides the advantage of extracting the contribution data from your own system into a file without the need for data entry. There is a tutorial on the site showing how to attach and submit a contribution file. The link to the tutorial is located at the top right on the Submit Contribution File screen.

If you are a new EZLink user, an EZLink Specialist will contact you to walk you through EZLink for the first time. You may also contact an EZLink Specialist at any time for assistance through our toll-free number at 800-326-7272

Please follow these steps to submit contribution detail using the Contribution File feature:

1. Log in to EZLink at [www.icmarc.org](http://www.icmarc.org) using the user ID and password provided by ICMA-RC.
2. Select the "Submit Contribution File" menu option.
3. Complete the following contribution information.
  - Payroll date
  - Payment method
  - Plan number (80xxxx)
  - Deposit amount
  - Contribution amount
    - The contribution amount will vary from the deposit amount if you are using forfeitures to offset a portion of your contribution remittance (see Vesting and Use of Forfeited Assets, below, for additional information on forfeitures)
  - Forfeiture amount
    - If not applicable, enter "0.0"
  - Adjustment detail, if any
  - File name
    - Click on the browse button to locate the data file on your computer and attach it here.
4. Click "Proceed."
5. The system will ask if you are uploading additional files.
  - If you are only uploading one file, click "No" and go to step 8.
  - If you are uploading additional files, click "Yes" and repeat steps 3 through 7.

6. The final screen is the Confirmation page, which includes your confirmation number. You may record the confirmation number or print the page for your records.

### Participants Not on File

If the contribution detail contains data for a participant who is not enrolled, ICMA-RC will contact the employer's Contribution Contact. This is the person you named during the RHS Plan adoption process.

Contributions cannot be posted if the participant's account is not set up. Please refer to Chapter 2 if you need additional instructions on enrollment. You may also contact an EZLink Specialist for enrollment assistance at 800-326-7272.

## PLEASE NOTE

**There is no limit to the number of contribution files you may submit in one day. You should submit separate files for your ICMA-RC administered 401, 457 and RHS programs. If you submit a combined file, any errors in data for one program could prevent the data for the other programs from being posted.**

### Online Contributions Submission Feature

The Online Contributions Submission feature is an online entry system that allows you to build a contribution detail file directly within EZLink. The detail is then transmitted electronically through our secure website to ICMA-RC. Using this feature will allow you to review, revise and resubmit previously submitted contribution detail files. There is a tutorial of the online contribution process. The link to the tutorial is at the top right on the Create Contribution Submission screen. ICMA-RC's EZLink Specialists can provide additional information on this method when they contact you after your RHS Plan is established.

Please follow these steps when submitting contribution detail using the Online Contributions Submission feature:

1. Log in to EZLink at [www.icmarc.org](http://www.icmarc.org) using the user ID and password provided by ICMA-RC.
2. Select "Create Contribution" menu option.
3. If you have used the Online Contribution Submissions feature before, start at Completed Payroll Submissions; select the file with the most recent payroll date and proceed to step 8. Otherwise, enter a payroll date and click "Create Submission".
4. Click "Add Participant".
5. Keep all fields blank and click "Search". This will bring up a list of all enrolled participants. If a participant is not listed, determine if the participant has been enrolled. ICMA-RC cannot accept contribution remittances for participants who are not enrolled.



6. Select from the displayed list the participants you wish to include in the contribution submission and then click "Proceed".
7. To make changes to a participant's contribution information, click the name of that participant from the list.
8. From the dropdown menu, select the source for each contribution.
  - Possible sources are Employer (for direct employer contributions) and Employee pre-tax (for all other contributions).
9. Next, enter the amount of the contribution and click "Return to Work File."
10. Repeat steps 9-11 for all participants.
11. Verify the amount of each contribution and the sub-total for each source. If correct, click "Open Balance Window."
12. Enter the following remittance information, if applicable:
  - Forfeiture Amount
  - Adjustment Amount
  - Adjustments Detail
13. Select the appropriate remittance method from the dropdown menu.
14. Click "Submit Work File."
15. The final screen is the Confirmation page, including your confirmation number. Click the Print option, at the top right of the page, to print the confirmation and the detail submitted for your records.

#### Vesting/Forfeiture Processing on EZLink

Once logged onto EZLink, please follow the instructions below.

- Select Participants
- Select Participant Administration

For Employers without any vesting schedule, use the RHS Eligibility screen to make the participant benefit eligible.

- Enter the benefit eligibility date.
- The benefit eligibility date will be submitted to ICMA-RC.

For Employers with a vesting schedule, use the RHS Termination screen to make the participant benefit eligible.

- Enter partic ID; click on search
- Click on partic
- Select "other"
- Click on proceed
- Enter term date (a future termination date cannot be used)
- Enter BED
- Enter vesting percentage (if you need to override vesting)
- Click on proceed
- Review info
- Click on confirm

For additional assistance, please contact an EZLink Specialist at 800-326-7272.

#### Trailing Contributions

There may be times when you need to submit a contribution for a participant who is no longer employed. For example, a contribution of accrued leave, or a contribution from the participant's last paycheck, may be remitted after the participant's last day of employment. You will still be able to submit the contribution as outlined above. As long as the participant's account number (Social Security number) is valid in the RHS Plan, ICMA-RC's record keeping system will allow you to enter the contribution detail, regardless of the fact that the participant is no longer in your employment.

#### Contribution Confirmations

ICMA-RC will send you a confirmation of your contribution receipt via EZLink. You may also view contribution transactions via EZLink. Go to the "Reports" tab, select the "Report Summary" menu and then the "Contribution Transactions" menu option. On this screen, you can view the posting of contribution detail received for your Plan.

#### REMITTING CONTRIBUTION DOLLARS TO ICMA-RC

Contributions must be sent by check, wire or electronic fund transfer (EFT) to Vantagepoint Transfer Agents, LLC. Same-day cash processing and same-day investment is possible only if a contribution is in "good order." ICMA-RC will attempt to resolve discrepancies as they occur. Employer cooperation will be appreciated. To be in "good order", the conditions in "Preparing the Contribution Detail" above must be satisfied.

#### PLEASE NOTE

**Contributions will receive same-day credit and investment at the closing share value on the day of receipt if received on a business day and if the New York Stock Exchange (NYSE) is open. Credit will be made on the next business day that the NYSE is open if the day of receipt is not a business day or if the NYSE is closed. Contributions must be received by 4:00 PM Eastern Time with the submittal in "good order". Contributions not in "good order" will not be processed until they are in good order. ICMA-RC allows three days to resolve issues, after which the contribution will be returned to the employer.**



## Electronic Fund Transfer (EFT) for Wire and ACH

For contributions sent by electronic fund transfer, your bank should use the following information:

Receiving Bank: M&T Bank  
Bank ABA# for Wires: 022-000-046  
Bank ABA# for ACH: 022-000-046  
Receiving Account Name: Vantagepoint Transfer Agents  
Receiving Account #: 89559029  
OBI Field (for wires): 80xxxx (6-digit plan number) and payroll date in MM/DD/YYYY format  
Company ID (for ACH): 80xxxx (6-digit plan number) and payroll date in MM/DD/YYYY format

The OBI Field and Company ID format must be followed precisely so that ICMA-RC's recordkeeping system can identify the elements correctly and process your contribution efficiently. The required element in the OBI and Company ID are the six digit RHS plan number and the payroll date.

Most banks offer a semi-repetitive and/or repetitive wire service. This allows you to send a wire to the same receiving bank without inputting the entire instructions each time. The primary difference between a repetitive and semi-repetitive wire is that with a semi-repetitive wire, the OBI field can be changed each time a wire is sent. With a repetitive wire, none of the fields can be changed. ICMA-RC highly recommends that you choose a semi-repetitive wire service so the payroll date in the OBI field can be changed for each contribution wire. If your bank offers this service, it may be less expensive and will reduce the amount of required input.

Electronically transferred funds credited by 4:00 PM Eastern Time at ICMA-RC's bank will be accepted for same-day crediting to participants' accounts if that day is a business day and the NYSE is open, subject to submission of conforming contribution detail via EZLink at the same time or in advance of the fund transfer. Please see "Preparing the Contribution Detail" earlier in this chapter for instructions on submitting contribution detail.

### PLEASE NOTE

**All wire instructions and ACH "Company ID" fields must contain the six-digit RHS Plan number (beginning with "80") and the payroll date for prompt processing.**

## Submitting Checks

Checks must be made payable to Vantagepoint Transfer Agents and sent to the Vantagepoint Transfer Agents (VTA)

lockbox. Under no circumstances can ICMA-RC accept personal checks from participants be accepted for contributions. The lockbox address is:

Vantagepoint Transfer Agents  
c/o M&T Bank  
P.O. Box 64636  
Baltimore MD 21264-4636

All checks must be sent to the VTA lockbox address indicated above. Checks may be mailed via regular mail or an overnight delivery service, such as that offered by the U.S. Postal Service, that delivers to a post office box. (Federal Express and United Parcel Service, for example, do not deliver to a post office box. Express Mail, available from the U.S. Postal Service provides overnight mail from most locations to the lockbox.)

Please note that the lockbox is a post office box rented by M&T Bank on VTA's behalf. Collections from the post office box are made periodically and delivered to the M&T Bank lockbox center. Participant accounts will receive credit if contributions and detail are received in "good order" before 4:00 PM Eastern Time as of the date of deposit at M&T Bank if that day is a business day and the NYSE is open. Crediting the contribution to participant accounts will be delayed by the amount of time it takes for delivery by mail or overnight services. You may wish to consider using electronic fund transfer (EFT) to ensure same day credit to participant accounts.

### PLEASE NOTE

- **All RHS Plan contributions must be sent to the VTA lockbox address indicated above. Do not use any other address.**
- **Please do not use the above address for 401 or 457 plan contributions, sending checks for dues to ICMA or for fee payments to the ICMA Retirement Corporation.**

## VESTING AND USE OF FORFEITED ASSETS

Plans may have a vesting schedule that applies to direct employer contributions. The RHS Plan defaults to 100% vesting for direct employer contributions. Participants will always be fully vested in their own contributions whether from compensation or leave.

ICMA-RC's record keeping system will automatically track vesting for your participants if your vesting schedule is based on years of service. However, if your RHS Plan allows 100% vesting at retirement or upon another event, we will ask you to confirm the vesting schedule at separation from service or benefit eligibility.

RHS participants will automatically become 100% vested in their entire account balance upon the occurrence of the following events:

- Death
- Disability (as defined in your Adoption Agreement)
- Retirement (as defined in your Adoption Agreement)
- Attainment of benefit eligibility (as defined in your Adoption Agreement)

If a participant separates from service prior to retirement (as defined by the employer in the Adoption Agreement) or before attaining eligibility for medical benefits (see Chapter 4), his or her nonvested account balance will be forfeited. Alternatively, forfeiture will occur upon reversion to the Trust of a Participant's assets remaining upon the participant's death (as outlined in Section XI of the Adoption Agreement). These forfeited funds remain available to the employer to use as follows:

- Remain in the RHS Trust to be reallocated among all RHS participants with a balance as Employer Contributions for the next and succeeding contribution cycle(s).
- Remain in the Trust to be reallocated on an equal dollar basis among all RHS participants with a balance.
- Remain in the Trust to be reallocated pro rata among all RHS participants based upon participant account balances.
- Revert to the employer.

Note: If the forfeited balance is small whereby the reallocation amount to each Plan Participant with a balance is minimal, the assets will revert to employer's forfeiture account for further direction from the employer. If there are participants without a balance who should receive forfeiture assets, please provide alternative instructions to ICMA-RC on the forfeiture reallocation notice.

The employer selects the desired option in Section VIII of the Adoption Agreement. It is anticipated that few employers will opt for reversion, in order to retain the assets for their original purpose of retiree health benefits.

The RHS forfeiture balance is available in EZLink, under the "Participant" tab and enter 999999999 for the account number. Once a participant account forfeits assets, you may review this balance at any time to determine your available forfeitures.

### Using Forfeiture Assets

Acceptable use of forfeited RHS assets is detailed in the employer's RHS Adoption Agreement. When the employer

desires to use forfeited amounts, written notification must be provided to ICMA-RC. The notification must include:

- the RHS Plan number from which the forfeited assets should be applied;
- the payroll date (if assets are to offset direct employer contributions);
- the total dollar amount of forfeiture assets to be applied, and
- the allocation of forfeitures among plan participants (e.g. equal dollar amount of \$x applied to each participant's account or pro rata amount based on account balances).

#### PLEASE NOTE

**Employers with multiple RHS plans generally may not use forfeitures from one RHS plan in another RHS plan. The forfeited assets must be used in the RHS plan in which they arose.**

### CONTRIBUTION CONFIRMATIONS

There are two ways that ICMA-RC confirms receipt of contributions for participant accounts:

#### 1. Contribution Confirmation

The next business day after contributions are credited to participant accounts, ICMA-RC will send the employer a Contribution Confirmation via EZLink. The Contribution Confirmation indicates

- the total amount invested on the participants' behalf,
- the funds in which the contributions were invested,
- the number of shares purchased in each fund,
- and the date the shares were purchased.

**Note that this information will be presented in the aggregate. Individual participant investments will not be shown.**

If a contribution confirmation is not received within one week of submitting funds, contact ICMA-RC's Plan Sponsor Services. Please have the date the contribution was sent, the associated payroll date, and the amount and type (e.g. check or EFT) of the remittance available to help resolve any questions.

#### 2. Dividend Confirmation

A Dividend Confirmation (Exhibit 3-1) will be sent to the employer on the next business day after dividends are paid by any of the funds in which your RHS assets are invested.

These dividends will be reinvested back in the same fund from which they are paid, purchasing additional shares on the participants' behalf. The Dividend Confirmation will show:

- the total amount reinvested on the participants' behalf,
- the funds in which the dividends were reinvested,
- the number of shares purchased in each fund,
- and the date the shares were purchased.

## PROCESSING STEPS AND CYCLES

An understanding of the order ICMA-RC processes financial and non-financial transactions will help to explain why anticipated events may not occur as expected. If you have questions about a particular transaction and its potential effect on another transaction, please contact the Plan Sponsor Services for assistance at 800-326-7272.

Daily processing is accomplished in the following order:

1. Certain Non-Financial Transactions – Plan and participant masterfile information is created or updated. This data for employers includes: contact names and address changes. This data for employees includes: new account set-up, or changes such as names, addresses, etc. Investment share values are updated.
2. Allocation Changes – Investment allocation changes submitted by participants are processed.
3. Adjustments (if any) are posted.
4. Contributions – Contributions in “good order” are credited to participant accounts at that day's closing share value, provided the funds have been credited at the bank by 4:00 PM Eastern time on a business day on which the NYSE is open. If the day is not a business day or if the NYSE is not open, the contributions will be posted to participant accounts with the closing share value of the next business day that the NYSE is open.
5. Fees – Participant-level RHS fees are deducted. (See Chapter 7.)
6. Fund Transfers – Participant investment fund transfers are made on the day received, if the request is received by 4:00 PM Eastern time.
7. Claims Payments – Although benefit payment checks are prepared by Meritain Health, ICMA-RC's third-party claims administrator, ICMA-RC processes the payments in our record keeping system to reflect them in participant account balances before they are disbursed. (See Chapter 4.)

## RHS TAX REPORTING

The following covers how contributions and distributions relating to your Vantage RHS Plan should be treated. This information will assist you as you prepare for your year-end payroll and processing for Form W-2.

## Contributions

Contributions to the RHS plan are not required to be reported on your employees' Forms W-2. This includes

- Direct employer contributions and
- Mandatory employee contributions (from compensation or accrued leave).

None of these amounts are to be reported in any of the boxes on Form W-2. If you wish, you may show these contributions in Box 14, “Other,” for informational purposes only. Do not report RHS contributions in any box other than Box 14.

## Distributions

Distributions from your employees' RHS account for qualifying medical expenses of employees, their spouses and dependents are tax free. Generally, no tax reporting is required.

If you are an employer who conducted non-discrimination testing for highly compensated individuals that resulted in a portion of their benefit payments being taxed, these generally will require tax reporting on Form W-2 (1 – “Wages, Tips, and Other Compensation”). Form W-2 is the appropriate reporting form whether the benefits were paid to an active employee or to a separated/retiree employee.

Benefits deemed “discriminatory” under the welfare plan nondiscrimination rules are subject to federal income tax and must be reported as taxable compensation (in Box 1 of Form W-2). However, they are both subject to income tax withholding. They are not subject to Social Security or Medicare tax reporting and therefore no Social Security or Medicare tax withholding is required. The recipient is responsible for all income tax due as a result of the payments, and will pay the tax at the time of filing their individual income tax return.

### PLEASE NOTE

**Reporting requirements defined by the Internal Revenue Service for Health Savings Accounts do not apply to RHS plans, as RHS accounts are not Health Savings Accounts. Do not follow the Health Savings Account reporting rules for your RHS plan.**

## CHAPTER FOUR: MEDICAL BENEFITS AND ELIGIBILITY

- Eligible Groups
- Eligibility Events
- Permissible Medical Benefit Payments
- Using the VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form
- Notifying ICMA-RC of Participant Eligibility and/or Termination via the EZLink System
- Meritain Health, Inc.
- Medical Benefit Claim Requests
- Claims Processing
- Employer Quarterly Disbursement Report
- Lost or Missing Checks
- Uncashed Checks

The primary purpose of the ICMA-RC VantageCare Retirement Health Savings Plan is to provide employers and employees with the opportunity to set aside funds to pay for medical benefits in retirement or after separation from service. This chapter outlines the medical benefits available and rules regarding eligibility and claims under your RHS Plan.

### ELIGIBLE GROUPS

In Section V of the Adoption Agreement, the employer designates the groups of employees that are eligible for RHS Plan benefits. The employer may name Eligible Groups and establish Participant Eligibility Requirements.

The employer may choose from among the following pre-selected groups of employees, or may designate an employer-defined group.

- All Employees
- All Full-Time Employees
- Non-Union Employees
- Public Safety Employees – Police
- Public Safety Employees – Firefighters
- General Employees
- Collectively-Bargained Employees
- Other (employer-defined)

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer.

#### PLEASE NOTE

**The spouse and dependents of eligible employees are also eligible for medical benefits. The definition of dependent is discussed in detail in Chapter 5.**

After the employer chooses the employee group(s) covered by the RHS Plan, the employer may also establish participant eligibility requirements. The employer may designate a minimum period of service or a minimum age required for eligibility to participate in the RHS Plan.

#### PLEASE NOTE

**If the Employer's underlying welfare benefit plan or funding under the RHS Plan is in whole or part a non-collectively bargained, self-insured plan, the nondiscrimination requirements of Internal Revenue Code (IRC) Section 105(h) will apply. These rules may impose taxation on the benefits received by highly compensated employees if the Plan discriminates in favor of highly compensated employees in terms of eligibility or benefits. The Employer should discuss these rules with appropriate counsel. See Chapter 1 for more information.**

### ELIGIBILITY EVENTS

The employer uses Section IX of the Adoption Agreement to define events that will qualify the employee for RHS Plan benefit eligibility.

The following are examples of eligibility events:

- Retirement, as defined by the employer
- Separation from service
- A combination of the above (for example, retirement and a certain age)

While the employer may establish eligibility criteria that permit in-service payments, these arrangements require pre-authorization by ICMA-RC before adoption and may result in implementation of an employer-level fee.

It is important to note that the designated eligibility event(s) will determine eligibility for terminated employees. An employee who separates from service prior to reaching an eligibility event must become eligible at some future date, when the earliest eligibility milestone is reached. The Adoption Agreement requires the employer to establish a secondary benefit eligibility criteria when the primary criteria includes a "retirement" component.

### PERMISSIBLE MEDICAL BENEFIT PAYMENTS

Section X of the Adoption Agreement enumerates the medical expenses that employees may claim for reimbursement under the RHS Plan. The employer may choose to allow reimbursement for all qualified medical expenses, or may allow employees to be reimbursed for only specific types of qualified expenses.

## Qualified Medical Expenses

All medical expenses eligible under IRS Section 213\* other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin).

IRS Publication 502, Medical and Dental Expenses, contains a thorough discussion of the types of expenses that qualify. IRS Publication 502 is available on the IRS website at <http://www.irs.gov/>.

*\*Nondiscrimination rules may apply to non-collective bargained, self-insured Plans.*

RHS benefits paid in the form of medical expense reimbursements will not be taxable to the participant, spouse, or dependents.

### PLEASE NOTE

**All claims for medical expense reimbursement will be reviewed by the third-party claims administrator, Meritain Health, to certify that (1) the participant is eligible to receive medical benefits and (2) the benefits are eligible for reimbursement under IRS rules and the Employers' Plans based upon Plan information supplied by ICMA-RC. See the discussion of claims processing later in this chapter.**

Medical expense reimbursements will be paid to the eligible participant (or eligible spouse/dependent) and will not be made directly to insurance companies. The program does permit, however, repetitive insurance premium payment reimbursements to be made on an ongoing, automatic basis to either the employer (in the case of COBRA or premium cost-sharing arrangements) or to the participant. For automatic reimbursement, the participant should complete the *VantageCare RHS Plan Benefits Reimbursement Request Form*. The employer should submit the *VantageCare RHS Plan Request for Automated Reimbursement of Medical Expenses/ Insurance Premiums*. In addition, there will be no assignment of benefits prior to expenses being incurred – medical services or products must be purchased before a claim can be submitted.

### PLEASE NOTE

**ICMA-RC will not recognize requests for assignment of all or part of a participant's RHS account under a domestic relations or other court order. However, domestic relations or other court orders apply to the 401(h) Retiree Health Account. The employer or participant should contact ICMA-RC's Legal Department should such an order be presented.**

## USING THE VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN EMPLOYEE BENEFIT ELIGIBILITY FORM

The *VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form* is used by employees to inform ICMA-RC's third party claims administrator, Meritain Health, of their eligibility (as well as the eligibility of their spouse and/or dependents) to receive reimbursement for medical benefits.

Meritain Health, Inc. is a third party claims administrator that ICMA-RC has hired to perform claim processing services for the RHS program under the direction of ICMA-RC. See below for more information regarding Meritain Health, Inc.

The Benefit Eligibility Form should be completed in its entirety, signed by the participant, and forwarded to Meritain Health. Meritain Health will use the information provided on the form to record the information for the participant's claims account.

This form has three sections.

### Part 1: Participant Information

The participant must complete all information in this section. The Employer Plan Number is the six-digit plan number assigned to the employer beginning with "80." Address changes should be made with ICMA-RC or online through Account Access (see Chapter 6). The address information will be used by Meritain Health to send medical reimbursements and explanation of benefits to the participant.

### Part 2: Spouse and Dependent Information

Part 2 must be completed in order for the participant's eligible spouse and dependent(s) to receive medical benefits. For each spouse and dependent, the participant must provide

- Full name
- Birth date
- Relationship to the participant.

Dependents must meet specific criteria to be eligible for RHS benefits. The definition of "dependent" is discussed in Chapter 5.

As outlined more fully in Chapter 5, after the death of the participant, spousal and dependent name and address changes can be transmitted to ICMA-RC via the *VantageCare Retirement Health Savings Plan Personal Information Form for Survivors*, or directly through Account Access, after the transferee account has been established. Participants should also notify Meritain Health of changes to spousal/dependent information.

## Same-sex Marriages

The Treasury Department and IRS guidance provides that the “state of celebration” will establish whether same-sex married couples are entitled to be treated as spouses for federal tax purposes.

For all marriages that are valid, as of September 16, 2013, unless the plan sponsor specifies an earlier date, the same-sex spouse may receive covered reimbursements. Same-sex spouses should consult a local expert regarding the validity of their marriages.

## Part 3: Participant's Signature

The participant's signature acts as certification that the information provided on the *VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form* is accurate and that all listed dependents are eligible to receive benefits under the RHS Plan. The participant will then submit the form directly to Meritain Health.

Meritain Health will establish a claims account for the participant, and will send a Benefit Eligibility Kit, including a welcome letter that indicates that the participant is now eligible to submit claims.

### PLEASE NOTE

**The employer must also notify ICMA-RC of the participant's eligibility for medical benefits via the EZLink system. ICMA-RC will forward this notification to Meritain Health. Benefits cannot be reimbursed to the participant until Meritain Health receives both the participant's Employee Benefit Eligibility Form and the employer EZLink notification. We encourage you to complete this form in its entirety (spouse and dependent info) to avoid future payment delays.**

## NOTIFYING ICMA-RC OF PARTICIPANT ELIGIBILITY AND/OR TERMINATION VIA THE EZLINK SYSTEM

At the same (or prior to) time the *VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form* is prepared and submitted, the employer must notify ICMA-RC of the participant's eligibility via the EZLink System. Please be sure to print a copy of the confirmation screen for your records. ICMA-RC will then confirm the employee's eligibility with Meritain Health.

### PLEASE NOTE

**If a participant who is being initially enrolled in the RHS Plan via EZLink is already eligible for benefits at the time of enrollment, enter the Benefit Eligibility Date at the time of enrollment. The eligibility date should not be earlier than the date the employer's RHS plan was implemented. See Chapter Two for more information on enrolling participants.**

When the participant's eligibility is entered into EZLink, Meritain Health will send a Welcome package to the employee that includes the *VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form*. Additional *Benefit Eligibility Forms* may be ordered online through EZLink, Account Access, or by contacting Meritain Health or ICMA-RC.

### PLEASE NOTE

**The employer authorizes the participant's eligibility for benefits through. If an eligibility date is not entered into EZLink, Meritain Health will not be able to process claims.**

Meritain Health will only process claim requests for health services or products dated on or after the date of benefit eligibility and the RHS Plan effective date.

### *Which Screen Do I Use to Enter Eligibility?*

In EZLink, scroll over the “Participant” tab and select “Participant Administration”.

Employers **without a vesting schedule** should use the “Enroll” or “RHS Eligibility” screen to make participants benefit-eligible using a future or past date:

- On the day of RHS enrollment...use the “Enroll” screen.
- While in service (pre-termination)...use the “RHS Eligibility” screen.

Employers **with a vesting schedule** should use the “RHS Termination” screen to make participants benefit eligible:

- Upon termination or later....use the “RHS Termination” screen to enter **both** a termination date and a benefit eligibility date.
- You must use the “Other” reason for termination if the participant's non-vested account balance is to be forfeited. Checking Death, Disability or Retirement will result in 100% vesting.
- Enter a benefit eligibility date. Termination notification may only be entered for current or past dates.

- You will be allowed to change the vesting to the percentage you want.
- The non-vested portion (based on the vesting percentage you entered) will forfeit.

#### PLEASE NOTE

**Employers wanting to view their participants as terminated on various reports should use the RHS Termination screen, as it allows you to enter a termination date. The date will be transmitted to ICMA-RC. Please keep in mind, the benefit eligibility date is still required.**

All participants with an account balance must become eligible for benefits at some point – either currently or in the future. For terminated participants, the eligibility date must always be completed. Your submission is not complete until you receive a Confirmation Number. Please be sure to print a copy of the confirmation screen for your records.

#### Termination Notification

If a participant has attained eligibility for medical benefits prior to separating from service, and eligibility has been communicated to ICMA-RC via EZLink, there is no need for the employer to notify ICMA-RC of the termination.

If a benefit eligibility date has already been provided, a message will appear on the RHS Termination screen, stating that termination notification is not required and may not be entered. If a previously entered eligibility date is incorrect, please call Plan Sponsor Services at 800-326-7272 to make changes.

#### MERITAIN HEALTH, INC.

Meritain Health, Inc. is the third-party claims administrator hired by ICMA-RC to process RHS claims under the terms of the Plan and direction from ICMA-RC. Meritain Health has no responsibility, however, for funding the payment of such claims.

Meritain Health is the country's largest provider of services for self-funded health plan serving over 1,500 self-funded clients and over a million members nationally.

All claims-related questions and information should be directed to Meritain Health, Inc. at the following address:

VantageCare Retirement Health Savings Plan  
c/o Meritain Health, Inc.  
PO Box 30136  
Lansing, MI 48909-7611

Employers and participants can contact Meritain Health at

888-587-9441 between the hours of 8:00 a.m. and 5:00 p.m. Eastern time. Facsimiles can be sent to Meritain Health at 888-665-8495.

ICMA-RC added measures to safeguard the privacy and security of participant accounts. Social Security numbers do not appear on eligibility and reimbursement forms. Instead, the ICMA-RC reference code, found on the participant quarterly statement and within Account Access/EZLink, is used.

The employer's six-digit RHS plan number (beginning with "80") should be referenced on all communications. In addition, if a particular participant is being referenced, the ICMA-RC reference code should be noted. For privacy purposes, please do not use the participant's or survivor's full Social Security number in any email or faxed communication.

#### PARTICIPANT ONLINE CLAIMS PORTAL

Through Meritain Health's claims portal, participants who are eligible for benefits have the online ability to:

- Submit claim requests and supporting documents
- Set up direct deposit
- Complete or update spouse and dependent information
- View and manage account information

Participants log in to Account Access at [www.icmarc.org](http://www.icmarc.org), select the RHS plan, and then select Claims to get to the claims portal.

#### MEDICAL BENEFIT CLAIM REQUESTS

Once an employee's benefit eligibility has been submitted to both ICMA-RC (via EZLink) and Meritain Health (via the *VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form*), the employee may submit claims for reimbursement of medical expenses. Claim requests are made directly to Meritain Health on the *VantageCare Retirement Health Savings Plan Benefits Reimbursement Request Form*. The participant can obtain this form from the employer, ICMA-RC, or Meritain Health, Inc. The participant must complete the Reimbursement Request Form fully, attach appropriate supporting documentation, sign the form, and forward it directly to Meritain Health, Inc.

Required information includes:

- Employer plan number
- Employer name
- Employer state
- Participant name



- Participant address and daytime phone number
- Participant ICMA-RC reference code
- Relationship of the individual the claim is submitted for
- Claimant's name
- Claim information
  - Date service incurred
  - Provider of service
  - Description of service
  - Total reimbursement requested

For recurring reimbursements (e.g., insurance premiums), the participant must complete the beginning date for the payments, as well as the frequency (annual, monthly) and the ending date. Changes to recurring reimbursement requests can also be made on this form.

#### PLEASE NOTE

The *VantageCare Retirement Health Savings Plan Benefits Reimbursement Request Form* is used to request reimbursement for the participant, his or her spouse, or eligible dependents. It is important that all required information, including the name, address, and ICMA-RC reference code of the participant as well as of the claimant be included on the form. Meritain Health cannot properly process the claim without this information.

After completing the form, the participant should read the signature certification, sign and date the form, attach appropriate documentation, keep a copy for his or her files, and forward the form to Meritain Health.

By signing the form, the signer certifies that

- the request covers expenses incurred by the participant, his or her spouse, or an eligible dependent;
- the expenses have not been or are not reimbursable under any other health or dental care plan;
- the signer is responsible for ceasing recurring reimbursements when they are no longer being incurred and for retaining appropriate documentation of recurring reimbursements;
- the signer is responsible for the accuracy of the information related to the claim; and
- should the expenses not qualify as medical expenses under the Internal Revenue Code and the employer's Plan, the claimant is responsible for any taxes that may be assessed.

#### AUTOMATED REIMBURSEMENT REQUESTS

A participant who has recurring medical expenses may make a request for automated reimbursements by completing the *VantageCare Retirement Health Savings Plan Benefits Reimbursement Request Form*. The request form contains

important information regarding substantiation of recurring expenses. See discussion above under Medical Benefit Claim Requests.

#### Claim Submission

A participant must be benefit-eligible in order to submit for claim reimbursements. Please refer to the Plan Summary for benefit eligibility details.

Claim submissions can be done via mail, fax, or online. Supporting documentation must be provided for each expense.

Supporting documentation includes: Explanation of Benefits, premium notices, receipts or itemized bills. All documentation must include patient name, date(s) of service, service provided, insurance payment if applicable and total patient out-of-pocket amount.

Below are the instructions for each method:

**Mail:** Participant completes, signs, and dates the *VantageCare RHS Benefits Reimbursement Request* form. Supporting documentation should be attached, and the participant should mail the entire packet to Meritain Health at:

VantageCare RHS Plan  
C/O Meritain Health  
PO Box 30136  
Lansing, MI 48909-7611

**Fax:** Participant completes the *VantageCare RHS Benefits Reimbursement Request* form and faxes it along with the supporting documentation to 888-665-8495.

#### Online Instructions:

1. Participant logs in to his or her ICMA-RC account at [www.icmarc.org](http://www.icmarc.org).
2. Select the RHS plan.
3. Select "Claims" on the left to be directed to Meritain Health's website with this single-on.
4. At the Welcome Screen, the participant selects "File a Claim."
5. Next, the participant enters the requested claim information and uploads valid documentation.
6. The participant agrees to the terms and conditions to submit the claim.



## DIRECT DEPOSIT

Meritain Health provides for the direct deposit of reimbursements to participants' accounts at other financial institutions. The installment deposit is made directly by electronic means to the participant's deposit account with remittance advice sent to the participant. The remittance advice resembles a check and is noted "not negotiable" on the face. There is no fee for this service.

Once the participant's form is received by Meritain, there may be a two to three week administrative processing period before implementation of the RHS Direct Deposit Program. Participants will receive checks for any reimbursement claims paid during this processing period.

The *VantageCare RHS Direct Deposit Authorization Form* is used to initiate direct deposit and may also be used to:

- Cancel the authorization, with checks then mailed to the participant, or
- Change the authorization to a different account or financial institution.

The participant should contact the depository bank to verify the ABA number on the check. Incorrect routing information may delay the start of electronic deposits.

Alternatively, the participant may set up or update direct deposit online via Account Access at [www.icmarc.org](http://www.icmarc.org). Once logged in, select your RHS plan, and then Claims to get to the Meritain Health claims portal.

### PLEASE NOTE

In the event a participant changes banks or closes an account, Meritain Health must be notified. Failure to notify Meritain Health will result in delays. When Meritain Health is notified of a change, the next payment may be made by check to the participant's permanent address, and subsequent payments are made electronically to the new financial institution. The participant should contact the depository bank to verify the ABA number on the check. Incorrect routing information may delay the start of electronic deposits.

## EMPLOYER PAYMENTS

Employers that pay premiums in advance for retirees, or who receive reimbursement through a pension system payment to the retiree, may instead request reimbursement

directly from the participant's RHS account. This has the benefit of allowing the payment to be tax-free to the participant. The employer requests reimbursement by completing the *VantageCare Retirement Health Savings Plan Request for Automated Reimbursement of Medical Expenses/ Insurance Premiums*. The employer uses the form to list the participants for whom recurring payments are being made by the employer, of each reimbursement, and the frequency (monthly, quarterly, etc.). Meritain Health will set up a recurring payment directly to the employer. The employer must submit a new form when changes are required for payments on behalf of specific participants, or to stop recurring payments once they are no longer required. The employer may also use this form to request payment from the participant's account for one-time medical costs paid by the employer. Any changes, including a request for cessation of automated reimbursement must be received in writing by Meritain Health at least 10 business days prior to the effective date of change. Otherwise the change will take effect in the next scheduled reimbursement.

ICMA-RC does not require the employer to obtain advance authorization from participants for employer payments from participant RHS accounts. However, if you wish to do so, you may develop a process to obtain such authorization.

## CLAIMS PROCESSING

Once Meritain Health receives the *VantageCare Retirement Health Savings Plan Benefits Reimbursement Request Form* from a participant, the claims staff reviews it for completeness and compliance with plan rules. If the participant is eligible for benefits, Meritain Health will enter the claim into their claims processing system and assign a unique claim number, which will include the date the claim is received by Meritain Health.

Meritain Health will then go through a series of checks to process the claim.

- *Has the employer notified ICMA-RC of the employee's eligibility to receive medical benefits via EZLink?*

If not, Meritain Health will inform the participant by letter that he or she should contact the employer. The claim will be marked "pending." If no response is received from the participant within 60 days, Meritain Health will close the claim and send an Explanation of Benefits (EOB) to the participant, explaining that the claim has been closed because no information was supplied relating to the participant's eligibility.

- *Has a VantageCare Retirement Health Savings Plan Employee Benefit Eligibility Form been received from the participant?*

If not, Meritain Health will send an Eligibility Form to the participant and will send the claim. If no response is received within 60 days, Meritain Health will close the claim and send an EOB to the participant explaining that the claim has been closed because an Eligibility Form has not been received.

• *Is the claim request within the employer's RHS Plan rules?*

Meritain Health will review the benefits allowed under the employer's plan, as outlined in Section X of the Adoption Agreement.

If the claim is not for an eligible expense, Meritain Health will advise the participant by sending an EOB.

If all three of these checks are met, Meritain Health will process the claim.

**PLEASE NOTE**

- Meritain Health will process claims and request funding from the participant's account at ICMA-RC within 5 business days from the day all required information is received from the participant. Claims must be paid, pending, or denied in writing within 30 days.
- Claim reimbursements are typically limited to a two-year look back. Claims should be submitted within two years from the time the expense was incurred. The RHS Plan generally operates under this guideline unless the employer designates a period other than two years or provides direction to allow claims greater than two years.

On a daily basis, Meritain Health will batch all claims and send them to ICMA-RC. ICMA-RC will then perform another series of checks.

• *Is the participant on file at ICMA-RC?*

If not, ICMA-RC will notify Meritain Health and the claim will not be processed.

• *Is the participant eligible to receive medical benefits?*

If not, ICMA-RC will notify Meritain Health that the participant is not eligible. Meritain Health will notify the participant that the claim cannot be processed due to a need for eligibility information and that he or she should contact his/her employer.

• *Is the participant's RHS account balance sufficient to cover the amount of the claim?*

If there is not a sufficient balance in a participant's

account to pay the entire claim, ICMA-RC will provide Meritain Health with the full available value of the account. Meritain Health will then pay out the available balance of the account to the participant. The EOB will include a description of why the claim was not fully paid.

If the participant's account has been exhausted, ICMA-RC will send a notice back to Meritain Health, who will inform the participant via an EOB.

Once the reimbursement request has passed through ICMA-RC's validation process, Meritain Health will satisfy the claim and will send the participant a check and EOB. The next business day after redemption of funds for a claim, ICMA-RC will send a confirmation to the participant, showing the sale of shares from the participant's RHS account. The confirmation will show:

- the value of shares redeemed on the participant's behalf,
- the funds in which the shares were redeemed,
- the number of shares redeemed in each fund, and
- the date the shares were redeemed.

**Appeal of Denied Claims**

If a claim for medical reimbursement cannot be approved, Meritain Health will send a written notice of denial to the participant in the form of an EOB. The notice will include:

- the specific reason(s) for the denial;
- reference to Plan rules upon which the denial was based;
- description of any additional information that might be required and an explanation of why it is needed.

The participant may appeal a denied claim. Generally, the appeals process will consist of the following steps:

- The participant may submit a written request for a review of the denied claim to Meritain Health, Inc. The request must be filed within 60 days of the participant's receipt of the denial notice. The participant may also review documents regarding administration of the employer's Plan, and may submit issues and comments in writing. The participant is entitled to representation, if desired, throughout the appeals process.
- Meritain Health will review the participant's request within 60 days of receipt. Special circumstances can extend this to 180 days; the participant will receive a notice of extension.
- The participant will receive a written summary of Meritain Health's decision regarding his or her appeal, which will include specific reasons for the decision.

- If the participant is dissatisfied with Meritain Health's written decision, he or she may appeal the claim to the employer.
- If the matter is still not decided to the participant's satisfaction, he or she is entitled to pursue his or her right to legal or equitable remedy.

**PLEASE NOTE**

**The employer makes the final determination on any denied claim.**

**Meritain Health does not make discretionary determinations regarding claims for reimbursement under the Plan, but only acts according to the terms of the Plan and direction from ICMA-RC or the employers. All discretionary determinations are referred immediately by Meritain Health to ICMA-RC or the employers for directions and decision.**

**EMPLOYER QUARTERLY DISBURSEMENT REPORT**

On a quarterly basis, Meritain Health will send the employer a report summarizing all claims paid out of the employer's RHS Plan. The report will outline, on an aggregate basis, as well as a per-participant basis, the types of claims paid (i.e., "insurance premiums" or "medical expense"). This report assists employers in tracking participant usage of the RHS Plan and in completing non-discrimination testing if required.

**LOST OR MISSING CHECKS**

In the event that a benefit payment check is lost in the mail or misplaced, the participant should notify Meritain Health as soon as possible. If at least 10 business days have passed

since the check was issued, Meritain Health will issue a stop payment request and reissue the check to the participant.

**UNCASHED CHECKS**

Meritain Health, the third-party claims administrator for ICMA-RC's retiree health plans, monitors outstanding claim checks and sends out notices of uncashed checks to participants. After 365 days, unclaimed assets are returned to the participant's account.

**PLEASE NOTE**

**In order to minimize the number of checks considered to be "uncashed", it is important that both participants and employers keep ICMA-RC and Meritain Health informed of any address changes or other changes to participant indicative information. See Chapter 6 for a discussion of participant account changes.**

Please contact ICMA-RC or Meritain Health if you need additional details on this process.

## CHAPTER FIVE: SURVIVOR BENEFITS

- Survivor Benefits
- Taxation of Survivor Benefits

### SURVIVOR BENEFITS

The ICMA-RC RHS Plan provides survivor benefits upon the death of the participant. These survivor benefits allow the account to continue to be used by a surviving spouse, and eligible dependents.

#### Survivor Benefit Processing

When an RHS participant dies, ICMA-RC must be informed of the death via a *VantageCare Retirement Health Savings Plan Decedent Information Form*. This form can be obtained from the employer or ICMA-RC. The individual completing the form may be either the surviving spouse, executor of the participant's estate, other family member, or friend of the participant. This individual should fully complete the form and obtain the employer's signature, then submit it with all necessary documentation to ICMA-RC. Information required on the form includes:

- Decedent information: name, plan number, Social Security number, address, date of birth, date of death.
- A certified copy of the death certificate.
- Information on the individual completing the form: name, relationship, address, Social Security number, date of birth, gender, home and work phone numbers.
- Spousal information: name, address, Social Security number, date of birth, gender, home and work phone numbers.
- Dependent information: name(s), relationship, address, Social Security number, date of birth, home and work phone numbers.
- Guardian information (for minor dependents and beneficiaries): name(s), address, Social Security number, date of birth, home and work phone numbers.
- Appointment of Guardian (for minor dependents and beneficiaries).
- Signature and certification of the individual completing the form.

After ICMA-RC receives the Decedent Information Form and establishes the new account, the account balance will be transferred. The account balance may be reallocated\* by the surviving spouse or dependents.

\* Before investing, please read the applicable fund disclosure materials carefully for a complete summary of all fees, expenses, investment objectives and strategies, and risks. This information is available when you log in at [www.icmarc.org/login](http://www.icmarc.org/login), or upon request by calling 800-669-7400.

The account balance may be reallocated\* by the surviving spouse or dependents.

In the 401(h) Retiree Health Account, if you selected a Custom Default, this fund will be the default fund for both the 401(h) participant and survivor accounts.

ICMA-RC will then send the following information to the spouse/dependents (if any):

- ICMA-RC Survivor Account Letter
- VantageCare RHS Investment Options Sheet
- Personal Information Form for Survivors
- Survivor Q&A

#### Death of Participant with Surviving Spouse/Dependents

Upon the death of the participant, the surviving spouse and/or surviving eligible dependents are immediately eligible to maintain the account and utilize it to pay for eligible medical expenses on a non-taxable basis.

#### PLEASE NOTE

**The participant's account may be used to pay medical expenses of his/her spouse and eligible dependents during the participant's life (see Chapter 4). The plan allows this benefit to continue after the death of the participant.**

#### Who is a dependent?

An eligible dependent is (a) the Participant's lawful spouse, (b) the Participant's child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.

Dependent eligibility is determined by IRS rules but generally includes individuals who are either a "qualifying child" or a "qualifying relative." A qualifying child is any person who meets the following requirements:

- The person is the participant's child or a descendant of a child, or is a brother, sister, stepbrother, or stepsister or a descendant of any such relative;

## Account Transfer Processing

- The person lived with the participant for more than one-half of the year;
- The person is under age 19 or under age 24 if a full-time student (age requirements do not apply to individuals who are permanently and totally disabled); and
- The person did not provide over one-half of his or her own support for the calendar year for which dependency is claimed.

A qualifying relative is any person who meets the following requirements:

- The person is related to the participant (see below) or lived with the participant for the entire year as a member of the participant's household;
- The participant provided over one-half of the support for the person for the calendar year for which dependency is claimed; and
- The person is not a qualifying child of the participant or any other person.

A person will be considered to be related to the participant if he or she falls in one of the following classifications:

- A son or daughter (or a descendant of either)
- A stepson or stepdaughter
- A brother, sister, stepbrother, or stepsister
- A mother or father (or an ancestor of either)
- A stepfather or stepmother
- A nephew or niece
- An aunt or uncle
- A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

The participant's RHS account can provide medical expense reimbursements on behalf of the spouse and any person who qualifies as a dependent under these rules even if the participant cannot or did not claim an exemption for the person on his or her income tax return. See IRS Publication 502, Medical and Dental Expenses, for more information. IRS Publication 502 is available on the IRS website at [www.irs.gov/](http://www.irs.gov/).

In the event that the surviving spouse and all dependents who were eligible to use the account for medical reimbursement subsequently die, the account balance will revert to the employer's RHS Trust to be used in the manner specified in Section VIII of the Adoption Agreement. Moreover, if a participant dies with no surviving spouse or eligible dependents, the account balance will revert to the employer's RHS Trust at the time of the participant's death.

Upon notification of an RHS participant's death, ICMA-RC will establish one account for the surviving spouse and/or dependents in a new "account transfer" plan. The "account transfer" plan will begin with the digits "88." The last four digits will be the same as the employer's "basic" RHS plan number. For example, if the employer's RHS plan number is 801000, the transfer plan number will be 881000. This plan will be used to house all accounts transferred to surviving spouse and dependents after the death of the employee.

If there is a spouse, the transfer plan account will be under the spouse's Social Security number (SSN). If there are dependents only, the account will be established using the oldest dependent's or the guardian's SSN (or guardians' SSNs, if there are multiple guardians named). A copy of the court order appointing the individual(s) as the guardian of the minor's property must be submitted.

Expenses of all dependents will be paid out of this account. Either the spouse or the guardian, as the case may be, will inform Meritain Health, when expenses should be paid out of the account for particular dependents.

### PLEASE NOTE

**The death of a spouse or dependent should be reported to ICMA-RC via the VantageCare Retirement Health Savings Plan Decedent Information Form.**

If no survivor that be located (i.e., none has been named or those named cannot be located), the assets in the account will revert to the employer's RHS Trust to be used in the manner specified in Section VIII of the Adoption Agreement: remain in the trust to be reallocated as Direct Employer; used as contributions for future contribution cycles; remain in the trust and be reallocated to all plan participants on an equal dollar or pro rata basis; or revert to the employer. See Chapter 3 for a discussion of forfeiture use.

## TAXATION OF SURVIVOR BENEFITS

### Account Transfer to Surviving Spouse/Dependents

In the case of account transfers to the surviving spouse and/or dependents, no tax reporting or withholding is required. The spouse and/or dependents will continue to receive tax-free medical expense reimbursements.

The Treasury Department and IRS guidance provides that the “state of celebration” will establish whether same-sex married couples are entitled to be treated as spouses for federal tax purposes.

For all marriages that are valid, as of September 16, 2013, unless the plan sponsor specifies an earlier date, the same-sex spouse may receive covered reimbursements. Same-sex spouses should consult a local expert regarding the validity of their marriages.

## CHAPTER SIX: ACCOUNT CHANGES

- Completing the *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form* and the *VantageCare Retirement Health Savings Plan Personal Information Form for Survivors*
- Participant Account Changes
- Using Account Access to Make Account Changes
- Contacting ICMA-RC Investor Services
- Initiating Fund Transfers
- Initiating Investment Allocation Changes
- Reports on EZLink

This chapter outlines the procedures to be followed when participants and survivors need to make changes to their RHS accounts. The following types of account changes are addressed:

- Indicative Data Changes – changes to employee personal and work information (e.g. name, address, phone)
- Fund Transfers – moving the participant's existing account balance among the funds
- Allocation Changes – changes to the investment allocation for ongoing contributions
- Survivor Changes – changes to spouse and/or dependent (e.g. add a new dependent).

There are a number of methods available to participants desiring to change their account information. These include:

- The *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form*
- Account Access (ICMA-RC's participant website)
- ICMA-RC Investor Services Representatives

Each of these is discussed in this chapter. The chart on the next page summarizes how participants can make changes.

### COMPLETING THE VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN EMPLOYEE ENROLLMENT/CHANGE FORM

For indicative data and survivor changes for existing accounts, the participant may complete a *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form*. The participant's spouse or dependents should use the *VantageCare Retirement Health Savings Plan Personal Information Form for Survivors* after the participant's death, to notify ICMA-RC of account changes.

### PLEASE NOTE

Participants who are eligible to receive medical expense reimbursement must also call Meritain Health at 888-587-9441 to add or delete eligible spouses or dependents, and to initiate name changes, marital status changes, and telephone number changes.

All individuals eligible for medical expense reimbursement after the participant's death (see Chapter 5) must also call Meritain Health to make changes to their accounts with the exception of address changes. Survivors may send address changes to ICMA-RC, and ICMA-RC will forward the address change to Meritain Health.

Participants and survivors should indicate the changes to be made to their accounts by checking the appropriate change box at the top of the form. All information in Part 1 must be provided in order for the change(s) to be processed correctly. This form may be used for the following changes by completing the parts indicated.

The Enrollment/Change can be used to make these changes:

1. Change in Name: Complete Parts 1 & 5.  
The participant must submit a copy of an official document such as a Social Security card or marriage license. Employers must review and sign off on any participant name changes.  
The participant may also want to review survivor designation in Part 4.
2. Change in Marital Status: Complete Parts 1, 2 & 5.  
The participant may also want to review survivor designation in Part 4.
3. Change in Address or Telephone Number: Complete Parts 1, (2 or 3) & 5.
4. Change in Survivor Information: Complete Parts 1, 4, & 5.

Participants should be encouraged to read the instructions on the back of the form prior to completing it. After completion and signing, the form must be submitted to the employer for entry via the EZLink System. See below for information on participant changes.

**PARTICIPANT ACCOUNT CHANGES**

Account Change	Employee Enrollment/Change Form	Account Access (Website)	ICMA-RC Investor Services (Toll-free Call Center)	Additional Instructions
Participant name	Yes	No	Contact to request an Employee Enrollment/Change Form	<ul style="list-style-type: none"> <li>• Participants must submit proof of name change</li> <li>• Participants should also contact Meritain Health if they are eligible for benefits</li> </ul>
Participant indicative data changes (e.g. marital status, address, phone number(s), etc.	Yes	Yes	Yes	Address changes are submitted to ICMA-RC and will be forwarded to Meritain Health.
Participant spouse and/or dependent information	Yes	Yes	Yes	Participants should also contact Meritain Health if they are eligible for benefits
Survivor indicative information (e.g. name, address)	<i>RHS Plan Personal Information Form for Survivors</i>	Yes	For name change: Contact to request a <i>RHS Plan Personal Information Form for Survivors</i>  For address change: Account holder may update with Investor Services Representative.	Address changes are submitted to ICMA-RC and will be forwarded to Meritain Health.
Fund transfers (for existing account balances)	No	Yes	Yes	Cannot be executed through Meritain Health
Investment allocation (for future contributions)	No	Yes	Yes	Cannot be executed through Meritain Health



## Part 1: Essential Information

The participant must complete the following information in order for his/her account changes to be processed:

- Employer plan number
- Employer plan name
- Employer state
- Participant Social Security number
- Participant name

The employer plan number is the six-digit number assigned to the employer's plan beginning with "80." If a name change is being reported, the new name of the participant should be entered into the "Name of Participant" line in Part 1.

## Parts 2 and 3: Change in Personal/Work Information

Participants will use Part 2 and 3 of the Employee Enrollment/Change Form to change personal or work information previously entered into ICMA-RC's system. These sections are completed if the participant wants to change their address. Note that a participant may also make address changes online through Account Access. Or they may be made with an Investor Services Representative (see further discussion below). ICMA-RC will forward the address change to Meritain Health once participants are eligible for benefits.

ICMA-RC will verify all address changes by sending a confirmation of the new address to the participant's old and new addresses. This procedure is intended to safeguard against fraudulent address changes.

Sections 2 and 3 may also be used to change the participant's marital status, telephone numbers, or job title.

Participants should always review their quarterly statements to confirm the accuracy of the changes. If a discrepancy is found, the participant should contact ICMA-RC's Investor Services staff at 800-669-7400 as soon as possible.

## Part 4: Survivor Information

To initiate a change in spouse and/or dependent designation, the entire section should always be completed regardless of what is being changed.

## Part 5: Authorized Signatures

The employee should retain a copy of the form for his or her files, and submit it to the employer for signature (if required by the employer). If indicative or survivor information is being revised, the employer must enter the change into ICMA-RC's records via the EZLink System; a copy of the *Enrollment/Change Form* should be retained in the Employer's records.

## COMPLETING THE VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN PERSONAL INFORMATION FORM FOR SURVIVORS

The *VantageCare Retirement Health Savings (RHS) Plan Personal Information Form for Survivors* is for the survivor to make changes.

The survivor should complete parts 1, 2 & 3 of the form for the following: Change in name, address, phone number, or marital status.

The survivor must submit a copy of an official document such as a Social Security card or marriage license for name changes.

Survivors should read the instructions on the back of the form prior to completing it. After completion and signing, the form must be submitted to ICMA-RC.

## Part 1: Essential Information

The survivor must complete the following information in order for his/her account changes to be processed:

- Employer plan number (beginning with "88")
- Employer plan name
- Employer state
- Account Holder Name
- Account Holder Social Security number

If a name change is being reported, the new name of the survivor should be entered into the "Account Holder Name" line in Part 1.

## Part 2: Account Holder Personal Information

Survivors will use Part 2 to change personal information previously submitted to ICMA-RC.

Note that survivors may also submit address changes online through Account Access. Or they may be made with an Investor Services Representative (see further discussion below).

### PLEASE NOTE

Upon the participant's death, the account will be transferred to the name and Social Security number of the surviving spouse in an "88" plan. If there is no surviving spouse, the oldest dependent's name and Social Security number will be used. Remaining survivors are responsible for notifying ICMA-RC of the death of the surviving spouse or the oldest dependent.

ICMA-RC will verify all address changes by sending a confirmation of the new address to the account holder's old and new addresses. This procedure is intended to safeguard against fraudulent address changes.

Section 2 may also be used to change the account holder's personal information.

Survivors should always review their quarterly statements to confirm the accuracy of the changes. If a discrepancy is found, the account holder should contact ICMA-RC's Investor Services staff at 800-669-7400 as soon as possible.

#### PLEASE NOTE

Account holders must also call Meritain Health at 888-587-9441 to initiate name changes and survivor changes. Address changes should be handled with ICMA-RC or online through Account Access. ICMA-RC will forward the address change to Meritain Health.

#### Part 3: Authorized Signatures

The account holder should sign the form in Part 3.

The account holder should retain a copy of the form for his or her files, and submit it to ICMA-RC.

#### USING ACCOUNT ACCESS TO MAKE ACCOUNT CHANGES

Upon enrollment into the RHS Plan, employees will receive a copy of the *Managing Your Account Has Never Been Easier* brochure. Survivors will also receive a copy of the brochure. This brochure outlines the procedures the participant will follow to access and change account information via Account Access, ICMA-RC's website at [www.icmarc.org](http://www.icmarc.org).

Participants and survivors may use Account Access to:

- Initiate a fund to fund transfer (of existing account balances).
- Change their investment allocation (for future contributions).
- Change an address or phone number.

#### CONTACTING ICMA-RC INVESTOR SERVICES

Participants and survivors may also call ICMA-RC Investor Services at 800-669-7400 to make account changes. Upon reaching the voice response service, the caller will be given the option of exiting the system to speak with an Investor Services Representative. Participants and survivors may speak with the representative to:

- Change an address or phone number.
- Request a copy of the *VantageCare Retirement Health Savings Plan Employee Enrollment/Change Form* or the *VantageCare Retirement Health Savings Plan Personal Information Form* for Survivors.
- Initiate a fund to fund transfer (of existing account balances).
- Change their investment allocation (for future contributions).

#### INITIATING FUND TRANSFERS

##### PLEASE NOTE

Upon enrollment into the RHS Plan, a participant's initial investment allocation will be established as the Vantagepoint Milestone Fund (see Chapter 2). Upon the death of the participant, the account balance will be available to the participant's spouse and/or dependents. Participants and survivors should feel free to change the investment allocation for future contributions to the fund(s) of their choice at any time, through Account Access or via an Investor Services associate. In addition, the participant or survivor may use Account Access or speak with an Investor Services associate to transfer existing account balances among the investment options offered through the Plan.

Fund transfers involving the Vantagepoint Funds that are received by 4:00 p.m. Eastern time will be posted at that day's share price if that day is a business day and the New York Stock Exchange is open. If the fund transfer is received after 4:00 p.m. Eastern time, if the day of receipt is not a business day, or if the NYSE is closed, the transfer will be posted at the closing share price of the next business day. Transfers received after 4:00 p.m. Eastern time, on a day that is not a business day, or on a day that the New York Stock Exchange is closed will be treated as if received on the next business day.

The participant must verify that each amount requested to be taken from a fund (either in percentages or in dollars) adds up to the total transferred to all other funds (by totaling either 100 percent or the dollar amount transferred from the originating fund).

When a percentage of a fund is moved, it must be reallocated by percentage in the new fund(s).

Dollar amounts should not be used if a participant is transferring 100% of the assets in a particular fund.

Confirmations of fund transfers and notices of rejected fund transfer requests will be mailed to the participant or survivor on the next business day.

### **INITIATING INVESTMENT ALLOCATION CHANGES**

To make a change in the investment allocation of his or her future contributions, a participant may use Account Access or call an Investor Services representative.

ICMA-RC offers a range of investment options in the Vantagepoint Funds. The participant may elect to have contributions credited to one investment option or allocated among any combination of funds. The designation must be in whole percentages and total 100 percent. Investment allocations may be changed at any time.

Confirmations of the requested change and notices of rejected investment allocation change requests will be mailed to participants the next business day.

#### **PLEASE NOTE**

Upon enrollment into the RHS Plan, a participant's initial default investment allocation will be established as the Vantagepoint Milestone Fund (see Chapter 2). However, participants should feel free to change the investment allocation for future contributions to the fund(s) of their choice at any time, using Account Access or via an Investor Services associate.

## CHAPTER SEVEN: ADDITIONAL INFORMATION

- Investment Options
- Services Offered by ICMA-RC
- RHS Plan Fees
- HIPAA Privacy Rules

### INVESTMENT OPTIONS

The investment options available to RHS participants are the Vantagepoint Funds (“VT II Funds”), a series of Collective Investment Trust (“CIT”) funds made available exclusively through VantageTrust II Multiple Collective Investment Funds Trust (“VT II”). These funds consist of actively managed funds, model portfolio funds, index funds, and life-cycle funds.

Specific investments available in your plan can be found at [www.icmarc.org/login](http://www.icmarc.org/login).

*\* Before investing, please read the applicable fund disclosure materials carefully for a complete summary of all fees, expenses, investment objectives and strategies, and risks. This information is available when you log in at [www.icmarc.org/login](http://www.icmarc.org/login), or upon request by calling 800-669-7400.*

Upon initial enrollment in the RHS Plan, your participants’ default investment allocations will be set to the Vantagepoint Milestone Fund.

Information regarding all of the Vantagepoint Funds can be found in the fund disclosure materials. The participant’s signature on the enrollment form certifies that he or she has received and read the fund disclosure materials prior to investing in any of the Vantagepoint Funds. In addition, the completion of investment related transactions via Account Access serves as acknowledgment by the participant that the fund disclosure materials has been received and read.

### SERVICES OFFERED BY ICMA-RC

The ICMA-RC has a tradition of service in the administration of its programs for local government employers and their employees. ICMA-RC’s commitment is to provide the most flexible and cost effective products with the greatest dedication to customer service. ICMA-RC continually adds enhancements to its systems; the services available through the Internet (account inquiry, fund transactions, and third-party investment advice) are a direct response to expressed customer desires.

### Toll-Free Telephone Numbers

#### Plan Sponsor Services: 800-326-7272

ICMA-RC’s Plan Sponsor Services gives employers access to associates who are specially designated and trained to support employers. They will assist with:

- Answers to general plan questions
- Plan adoption and implementation
- Orders for forms and publications
- Unique employer needs
- EZLink assistance

The Plan Sponsor Services Team representatives can also put you in touch with your Retirement Plans Specialist. The toll-free number should be used by current and prospective **employers** only. The Plan Sponsor Services is staffed from 8:30 a.m. to 7:30 p.m. Eastern time.

#### ICMA-RC’s self-service phone line

The self-service phone line offers participants 24-hour access to current information about their RHS accounts via touch-tone telephone service, including the following:

- Total account balance as of the close of the previous business day
- Vested account balance
- Investment allocation percentages for ongoing contributions as of the close of the previous business day
- Balance by fund at the close of the previous business day
- Balance by account type (i.e. employer and employee unused leave contributions) at the close of the previous business day
- Daily share prices for all investments as of the close of the previous business day
- Addresses and phone numbers for correspondence and special telephone assistance

Participants needing assistance in using the self-service phone line may press “0” when prompted to reach an ICMA-RC associate. For newcomers to the system, the star key “\*” is located to the left of the “0” on the telephone keypad, and the pound sign “#” is located to the right. The participant’s system-assigned PIN (Personal Identification Number) is the last four digits of his/her Social Security number. The self-service phone line prompts the participant to change this initial PIN to an individually chosen PIN. Should a participant forget the PIN selected, ICMA-RC cannot retrieve and provide this number to the participant. The participant should contact ICMA-RC’s Investor Services unit and request that the PIN be reset to the initial number (the last four digits of the Social Security number). This will allow the

participant access to the self-service phone line after two to three business days.

### **ICMA-RC Investor Services: 800-669-7400**

The Investor Services group is available to assist participants from 8:30 AM to 9:00 p.m. Eastern time. Participants with touch-tone phone service can press "0" at any time. Participants without touch-tone service may simply stay on the line to reach an ICMA-RC associate. Associates can respond to a broad range of inquiries, including requests for transaction assistance and general information on participant enrollment, contribution, and account issues. Participants may initiate address changes, allocation changes, and fund transfers with ICMA-RC Investor Services associates. Participants are encouraged to use the self-service phone line, available 24 hours a day, seven days a week, for account information not requiring an associate's assistance.

#### **PLEASE NOTE**

**Participants should contact Meritain Health at 888-587-9441 with all inquiries regarding benefit claims processing and claim payments.**

### **TDD Line: 800-669-7471**

Spanish Language Assistance is accessed through this special toll-free number or through the self-service phone line by dialing "0" or holding for an ICMA-RC associate, then requesting Spanish Language Assistance.

### **Meritain Health: 888-587-9441**

Participants and employers may call Meritain Health with inquiries about the status of benefit claims, claims processing questions, and payment inquiries. Meritain Health representatives are available from 8:00 a.m. to 5:00 p.m. Eastern time.

### **Resolution of Account Discrepancies**

All account discrepancies must be promptly reported to ICMA-RC. We recommend that the participant provide notification by email ([InvestorServices@icmarc.org](mailto:InvestorServices@icmarc.org)) or by facsimile transmission to 202-962-4601, so that the date of receipt of the notification can be verified.

- For transactions that receive confirmation statements, ICMA-RC must be notified of any problems within 30 days of the confirmation date.
- For transactions that do not receive confirmation statements, but appear on quarterly statements, ICMA-RC must be notified within 90 days of the end of the quarter.

Account discrepancies, once reported to ICMA-RC, are logged into an automated tracking system, reviewed, and researched. This review takes approximately 7 to 10 business days, depending on the complexity of the issue. After all documentation is reviewed, a determination is made as to whether an error requiring an adjustment occurred. If an adjustment is necessary, it will be posted to the participant's account.

Participants are notified once the problem is resolved and any necessary adjustment is posted to the account. If an employer contacted ICMA-RC, the employer will receive the resolution letter and a copy will be sent to the participant.

### **Quarterly Reports**

ICMA-RC provides quarterly year-to-date account statements, which reflect account activity for plan participants. ICMA-RC has designed the financial statements for employers and employees based on input from participating employers and employees. The reports are comprehensive and present all plan financial activity in an easy-to-understand format. Reports are mailed approximately ten business days of the close of the quarter.

#### **PLEASE NOTE**

**RHS account information is presented to participants on a combined statement, with all other ICMA-RC administered plans in which the participant has an account. This enables the participant to review his or her entire financial picture in a snapshot.**

**Employers receive quarterly year-to-date summary reports. The fourth quarter report also provides a summary of all account activity for the calendar year. Fiscal year reports on other than a calendar year basis are available to employers on request. Please contact the Plan Sponsor Services for details.**

### **Internet Access**

#### **Account Access: [www.icmarc.org](http://www.icmarc.org)**

ICMA-RC's website makes information and tools readily available to anyone that has access to the Internet. In addition to information about ICMA-RC's core products, the website provides all employers and participants with fund prices, articles of general interest to participants and investors, interactive planning tools for retirement, email to key ICMA-RC management staff, and links to other sites of interest to public sector employees.

Participants may access information about their individual accounts after they request a password, either online through Account Access or from an Investor Services representative.

The password is sent by regular mail. The individual account information includes balances by fund and account type updated on a daily basis, and current investment allocation percentages. Participants are able to make fund transfers and investment allocation changes online.

**EZLink:** [www.icmarc.org](http://www.icmarc.org)

Employers are able to access their plan information for inquiries and administration through EZLink, ICMA-RC's secured Internet site. For additional assistance or to obtain access, please contact our Plan Sponsor Services at 800-326-7272.

**EZLink Reports include:**

- Balance information
- Contribution information
- Plan activity
- Statements
- Participant indicative data
- Exception reports
- Annual Service Plan
- Plan usage demographics
- Account Access statistics

## RHS PLAN FEES

ICMA-RC does not charge employer-level fees for standard RHS Plan.

An annual fee of \$25 will be charged to participant accounts (\$6.25 per quarter). If your plan offers certain mutual funds, ICMA-RC may also assess an asset-based fee. All RHS Program fees will be reflected on participant quarterly statements, which contain complete and up-to-date fee information.

Note: Always refer to your plan's Administrative Services Agreement and fund disclosure materials for fee information.

RHS fees are subject to change with appropriate prior notification.

## HIPAA PRIVACY RULES

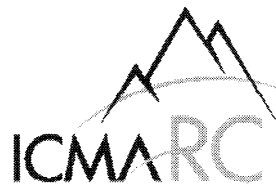
On December 28, 2000, the Department of Health and Human Services ("HHS") issued the Standards for Privacy of Individually Identifiable Health Information under the Health Insurance Portability and Accountability Act ("HIPAA Privacy Rules"). (Reference, 45 CFR Parts 160 and 164 amended May 31, 2002 and August 14, 2002.) The HIPAA Privacy Rules require that a covered entity must obtain an individual's authorization to use or disclose protected health information ("PHI"), except for purposes of treatment, payment, or health care operations, or pursuant to a listed exception. (Reference,

45 CFR 164.502a.) The rules also require a covered entity to establish privacy procedures to safeguard PHI and provide individuals with certain rights to their health information, including the right to access or amend the information, and a right to an accounting of certain disclosures.

The HIPAA Privacy Rules define "protected health information" as individually identifiable information that relates to a person's health care or payment for health care. (Reference, 45 CFR 160.103.) The rules apply to covered entities, which are health plans, health care providers (e.g., physicians), and health care clearinghouses. (Reference, 45 CFR 160.103.) The regulations define a "health plan" as an individual or group plan that provides, or pays the cost of, medical care, as defined in section 2791(a)(2) of the Public Health Service Act. 45 CFR 160.103. This Act defines "medical care" as "amounts paid for the diagnosis, cure, mitigation, treatment, prevention of disease, or amounts paid of the purpose of affecting any structure or function of the body, ... and amounts paid for insurance covering medical care." (Reference, PHSA § 2791a2.)

The HIPAA Privacy Rules also have requirements related to service providers of health plans, or "business associates." A "business associate" is a person who acts on behalf of a covered entity in a function involving PHI. (Reference, 45 CFR 160.103.) The privacy regulations require that the covered entity enter into a business associate agreement with the business associate that requires, among other things, that the business associate also safeguard PHI and not further use or disclose it, except as provided in the business associate agreement. (Reference, 45 CFR 164.504e). The business associate also must ensure that any subcontractors also agree to these restrictions and must comply with the requirements related to individuals' rights to their own PHI.

In April 2005, HHS formalized their enforcement position in proposed regulations. In addition to the Privacy Rules, HIPAA required the Secretary of HHS to issue regulations concerning the security of electronic PHI ("EPHI") and uniform transmission of certain electronic transactions. The HIPAA Security Standards (Reference, 45 CFR 160, 162, 164), require covered entities to implement administrative, physical, and technical safeguards that protect the confidentiality, integrity, and availability of EPHI. These requirements include safeguarding the physical security of computer hardware, requiring back-up and disaster recovery procedures, and ensuring validity of electronic PHI transmitted to or by the covered entity. The Security Standards require the business associate to agree to implement appropriate security safeguard. The third set of HIPAA rules, the HIPAA Standard Transaction Rules, require covered entities that conduct certain transactions among other covered entities, such as claims filing or payment, to use the format and code sets designated by the Secretary.



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AC: 40035-0116-8186

REV. JANUARY 2019

## Exhibit B

### RHS HIPAA BUSINESS ASSOCIATE AGREEMENT FOR 800800, 803132

This Business Associate Agreement (“BA Agreement”) supplements and is made part of the Administrative Services Agreement entered into between City of Coconut Creek RHS (“Covered Entity”) and ICMA-RC (“Business Associate”) on \_\_\_\_\_, and is effective as of the effective date of the Administrative Services Agreement (the “Effective Date”).

#### RECITALS

Covered Entity is a group health plan that reimburses medical expenses for eligible participants, their spouses, and their dependents. Under the Health Information Portability and Accountability Act of 1996 (“HIPAA”), Covered Entity is required to enter into this BA Agreement to obtain satisfactory assurances that Business Associate will appropriately safeguard all Protected Health Information (“PHI”), as defined herein, that is created, maintained, received, or transmitted by Business Associate on behalf of Covered Entity.

Business Associate is a record keeper providing administrative services to Covered Entity. In general, Business Associate will not have access to information that would traditionally be considered PHI because participant medical information used to substantiate reimbursements is sent directly to and reviewed by a third-party claims processor. The third-party claims processor has agreed to protect PHI that it creates, maintains, receives, or transmits in a manner that is consistent with and as stringent as the terms agreed to by Business Associate under this BA Agreement with respect to information that could be considered PHI. Business Associate has access to information that might be interpreted as PHI, including an individual’s participation in the plan, reimbursement amounts, and the timing of reimbursements.

In consideration of the mutual promises below and the exchange of information pursuant to this BA Agreement and in order to comply with all legal requirements for the protection of this information, Covered Entity and Business Associate agree as follows:

#### 1. DEFINITIONS

- a. The following terms used in this BA Agreement shall have the same meaning as those terms are defined in the HIPAA Rules: Breach, Data Aggregations, Designated Record Set, Disclosure, Health Care Operations, Minimum Necessary, Notice of Privacy Practices, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. “Administrative Services Agreement” refers to a separate agreement outlining the services ICMA-RC will provide to Covered Entity and the terms and conditions governing the provision of such services. The Administrative Services Agreement is made between ICMA-RC and City of Coconut Creek RHS or its sponsor, acting on behalf of City of Coconut Creek RHS.
- c. “Business Associate” shall have the same meaning as the term “business



associate" at 45 CFR 160.103, and in reference to this BA Agreement shall mean ICMA-RC.

- d. "Covered Entity" shall have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference this BA Agreement, shall mean City of Coconut Creek RHS.
- e. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
- f. "Privacy Rule" shall mean the Privacy Standards and Implementation Specifications at 45 CFR 170 and 164, Subparts A and E.
- g. "Protected Health Information" ("PHI") shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity pursuant to this Agreement.
- h. "Security Rule" shall mean the Security Standards and Implementation Specifications at 45 CFR Parts 160 and 164, Subparts A and C.

## **2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

Business Associate agrees to:

- a. Not Use or Disclose PHI other than as permitted or required by this BA Agreement or as required by law.
- b. Use appropriate safeguards to prevent Use or Disclosure of PHI other than as provided for by this BA Agreement, and comply with subpart C of 45 CFR Part 164 with respect to electronic PHI in Business Associate's custody or control, to prevent Use or Disclosure of PHI other than as provided for by this BA Agreement.
- c. Report to Covered Entity any Use or Disclosure of PHI not provided for by the BA Agreement of which it becomes aware not more than 60 calendar days after Business Associate discovers such non-permitted Use or Disclosure, including Breaches of Unsecured PHI as required at 45 CFR 164.410, and any Security Incident for which it becomes aware.
- d. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any Subcontractors that create, receive, maintain, or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
- e. Make available, within 30 calendar days of the request of Covered Entity, PHI in a Designated Record Set in Business Associate's custody or control, to Covered Entity, or as Directed by Covered Entity, to an individual, so that Covered Entity may meet its access obligations under 45 CFR § 164.524.

- f. Make any amendment(s) to PHI in a Designated Record Set in Business Associate's custody or control as directed in writing by the Covered Entity pursuant to 45 CFR 164.526 no later than 60 days after receipt of such request, so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.
- g. Maintain and make available the information required to provide an accounting of Disclosures to the Covered Entity as requested by Covered Entity in writing and as necessary to satisfy the Covered Entity's obligations under 45 CFR 164.528.
- h. Make its internal practices, books, and records, available to the Secretary for purposes of determining compliance with the HIPAA Rules.
- i. Not directly or indirectly receive remuneration in exchange of PHI.
- j. Comply with the administrative simplification rules applicable to standard transactions, if Business Associate conducts such transactions under the electronic data interchange rules on behalf of Covered Entity.
- k. To the extent the parties agree that Business Associate will carry out directly one or more of Covered Entity's obligations under the Privacy Rule, the Business Associate will comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.

### **3. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE**

- a. Business Associate may only Use or Disclose PHI as necessary to perform the services set forth in the Administrative Services Agreement and as permitted by this BA Agreement.
- b. Business Associate may Use or Disclose PHI as required by law or to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(i).
- c. Except as otherwise limited by this BA Agreement, Business Associate agrees to make Uses and Disclosures and requests for PHI consistent with the Covered Entity's Minimum Necessary policies and procedures when such are provided by the Covered Entity to Business Associate.
- d. Business Associate is authorized to de-identify information in accordance with 45 CFR 164.514(a)-(c).
- e. Business Associate may not Use or Disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth below.
- f. Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

- g. Business Associate may provide Data Aggregation services relating to the Health Care Operations of the Covered Entity.

#### **4. OBLIGATIONS AND ACTIVITIES OF COVERED ENTITY**

- a. Covered Entity shall notify Business Associate of any limitations in the Notice of Privacy Practices that Covered Entity provides to individuals pursuant to 45 CFR 164.520, to the extent that such limitation may affect Business Associate's Use or Disclosure of PHI.
- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an individual to Use or Disclose his or her PHI, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI.
- c. Covered Entity shall notify Business Associate of any restrictions on the Use or Disclosure of PHI that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.
- d. Covered Entity shall not request Business Associate to Use or Disclose PHI in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity, except to the extent that Business Associate will Use or Disclose PHI for Data Aggregation or management and administration and legal responsibilities of the Business Associate.
- e. Covered Entity shall notify Business Associate of any confidential communication requests with which the Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent such requests would affect Business Associate's Use or Disclosure of PHI.

#### **5. TERM AND TERMINATION**

- a. This BA Agreement shall be effective as of the Effective Date, and shall terminate upon the termination of the Administrative Services Agreement, subject to the provisions below regarding the return or destruction of PHI.
- b. Business Associate authorizes termination of this BA Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the BA Agreement, and Business Associate has not cured the Breach or ended the violation, following written notice to the Business Associate, within a reasonable period of time not to exceed any reasonable cure period defined in the Administrative Services Agreement.
- c. Upon termination of this BA Agreement for any reason, Business Associate, with respect to PHI Received from Covered Entity, or created, maintained, or received from Business Associate on behalf of Covered Entity, shall:
  - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its

legal responsibilities;

- ii. Return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining PHI that the Business Associate still maintains in any form;
  - iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent Use or Disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains PHI;
  - iv. Not Use or Disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Paragraph 3(f);
  - v. Return to Covered Entity or, if agreed to by Covered Entity, destroy the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities;
  - vi. Notwithstanding any other provision of this BA Agreement, upon termination, Business Associate may also transmit PHI to another Business Associate of the Covered Entity upon the written request of the Covered Entity.
- d. The obligations of Business Associate under Section 5, Term and Termination, shall survive the termination of this BA Agreement.

## **6. GENERAL PROVISIONS**

- a. A reference in this BA Agreement to a section in the HIPAA Rules means the section as in effect or amended.
- b. The parties agree to take such action as is necessary to amend this BA Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable laws.
- c. Any ambiguity in this BA Agreement shall be interpreted to permit compliance with the HIPAA rules.
- d. Nothing in this BA Agreement shall be construed as creating any rights or benefits to any third parties.
- e. The invalidity and unenforceability of any provision of this BA Agreement shall not affect the enforceability of any other provision of this BA Agreement or the Administrative Services Agreement, which shall remain in full force and effect.
- f. All notices and communications required by this BA Agreement shall be in writing. Such notices and communications shall be given in one of the following forms: (i) by delivery in person, (ii) by a nationally-recognized, next-day courier service, (iii) by first-class, registered or certified mail, postage prepaid, or (iv) by electronic mail to the address that each party specifies in writing.

- g. This BA Agreement and the Administrative Services Agreement constitute the entire agreement between the parties with respect to its subject matter and constitute and supersede all prior agreements, representations, and understandings of the parties, written or oral, with regard to the same subject matter.

**CITY OF COCONUT CREEK**

ATTEST:

\_\_\_\_\_  
Mary C. Blasi, City Manager

\_\_\_\_\_  
Leslie Wallace May  
City Clerk

\_\_\_\_\_  
Date

Approved as to form and legal  
sufficiency:

\_\_\_\_\_  
Terrill C. Pyburn , City  
Attorney

INTERNATIONAL CITY  
MANAGEMENT ASSOCIATION  
RETIREMENT CORPORATION

By:   
\_\_\_\_\_  
Erica McFarquhar  
Assistant Secretary

Please return an executed copy of the Agreement to a Delivery Address, either:

- (a) Electronically to [PlanAdoptionServices@icmarc.org](mailto:PlanAdoptionServices@icmarc.org), or
- (b) In paper form to ICMA-RC  
ATTN: PLAN ADOPTION SERVICES  
777 North Capitol Street NE  
Suite 600  
Washington DC 20002-4240