

Cost Containment Incentive Program Agreement

BCS Insurance Company (the Company) and the undersigned Policyholder (Policyholder) enter into this Cost Containment Incentive Program Agreement (the "Agreement") effective as of the effective date of the Policy as defined below (the "Effective Date").

WHEREAS, the Company and the Policyholder (collectively the "Parties") desire to participate in a cost containment incentive program whereby the Policyholder can participate in monetary recoveries obtained by the Company from providers obtained through the Company's, or its designated vendor's audit and review of Eligible claims under a Policy.

In consideration of the respective duties and responsibilities of the Parties as set forth in this Agreement, the Parties agree as follows:

1. **Definitions.** As used in the Agreement, the terms listed below when capitalized shall have the meanings given below.

Policy means the original employer medical stop loss insurance policy issued by the Company to the Policyholder and all continuous subsequent renewals thereof.

Eligible Claim means any claim under the Policy where:

- (a) The claim is covered under the terms and conditions of the Policy; and
- (b) At one of the following conditions applies
 - a. The amount of the covered claim that has been applied is at least \$500,000.00; or
 - b. The amount of the covered claim is at least \$350,000.00 in excess of the specific deductible in the Policy has been applied for expenses of a single plan enrollee.

Claim Amount First Paid means the amount paid under the Policy for an Eligible Claim prior to cost containment efforts as contemplated by this Agreement.

Final Claim Amount means the Claim Amount First Paid minus amounts recovered by the Company or its designated Vendor.

Recoveries means the remainder of: *Claim Amount First Paid minus the Final Claim Amount.*

Vendor means an individual or entity retained by the Company to assist with cost containment activities.

2. **Obligations of Policyholder.** The Policyholder shall, at the request of the Company:
 - a. provide documentation and assistance relating to an Eligible Claim as requested by the Company or its Vendor to assist the with the cost containment activities contemplated by this Agreement.
 - b. Provide any authorizations and releases requested by the Company or the Vendor.
3. **Obligations of Company .** The Company, in its sole discretion, may :
 - a. Retain one or more cost containment vendors to audit Eligible Claims. Any request by a Vendor to the Policyholder shall be considered a request by the Company under Paragraph 2.

- b. Arrange at its expense for claim audits and other recovery efforts for Eligible Claims it identifies.
 - c. Provide information and assistance as needed for the Policyholder or its administrator to recover funds from medical providers where overpayment or overtreatment is identified.
4. **Policyholder's right to receive payments.** Subject to Policyholder's satisfaction of all terms of this agreement, including but not limited to the obligations in Paragraph 2, the Company will return to the Policyholder 15% of the aggregated Recoveries related to Eligible Claims by members of the Policyholder's plan up to the following annual maximums:
- a. Policy Year 1* \$50,000.00
 - b. Policy Year 2 \$75,000.00
 - c. Policy Years 3+ \$100,000.00
- * The first stop loss policy year after this Agreement is signed
5. **No additional premiums.** The Policyholder shall not pay any additional premiums under the Policy for this Agreement.
6. **Term and termination.** This Agreement shall remain in effect as long as the Policyholder maintains continuous stop loss coverage with the Company. Either party may terminate this Agreement as of the end of any policy period. Policyholder and Company obligations under this Agreement continue following termination of the Agreement until all Recoveries are finalized.
7. **No Fiduciary Duty:** The parties acknowledge the Company is not deemed a fiduciary under the Policyholder's plan.

Policy Effective Date:

Policyholder: Kootenai County

Authorized signer:

Name:

Title:

BCS Insurance Company (the Company)

Authorized signer: **Mehb Khoja**
Digitally signed by Mehb Khoja
Date: 2025.12.30 09:57:25 -06'00'

Name: Mehb Khoja

Title: Chief Growth Office