Dear NDA Member:

Thank you for your interest in the Nebraska Dental Association Health Insurance Alliance (the “Alliance”). Enclosed with this letter is the Alliance’s Membership Agreement. The Membership Agreement governs participation in Plan.

Below is a short summary of key areas of the Membership Agreement. You should review the entire Membership Agreement closely.

Section 1 - Membership
The Alliance is a Nebraska nonprofit mutual benefit corporation whose membership consists of eligible employers who elect to participate in the NDA Member Health Insurance Plan (the “Plan”). The Alliance is governed by its own Board of Directors elected by its members. Because of the membership qualifications, all dentists with an ownership interest in the office will be required to be dues-paying NDA members (see (1)(v)). The dentists with ownership interests must be listed on Exhibit A. Also, any associate dentists working in that office wishing to participate in the Plan must also be a NDA member (3)(iv).

EXHIBIT B - Certification of Designated Member
Occasionally, the Alliance members will need to vote on issues related to the Plan and the Alliance. Exhibit B identifies who from your office is designated to vote.

EXHIBIT C - Member Assessment
The Alliance will incur costs of operation, such as, fiduciary liability coverage for the Board, income and other tax return preparation fees, any income or other taxes that are owed, and certain legal fees. To pay for these costs, the Board will need to collect a membership assessment. The annual Member Assessment of $30 was calculated to pay for these costs. As the number of NDA members and employees joining the plan increases, we hope this assessment will decrease over time. The Board may modify the assessment if needed at any time. Members will receive notification if such a need arises.

Once you have decided who will be participating in the Alliance Plan with UHC, please fill out and sign the Membership Agreement and return to 7160 South 29th Street, Ste. 1, Lincoln, NE 68516 along with the Member Assessment payment below.

Nebraska Dental Association Health Care Alliance – Membership Assessment

Office Name: ____________________________________________

Number of dentists & employees participating in the health insurance Plan: _____ x $30 = $______
This Agreement is entered into by and between the Nebraska Dental Association Health Insurance Alliance (the “Alliance”) and __________________ (the “Member”), a Nebraska employer, for participation in the Alliance and the Nebraska Dental Association Member Health Insurance Plan (the “Plan”), for coverage effective April 1, 2019 or other date, as applicable. Membership in the Alliance shall make health insurance coverage available for the Member’s eligible employees and dependents who participate under the Plan. In consideration of mutual promises, the undersigned parties agree as follows:

Section 1. Membership. The undersigned employer hereby agrees to become a member of the Alliance (a “Member”) upon and subject to the terms and conditions of the Articles of Incorporation of the Alliance, Bylaws of the Alliance, and this Agreement for and during the term of this Agreement.

In order to qualify for membership, the undersigned employer represents that it meets all of the following qualifications:

(i) Is a Nebraska duly organized and validly existing corporation, limited liability company, partnership, sole proprietorship, or other entity that complies with the laws of the State of Nebraska;

(ii) Qualifies as an entity which practices dentistry pursuant to Neb. Rev. Stat. § 38-1115 or is The Nebraska Dental Association, which will be treated as being in the same trade or industry as other Members;

(iii) Constitutes an employer as defined under ERISA § 3(5);

(iv) Employs in the State of Nebraska at least one common law employee;

(v) Has an ownership interest by individual(s) holding a DDS, DMD, or equivalent degree who is/are a member(s) in good standing with The Nebraska Dental Association; and

(vi) Elects to participate in the Plan and executes a Plan subgroup application.

Section 2. Agreement with Respect to Formation and Existence of the Alliance. The Member acknowledges and agrees that the Alliance is an entity that has been formed by constituent members as a Nebraska nonprofit mutual benefit corporation, and as such, is and shall for all purposes be and remain a body corporate with such powers as are set forth its Articles of Incorporation and Bylaws.

Section 3. Member Obligations. For and during the Term of this Agreement, the Member agrees as follows:

(i) To maintain its status as a qualified Member under the provisions of Section 1 of this Agreement and to notify the Alliance’s Board of Directors as soon as the Member has knowledge that it no longer meets the qualifications under Section 1 of this Agreement;
(ii) To comply with the Articles of Incorporation and Bylaws of the Alliance as the same now exist or may from time to time hereinafter be amended;

(iii) To maintain, and confirm using the form attached as Exhibit A, an active membership in good standing in The Nebraska Dental Association for each individual holding a DDS, DMD, or equivalent degree who is eligible for membership in The Nebraska Dental Association and has any ownership interest in the Member;

(iv) To maintain an active membership in good standing in The Nebraska Dental Association for each individual holding a DDS, DMD, or equivalent degree who is eligible for membership in The Nebraska Dental Association and who is covered by the Plan using the form attached as Exhibit A;

(v) To provide, on a timely basis, any and all data, documents, and information, including enrollment and eligibility information, which the Alliance, its agents, or its consultants may from time to time require in order for the Alliance to administer the Plan;

(vi) To comply with the terms and conditions of the Plan as the same may from time to time be amended and modified;

(vii) To make the required Payment or Payment Amount, which includes the Required Contribution and the Management and License Fee, to the insurer on or before the effective date of coverage and on a monthly basis thereafter, no later than the first day of each payment period as specified in the insurer’s invoice for Plan coverage while this Agreement is in place and pursuant to any other terms and conditions determined by the insurer for the Plan;

(viii) To pay the required Management and License Fee out of the Member’s general assets, i.e., the funds that belong to the Member’s business, and not funds attributable to Participant contributions, i.e., amounts withheld from employee paychecks to pay the cost of the Required Contributions;

(ix) To pay any charge for late payments assessed by the insurer for any Payment which is not received within 10 calendar days following the due date (A grace period of 31 days will be granted for any Payment not received by the due date. During the grace period, the Member’s Participants’ coverage under the Plan will continue in force but will not extend beyond the termination of this Agreement. The Member is liable for the Payment Amount during the grace period. If the insurer receives written notice from the Member to terminate the coverage during the grace period, the insurer will adjust the Payment Amount so that it applies only to the number of days coverage was in force during the grace period. Coverage terminates as described in the Termination of Coverage section of this Agreement if the grace period expires and the Payment Amount remains unpaid.);

1 The Required Contribution is the payment required of the Member under this Agreement to secure coverage for the Member’s participating eligible employees (the “Participants”) and their dependents (together, the “Participants and Beneficiaries”) under the terms of the Plan. Participant contributions, which are amounts withheld from employee paychecks, may be used to fund the Required Contribution. Management and License Fee means the amount payable by the Member for management and licensing services provided by The Nebraska Dental Association in connection with the establishment and maintenance of the Plan.

The insurer has the right to change the schedule of Required Contribution amount at any time if such amount was determined based on a material misrepresentation that resulted in the rates being different than they would have been without such material misrepresentation. If this happens, the insurer may change the Required Contributions retroactive to the effective date of this Agreement.

2 The insurer may make retroactive adjustments for any additions or terminations of Participants or their Beneficiaries or changes in coverage that are not reflected in the insurer’s records at the time the insurer calculates the Required Contribution. Adjustments will not be made for changes occurring more than sixty (60) days prior to the date the insurer received notification of the change from the Member.
(x) To pay any charge assessed by the insurer for any insufficient funds check or other form of payment that is rejected by a financial institution;

(xi) To pay any attorneys’ fees and any other costs related to the collection of the Payment Amount;

(xii) To distribute Plan documentation in the manner specified by law, the Alliance, and/or the insurer, as applicable, to Participants and Beneficiaries (ERISA requires that a group health plan’s covered benefits and limitations, as well as the rights and responsibilities of Participants and Beneficiaries, be explained in the Summary Plan Description (the “SPD”). By signing this Agreement, the Member agrees to distribute the SPD to its Participants within 90 days of when they become covered under the Plan; and within 30 days of a written request from a Participant or Beneficiary or their authorized representative as required by U.S. Department of Labor (“DOL”) regulations. Because Plan benefits are fully insured, the SPD will “wrap-around” or be attached to a Certificate of Coverage and Schedule of Benefits, as well as any riders and amendments, issued by the insurer. When SPDs are changed to modify the benefits provided under the Plan, changes must be disclosed to Plan Participants. When this happens, the insurer may either issue a new SPD to the Member or a Summary of Material Modifications (“SMM”) which is a description of the change that must be furnished to Plan Participants. The Member agrees to distribute the new SPD or SMM to its Participants on receipt from the insurer. The Member will also be required to furnish an updated SPD (which will be provided to the Member by the insurer) at least once every five years if there have been any material changes during that period of time. The Member must distribute the updated SPD or SMM in the same manner as the SPD explained above and consistent with DOL regulations. The Member agrees to indemnify the Alliance, the Plan, the insurer and their employees, agents, directors, officers and assigns (collectively, the “Indemnitees”) and to hold each of them harmless from any and all liabilities, claims, penalties, tax assessments or other obligations which may arise, directly or indirectly, from the Member’s failure to comply with its obligations as set forth in this Section 3(xii).);

(xiii) To comply with all administrative requirements and procedures of the Plan, including, but not limited to, continuation coverage under state or federal law and qualified medical child support orders;

(xiv) To notify the insurer timely and accurately within thirty-one (31) days of the effective date of any enrollment, termination or other change to the name, address, eligibility for coverage, or other change to enrollment of the Member, the Member’s employee, or the Member’s employee’s dependent;

(xv) To notify the insurer in writing each month of any change in the type of coverage elected by Participants and tier (e.g., single, single plus one, or family);

(xvi) To annually sign a subgroup application furnished by the Plan verifying compliance with Plan requirements;

(xvii) To authorize the Alliance to act as the Plan Sponsor and Plan Administrator for the Plan;

(xviii) To designate, using the form attached as Exhibit B, an individual who is the Member’s officer, manager, director, member or employee as the “Voting Member” authorized to act on the Member’s behalf, and who is entitled to cast the vote for the Member; and

(xix) To be bound by the acts of its designated Voting Member unless and until the designation is revoked in writing received by the Alliance or superseded by a subsequent designation provided in writing in the form attached as Exhibit B and received by the Alliance.

Section 4. Services Provided by the Alliance. For and during the Term of this Agreement, the Alliance, acting as the agent for and on behalf of its Members, hereby agrees as follows:

(i) To enter into negotiations with one or more insurance companies for the provision of health
or other insurance coverage:

(ii) To enter into one or more agreements with an insurer for the provision of health or other insurance coverage and to make available to the Member a copy of each said agreement and all amendments thereto upon request by the Member; and

(iii) To manage the property, business, and affairs of the Plan, including the day-to-day administration of the Plan.

Section 5. Term and Termination

Section 5.1 Term. Subject to any Renewal Term(s) and unless sooner terminated as provided below, this Agreement shall be for a term commencing on April 1, 2019 or other date, as applicable, and continuing thereafter until December 31, 2019 (the “Initial Term”). This Agreement shall renew automatically for subsequent one year terms (the “Renewal Term(s)”) unless and until terminated as provided herein, or notice of non-renewal is provided in accordance with Section 5.2 of this Agreement. The Initial Term and any Renewal Term(s) shall be referred to collectively herein as the “Term” or the “Terms.”

Section 5.2 Notice of Non-Renewal. Notwithstanding anything herein to the contrary, the Member may preclude the automatic renewal described in Section 5.1 of this Agreement by providing written notice to the Alliance at least thirty-one (31) days prior to the commencement of the Renewal Term.

Section 5.3 Termination. This Agreement may be terminated during its Term as follows:

(i) Termination by Mutual Consent. At any time by mutual written consent of each of the parties.

(ii) Termination in Certain Events.

(A) On the date the Alliance specifies, after written notice to the Member, that the Member fails to meet the qualifications of Section 1 of this Agreement or has violated the participation and contribution rules;

(B) On the last day of any grace period if the Member’s Payment Amount remains unpaid (The Member remains liable for any payments for the period of time the Agreement remained in force during the grace period.);

(C) On the date the Alliance specifies, after 30 days written notice to the Member, that the Member fails to comply with the Bylaws or other documents under which the Plan is operated; or

(D) On the date the Alliance specifies, in written notice to the Member, if the Member provided the Alliance with false information affecting this Agreement or the provision of coverage under this Agreement. The Alliance has the right to rescind this Agreement back to the effective date. Any unearned premium will be refunded.;

(iii) Termination for Breach. Except in the circumstances described in Section 5.3(ii) above, which shall be governed exclusively by the provisions of Section 5.3(ii), at any time by either party upon prior written notice to the other party in the event the other party has failed or refused to observe or perform any obligation, undertaking or agreement that such other party is required to observe or perform pursuant to the terms of this Agreement in any material respect (a “breach”) and has failed to cure such breach to the reasonable satisfaction of the party giving the notice within thirty (30) days following the date on which notice was received or such shorter
period as is specified in such notice, if the party giving the notice reasonably believes that the breach in question is likely to result in their incurring irreparable harm or imminent and material financial loss.

Section 5.4 Effect of Termination or Expiration on Plan Participation. Participation in the Plan will cease on the date this Agreement terminates or expires. Upon any termination of coverage under the Plan, the Member is and will remain liable to the Alliance and the insurer for the payment of any and all Payment Amounts that are unpaid at the time of termination, including a pro rata portion of the Payment Amount for any period this Agreement was in force during the grace period preceding the termination.

Section 6. Indemnification. The Member hereby agrees to indemnify and hold the Alliance and its officers, directors, employees, agents, and representatives harmless from any and all liabilities, losses, damages, penalties, fines, costs, or expenses (including without limitation court costs and reasonable attorneys’ fees) to the extent the same are incurred in connection with any demand, suit, audit, investigation, or other proceeding and arise out of or relate in whole or in part to: (i) any act or omission of the Member or any of its board members, officers, employees, agents, or representatives which occurs in the course of the Member’s performance of this Agreement; or (ii) failure by the Member to observe or perform any obligation, undertaking, or agreement required to be observed or performed by the Member pursuant hereto. The Member hereby further agrees to indemnify and hold the Plan, the Alliance, and the Alliance’s officers, directors, employees, agents, and representatives harmless from any and all liabilities, losses, damages, penalties, fines, costs, or expenses (including without limitation court costs and reasonable attorneys’ fees) to the extent the same are incurred in connection with any demand, suit, audit, investigation, or other proceeding and arise out of or relate in whole or in part to or that occur as a result of the Member’s failure to comply with applicable law with respect to the Plan.

Section 7. Budgeting and Finance. The Board of Directors of the Alliance will establish a budget covering the operations of the Alliance each year, on an annual basis. The Alliance’s Members pay the costs and expenses of the Alliance’s operations, which include but are not limited to fiduciary liability coverage, income and other tax return preparation fees, any income or other taxes that are owed, and certain legal fees. The Member acknowledges and agrees that the Alliance may collect a membership assessment to cover its operational expenses in the amount, at the time, and in the manner determined by the Alliance’s Board of Directors. To facilitate planning, an estimated Member assessment is attached on Exhibit C attached hereto and incorporated by this reference. The Member acknowledges and agrees that the Board of Directors may modify the assessment at any time. Unless otherwise agreed in writing, the amount of such costs and expenses assessed to each Member will be prorated according to the ratio of the Member’s number of participating employees (including the Member(s)) receiving coverage under the Plan for the immediately preceding calendar year to the aggregate number of total participating employees (including the Member(s)) receiving coverage under the Plan for such year.

Section 8. Amendment. This Agreement may be modified only by a written amendment duly executed by both the Member and the Alliance. No alteration or variation of the terms and conditions of the Agreement shall be valid or binding unless made in writing and signed by both the Member and the Alliance. Every amendment shall specify the date on which its provisions shall be effective.

Section 9. Records; Audits. The Member must furnish the Alliance with all information which it may reasonably require with regard to any matters pertaining to this Agreement. The Alliance may at any reasonable time inspect: (1) all documents furnished to the Member by any individual in connection with coverage under the Plan; (2) the Member’s payroll (for purposes of confirming eligibility to participate in the Plan); and (3) any other records pertinent to the Plan coverage provided pursuant to this Agreement. The parties agree that all personal information including information and records with respect to benefits under the Plan will be treated as confidential by both parties. Notwithstanding the foregoing, the Alliance has the right to release any and all records concerning health care services which are necessary to implement and administer the terms of the Plan, including records necessary for appropriate medical review and quality assessment, or as the Alliance is required by law or regulation.

Section 10. Assignment. Neither the Member nor the Alliance may assign or transfer any of its or their interest, rights, or duties under this Agreement to any person, firm, or entity without prior written consent of the other
party to this Agreement, which consent may be granted or withheld by the other party in its sole discretion. In the absence of such written consent, any such assignment or attempted assignment shall be invalid and shall constitute a breach of this Agreement.

Section 11. **Governing Law.** This Agreement shall be subject to, governed by, and construed according to the laws of the State of Nebraska, without regard to principles of conflicts of laws.

Section 12. **Entire Agreement.** This written Agreement represents the entire agreement of the parties with respect to the subject matter hereof, and any prior or contemporaneous representations, promises, or statements by the parties that are not expressly incorporated herein or therein shall not serve to vary, contradict, augment, modify, or supplement the terms set forth in this Agreement.

Section 13. **Survival.** All rights, remedies, obligations, and all covenants and agreements set forth in this Agreement which by their terms require or contemplate performance which is to extend or occur after the expiration or termination of the Agreement shall survive the termination or expiration of the Agreement and shall remain in effect and be enforceable as between the parties hereto in accordance with the terms.

Section 14. **Severability.** The intention of the parties to this Agreement is to comply fully with all laws and public policies, and this Agreement will be construed consistent with all laws and public policies to the extent possible. If, and to the extent that any court of competent jurisdiction is unable to so construe part or all of any provision of this Agreement, and holds that part or all of that provision to be invalid, such invalidity will not affect the balance of that provision or the remaining provisions of this Agreement, which will remain in full force and effect.

Section 15. **Non-waiver.** No failure by either party to insist upon strict compliance with any term of this Agreement, enforce any rights, or seek any remedy upon any default of the other party will affect, or constitute a waiver of, the other party’s right to insist upon such strict compliance, enforce that right, or seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default; nor will any custom or practice of the parties at variance with any provision of this Agreement affect, or constitute a waiver of, either party’s right to demand strict compliance with all provisions of this Agreement.

Section 16. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original, and all shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have signed this Agreement fully intending the same to be binding upon themselves and their respective trustees, receivers, successors and permitted assigns.

**Employer Member**

Name of Employer

By: __________________________

Signature

______________________________

Print Name and Title

Date: __________

**Nebraska Dental Association Health Insurance Alliance**

By: __________________________

Signature

Dr. Brad Krivohlavek

NDA Health Insurance Alliance President

Date: __________
EXHIBIT A

Certification of Active NDA Membership

The Member certifies that each individual holding a DDS, DMD, or equivalent degree who is eligible for membership in The Nebraska Dental Association and is an owner or principal officer of the Member has an active membership in good standing with The Nebraska Dental Association. Each such owner or principal officer of the Member is listed directly below with his/her ADA member number:

Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________

The Member certifies that each individual holding a DDS, DMD, or equivalent degree who is eligible for membership in The Nebraska Dental Association and who is covered by the Plan.

Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________
Name (Print): ____________________________ ADA #: __________________

(Please attach supplemental sheets as necessary to reflect all applicable owners or principal officers of the Member.)
EXHIBIT B

Certification of Designated Member

Member Name: __________________________________________

The undersigned hereby certifies to the Nebraska Dental Association Health Insurance Alliance (the “Alliance”) as follows:

1. That he or she is now duly authorized to execute this Certificate on behalf of the above-captioned Alliance Member (the “Member”);

2. That any previous designation, certification, or appointment of a Voting Member of the Member are hereby revoked and superseded; and

3. That the following individual is an officer, manager, director, member, or employee of the Member, and is hereby authorized, designated, and certified by the Member as the Voting Member entitled to act on the Member’s behalf and to cast votes for the Member on Consortium matters:

Voting Member Name: __________________________________________

IN WITNESS WHEREOF, I have hereunto signed my name this ____ day of _____________, 20____.

__________________________, Member

Member Name

By: ________________________________

Its: ________________________________
EXHIBIT C

Member Assessment

The Member Assessment for the Plan Year beginning April 1, 2019 will be thirty dollars ($30) for each employee (including each individual who is an owner or principal officer of the Member) covered under the Plan. The Member Assessment will be collected from each Member during the annual member enrollment process for that Plan Year. The Alliance will notify the Members of the amount of the Member Assessment prior to each subsequent Plan Year.