

BlueCross BlueShield Of Florida, Inc.

Accounting & Retention Agreement

This is an agreement (hereinafter "Agreement") between BlueCross BlueShield of Florida, Inc. (hereinafter referred to as "BCBSF"), located at 4800 Deerwood Campus Parkway, Jacksonville, Florida 32246 and the St. Lucie County School Bd., (hereinafter "the Group") located at 4204 Okeechobee Rd. Ft. Pierce, Florida 34947.

WHEREAS, the Group requests BCBSF to provide a PPO Program, (hereinafter "the Program") to its employees/members (herein "Group Member(s)"), and

WHEREAS, BCBSF has agreed to provide the insurance part of the Program, and

WHEREAS, each of the parties to this Agreement seeks to set forth, in writing, the terms and conditions of their Agreement,

NOW THEREFORE, for good and valuable consideration, the parties agree as follows:

I. TERM

The term of this Agreement shall begin on January 1, 2013, (the Effective Date) and shall end on December 31, 2013, (the Termination Date), unless otherwise terminated or renewed in accordance with the provisions of this Agreement.

II. BENEFIT PLAN

BCBSF agrees to administer the Group's health benefit plans (hereinafter referred to as the "Benefit Contracts"), which are hereby incorporated by reference into this Agreement.

III. PREMIUM PAYMENTS

The premium rates, prepayment fees and supplemental charges for the Program are payable in advance to BCBSF at the address set forth above. The premium rates will be set forth in Exhibit A once the premium rates are agreed upon by the parties.

IV. ACCOUNTING

- A) Within one hundred twenty days of the end of the term of this Agreement, BCBSF shall prepare and furnish to the Group an accounting of such term's operations.

B) This accounting shall include operations under all coverages of the Program and shall set forth the following for both policy years covered under this contract:

- a. Earned Premium,
- b. Incurred Claims (less claims in excess of the \$255,000 pooling level),
- c. Pooled Claim Charge, and
- d. Administrative Charges.

C) If Earned Premium is greater than the sum of Incurred Claims (less claims in excess of the \$255,000 pooling level), Pooled Claim Charge and Administrative Charge, 30% of this excess will be returned to the Group.

However, if the group cancels prior to April 30, 2014, any such excess will not be available for return to the Group.

D) If Earned Premium is less than the sum of Incurred Claims (less claims in excess of the \$255,000 pooling level), Pooled Claim Charge and Administrative Charge, the deficit will be retained by BCBSF.

V. TERMINATION

Either party may terminate this Agreement at the anniversary of the effective date, by giving the other party at least forty-five days prior written notice of such termination.

VI. MODIFICATION OF RATES

Rates for the first twelve months of this Agreement will remain in effect, as will be set forth in Exhibit A, provided there is no material change to the Benefit Contracts, the enrollment, or any other risk factor, as determined by BCBSF.

Thereafter, all rates set forth in Exhibit A of this Agreement are subject to change by BCBSF at any time following at least forty-five days prior written notice to the Group.

VII. LATE PAYMENT/CHARGE

In the event the Group fails to make any payment due under this Agreement, in full, prior to the applicable due date, such payment may be made to BCBSF up to ten days after such due date without a late payment charge. Payments received by BCBSF eleven to thirty-one days after such due date are subject to a late payment charge. The Group shall pay any late payment charge to BCBSF immediately upon receipt of the notice of such charge.

In the event any charge under this Agreement is not paid, in full, by the Group to BCBSF within thirty-one days after the applicable due date, this Agreement will automatically terminate as of the applicable due date. In the event this Agreement terminates

retrospectively for any reason, the Group shall be liable, in addition to all other liabilities set forth in this Agreement, for any claim(s) paid by BCBSF that were incurred after the termination date.

VIII. INCONSISTENCIES

If the provisions of this Agreement are, in any way, inconsistent with the provisions of the Benefit Contract(s), then the provisions of this Agreement shall prevail, and the other provisions shall be deemed modified but only to the extent necessary to implement the intent of the parties expressed herein.

IX. SURVIVAL

The rights and obligations of the parties, as set forth herein, shall survive the termination of this Agreement to the extent necessary to effectuate the intent of the parties as expressed herein.

X. WAIVER OF BREACH

The failure by either party, at any time, to enforce or to require the strict adherence to any provision of this Agreement shall not be deemed to be a waiver of such provision or any other provision of this Agreement.

XI. GOVERNING LAW

This Agreement, and the rights of the parties hereunder, shall be construed according to the laws of the State of Florida.

XII. SEVERABILITY

In the event any provision of this Agreement is deemed to be invalid or unenforceable, all other provisions shall remain in full force and effect.

XIII. AMENDMENT

This Agreement may be amended at any time upon mutual, written agreement of both parties, except that BCBSF may make changes necessary to comply with State and Federal laws upon sixty days notice to the Group.

XIV. ENTIRE AGREEMENT

This Agreement, including its Exhibits, the application(s) for coverage, and the Benefit Contract(s) constitute the entire Agreement between the Group and BCBSF. Any prior agreements, promises, or representations, either oral or written, relating to the subject matter of this Agreement, and not expressly set forth in this Agreement, are of no force or effect.

XV. NOTICES

Any notice, required or permitted under this Agreement, shall be deemed given if hand delivered or if mailed by United States mail, or an overnight mail service (e.g., Federal Express), postage prepaid, to the applicable address as set forth above or to such other address as a party may designate, in writing, to the other party. Such notice shall be deemed effective as of the date so deposited or delivered.

XVI. PROVIDER NETWORKS

BCBSF's Health Care Provider Networks are subject to change and may be modified at any time during the term of this Agreement without notice to or consent of the Group or any Group Member.

BlueCross BlueShield Of Florida, Inc.

St. Lucie County School Bd.

By

By

Name

James Condit

**Name
(Typed)**

Michael J. Lannon

Title

**Vice President and Chief
Underwriting Officer**

Title

Superintendent

Date

Date

EXHIBIT A
TO THE
ANNUAL ACCOUNTING AND RETENTION AGREEMENT
WITH
St. Lucie County School Bd.
Group Number 24936

A. Premium rates effective: January 1, 2013 through December 31, 2013

	BOPT 3748	BCH 706	BOPT O3769	BOPT O5180/05181
Single	\$606.86	\$673.08	\$552.84	\$494.60
EE + 1	\$1,359.62	\$1,507.98	\$1,238.62	\$1,108.10
Family	\$1,728.76	\$1,917.40	\$1,574.90	\$1,408.94
SP/Child	\$752.76	\$834.90	\$685.78	\$613.50
SP & Child/(ren)	\$1,121.90	\$1,244.32	\$1,022.06	\$914.34

B. Administrative charges effective: January 1, 2013 through December 31, 2013

14% of Earned Premium

C. Pooling effective: January 1, 2013 through December 31, 2013

1. Pooling Level: \$255,000 per Individual
2. Pooling Charges: 3.62% of Earned Premium