COVERED CALIFORNIA QUALIFIED DENTAL PLAN ISSUER CONTRACT FOR 2028 - 2030

between

Covered California

and

_____ ("Contractor")

October 8, 2026

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COVERED CALIFORNIA
QUALIFIED DENTAL PLAN ISSUER CONTRACT
between
Covered California
and
_____ ("Contractor")

THIS QUALIFIED DENTAL PLAN ISSUER CONTRACT ("Agreement") is entered into by and between Covered California, an independent entity established within the government of the State of California doing business as Covered California, and _____, a Dental Plan Issuer ("Contractor"). (Except as otherwise expressly defined, capitalized terms shall have the meaning set forth at Article 14 Definitions).

RECITALS

A. Covered California is authorized under the Federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the Federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) (collectively, "Affordable Care Act"), and the California Patient Protection and Affordable Care Act, (Chapter 655, Statutes of 2010 and Chapter 659, Statutes of 2010) ("California Affordable Care Act") to selectively contract with Dental Plan Issuers in order to make available to Covered California Enrollees dental care coverage choices that seek to provide the optimal combination of choice, value, access, quality and service to Qualified Individuals, Employers and Employees;

B. The Application process conducted by Covered California is based on the assessment of certain requirements, criteria and standards that: (i) Covered California determines are reasonable and necessary for bidding Dental Plan Issuers to market, offer, and sell Qualified Dental Plans (QDPs) through Covered California, (ii) are set forth in the QDP Issuer Application and (iii) are required under applicable laws, rules and regulations or otherwise necessary to meet the needs of Covered California Enrollees, including those set forth at Government Code § 100500 et seq. and 45 C.F.R. Part § 155 et seq.;

C. In connection with the evaluation of the responses to the Application received from Dental Plan Issuers, Covered California is required: (i) to evaluate the proposed QDP Issuer's compliance with requirements imposed under the Application, and (ii) to give greater consideration to potential QDP Issuers that further the mission of Covered California by promoting, among other items, the following: (1) affordability for the consumer and small employer – both in premiums and at point of care, (2) "value"

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competition based upon quality, service, and price, (3) competition based upon meaningful QDP choice and ability to demonstrate product differentiation: Patient-Centered Benefit Designs, (4) competition throughout the State, (5) alignment with Providers and delivery systems that serve the low-income population, (6) delivery system improvement, effective prevention programs and payment reform, (7) administrative capability and financial solvency, and (8) robust customer service;

D. Contractor is a Dental Plan Issuer authorized to provide Covered Services to Enrollees under applicable laws, rules and regulations pursuant to: (i) a certificate of authority issued by the California Department of Insurance ("CDI") under § 699 et seq. of the California Insurance Code, or (ii) a licensed issued by the Department of Managed Health Care ("DMHC") pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (§ 1340 et seq. of the California Health and Safety Code). (Except as otherwise stated, references to "Codes" set forth herein shall refer to the laws of the State of California.);

E. Based on Covered California's evaluation of the proposal submitted by Contractor in response to the Application ("Proposal") and its consideration of other factors required to be considered under applicable laws, rules and regulations and as otherwise necessary to meet the needs of Covered California Enrollees, Covered California intends to designate Contractor as a QDP Issuer pursuant to Covered California's determination that Contractor's proposed QDPs meet the requirements necessary to provide dental coverage as a QDP to Qualified Individuals and Employers who purchase dental coverage through Covered California;

F. Contractor desires to participate in Covered California as a QDP Issuer; and

G. Contractor and Covered California desire to enter into this Agreement to set forth the terms and conditions of Contractor's role as a QDP Issuer and operation of the QDPs through Covered California.

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ARTICLE 1 – GENERAL PROVISIONS

1.1 Purpose

This Agreement sets forth the expectations of Covered California and Contractor with respect to: (i) the delivery of services and benefits to Covered California Enrollees; (ii) the respective roles of Covered California and Contractor related to enrollment, eligibility and customer service for Covered California Enrollees; (iii) the coordination and cooperation between Covered California and Contractor on the promotion of better care and higher value for Covered California Enrollees and other health care consumers; (iv) Covered California's expectation of enhanced alignment between Contractor and its Participating Providers to deliver high quality, high value health care services, and; (v) administrative, financial and reporting relationships and agreements between Covered California and Contractor.

Covered California enters into this Agreement with Contractor to further the mission to increase the number of insured Californians, improve health care quality and access to care, promote health, lower costs, and reduce health disparities. Covered California seeks to accomplish its mission by creating an innovative, competitive marketplace that empowers consumers to choose the dental plan and providers that offer the best value. Covered California's "Triple Aim" framework seeks to improve the patient care experience including quality and satisfaction, improve the health of the population, and reduce the per capita cost of health care services. By agreeing to these expectations as set forth in this Agreement, Contractor and Covered California acknowledge a commitment to be active and engaged participants to promote change and to work collaboratively to define and implement additional initiatives to continuously improve quality and value.

1.2 Applicable Laws and Regulations

(a) This Agreement is in accord with and pursuant to the California Affordable Care Act, California Government Code § 100500 et seq., (Chapter 655, Statutes of 2010 and Chapter 659, Statutes of 2010) and the implementing regulations, Title 10, Chapter 12 of the California Code of Regulations, § 6400 et seq., as enacted or as modified during the course of this Agreement. This Agreement is also in accord with and pursuant to the federal Patient Protection and Affordable Care Act and its implementing federal regulations,

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as enacted or modified during the course of this Agreement, including standards for qualified health plan certification set forth at 45 C.F.R. Part 156 et seq. (Subpart C: Qualified Health Plan Minimum Certification Standards).

(b) Contractor is subject to the obligations imposed on Contractor under applicable laws, rules and regulations of the Federal Affordable Care Act, the California Affordable Care Act, and any other applicable Federal, State, or local laws, rules and regulations. The parties to this Agreement recognize and acknowledge there may be material changes to the above-referenced and other applicable Federal, state or local laws, rules and regulations, including those in the Health & Safety Code and Insurance Code related regulations. Should such an event arise, the parties agree that revisions to this Agreement may be necessary to align provisions contained herein with the changes made to these laws. Nothing in this agreement limits such obligations imposed on Contractor, including any failure to reference a specific State, or Federal regulatory requirement applicable to Covered California or Contractor. In those instances where Covered California imposes a requirement in accordance with the California Affordable Care Act or otherwise authorized by California law, that exceeds a requirement of the Federal Affordable Care Act or other Federal law, the State law and the Covered California requirement shall control unless otherwise required by laws, rules and regulations.

(c) Compliance Programs. Contractor shall, and shall require Participating Providers and all Subcontractors to comply with all applicable Federal, State, and local laws, regulations, executive orders, ordinances and guidance, including, the Affordable Care Act and the California Affordable Care Act; the Americans with Disabilities Act; the Anti-Kickback Statute; the Public Contracts Anti-Kickback Act; the Stark Law; the Knox-Keene Health Care Service Plan Act of 1975; and California Insurance Code, as applicable.

1.3 Relationship of Parties

(a) Independent Contractors. The parties acknowledge and agree that, as required by State and Federal law, in carrying out its responsibilities, Covered California is not operating on behalf of Contractor or Contractor's QDPs or any authorized Subcontractor of Contractor. In the performance of this Agreement, Covered California and Contractor shall at all times be acting and performing as an independent contractor, and nothing in the Agreement shall be construed or deemed to create a relationship of employer and employee or partner or joint venture or principal and agent between Covered California and Contractor. Neither Contractor nor Participating Providers, authorized

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Subcontractors, or any agents, officers or employees of Contractor are agents, officers, employees, partners or associates of Covered California.

(b) Subcontractors. Contractor shall require any Subcontractor or assignee to comply with applicable requirements in this Agreement. Nothing in this Agreement shall limit Contractor's ability to hold Subcontractor liable for performance under the contract between Contractor and its Subcontractor(s). Contractor's obligations pursuant to this Agreement and applicable laws, rules and regulations shall not be waived or released if Contractor subcontracts or otherwise delegates services of this contract. Contractor shall exercise due diligence in in the selection of Subcontractors, and monitor services provided by Subcontractor for compliance with the terms of this Agreement and applicable laws, rules or regulatory requirements or orders.

i. Notwithstanding any relationship(s) that Contractor may have with delegated and Downstream Entities, Contractor maintains responsibility for its compliance and the compliance of any of its delegated or Downstream Entities with all applicable federal standards related to Exchanges. Contractor maintains responsibility for ensuring its delegated and Downstream Entities comply with the Federal standards related to Exchanges, including the standards in 45 C.F.R. Part 156, subpart C with respect to each of its QDPs on an ongoing basis, as well as the Exchange processes, procedures, and standards in accordance with 45 C.F.R. Part 155, subpart K, unless the standard is specifically applicable to a Federally-facilitated Exchange.

ii. Contractor's delegation agreements shall comply with the specifications included in 45 C.F.R. § 156.340 and must include language stating that Covered California may demand and receive the delegated or Downstream Entity's books, contracts, computers, or other electronic systems, including medical records and documentation, relating to Contractor's obligations in accordance with federal standards until ten (10) years from the final date of the agreement period.

(c) Contractor shall notify Covered California in advance of assignment or delegation of duties under this Agreement. Notification to Covered California shall apply to new assignment and delegation as well as changes or amendments to existing assignment or delegation for the following:

1. Enrollment and Eligibility
2. Customer Service Call Center
3. Third Party Administrator for Dental Providers

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4. Third Party Administrator for Provider Contracts
5. Third Party Administrator for Claims Administration

1.4 General Duties of Covered California

Covered California is approved by the United States Department of Health and Human Services ("DHHS") pursuant to 45 C.F.R. § 155.105 and shall perform its duties in accordance with the terms and conditions required of this Agreement pursuant to applicable laws, rules and regulations, including the California Affordable Care Act and the Federal Affordable Care Act. The duties of Covered California shall include:

(a) Certification of QDP Issuers (45 C.F.R. Part 155, Subpart K and 45 C.F.R. § 155.1065);

(b) Consultation with stakeholders (45 C.F.R. § 155.130);

(c) Consumer assistance tools and programs, including operation of a toll-free call center and Internet website (45 C.F.R. § 155.205 and 45 U.S.C. § 18031(d));

(d) Eligibility and enrollment in Covered California for the Individual Market and Covered California for Small Business (45 C.F.R. Part 155, Subparts D and E);

(e) Financial support for continued operations of Covered California (45 C.F.R. § 155.160);

(f) Navigator program standards designed to raise awareness of Covered California by, among other items, providing consumer access to education and other resources regarding eligibility, enrollment, and program specifications (45 C.F.R. § 155.210);

(g) Non-interference with Federal law and nondiscrimination standards (45 C.F.R. § 155.120);

(h) Notices to Enrollees (45 C.F.R. § 155.230);

(i) Oversight, financial, and quality activities (45 C.F.R. § 155.200);

(j) Participation of agents to enroll Qualified Individuals or Employers in QDPs (45 C.F.R. § 155.220);

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(k) Allowance for the payment of premiums (45 C.F.R. § 155.240);

(l) Privacy and security of Personally Identifiable Information (PII) (45 C.F.R. § 155.260); and

(m) Use of standards and protocols for electronic transactions (45 C.F.R. § 155.270);

(n) Covered California also has a duty, as part of its management of CalHEERS, to determine how information about the cost, quality and provider availability is presented to consumers to inform their selection of a Family Dental Plan and benefit design in Covered California. Covered California shall solicit comment from Contractor on the designs, but shall make design and presentation decisions at its sole discretion; and

(o) Covered California agrees to provide a dedicated team member responsible for working with Contractor to resolve any and all issues that arise from implementation of Covered California.

1.4.1 Confidentiality of Contractor Documents

Covered California shall treat as confidential and exempt from public disclosure all documents and information provided by Contractor to Covered California, or to the vendor for Covered California, provided the documents or information are deemed to be, or qualify for treatment as, confidential information under the Public Records Act, Government Code § 7920.000 et seq., or other applicable Federal and State laws, rules, and regulations. Documents and information that Covered California will treat as confidential include provider rates and Contractor's business or marketing plans.

1.5 General Duties of Contractor

Contractor and Covered California acknowledge and agree that Contractor's QDPs are important to furthering Covered California's goal of delivering better care and higher value. Contractor agrees that Contractor's QDPs submitted and certified through the annual certification process for the current Plan Year, shall be offered through Covered California to provide access to health care services to Covered California Enrollees in accordance with the terms and conditions required by this Agreement and as required for designation of each dental plan as a QDP.

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Contractor shall maintain the organizational and administrative capacity to support and ensure implementation and operation of this Agreement. This requirement includes the following:

(a) Contractor maintains the legal capacity to contract with Covered California and complies with the requirements for participation in Covered California pursuant to this Agreement and applicable Federal and State laws, rules and regulations;

(b) A dedicated liaison is available as the primary contact person to coordinate and cooperate with Covered California in the implementation of this Agreement and the contact person and/or other personnel are available to Covered California as needed to fulfill Contractor's duties under this Agreement.

i. Key individual(s) who will have primary responsibility for servicing the Covered California account and flow of responsibilities include the following representatives: Chief Executive Officer, Chief Finance Officer, Chief Operations Officer, Chief Medical Officer, and Dedicated Liaison.

1. Contractor shall timely notify Covered California within ten (10) Days in the event of a change of key individual(s) (as defined in 1.5 b) i)) occurs.

(c) Contractor's QDPs are offered in accordance with the terms and conditions of this Agreement and comply with the Affordable Care Act and the California Affordable Care Act and implementing regulations, and with applicable Federal and State laws, rules and regulations as may be amended from time to time as required under applicable laws, rules and regulations or as otherwise authorized under this Agreement;

(d) Notify Covered California of:

i. All routine or non-routine surveys and audits conducted by State and Federal Regulators concerning Contractor's Covered California lines of business;

ii. Any material concerns identified by Contractor or material concerns, including any enforcement actions resulting in monetary penalties equal to or exceeding $10,000, identified by State and Federal Regulators that

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may impact Contractor's performance under this Agreement within ten (10) Days following Contractor's knowledge of such concern;

iii. Contractor's Dental Loss Ratio (DLR), as calculated and submitted to Contractor's State Regulator annually, and Contractor's DLR for dental plans offered through Covered California, calculated separately by market and product type. If the difference between Contractor's DLR as submitted to Contractor's State Regulator and Contractor's DLR for dental plans offered through Covered California is equal to or greater than five percent (5%), Covered California may request Contractor submit a justification for the difference, including supporting documentation as applicable.

(e) Provide Covered California with copies of any preliminary or final reports, findings, or orders related to Subsection (d) (i) and (ii) of this Section 1.5, within five (5) business days of Contractor receiving them from State and Federal Regulators; and

(f) All notifications shall be made according to the "Contract Reporting Requirements" table posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance).

1.6 Coordination with Other Programs

Contractor and Covered California recognize that the performance of Services under this Agreement depends upon the joint effort of Covered California, Contractor, Participating Providers, and other authorized Subcontractors of Contractor. Contractor shall coordinate and cooperate with Participating Providers and such Subcontractors to the extent necessary and as applicable to promote compliance by Participating Providers and such Subcontractors with the terms set forth in this Agreement.

Contractor shall also coordinate and comply with requirements of other State agencies that affect its Enrollees, including the Department of Health Care Services ("DHCS") (regarding Medi-Cal) regarding the development and implementation of CalHEERS with respect to eligibility and enrollment considerations or as may be required under inter-governmental agency agreements or other laws, rules, regulations, or program instructions.

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1.7 Changes in Requirements

The parties acknowledge that prospective changes to benefits and services may be made by Covered California during a Contract Year to incorporate changes: (1) required as a result of changes in State or Federal laws, rules and regulations; (2) imposed by State and Federal Regulators; or (3) as mutually agreed upon by the parties. The projected cost of any such benefit or service change will be included in the cost of oral health care projections and changes to the Monthly Rates will be implemented after Contractor has demonstrated the cost impact of the benefit or service change in accordance with the requirements set forth in Article 6.

1.8 Evaluation of Contractor Performance

Covered California shall evaluate Contractor's performance with respect to fulfillment of its obligations under this Agreement on an ongoing basis, including as described in Section 1.5 f). In the event the evaluations conducted by Covered California reveal a significant problem or pattern of non-compliance with terms of this Agreement as reasonably determined and documented by Covered California, Covered California shall have the right, without limitation, to conduct reasonable additional reviews of Contractor's compliance and operational performance. Such evaluations shall also be considered in connection with decisions relating to re-certification and de-certification in accordance with the terms set forth at Article 8.

1.9 Required Notice of Contractor Changes

Notices pursuant to this Section shall be provided by Contractor promptly within ten (10) Days following Contractor's knowledge of such occurrence; provided, however, such notice shall be provided immediately if such occurrence may reasonably be deemed to adversely affect the quality of care or safety of Covered California Enrollees. All written notices from Contractor pursuant to this Section shall contain sufficient information to permit Covered California to evaluate the events under the same criteria that were used by Covered California in its award of this Agreement to Contractor. Contractor agrees to provide Covered California with such additional information as Covered California may request. If Contractor requests confidential treatment for any information it provides, Covered California shall treat the information as confidential, consistent with Section 1.4.1.

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Contractor shall notify Covered California in writing upon the occurrence of any of the following events:

(a) Contractor is in breach of any of its obligations under this Agreement;

(b) Change in the majority ownership, control, or business structure of Contractor;

(c) Change in Contractor's business, partnership, or corporate organization that may reasonably be expected to have a material impact on Contractor's performance of this Agreement or on Covered California's rights under this Agreement;

(d) Breach by Contractor of any term set forth in this Agreement or Contractor otherwise ceases to meet the requirements for a QDP Issuer, including those set forth at 45 C.F.R. § 156.200 et seq. (Subpart C—Qualified Health Plan Minimum Certification Standards);

(e) Immediate notice in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudicated bankrupt, or a receiver is appointed and qualifies; and

(f) Changes in its Provider Network by notice consistent with Section 4.3;

i. Significant changes in operations of Contractor that may reasonably be expected to significantly impair Contractor's operation of QDPs or delivery of Specialized Health Care Services to Covered California Enrollees.

1.10 Nondiscrimination

(a) Services and Benefits. During the performance of this Agreement, Contractor shall not, and shall require Participating Providers and other Subcontractors, as well as their agents and employees to not, in accordance with the Affordable Care Act § 1557 (42 U.S.C. § 18116) and its implementing regulations, cause an individual to be excluded on the grounds prohibited under Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), or § 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), or subject to any other applicable State and Federal laws, from participation in, be denied the

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benefits of, or be subjected to discrimination under, any health program or activity offered through Covered California.

(b) Employment and Workplace. Contractor shall not, and shall require Participating Providers and other Subcontractors, as well as their agents and employees to not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including Human Immunodeficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS)), mental disability, medical condition (including health impairments related to or associated with a diagnosis of cancer for which a person has been rehabilitated or cured), age (40 or over), marital status, genetic information, sexual orientation, gender identity, or use of family and medical care leave. Contractor shall, and shall require Participating Providers and other Subcontractors, as well as their agents and employees to evaluate and treat employees and applicants for employment in a manner that is free from such discrimination and harassment. Contractor shall, and shall require Participating Providers and Subcontractors, as well as their agents and Employees to comply with the provisions of the Fair Employment and Housing Act (Government Code § 12900 et seq.) and the applicable regulations promulgated thereunder (2 CCR § 10000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code § 12990, set forth in CCR Chapter 5 of Division 4.1 of Title 2, including 2 CCR § 11102 et seq., are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor shall, and shall require Participating Providers and other Subcontractors to, give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

1.11 Conflict of Interest; Integrity

Contractor shall be, and shall require Participating Providers to be, free from any conflicts of interest with respect to Services provided under this Agreement. Contractor represents that Contractor and its personnel do not currently have, and will not have throughout the term of the Agreement, any direct or indirect interest which may present a conflict in any manner with the performance of Services required under this Agreement. Contractor also represents that it is not aware of any conflicts of interest of any Participating Provider with respect to

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laws, rules and regulations that govern referrals required for the provision of certain health care services, including Federal and State anti-kickback and anti-self-referral laws, rules and regulations. Contractor shall immediately (i) identify any conflict of interest that is identified during the term of the Agreement and (ii) take any necessary action to assure that any activities are not improperly influenced by a conflict of interest.

Contractor shall comply with any and all other policies adopted by Covered California regarding conflicts of interest and ethical standards, copies of which shall be made available by Covered California for review and comment by Contractor prior to implementation.

1.12 Other Financial Information

In addition to financial information to be provided to Covered California under other provisions of this Agreement or pursuant to applicable laws, rules and regulations, at the request of Covered California, Contractor shall provide Covered California with financial information that is (i) provided by Contractor to State and Federal Regulators or other regulatory bodies, or (ii) reasonable and customary information-prepared by Contractor, including supporting information relating to Contractor's Enrollees. Possible requests may include annual audited financial statements and annual profit and loss statements.

1.13 Other Laws

Contractor shall comply with applicable laws, rules and regulations, including the following:

(a) Americans with Disabilities Act. Contractor shall comply with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA, unless specifically exempted.

(b) Drug-Free Workplace. Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code § 8350 et seq.).

(c) Child Support Compliance Act. Contractor shall fully comply with all applicable State and Federal laws relating to child and family support enforcement, including disclosure of information and compliance with

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earnings assignment orders, as provided in Chapter 8 (commencing with § 5200) of Part 5 of Division 9 of the Family Code.

(d) Domestic Partners. Contractor shall fully comply with Public Contract Code § 10295.3 with regard to benefits for domestic partners.

(e) Environmental. Contractor shall comply with environmental laws, rules and regulations applicable to its operations, including those relating to compliance with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with § 42460 of the Public Resources Code, relating to hazardous and solid waste.

(f) Other Laws. Contractor shall comply with any and all other State and Federal laws, rules and regulations applicable to this Agreement, to the operation of Covered California, and to Contractor's provision of Services under this Agreement.

1.14 Contractor's Representations and Warranties

Contractor represents and warrants that neither the execution of this Agreement by Contractor, nor the acts contemplated hereby, nor compliance by Contractor with any provisions hereof will:

(a) Violate any provision of the charter documents of Contractor;

(b) Violate any laws, rules, regulations or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or

(c) Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the occurrence of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities, or condition (financial or otherwise) of Contractor.

Due Organization. Contractor represents and warrants that it is duly organized, validly existing, and in good standing under the laws of the state of its incorporation or organization.

Power and Authority. Contractor represents and warrants that: (i) it has the power and authority to enter into this Agreement and to carry out its obligations hereunder; (ii) the execution of this Agreement has been duly authorized and executed by Contractor and no other internal proceeding on the part of Contractor is necessary to authorize this Agreement; and (iii) to the best of its

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knowledge, Contractor has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents, or examinations required by any State and Federal Regulators and other government or governmental authority for its acts contemplated by this Agreement.

1.15 Fraud, Waste and Abuse; Ethical Conduct

Contractor shall maintain and enforce policies, procedures, processes, systems, and internal controls (i) to reduce Fraud, Waste, and Abuse, and (ii) to enhance compliance with other applicable laws, rules, and regulations in connection with the performance of Contractor's obligations under this Agreement.

(a) Contractor shall maintain an effective compliance program that includes a minimum of the following "7 Core Elements" as defined by CMS: Written Policies, Procedures and Standards of Conduct; Compliance Program Oversight; Training and Education Communication; Auditing and Monitoring; Consistent Discipline; and Corrective Actions and meets the requirements of applicable laws, rules, and regulations. Contractor shall provide evidence of such compliance program as reasonably requested by Covered California.

(b) Contractor shall communicate within ten (10) Days to Covered California any material concerns identified by Contractor or material concerns, including any enforcement actions resulting in monetary penalties equal to or exceeding $10,000, identified by State and Federal Regulators related to regulatory compliance that may impact performance under this Agreement following Contractor's knowledge of such occurrence; provided, however, such notification shall be provided immediately if such occurrence may reasonably be deemed to adversely affect the quality of care or safety of Covered California Enrollees. All notifications shall be made according to the "Contract Reporting Requirements" table posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance).

If Contractor receives any preliminary or final reports, findings, or orders related to material concerns identified by State and Federal Regulators that may impact performance under this Agreement pursuant to this Section, it shall provide Covered California with copies of them within five (5) business days of receiving them from State and Federal Regulators.

(c) Contractor shall provide Covered California with a description of its fraud, waste and abuse detection and prevention programs and report total monies

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recovered by Contractor from providers in the most recent 12-month period for Contractor's total book of business as well as, total monies recovered for Covered California business only. This description shall be updated during each year that this Agreement is in effect and shall include an overview of fraud and abuse detection and prevention program activities conducted by Contractor, Participating Providers, other Subcontractors and their authorized agents, including a summary of key findings, relevant data analytics and fraud risk assessments to circumvent fraud, waste, and abuse, and the development, implementation and enforcement of any corrective action plans for changing, upgrading, or improving these programs.

(d) Contractor shall maintain and enforce a code of ethical conduct and make it available to Covered California upon request.

(e) Contractor shall refer potential fraud activities identified through fraud detection and response measures to Covered California. Contractor shall follow the established Carrier Referral Process posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, Contractor's folder, Data Integrity, Fraud Referral folder). Contractor shall not terminate Covered California Enrollee coverage for fraud without prior review and approval from Covered California.

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ARTICLE 2– ELIGIBILITY AND ENROLLMENT

2.1 Eligibility and Enrollment Responsibilities

2.1.1 Covered California Responsibilities

(a) Covered California shall be solely responsible for the determination of eligibility and enrollment of individuals in Covered California in accordance with applicable Federal and State laws, rules and regulations.

(b) Covered California shall determine eligibility and enroll eligible individuals in Covered California pursuant to its management and participation in CalHEERS, a project jointly sponsored by Covered California and DHCS with the assistance of the Office of Systems Integration. Covered California shall also determine eligibility and enroll Qualified Employees and dependents for employer sponsored dental coverage. Covered California and CalHEERS shall develop, implement and maintain processes to make the eligibility and enrollment decisions regarding Covered California and other California health care programs and submit that information to Contractor in a timely manner in accordance with Federal and State laws, rules and regulations and the terms set forth in this Agreement.

(c) Covered California shall notify Contractor regarding each eligible applicant who has completed an application for enrollment and designated Contractor as the QDP Issuer. Covered California shall transmit information required for Contractor to enroll the applicant, and Contractor shall enroll applicant within five (5) business days of receipt of verification of eligibility and selection of Contractor's QDP.

(d) Covered California shall send enrollment information to Contractor on a daily basis and Contractor shall reconcile specified enrollment information received from Covered California with Contractor's enrollment data on a monthly basis through the Reconciliation Process.

(e) Covered California shall utilize the Dispute Process pursuant to Section 2.1.2 d) to resolve issues related to the Reconciliation Process.

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2.1.2 Contractor's Responsibilities

(a) Contractor shall comply with all Federal and State eligibility and enrollment statutes and regulations, including the Affordable Care Act § 1411 et seq. (42 U.S.C. § 18081 et seq.), 45 C.F.R. § 155.400 et seq., Government Code § §100503 and 100503.4, and 10 CCR § 6400 et seq.

(b) Contractor shall comply with all Covered California eligibility and enrollment determinations, including those made through CalHEERS and that result from an applicant's appeal of a Covered California determination. Within ten (10) Days of receiving a request from Covered California to implement the appeals decision, Contractor shall implement appeals decisions and provide communication to Covered California with evidence the appeal resolution has been implemented. Contractor shall immediately notify Covered California if it receives an appeal decision that does not have all necessary data elements required for Contractor to implement the appeal decision. In the event that a Covered California Enrollee requires immediate care, the QDP Issuer will work closely with Covered California to implement any eligibility or enrollment changes as soon as reasonably possible. Contractor shall accept all Enrollees assigned by Covered California except as otherwise authorized by policies and procedures of Covered California or upon the approval of Covered California.

(c) Contractor shall participate in the Reconciliation Process as outlined in the most recent version of the Covered California Reconciliation and Dispute Process Guide. If Contractor is unable to implement enrollment or financial changes requested by Covered California during the Reconciliation Process within fifteen (15) business days, Contractor shall provide written notification to Covered California no later than the fifteenth (15th) business day. The written notification shall provide a detailed explanation why such changes cannot be implemented by the due date and shall identify an alternative date by which the changes will be implemented.

In the event Covered California identifies ongoing and persistent data issues (including basic enrollment errors, enrollment discrepancy validation, and financial discrepancy validation) with Contractor through the Reconciliation Process which have persisted for two or more reconciliation cycles and remain unresolved, Contractor shall conduct root cause analysis and develop a corrective action plan to resolve the issues. The corrective action plan shall also identify the implementation date for resolving the issues. Contractor's written analysis shall be provided to Covered California within sixty (60) Days from Covered California's request.

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(d) Contractor shall participate in a Dispute Process established by Covered California to resolve issues related to the Reconciliation Process. Contractor shall submit a supplemental file to dispute identified discrepancies found in the Weekly Audit File in accordance with the defined list of fields and technical requirements established by Covered California through the "Data Integrity Reconciliation and Dispute Process Guide."

(e) Contractor shall rely upon Covered California as the system of record for eligibility and enrollment during the term of this Agreement; provided, however, that Contractor shall: (i) reconcile premium payment information with enrollment and eligibility information received from Covered California on a monthly basis, and (ii) Contractor shall only accept changes to eligibility information submitted by Employers or Covered California Enrollees when Covered California notifies or confirms such change to Contractor.

2.1.3 Collection Practices

Contractor shall maintain fair and reasonable collection practices that comply with applicable laws, rules and regulations. Contractor shall monitor the collection activities and provide Covered California with reasonable documentation to facilitate Covered California's monitoring, tracking or reporting with respect to Contractor's collection efforts including policies and procedures and copy of any form of delinquency or termination warning or notice sent to a Covered California Enrollee or Employer. Contractor shall not initiate collection activities if they have knowledge of a pending appeal, including notice from the consumer, Covered California, or Contractor's State Regulators.

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2.2 Covered California for the Individual Market

2.2.1 Open Enrollment, Auto Enrollment, and Special Enrollment Periods

Contractor acknowledges and agrees that Covered California is required to: (i) allow Qualified Individuals to enroll in a QDP or change QDPs during annual Open Enrollment Periods and (ii) allow certain Qualified Individuals to enroll in or change QDPs during Special Enrollment Periods as a result of specified triggering events per applicable Federal and State laws, rules and regulations. Contractor agrees to accept new Enrollees in Covered California who enroll during these periods.

2.2.2 Covered California for the Individual Market Coverage Effective Dates

Contractor shall ensure coverage effective dates for the Covered California Enrollee are consistent with applicable State law.

Covered California and Contractor shall require payment of premium in accordance with the premium payment due dates specified in 10 CCR § 6410 and the premium payment process specified in 10 CCR § 6500 and other applicable State law.

Contractor shall provide Covered California with information necessary to confirm Contractor's receipt of premium payment from a Covered California Enrollee that is required to commence coverage. The specific terms and conditions relating to commencement of coverage, including the cancellation or postponement of the effective date of coverage in the event of nonpayment or partial payment of an initial premium, shall be established by Covered California in accordance with applicable laws, rules and regulations.

The first premium binder payment shall be either paid directly to Contractor or processed through a third-party administrator and deposited into an account owned by the third-party administrator and settled by the third-party administrator to Contractor's own bank account.

2.2.3 Premiums for Coverage in Covered California for the Individual Market

Contractor shall not be entitled to collect from Covered California Enrollees or receive funds above the premium amounts except with respect to cost-sharing amounts or to the extent that such payment (i) is expressly authorized under the QDPs, such as out-of-network services that comply with the notice requirements set forth at Section 4.4.3, or (ii) relates to a charge for non-sufficient funds or

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transaction fees initiated by a Covered California Enrollee at rates that are reasonable and customary for such transactions; Contractor shall not pursue collections of any said fees from Covered California. Contractor shall not pursue collection of any delinquent premiums from Covered California for an Enrollee enrolled in Covered California for the Individual Market who is responsible for directly paying for their premium to Contractor.

In the case of partial month enrollments Contractor shall follow the methodology specified in 10 CCR § 6500(i).

The premium for coverage lasting less than one month shall equal the product of:

(1) The premium for one month of coverage divided by the number of Days in the month; and

(2) The number of Days for which coverage is being provided in the month.

Premium charged to individuals includes the assessment of the Participation Fee.

2.2.4 Terminations of Coverage

Contractor shall provide a Covered California Enrollee with notice and shall terminate coverage in a Contractor's QDP in accordance with the requirements established by Covered California pursuant to 10 CCR § 6506 and other applicable State and Federal laws, rules and regulations.

Contractor shall report information to Covered California regarding delinquent full or partial payments of premium owed by Qualified Individuals in such format and intervals as is reasonably requested by Covered California.

Contractor shall notify the Agent or Agency of Record of a late payment notification at the same time the Covered California Enrollee receives notification.

Covered California must send a termination transaction to Contractor within ten (10) business days of any individual Covered California Enrollee termination. Contractor must send a termination transaction to Covered California within ten (10) Days of grace period expiration.

Contractor shall request termination of a Covered California Enrollee for fraud or misrepresentation through the Carrier Referral Process posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, Contractor's folder, Data Integrity, Fraud Referral, folder) and provide Covered California with supporting documentation for each request to terminate.

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Contractor may not terminate for fraud or misrepresentation without prior approval from Covered California.

2.3 Covered California for Small Business

Covered California for Small Business was established to assist Employers by facilitating enrollment of Employees into QDPs. Covered California will assume statutory obligation as required as part of initial enrollment that would otherwise be carried out by Contractor, such as assuring completion of Agent attestation, if applicable. All specified Employees, and their Family Members, of Employers who are eligible in accordance with the Affordable Care Act, California Affordable Care Act, and Regulations may obtain coverage through Covered California for Small Business as permitted by State and Federal laws, rules and regulations. Contractor shall process Covered California for Small Business enrollments from small businesses determined by Covered California to be eligible for coverage in the Covered California for Small Business in accordance with the terms set forth in this Agreement and State and Federal laws, rules and regulations.

2.3.1 Covered California for Small Business Enrollment Periods

Contractor agrees to allow Employers and Employees to purchase coverage in Covered California for Small Business at any point during the year ("rolling enrollment period") and as a result of specified triggering events, during Special Enrollment Periods. Contractor shall accept new Employers and Employees in Covered California for Small Business and eligible dependents who enroll during these periods.

2.3.2 Covered California for Small Business Coverage Effective Dates

(a) Upon verification of eligibility and selection of Contractor's QDP, Covered California shall (i) process enrollment of Employees into Contractor's QDPs, (ii) establish effective dates of Employee coverage, and (iii) transmit enrollment information for Employees to Contractor and Contractor shall notify Employee of the effective date of coverage.

(b) Contractor shall coordinate and cooperate with Covered California to the extent necessary during Covered California's enrollment process that shall commence following Covered California's acceptance of the single Employer and single Employee application forms. Contractor shall provide Services as may be required to support Covered California during the enrollment process conducted by Covered California in accordance with Covered California's responsibilities under State and Federal laws, rules and regulations. Such

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Services shall include support of Covered California's performance of the following activities that must occur before the effective date of coverage: (i) determination of Employer eligibility, (ii) selection of Contractor's QDPs by Employers and Employees, and (iii) verification of Employee's eligibility.

(c) Covered California for Small Business coverage shall commence on the first (1st) Day of a month or such other date as may be established by Covered California under its enrollment timeline and processes in accordance with State and Federal laws, rules and regulations. The specific terms and conditions relating to commencement of coverage, including cancellation or postponement of the effective date of coverage in the event of nonpayment or partial payment of an initial premium will be determined in accordance with applicable laws, rules and regulations.

(d) Contractor shall provide Covered California for Small Business with any plan and network changes that is necessary to communicate to consumers about their benefit or network change.

2.3.3 Premiums for Covered California for Small Business

Covered California for Small Business will be responsible for collection of premiums, including delinquent payments. Premium charged in Covered California for Small Business includes the assessment of the participation fee, as well as a percentage for distribution related expenses. Distribution related expenses shall be set at a rate as set forth in Attachment 5. Covered California for Small Business shall collect a percentage of the premium in order to compensate Agents and General Agents. Contractor acknowledges that Covered California for Small Business may have excess funds as a result of collecting a percentage of Covered California Enrollee premiums for distribution related expenses. In no event shall Covered California for Small Business be required to remit excess funds to Contractor. Any excess funds shall belong to Covered California for Small Business.

Contractor shall review and reconcile information received from Covered California on a monthly basis relating to the administration of premium payments, including information required under 45 C.F.R. § 155.705 and other applicable laws, rules and regulations necessary to the administration of premiums. Such reconciliation process will include Contractor's review of information relating to the receipt of premium amounts due to Covered California from each Employer and Employee in Covered California for Small Business. Contractor shall provide Covered California notice of any reconciling enrollment information with premium

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payment information, which shall be evaluated by Covered California in consultation with Contractor.

Contractor shall not be entitled to collect from Covered California Enrollees or receive from Employers any amounts or receive funds from the Employers above the premium amounts except with respect to cost-sharing amounts or to the extent that such payment (i) is expressly authorized under the QDPs, such as out-of-network services that comply with the notice requirements set forth at Section 4.4.3, or (ii) relates to a charge for non-sufficient funds or transaction fees initiated by Covered California Enrollee at rates that are reasonable and customary for such transactions; Contractor shall not pursue collections of any said fees or unpaid premiums from Covered California.

2.3.4 Covered California for Small Business Terminations of Coverage

Contractor acknowledges and agrees that Covered California shall be responsible for the aggregation and administration of premiums for Covered California for Small Business. Covered California shall be responsible for: (i) the submission of bills to each Employer on a monthly basis in a form that identifies Employer and Employee contributions and the total amount due, (ii) collecting the amounts due from each Employer, and (iii) making payments to Contractor for Covered California Enrollees in Contractor's QDPs on a monthly basis or such other intervals as mutually agreed upon by Covered California and Contractor. In no event shall Covered California be liable to Contractor with respect to any interest or other charges relating to premium funds received by Covered California that are not yet disbursed by Covered California to QDP Issuers.

The specific terms and conditions relating to terminations, including Contractor's right to terminate an Employer in connection with the receipt of non-payment or partial payments from Employers, shall be established by Covered California in accordance with applicable laws, rules and regulations.

Except as otherwise required under applicable laws, rules or regulations, an Employee's enrollment through Employer may be terminated in connection with the termination of Employer's coverage and/or with respect to the events described in 10 CCR § 6538. With respect to an Employee, their eligibility shall cease at such time as they are no longer a qualified Employee to whom Employer has offered coverage. Covered California will notify Contractor within five (5) business days of notification of any Employer or Employee termination.

Contractor shall request termination of a Covered California Enrollee for fraud or misrepresentation through the Carrier Referral Process (posted on Contractor's

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extranet website provided by Covered California (Carrier Management (External) page, Contractor's folder, Data Integrity, Fraud Referral, folder) and provide Covered California with supporting documentation for each request to terminate. Contractor shall not terminate for fraud or misrepresentation without prior approval from Covered California.

2.3.5 Covered California for Small Business Minimum Participation Rates

Contractor shall comply with minimum participation and contribution rates for Employers participating in Covered California for Small Business in accordance with 10 CCR § 6522. Participation rates shall be established by Covered California in consultation with Dental Plan Issuers and may be modified by Covered California no more frequently than annually based on consideration of various factors, including prevailing market standards and changes in applicable laws, rules and regulations.

2.3.6 Agents in Covered California for Small Business

(a) The provisions of this section apply to Agents who sell Contractor's QDPs through Covered California for Small Business.

(b) Agency and Agent Compensation. Covered California's intent is to pay market level broker and General Agent compensation. In order to facilitate Covered California's ability to administer enrollment in Covered California for Small Business based on efforts that are consistent for non-Covered California products and to achieve consistency in compensation arrangement for products sold inside and outside Covered California: (i) Covered California shall enter into arrangements with Agencies and Agents employed or contracted to write business for the benefit of an Agency to sell Contractor's QDPs through Covered California for Small Business; (ii) Covered California will be responsible for payment of Agencies and Agents employed or contracted to write business for the benefit of an Agency; and (iii) Covered California will provide Covered California Enrollee specific and Agency/Agent-specific information to Contractor regarding compensation paid to either Agency or Agent.

(c) General Agents. The commission rate payable to a General Agent by Covered California shall be established by Covered California based on its evaluation of market data, including pricing information submitted in connection with its rate bids and pursuant to other policies that are established by Covered California for Small Business from time to time.

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Covered California will contract with multiple General Agents to represent Covered California for Small Business.

(d) Incentive Compensation Program. In order to enhance consistency in sales efforts for products offered inside and outside of Covered California, Contractor shall consider information provided by Covered California regarding sales commissions in order to credit the Agent's sale of QDPs through Covered California for Small Business to the Agent's sale of Contractor's policies outside Covered California for purposes of determining Agent's aggregate sales that shall be used by Contractor to determine incentive or other compensation payable by Contractor to Agent. Contractor shall provide information as may reasonably be required by Covered California from time to time to monitor Contractor's compliance with the requirements set forth in this section.

(e) Agent Appointments. Agents enrolling Employers in Covered California for Small Business do not need to be appointed by each individual dental plan that participates in Covered California for Small Business. As long as the Agent is licensed by the California Department of Insurance and certified by Covered California, the Agent may enroll Employers in Covered California for Small Business. Covered California's appointment standards are intended to encourage all qualified Agents who sell for Covered California for Small Business to maintain or receive issuer appointments; provided, however that not all qualified Agents are required to receive an issuer appointment in order to sell QDPs through Covered California. Contractor shall not take any action that may restrict Agents certified by Covered California from becoming appointed by all Dental Plan Issuers that elect to market products through an Agent.

(f) Agent Conduct. Covered California shall implement policies, procedures, training, monitoring, and other processes to ensure that Agents who sell Contractor's QDPs through Covered California for Small Business will fairly and objectively represent all Dental Plan Issuers and all products offered on Covered California that market through Agents in order to present dental plan options in an unbiased manner and that minimizes steerage.

(g) Training. Agents shall receive training and certification in order to promote the offer of the broad array of potential products available to potential Enrollees.

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2.4 Certified Plan-Based Enroller Program

Contractor shall meet all eligibility requirements of the Plan-Based Enroller (PBE) Program in Title 10, California Code of Regulations, Chapter 12, § 6700 et seq. to be eligible to participate in the PBE Program. If selected as a Certified Plan-Based Enrollment Entity by Covered California, Contractor agrees to adhere to all rules and regulations of the program, as specified in 10 CCR § 6700 et seq.

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ARTICLE 3 – PROMOTING ENROLLMENT

Covered California selectively contracts with Dental Plan Issuers that agree to actively support and work to achieve Covered California's mission of increasing the number of insured Californians—and maintaining their coverage across programs. Having insurance coverage is a vital first step toward assuring all Californians get the best care possible and to improving health equity and reducing health disparities. Given California's diversity, Covered California and Contractor agree to engage in diverse and varied efforts to promote enrollment and support consumers moving between forms of coverage. Covered California and Contractor agree to conduct independent, coordinated and complementary efforts to reduce gaps in coverage by supporting Enrollee transitions between coverage programs, conduct active marketing and outreach efforts and to support Agents to provide Enrollees the in person and in language education and enrollment support they need to make informed choices. Covered California and Contractor agree to support these efforts as enumerated in this Article.

Although the requirements and expectations in this Article are not included as performance standards in Attachment 2 — Performance Standards with Penalties and Attachment 3 — Performance Standards and Expectations, Covered California will actively monitor Contractor's performance with respect to its obligations under this Article and will factor in such performance in its decisions to recertify Contractor's QDPs in future years.

3.1 Transitions of Coverage

To further Covered California's mission of ensuring that as many individuals as possible have the benefit of insurance coverage, Contractor agrees to establish policies and practices in coordination with Covered California that maximize smooth transitions and facilitate coverage for Enrollees to and from Covered California and other health coverage programs, including between Medi-Cal, Medicare, and other governmental health care programs, employer-sponsored insurance (ESI), including those who may be eligible for coverage required by the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") and the California Continuation Benefits Replacement Act, Health and Safety Code § § 1366.20 et seq. ("Cal COBRA"), understand the options they may have for coverage through Covered California. Covered California expects Contractor to fully assist enrollee transition to other eligible coverage either in Medi-Cal or Covered California, as applicable and permitted by such programs.

Covered California will assist enrollee transition from Covered California to coverage through Medi-Cal, Medicare or ESI.

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3.2 Marketing and Enrollment

3.2.1 Enrollment and Marketing Coordination and Cooperation

Covered California and Contractor recognize that effective enrollment of eligible individuals, eligible employees, dependents or employers depends on robust marketing, outreach, education, and engagement efforts undertaken by both parties and effective coordination of those activities to promote enrollment.

3.2.1.1 Covered California Activities to Promote Enrollment

Covered California will take such action as it deems necessary and feasible to develop and implement programs and activities to support Contractor in its marketing and enrollment efforts, in accordance with applicable laws, rules and regulations. Such activities may include making available the following programs and resources for use by or for the benefit of Contractor:

(a) Education, marketing and outreach programs that will seek to increase enrollment and retention through Covered California and inform consumers, including Contractor's current Enrollees, that there is a range of QDPs available in Covered California in addition to Contractor's QDPs;

(b) A standard interface through which Contractor shall electronically accept the initial binding payment (via credit card, debit card, Automated Clearing House or other mutually acceptable web-based payment, which may include accepting online credit card payments, and all general-purpose pre-paid debit cards and credit card payment) to effectuate coverage and accept subsequent premium payment in Covered California for Small Business;

(c) Complete documentation and reasonable testing timelines for interfaces with Covered California's eligibility and enrollment system;

(d) Eligibility and enrollment training for Contractor's staff and for licensed agents;

(e) Joint marketing activities of Covered California, Contractor and other Dental Plan Issuers designed to drive awareness and enrollment in Covered California;

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(f) Covered California's annual marketing plans, including Open Enrollment Period and Special Enrollment Period, and retention and renewal efforts; and

(g) Customer service support that will include substantially extended customer service hours during Open Enrollment Periods. Dental Plan Issuers in Covered California for Small Business are not required to provide Customer Service support on weekends.

Covered California will treat as confidential all Contractor marketing plans, materials, and spend reports consistent with Section 1.4.1. The obligation of Covered California to maintain confidentiality of this information shall survive termination or expiration of this Agreement.

3.2.1.2 Contractors Activities to Promote Enrollment

Contractor shall support marketing and enrollment efforts as follows:

(a) Contractor shall prominently display a link to the Covered California website landing page, https://www.covered.ca.com/, on its website in a location that is easily accessible to consumers;

(b) Provide education and awareness regarding plan offerings and benefits available through Covered California in connection with any applicable outreach to Contractor's existing members, as mutually agreed.

(c) Educate its Agents on Contractor's QDPs offered in Covered California, work with Covered California to efficiently educate its Agents about Covered California's individual and small group marketplaces, and inform Agents that a prospective Enrollee's oral health status is irrelevant to advice provided with respect to Qualified Dental Plan selection, other than informing individuals about their estimated out-of-pocket costs;

(d) Make any translated marketing and outreach materials available concurrently with English material;

(e) Cooperate with Covered California to develop and implement a Covered California Enrollee retention plan;

(f) Submit to Covered California an annual marketing investment plan as defined in Section 3.2.2.2;

(g) Submit to Covered California marketing materials as defined in Section 3.2.2.2.

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(h) Submit to Covered California actual marketing investment report as defined in Section 3.2.2.2;

(i) Have successfully tested interfaces with Covered California's eligibility and enrollment system or be prepared to complete successful interface tests by dates established by Covered California; and

(j) Contractor shall accept the following payment types for binder and monthly premium payments: credit card, debit card, Automated Clearing House, or other mutually acceptable means of electronic funds transfer; mutually acceptable web-based payments, which may include accepting online credit card payments, and all general-purpose pre-paid debit cards and credit card payment as well as paper checks, cashier's checks, money orders, and cash from Covered California Enrollees for the Individual Market.

3.2.2 Enrollee Materials and Branding Documents

3.2.2.1 Co-Branded Materials

(a) Contractor shall include the Covered California logo on premium invoices, Covered California Enrollee identification cards, and Covered California Enrollee termination notices. Contractor shall include the Covered California logo and other information in notices and other materials based upon the mutual agreement of Covered California and Contractor as to which materials will include the Covered California logo. Contractor must submit these materials to Covered California as defined in Section 3.2.2.2.

(b) Contractor shall comply with Covered California co-branding requirements related to the format and use of the Covered California logo as outlined in the Covered California Brand Style Guide. Covered California shall post the Brand Style Guide on Contractor's section of the extranet website provided by Covered California (Hub page, Marketing Resources library).

i. Identification Cards. Contractor shall issue identification cards to Covered California Enrollees in a form that shall be agreed to by Covered California. Contractor shall submit proposed identification cards to Covered California annually, at least thirty (30) Days prior to Open Enrollment.

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(c) Except as otherwise provided in Section 3.2.2.2, Contractor may, at its discretion, co-brand other marketing materials such as TV, radio, out of home, print, digital, social, etc.

3.2.2.2 Marketing Materials that Must Be Submitted to Covered California

(a) Co-branded Materials. Contractor must submit all co-branded marketing materials for review to Covered California at least ten (10) Days prior to releasing materials publicly unless specified otherwise within this Section. The materials provided to Covered California under this Section will not require prior approval by Covered California before Contractor distributes such materials.

(b) Marketing Materials. Upon request, Contractor shall provide Covered California with marketing materials and related collateral used by Contractor to promote enrollment of the individual market inside and outside Covered California, such as TV, radio, out-of-home, print, digital, social, or any other media channel used in the campaigns. Materials submitted should be a representative sample of the larger body of work. Covered California shall treat these materials as confidential consistent with Section 1.4.1.

(c) Marketing Investment Plan. Contractor shall submit to Covered California an annual marketing investment plan that describes how Contractor's marketing investment activities will be allocated and deployed during the year, planned initiatives, priorities, and areas of focus. Contractor shall include this information for on-exchange individual market efforts. Contractor shall submit the marketing investment plan in accordance with the "Contract Reporting Requirements" table posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance). Covered California may review the submitted marketing investment plan and may provide feedback regarding its alignment with Covered California's enrollment priorities, marketing objectives, and other relevant considerations, to be taken into good faith consideration by Contractor. Contractor shall include this information for on-exchange individual and small group product markets. Covered California shall treat these materials as confidential consistent with Section 1.4.1.

(d) Actual Marketing Investment Report. Contractor shall submit an actual marketing investment report on marketing activities for the prior year including key performance outcomes and lessons learned. Contractor shall submit the actual marketing investment report in accordance with the "Contract Reporting Requirements" table posted on Contractor's extranet website

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provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance).

(e) Contact Guidelines. Covered California creates and posts a Covered California Enrollee Contact Guideline document for Contractors on the Marketing Resources page (Hub page, Marketing Resources library, QHP-QDP Enrollee Contact Guideline folder) of the Covered California extranet website by March 1 each Calendar Year. This document outlines the instances when Covered California Enrollees should contact Contractor and when they should contact Covered California. Contractor shall provide Covered California Enrollees with information on the instances when Covered California Enrollees should contact Contractor and when they should contact Covered California to resolve inquiries. Contractor may provide this information to Covered California Enrollees by welcome letter or package, buck slip, insert, website or mail. Contractor shall submit to Covered California how the Covered California Enrollee Contact Guideline document was shared with Covered California Enrollees at least thirty (30) Days prior to Open Enrollment. The materials provided to Covered California under this Section will not require prior approval by Covered California before Contractor distributes such materials; provided, however, that Contractor shall make a good faith effort to incorporate any changes proposed by Covered California with respect to such materials.

(f) Contractor Logo. In the event of a logo modification or rebrand, Contractor shall submit new logo to Covered California in a high-resolution design file format. Covered California will make a reasonable effort to update Contractor logo on all platforms in a timely manner. If Covered California advertising or collateral assets are already in production or live in market, Contractor acknowledges there may be some delay with incorporating the new version of the logo across all applicable assets.

3.2.2.3 Member Communications Materials

Upon request, Contractor shall provide Covered California with at least one (1) copy, unless otherwise specified, of any information Contractor intends to send or make available to all Covered California Enrollees, including Evidence of Coverage (EOC) and disclosure forms, Enrollee newsletters, new Enrollee materials, health education materials, and special announcements. The materials provided to Covered California under this section will not require prior approval by Covered California before Contractor distributes such materials; provided, however, that Contractor shall duly evaluate any changes proposed by Covered California with respect to such materials. Contractor shall maintain

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an electronic file that is open to Covered California, or email requested materials to Covered California. Such files shall be accessible by Covered California as required by applicable laws, rules and regulations and as otherwise mutually agreed upon by the parties.

3.2.2.4 Mailing Addresses; Other Enrollment Information

Contractor shall update a Covered California Enrollee's address and other enrollment information on a continuous basis based on information Contractor receives from Covered California.

3.2.2.5 Evidence of Coverage and Disclosure Form on Contractor's Website

During each year of this Agreement which carries over into a subsequent Plan Year, Contractor shall make the Evidence of Coverage (EOC), including any documents referenced in the EOC, for the next benefit year available on Contractor's website no later than the first Day of the Open Enrollment Period provided that Contractor has received any revisions in the material that is to be included in the EOC from Covered California and the State Regulators in sufficient time to allow for posting on the first Day of Open Enrollment. The EOC for the then-current benefit year shall remain on Contractor's website through December 31 of the then current benefit year.

3.2.2.6 Distribution of Enrollment Materials

Contractor agrees to distribute to effectuated or pending Enrollees on exchange the Open Enrollment publications developed and produced by Covered California for Enrollees prior to the Open Enrollment Period at a time and via a distribution method mutually agreed to by Contractor and Covered California. Contractor shall be responsible for the distribution cost associated with these publications.

3.3 Agents in the Covered California for the Individual Market

Covered California recognizes that Agents provide an indispensable service to the Exchange and its QDPs, enrolling and renewing Covered California's Enrollees. Agents provide Enrollees the proactive in-language support, plan expertise, and encouragement crucial to capturing and maintaining a healthy risk mix for Covered California and increasing enrollment among historically underserved and uninsured populations. In addition, many Agents maintain and staff Covered California branded storefronts, providing walk-in enrollment

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locations for Enrollees hesitant to seek coverage online or by phone. Agents also provide help on-demand to consumers, including outside of standard business hours.

The successful continuance of Covered California's robust enrollment and healthy risk mix depends on the efforts of its Agents. To this end, Covered California requires Contractor to contract with, and adequately compensate Agents for enrollments in its QDPs.

(a) Compensation. The provisions of this Section apply to Agents who sell Contractor's QDPs through Covered California for the Individual Market.

(b) Compensation Methodology. Covered California recognizes that Agents provide critical services and education to consumers, including Contractor's current Enrollees, which assists consumers and Enrollees with determining the best QDP to suit their dental insurance coverage needs. Contractor must pay a reasonable commission to Agents to ensure Contractor is fairly and affirmatively offering all of its products during both Open and Special Enrollment Periods that allows the Agents to continue providing services. Contractor shall be solely responsible for compensating Agents who sell Contractor's QDP through the individual market of Covered California. Contractor shall provide Covered California on an annual basis, a document describing its standard Agent compensation program. This document shall include a description of its Agent commission, and bonus or incentive programs, standard Agent contract, and Agent policies. Agent commission descriptions must detail both new and renewal enrollment commission rates.

(c) Agent Commission. Contractor shall not change the Agent commission structure or rates during the Plan Year. Contractor must pay the same commission during Open and Special Enrollment for each Plan Year. Contractor shall pay Agents based on the total amount of monthly premium. Contractor shall approve and pay Agent commissions on all new Agent-of-record and change of Agent-of-record delegations as outlined in Sections 3.3(f) and 3.3(g) of this Agreement. Contractor shall provide information as may reasonably be required by Covered California from time to time to monitor Contractor's compliance with the requirements set forth in this Section.

(d) Agent Appointments. Contractor shall maintain a reasonable appointment process for appointing Agents who contract with Contractor to sell Contractor's QDPs to individuals through Covered California. Such appointment process shall include: (i) providing or arranging for education

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programs to assure that Agents are trained to sell Contractor's QDPs through Covered California, (ii) providing or arranging for programs that enable agents to become certified by Covered California; provided, however, that certification by Covered California shall not be a required condition for an Agent to sell Contractor's QDPs outside of Covered California, and (iii) confirmation of Agent's compliance with State laws, rules and regulations applicable to Agents, including those relating to confidentiality and conflicts of interest, and such other qualifications as determined in Contractor's reasonable discretion. These appointment policies and procedures for both individual Agents and for Agencies must be submitted to Covered California on an annual basis and whenever revisions are made.

(e) Agent Conduct. Contractor shall implement policies and procedures to ensure only Agents who have been duly certified by Covered California and maintain that certification shall receive compensation for enrolling individuals in Covered California.

(f) Agent of Record. At initial enrollment, individuals may notify Covered California of an Agent delegation. Covered California shall send notice of the delegation to Contractor via 834 enrollment file. The format of the reconciliation file shall be mutually agreed upon by both Covered California and Contractor. Upon receipt of the 834 enrollment, Contractor shall approve the delegation (unless an Agent is not licensed, not appointed, the agent or agency is not certified, or such delegation would conflict with Contractor's vesting provisions of its agent agreements) and has ten (10) Days to update its system. Covered California recognizes that Contractor may contract with insurance agencies who employ or contract with Agents. Covered California further understands that Contractor may delegate an employed or contracted Agent writing business for the benefit of an Agency, the Agency, or primary Agent at the Agency, instead of the specific Agent who enrolled a consumer. As such, an Agent delegation may consist of an Agent, Agency, or primary Agent with an Agency.

(g) Change to Agent of Record. Individuals may notify Covered California of an Agent delegation change. Covered California shall send notice of the delegation change to Contractor via 834 maintenance file. Upon receipt of the notification, Contractor shall approve the delegation change (unless an Agent is not licensed, not appointed, the agent or agency is not certified, or such delegation would conflict with Contractor's vesting provisions of its agent agreements) and has ten (10) Days to update their system to reflect this change upon receipt of all required information from Covered California.

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Contractor shall notify the existing agent of the delegation change within ten (10) business days. If there is Agent of Record information on the 834 enrollment file that Contractor disagrees with, Contractor shall send an Agent of Record Exception Notification according to the “Contract Reporting Requirements” table posted on Contractor’s extranet website provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance) by 5PM on the last business day of the following month Contractor received the file. Notification shall include any data or explanation regarding the changes requested in the file that were not made.

(h) Agent Communication and Sales Strategy. Contractor shall provide Covered California with an agent communications and sales strategy for the individual market on an annual basis. Covered California may also request an update to the agent communications and sales strategy if market conditions in the individual market change due to legislative action or economic fluctuations. The agent communications and sales strategy should detail the methods, frequency, and subject matter of communications that Contractor plans to send to agents over the course of the year. Furthermore, the communications and sales strategy shall detail Contractor’s utilization of agents through an agent services support team as a resource to facilitate enrolling individuals in coverage both directly and through Covered California. Covered California shall treat these materials as confidential consistent with Section 1.4.1.

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ARTICLE 4 – QDP ISSUER PROGRAM REQUIREMENTS

4.1 Basic Requirements

4.1.1 Licensed in Good Standing

Contractor shall be licensed and in good standing to offer health insurance coverage through its QDPs offered under this Agreement. For purposes of this Agreement, each Dental Plan Issuer must be in “good standing”, which is determined by Covered California pursuant to 45 C.F.R § 156.200(b)(4) and shall require: (i) Contractor to hold a certificate of authority from CDI or a specialized health care service plan (“SHCSP”), or the relevant health care service plan ("HCSP") license from DMHC, as applicable, and (ii) the absence of any material statutory or State Regulatory violations, including penalties, during the year prior to the date of the Agreement and throughout the term of Agreement, with respect to the State Regulators categories identified in Table 4.1.1 below (“Good Standing”). Covered California, in its sole discretion and in consultation with the appropriate State Regulators, determines what constitutes a material violation for this purpose.

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Table 4.1.1 Definition of Good Standing	Agency
Verification that issuer holds a state health care service plan license or insurance certificate of authority.	
• Approved for lines of business sought in Covered California (e.g. commercial, small group, individual)	DMHC and CDI
• Approved to operate in what geographic service areas	DMHC and CDI
• Most recent financial exam and medical survey report reviewed	DMHC
• Most recent market conduct exam reviewed	CDI
Affirmation of no material[1] statutory or regulatory violations, including penalties levied, during the year prior to the date of the Agreement or throughout the term of Agreement in relation to any of the following, where applicable:	
• Financial solvency and reserves reviewed	DMHC and CDI
• Administrative and organizational capacity acceptable	DMHC
• Benefit Design	
◦ State mandates (to cover and to offer)	DMHC and CDI
◦ Essential health benefits (State required)	DMHC and CDI
◦ Basic health care services	DMHC and CDI
◦ Copayments, deductibles, out-of-pocket maximums	DMHC and CDI
◦ Actuarial value confirmation (using the Federal Actuarial Value Calculator as applicable.)	DMHC and CDI
• Network adequacy and accessibility standards are met	DMHC and CDI
◦ Provider contracts	DMHC and CDI
• Language Access	DMHC and CDI
• Uniform disclosure (summary of benefits and coverage)	DMHC and CDI
• Claims payment policies and practices	DMHC and CDI
◦ Provider complaints	DMHC and CDI
• Utilization review policies and practices	DMHC and CDI
• Quality assurance/management policies and practices	DMHC and CDI
• Enrollee/Member grievances/complaints and appeals policies and practices	DMHC and CDI
• Independent medical review	DMHC and CDI
• Marketing and advertising	DMHC and CDI
• Guaranteed issue individual and small group	DMHC and CDI
• Rating Factors	DMHC and CDI
• Dental Loss Ratio	DMHC and CDI
• Premium rate review	DMHC and CDI
• Geographic rating regions	
• Rate development and justification is consistent with ACA requirements	DMHC and CDI

[1]Covered California, in its sole discretion and in consultation with the appropriate health insurance regulator, determines what constitutes a material violation for this purpose.

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4.1.2 Certification

Contractor shall comply with requirements that apply to QDPs set forth in this Agreement and under the California Affordable Care Act, the Affordable Care Act and other State and Federal laws, rules and regulations. Contractor shall maintain timely compliance with standards required for certification that are issued, adopted, or recognized by Covered California to demonstrate that each dental plan it offers in Covered California qualifies as a QDP.

(a) Contractor and Covered California recognize that several of the market reforms in the Affordable Care Act and State law do not apply to QDPs. For Contractor's QDPs sold inside Covered California, Contractor agrees to offer protections equal to those provided in the following provisions:

(i) Prohibition of preexisting conditions or other discrimination based on health status pursuant to 42 U.S.C. § 300gg-3, California Health and Safety Code § 1357.51, and California Insurance Code § 10198.7;

(ii) Fair health insurance premiums pursuant to 42 U.S.C. § 300gg, California Health and Safety Code § 1357.512(a), and California Insurance Code § 10753.14;

(iii) Guaranteed availability of coverage pursuant to 42 U.S.C. § 300gg-1, California Health and Safety Code § 1399.849(g), and California Insurance Code § 10965.3(g);

(iv) Guaranteed renewability of coverage pursuant to 42 U.S.C. § 300gg-2, California Health and Safety Code § 1389.7(a), and California Insurance Code § 10119.2(a);

(v) Nondiscrimination in health care pursuant to 42 U.S.C. § 300gg-4, 42 U.S.C. § 300gg-5, California Health and Safety Code § 1357.503(f), and California Insurance Code § 10753.05(h);

(vi) Except for non-pediatric dental essential health benefits in the Family Dental Plan, elimination of waiting periods pursuant to 42 U.S.C. § 300gg-7, California Health and Safety Code § 1357.51(c), and California Insurance Code § 10198.7(c);

(vii) Except for non-pediatric dental essential health benefits, elimination of annual and dollar limits pursuant to 42 U.S.C. § 300gg-11, California Health and Safety Code § 1367.001, and California Insurance Code § 10112.1;

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(viii) Network adequacy requirements pursuant to Section 4.3 of this Agreement; and

(ix) Timely access to care.

4.1.3 Plan Naming Conventions

Contractor must adhere to Covered California's Plan Naming Conventions on all State Regulators' plan filings, marketing material, Enrollee materials, and SERFF submissions for on-exchange plans and individual and small group stand-alone dental products.

Covered California's Plan Naming Conventions are referenced each year during the Certification Application process in the "Covered California Plan Naming Conventions Memo."

4.1.4 Operational Requirements and Liquidated Damages

The timely and accurate submission of Contractor's QDP filings and documents to Covered California for upload into CalHEERS is critical to the successful launch of each Open Enrollment Period. When submissions are late or inaccurate, Covered California suffers financial harm with each resubmission and such actions put the renewal and Open Enrollment process at risk. The parties agree that the liquidated damages below are proportional to the damages Covered California incurs from each respective error made by Contractor. Therefore, Contractor agrees to meet the following operational requirements:

(a) SERFF Template Completion. Contractor must submit complete and accurate SERFF Templates to Covered California each year. Covered California will participate in two rounds of validation with Contractor. Contractor agrees to pay liquidated damages in the amount of $5,000 for each additional round of validation beyond the first two rounds. Changes to any or all of Contractor's SERFF Templates counts as one round of validation. If instructions provided by Covered California include inaccurate information which necessitates an additional round of validation, or an additional round of validation is necessary due to required changes by Covered California or Contractor's State Regulators, those rounds of validation will not be counted in the two rounds of validations.

(b) CalHEERS Test and Load Deadlines. Contractor must participate in CalHEERS testing and provide certification of plan data and documents in the

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CalHEERS pre-production environment. The pre-production environment is the test environment where the parties can validate templates and documents prior to Open Enrollment. Following Contractor's certification of the QDPs in the pre-production environment, any subsequent upload required to correct Contractor's errors in the production environment will result in liquidated damages in the amount of $25,000, for uploads each year. One upload, for purposes of this paragraph, includes all plan data and documents that must be resubmitted to correct Contractor's errors including Summary of Benefits and Coverage, Evidence of Coverage (EOC). Liquidated damages will not apply to additional uploads resulting from errors in the instructions provided by Covered California, or changes required by Covered California or Contractor's State Regulator.

If liquidated damages are applied by Covered California under this Section then no other remedies under Section 8.2.4 will apply to Contractor for that same or any related action.

(c) Deadlines for Regulatory Approval. Covered California reserves the right to require that Contractor receive regulatory approval for licensure, products, Summary of Benefits and Coverage, Evidence of Coverage (EOC), policy documents, network, and Service Area prior to participating in the CalHEERS pre-production environment.

(d) Communication with Plan Manager and Covered California. Contractor shall notify Covered California in a timely manner of any system or operational changes which impact Covered California, Covered California Enrollees, or the CalHEERS system. This shall include the following:

i. Contractor shall provide advance notification prior to any system change as soon as practicable but no later than the following:

1. Contractor shall provide at least sixty (60) Days advance notification prior to any planned activity or modification to Contractor's system that impacts the ability to receive, accept, or send electronic transactions;

2. Contractor shall provide at least sixty (60) Days advance notification prior to any planned activity or transitions or migrations of Contractor's system to a different platform;

3. Contractor shall provide at least sixty (60) Days advance notification prior to any planned activity or transitions to new vendors who will

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support Contractor's electronic integration and interface with the CalHEERS system;

4. Contractor shall avoid making any system changes that may impact CalHEERS thirty (30) Days prior to and during each Open Enrollment Period.

    a. Contractor shall provide at least thirty (30) Days advance notification, or immediately upon Contractor's knowledge if knowledge is acquired less than thirty (30) Days prior, for Covered California approval prior to any unplanned activity or system change needed to resolve any critical issue occurring in Contractor's production system during the Open Enrollment Period.

ii. Contractor shall provide at least thirty (30) Days advance notification, or immediately upon Contractor's knowledge if knowledge is acquired less than thirty (30) Days prior to any operational change being made. Examples of operational changes include: the closing of a call center, reducing call center hours, or relocating an existing call center to another location.

1. Contractor shall avoid making any operational changes to its call center thirty (30) Days prior to and during the Open Enrollment Period.

    a. Contractor shall provide advance notification for Covered California approval prior to any unplanned activity or operational change needed to resolve any critical issue occurring in Contractor's call center during the Open Enrollment Period.

iii. Upon request, Contractor shall provide technical documentation to Covered California within fifteen (15) Days or as specified by Covered California. Technical documentation includes: Contractor's system lifecycle and release schedules, testing plan, system specification documents related to Contractor's integration and interface with the CalHEERS system, Reconciliation and Dispute Process documentation, or other technical documentation as requested by Covered California.

4.2 Benefit Standards

4.2.1 Benefit Design

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Each Stand Alone Dental Plan (SADP) offered by Contractor under the terms of this Agreement shall provide dental benefits in accordance with the Benefit Plan Design requirements as required under this Agreement, and as applicable, any other laws, rules and regulations, including California Health and Safety Code § 1367.005, California Insurance Code § 10112.27, California Government Code § 100503(e), 45 C.F.R. § 155.1065, 45 C.F.R § 156.150, and as applicable, 45 C.F.R. § 156.200(b).

4.2.2 Patient-Centered Standard Benefit Designs

During the term of this Agreement, Contractor shall ensure its QDPs provide the benefits and services at the cost-sharing and actuarial cost levels described in the Covered California Patient-Centered Benefit Plan Designs as approved by the Board for the applicable Plan Year, and as may be amended from time to time as required under applicable laws, rules and regulations or as otherwise authorized under this Agreement.

4.2.3 Family Deductible and Out-of-Pocket Maximum Accumulation

Contractor shall institute policies and procedures to prevent the re-setting of an enrolled family's accumulation toward their family out-of-pocket maximum, and family deductible if applicable, in the event of a mid-year change in enrolled family composition. Contractor shall not re-set a family's out-of-pocket accumulation, or family deductible accumulation if applicable, for family members for whom there is no break in coverage in a plan year, regardless of change in Subscriber. All out-of-pocket costs paid by enrolled family members enrolled in the plan year shall be counted in the accumulation to the family's out-of-pocket maximum for that plan year.

4.2.4 Offerings outside of Covered California

(a) Contractor acknowledges and agrees that QDPs bundled with Qualified Health Plans and substantially similar plans offered by Contractor outside Covered California must be offered at the same rate whether offered inside Covered California or whether the plan is offered outside Covered California directly from Contractor or through an Agent as required under State and Federal law.

(b) For purposes of this subdivision, "product" does not include contracts entered into pursuant to Part 6.2 (commencing with § 12693) of Division 2 of the Insurance Code between the Department of Health Care Services (DHCS) and health care service plans for enrolled Healthy Families beneficiaries or to contracts entered into pursuant to Chapter 7 (commencing with § 14000) of, or Chapter 8 (commencing with § 14200) of, Part 3 of Division 9 of the Welfare and

Institutions Code between the DHCS and health care service plans for enrolled Medi-Cal beneficiaries.

4.2.5 Coordination of Benefits

Contractor's Qualified Dental Plans shall include a Coordination of Benefits (COB) provision in its Evidence of Coverage or Policy Form that (1) is consistent with Health and Safety Code § 1374.19 and Insurance Code § 10120.2 and (2) provides that the Qualified Dental Plan is the secondary dental benefit plan or policy under that COB provision to any Qualified Health Plan that provides the Pediatric Dental Essential Health Benefit. This provision shall apply to Contractor's QDPs offered both inside and outside of Covered California for the Individual Market and Covered California for Small Business, except where 28 CCR § 1300.67.13 or 10 CCR § 2232.56 provides for a different order of determination for COB in the small group market.

4.3 Network Requirements

4.3.1 Service Area

(a) Service Area Listing. During each year of this Agreement, Contractor agrees to offer QDPs in the Service Area listing set forth in the applicable Plan Year SERFF templates tested and validated by Contractor. Any such changes to Contractor's previous years' Service Areas shall be effective as of January 1 of the applicable Contract Year. In the event ZIP codes are added to the current Service Area by the United States Postal Service, the parties agree such added ZIP codes shall be automatically included in the Service Area and shall be reflected in the next scheduled update of the Service Area Listing.

Contractor shall comply with Covered California's standards, developed in consultation with Dental Plan Issuers regarding the development of Service Area listing based on the ZIP Code, including those relating to: (i) the timing of such submissions prior to the Open Enrollment Period, (ii) the assignment of Covered California Enrollees residing in ZIP codes split across two rating regions, and (iii) required updates and notice of changes in ZIP codes within Contractor's region.

(b) Withdrawal. Contractor shall not withdraw from any geographic region (as defined in Health and Safety Code § 1357.512 and California Insurance Code § 10753.14 for the individual market) or modify any portion of its Service Area where Contractor provides Specialized Health Care Services to Covered California Enrollees without providing prior written notice to, and obtaining

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prior written approval from Covered California, which shall not be unreasonably denied, and to the extent required, the State Regulators with jurisdiction over Contractor.

(c) Service Area Eligibility. In order to facilitate Covered California's compliance with State and Federal law, Contractor shall monitor information it receives directly or indirectly or through its Subcontractors to ensure continued compliance with eligibility requirements related to: (i) participation by Employers in Covered California for Small Business, including those requirements related to the Employer's principal place of business or primary worksite in the Service Area or (ii) participation of Qualified Individuals in Covered California for the Individual Market, including requirements related to residency in Contractor's service area.

Contractor shall notify Covered California if it becomes aware that an Employer or individual Covered California Enrollee no longer meets the requirements for eligibility, based on place of business, primary worksite, or residence. Covered California will evaluate, or cause CalHEERS to evaluate, such information to determine Covered California Enrollee's continuing enrollment in Contractor's Service Area under Covered California's policies which shall be established in accordance with applicable laws, rules and regulations.

4.3.2 Network Adequacy

(a) Network Standards. Contractor's QDPs shall comply with the network adequacy standards established by Covered California and the applicable State Regulators responsible for oversight of Contractor, including those requirements applicable to specialized health care service plans as set forth at Health and Safety Code § 1367.03 and 28 CCR § 1300.67.2.2 or Insurance Code § 10133.5 and 10 CCR §§ 2240-2240.5, and, as applicable, other laws, rules and regulations, including those set forth at 45 C.F.R. § 156.230. Contractor shall cooperate with Covered California to implement network changes as necessary to address reasonable concerns identified by Covered California.

(b) Participating Provider Stability. Contractor shall maintain policies and procedures that are designed to preserve and enhance Contractor's network development by facilitating the recruitment and retention of Participating Providers necessary to provide access to Specialized Health Care Services. Such policies and procedures shall be consistent with applicable laws, rules and regulations and will include an ongoing assessment of turnover rates of

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its Participating Providers to ensure that the turnover rates do not disrupt the delivery of quality care.

4.3.3 Network Stability

(a) Contractor shall implement reasonable policies and practices designed (i) to reduce the potential for disruptions in Contractor's provider networks, and (ii) to minimize the amount of uncertainty, disruption, and inconvenience of Enrollees in the execution of the transition of care as required under State laws, rules and regulations in connection with any such disruption. Contractor agrees to maintain adequate records, reasonably satisfactory to Covered California, documenting its policies and its compliance with these requirements by Contractor and Participating Providers.

(b) Network Disruptions. If Contractor experiences provider network disruptions or similar circumstances that make it necessary for the higher of either 100 Enrollees or 10% of Enrollees residing within any county of an affected region to change Participating Providers, as detailed in the QDP Network Disruption Reporting Template, Contractor agrees to provide prior notice to Covered California as defined in 4.3.3 (b) i., in accordance with advance notice, meeting, and other requirements set forth in applicable laws, rules, and regulations, including Insurance Code § 10199.1 and Health and Safety Code §§ 1367.23 and 1366.1.

i. Contractor shall notify Covered California with respect to changes in its provider network as follows:

1. Contractor shall notify Covered California of any pending change in the composition of its provider network, as defined in 4.3.3 (b), within any of the regions it covers, or its participating provider contracts, of and throughout the term of this Agreement at least sixty (60) Days prior to any change or immediately upon Contractor's knowledge of the change if knowledge is acquired less than sixty (60) Days prior to the change, and cooperate with Covered California in planning for the orderly transfer of plan members; and

2. Contractor shall ensure that Covered California Enrollees have access to care when there are changes in the provider network, including mid-year contract terminations between Contractor and Participating Providers. Contractor shall ensure that Covered California Enrollees have access to care when there are changes in the provider network,

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including mid-year contract terminations between Contractor and Participating Providers.

(c) Enrollee transfers. In the event of a change in Participating Providers or QDPs related to network disruption, or other similar circumstances, Contractor shall, and shall require Participating Providers to, cooperate with Covered California in planning for the orderly transfer of Enrollees as necessary and as required under applicable laws, rules and regulations including, those relating to continuity of care.

4.3.4 Dental Essential Community Providers

Contractor shall maintain a network that includes participation of dental providers with a history of serving uninsured and low-income populations that are available through Contractor to provide reasonable and timely access to Specialized Health Care Services to low-income populations in each geographic region where Contractor's QDPs provide services to Covered California Enrollees.

(a) For purposes of this section, "participation of dental Essential Community Providers including dental providers with a history of serving uninsured and low-income populations" shall be determined by Covered California in its reasonable discretion in accordance with the conditions set forth in the Application and based on a consideration of various factors, including (i) the nature, type and distribution of Contractor's contracting arrangements with Federally Qualified Health Centers who provide dental services in each geographic rating region in which Contractor's QDPs provides Specialized Health Care Services to Covered California Enrollees, (ii) the inclusion of a sufficient number of providers that participate or have participated with the Medi-Cal and/or Healthy Families program, and (iii) other factors as mutually agreed upon by Covered California and Contractor regarding Contractor's ability to serve the low-income population.

i. Reporting requirements for the ECP standard are contained within the required monthly provider data submission pursuant to Section 4.4.4. Contractor must provide a provider data file to Covered California upon request for the purpose of determining compliance with the ECP standard. This file is separate and distinct from the files provided to the Integrated Health Care Association's Symphony Provider Directory as described in Section 4.4.5.

(b) "Low-income populations" shall be defined as families living at or below two hundred percent (200%) of Federal Poverty Level (FPL).

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(c) Contractor shall notify Covered California with respect to any changes as of and throughout the term of this Agreement to its contracting arrangements with Federally Qualified Health Centers that provide dental services and other information relating to contracting with dental Essential Community Providers including providers who serve the low-income and uninsured populations.

4.3.5 Special Rules Governing American Indians and Alaskan Natives

Contractor shall comply with applicable laws, rules and regulations relating to the provision of Specialized Health Care Services to any individual enrolled in Contractor's QDP in the Covered California for the Individual Market who is determined by Covered California to be an eligible American Indian or Alaskan Native as defined in § 4(d) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450b(d)). Such requirements include the following:

(a) Contractor shall provide monthly Special Enrollment Periods for American Indians or Alaskan Natives enrolled through Covered California.

(b) Contractor shall comply with other applicable laws, rules and regulations relating to the provision of health care services to American Indians, including the Indian Health Care Improvement Act §§ 206 (25 U.S.C. § 1621e) and 408 (25 U.S.C. § 1647a).

4.4 Participating Providers

4.4.1 Provider Contracts

(a) Contractor shall include in all of its contracts with Participating Providers the requirement for all Specialized Health Care Services to be provided by duly licensed, certified or accredited Participating Providers consistent with the scope of their license, certification or accreditation and in accordance with applicable laws, rules, regulations, the standards of dental practice in the community, and the terms set forth in agreements entered into by and between Contractor and Participating Providers ("Provider Agreement").

(b) Contractor shall include in each Provider Agreement a requirement that Participating Providers comply with all other applicable laws, rules and regulations.

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Contractor shall require the following provisions to be included in each: (i) Provider Agreement entered into by and between Contractor and a Participating Provider, and (ii) any subcontracting arrangement entered into by a Participating Provider. Except as expressly set forth herein, capitalized terms set forth herein shall have the same meaning as set forth in the Agreement between Contractor and Covered California; provided that Contractor may use different terminology as necessary to be consistent with the terms used in the Provider Agreement or subcontracting arrangements entered into by Participating Providers so long as such different terminology does not change the meaning set forth herein and the Agreement.

(c) Provision of Covered Services. Contractor shall require each Participating Provider to ensure that each subcontracting arrangement entered into by each Participating Provider complies with the applicable terms and conditions set forth in the Agreement, as mutually agreed upon by Covered California and Contractor, and which may include the following:

i. Coordination with Covered California and other programs and stakeholders (Section 3.1);

ii. Relationship of the parties as independent contractors (Section 1.3(a)) and Contractor's exclusive responsibility for obligations under the Agreement (Section 1.3(b));

iii. Participating Provider Directory requirements (Section 4.4.4);

iv. Symphony Provider Directory requirements (Section 4.4.5);

v. Implementation of processes to enhance stability and minimize disruption to provider network (Section 4.3.2);

vi. Notices, network requirements and other obligations relating to costs of out-of-network services and other benefits (Section 4.4.3);

vii. Provider credentialing, including maintenance of licensure and insurance (Section 4.4.2);

viii. Customer service standards (Section 4.6);

ix. Utilization management (Section 5.3);

x. Maintenance of a corporate compliance program (Section 1.2);

xi. Enrollment and eligibility determinations and collection practices (Article 2);

xii. Appeals and grievances (Section 4.6.2);

xiii. Enrollee and marketing materials (Section 3.2);

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xiv. Disclosure of information required by Covered California, including if applicable, financial and clinical (Section 1.12); Advancing Equity, Quality, and Value (Article 5) and other data, books and records (Article 12);

xv. Nondiscrimination (Section 1.10);

xvi. Conflict of interest and integrity (Section 1.11);

xvii. Other laws (Section 1.13);

xviii. Quality, Network Management and Delivery System Standards and Improvement Strategy to the extent applicable to Participating Providers (Article 5), including, disclosure of contracting arrangements with Participating Providers as required pursuant to Attachment 1 - “Advancing Equity, Quality, and Value”.

xix. Performance Measures, to the extent applicable to Participating Providers (Article 8);

xx. Continuity of care, coordination and cooperation upon termination of Agreement and transition of Covered California Enrollees, if applicable (Article 9);

xxi. Security and privacy requirements, including compliance with HIPAA (Article 11); and

xxii. Maintenance of books and records (Article 12).

In addition to the foregoing, Contractor shall include in each Provider Agreement a requirement that Participating Providers comply with other applicable laws, rules and regulations.

The descriptions set forth shall not be deemed to limit the obligations set forth in the Agreement, as amended from time to time.

4.4.2 Provider Credentialing

Contractor shall perform, or may delegate activities related to, credentialing and re-credentialing Participating Providers in accordance with a process reviewed and approved by the appropriate State Regulators.

4.4.3 Enrollee Costs; Disclosure

Contractor shall, and shall require Participating Providers to, comply with applicable laws, rules and regulations governing liability of Enrollees for Specialized Health Care Services provided to Enrollees, including those relating to holding an Enrollee harmless from liability in the event Contractor fails to pay

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an amount owed by Contractor to a Participating Provider as required by Federal and State laws, rules and regulations.

To the extent that Contractor's QDPs either (i) provide coverage for out-of-network services or (ii) impose additional fees for such services, Contractor shall disclose to the Covered California Enrollee, at the Covered California Enrollee's request, the amount or percentage Contractor will pay for covered proposed non-emergency out-of-network services. Contractor shall require its Participating Providers to inform every Covered California Enrollee in a manner that allows the Covered California Enrollee the opportunity to act upon a Participating Provider's proposal or recommendation regarding (i) the use of a non-network provider or facility or (ii) the referral of a Covered California Enrollee to a non-network provider or facility for proposed non-emergency Covered Services. Contractor shall require Participating Providers to disclose to a Covered California Enrollee considering accessing non-emergency services from a network provider if a non-network provider or facility will be used as part of the network provider's plan of care. Contractor's obligation for this provision can be met through routine updates to their provider manual. Participating Providers may rely on Contractor's provider directory in fulfilling their obligation under this provision.

4.4.4 Covered California Provider Directory

Contractor shall make its provider directory available to (i) Covered California electronically for publication online in accordance with guidance from Covered California, and (ii) in hard copy when potential Enrollees make such request. Unless otherwise agreed to by Covered California, Contractor shall continue to provide information describing all Participating Providers in its QDP networks in a format prescribed by Covered California on a monthly basis to support Covered California's centralized provider directory containing every QDP's network providers, this includes testing, implementation and continued evaluation. Contractor acknowledges that Covered California may use Contractor's Participating Provider data for any non-commercial purposes. If Covered California's centralized provider directory is not operational, Contractor shall continue to provide Participating Provider information to Covered California on a monthly basis.

The network and directory information provided to Covered California shall take into consideration the ethnic and language diversity of providers available to serve Covered California Enrollees.

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Once the Symphony Provider Directory is fully operational, Covered California will utilize it to populate Covered California's centralized provider directory as detailed in Article 4, Section 4.4.4.

4.4.5 Use of Symphony Provider Directory

(a) In order to fulfill its obligation to assist Enrollees in making informed decisions when considering dental care coverage choices and in choosing QDP Issuers and their associated network of Providers, Covered California is committed to implementing and participating in the Symphony Provider Directory, formerly known as the California Provider Directory Utility, being developed by the Integrated Health Care Association (IHA). Once fully operational, Covered California will utilize the Symphony Provider Directory to populate the Covered California Provider Directory.

All QDP Issuers shall utilize the Symphony Provider Directory to populate, maintain, and continually update, provider network data, including demographic, licensure, and other relevant information with respect to all their QDPs, as well as to provide information regarding the terms and restrictions governing such Providers' participation in the QDPs offered by Contractor through Covered California.

(b) Contractor agrees to participate in the Symphony Provider Directory. In connection with such participation, Contractor shall:

i. Execute such reasonable participation, subscription, or other agreements required by Covered California or IHA or their vendors to participate in the Symphony Provider Directory;

ii. Populate, maintain, and continually update the Symphony Provider Directory with all relevant information with respect to its contracted Providers' participation in its QDPs, including all information regarding the terms and restrictions governing such Providers' participation in the QDPs offered through Covered California, identifiers for Covered California providers, and provider network data;

iii. Once fully operational with sufficient dental plan and provider participation, use the Symphony Provider Directory as the exclusive platform to populate and maintain the information published in the Covered California Online Provider Directory concerning its QDPs;

iv. Work with Covered California, IHA and their respective vendors to ensure that the Symphony Provider Directory serves its primary purpose of

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effectively and efficiently assisting Enrollees in making informed decisions in selecting QDPs and Providers; and

v. Agree to participate in testing and validation of Symphony Provider Directory functionality that may be required prior to the Directory becoming fully operational.

(c) At a time and manner mutually agreed upon by Covered California and Contractor, Contractor agrees to report on its strategies to ensure that Contractor, and its contracted Providers, maintain compliance with the provisions of this Section 4.4.5.

4.5 Premium Rate Setting

4.5.1 Rating Variations

Contractor shall charge the premium rate in each geographic rating area for each of Contractor's QDPs as agreed upon with Covered California. Contractor may vary premiums by geographic area, and family size, and age band as permitted by applicable laws, rules and regulations, including 45 C.F.R. § 156.255(b). Contractor agrees to charge the same rate for Covered California Enrollees who are 18 years old or younger and the same rate for Covered California Enrollees who are 19 years of age or older within each geographic rating area.

Contractor shall comply with rate filing requirements imposed by its State Regulators, including, those set forth under Insurance Code § 10181 et seq. or Health and Safety Code § 1385.01 et seq. and as applicable, other laws, rules and regulations.

4.5.2 Covered California for the Individual Market Rates

Covered California for the Individual Market, rates shall be established through an annual negotiation process between Contractor and Covered California for the following Calendar Year. The parties acknowledge that: (i) the Agreement does not contemplate any mid-year rate changes for Covered California for the Individual Market in the ordinary course of business, and (ii) the annual negotiation process must be supported by Contractor through the submission of information in such form and at such date as shall be established by Covered California to provide Covered California with sufficient time for necessary analysis and actuarial certification.

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4.5.3 Covered California for Small Business Rates

Covered California for Small Business rates will be established through an annual negotiation process between Contractor and Covered California for the following Calendar Year. Contractor shall also submit rate information in such form and at such date as shall be established by Covered California to provide Covered California with sufficient time for necessary analysis and actuarial certification. Covered California will permit an update of rates to be offered on Covered California for Small Business no more frequently than on an annual basis. Contractor shall provide, upon Covered California's request, in connection with any contract negotiation or recertification process as reasonably requested by Covered California, detailed documentation on Covered California-specific rate development methodology.

4.6 Customer Service Standards

4.6.1 Basic Customer Service Requirements

Contractor acknowledges that superior customer service is a priority of Covered California. Contractor shall work closely with Covered California in an effort to ensure that the needs of Covered California Enrollees are met. Contractor shall provide and maintain all processes and systems required to ensure customer service, record protection and uninterrupted service to Covered California and Contractor's Covered California Enrollees in accordance with the standards set forth in Section 4.6, applicable laws, rules and regulations, including those consumer assistance tools and programs required to be offered through Covered California as set forth at 45 C.F.R. § 155.205 and 45 C.F.R. § 155.210.

800 Numbers: Contractor shall make information available regarding Covered California pursuant to Contractor's toll-free hotline (i.e., 1-800 number) that shall be available to enrollees of Contractor. The hotline and information services shall be staffed and operated in accordance with the Customer Service Standards set forth in Section 4.6 to provide support to Covered California Enrollees and in a manner designed to assure compliance with these Performance Standards. Contractor shall meet all State and Federal requirements for language assistance services applicable to its commercial lines of business. Covered California and Contractor will continue to evaluate on an ongoing basis the adequacy of language services provided for verbal and written communications and consider the adoption of additional standards as appropriate. Contractor shall provide this information to Covered California upon request.

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4.6.2 Covered California Enrollee Appeals and Grievances

(a) Internal Grievances and Appeals. Contractor shall maintain an internal review process to resolve a Covered California Enrollee's written or oral expression of dissatisfaction regarding Contractor and Participating Providers, including appeals of claim and benefit determinations, and complaints relating to the scope of Covered Services required to be covered under the QDP. Contractor's processes shall comply with State and Federal laws, rules and regulations relating to Enrollee rights and appeals processes, specifically including grievance requirements, set forth at Health and Safety Code § 1368 regardless of the State Regulator for Contractor's QDPs.

(b) External Review. Contractor shall comply with State and Federal laws, rules and regulations relating to the external review process, including independent medical review, available to Covered California Enrollees for Covered Services.

4.6.3 Applications and Notices

(a) Contractor shall provide applications, forms and notices to applicants and Enrollees in plain language and in a manner that is accessible and timely to individuals (i) living with disabilities, including accessible web sites and the provision of auxiliary aids and services at no cost to the individual in accordance with the Americans with Disabilities Act and § 504 of the Rehabilitation Act, or (ii) with limited English language proficiency.

(b) Contractor shall provide applications, forms, and notices, including correspondence, in a manner that is accessible and timely to individuals who are limited English proficient as required by Health and Safety Code §§ 1367.04, 1367.041, 1367.042 and Insurance Code §§ 10133.8 and 10133.11. Contractor shall inform individuals of the availability of the services described in this section and otherwise comply with notice requirements imposed under applicable laws, rules and regulations, including those set forth at 45 C.F.R. § 156.250 and Government Code § 100503(k).

4.6.4 Customer Service Call Center (Call Center)

(a) Contractor and Covered California shall maintain a Call Center with the following hours of operation.

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i. Standard Operating hours for the Covered California and Contractor Call Center shall be Monday through Friday eight o'clock (8:00) a.m. to six o'clock (6:00) p.m. (Pacific Standard Time). Contractor may adjust hours as required by customer demand with prior agreement of Covered California. Dental Plan Issuers in Covered California for Small Business are not required to provide customer service support on weekends.

ii. Contractor shall also maintain Special Operating Hours for its Call Center as specified by Covered California in the supplemental documents for Service Center Hours of Operation provided on Contractor's Covered California extranet website (Carrier Management (External) page, PMD Resources, Service Center Hours of Operation).

Contractor may adjust hours as required by customer demand; hours that are less than those stated in the supplemental documents for Service Center Hours of Operation provided on Contractor's Covered California extranet website (Carrier Management (External) page, PMD Resources, Service Center Hours of Operation) require prior agreement of Covered California.

(b) Covered California Plan Management Division shall inform Contractor when updates have been made to the "Service Center Hours of Operation Matrix" including any changes to the Standard Operating hours, such as for Open Enrollment and specified holidays.

(c) Outages and Temporary Closures. Contractor will inform Covered California of any unplanned changes to Call Center hours or functionality immediately upon Contractor's knowledge of such occurrence.

(d) Contractor's Call Center shall be staffed at levels reasonably necessary to handle call volume and achieve compliance with Performance Standards set forth in Article 7 (Performance Standards) and as specified in Attachment 3 – Performance Standards and Expectations. Contractor shall staff their call center with highly trained individuals to provide detailed benefit information, answer Enrollee questions about QDP benefits and coverage, and to resolve claim and benefit issues.

(e) Contractor shall use a telephone system that includes welcome messages in English, Spanish and other languages as required by State and Federal laws, rules and regulations.

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(f) Contractor shall make oral interpreter services available at no cost for non-English speaking or hearing-impaired Enrollees during regular business hours as required by Federal and State law. Contractor shall monitor the quality and accessibility of call center services on an ongoing basis. Contractor shall report to Covered California monthly, in a format determined by Covered California, on the volume of calls received by the call center and Contractor's rate compliance with related Performance Standards as outlined in Attachment 3 – Performance Standards and Expectations.

(g) Contractor shall meet all State and Federal requirements for language assistance services for all of its commercial lines of business.

4.6.5 Customer Service Transfers

(a) During Contractor's regularly scheduled customer service hours, Contractor shall have the capability to accept and handle calls transferred from Covered California and respond to callers requesting additional information from Contractor. Contractor shall maintain staff resources to comply with Performance Standards and sufficient to facilitate a live transfer (from Covered California to Contractor) of customers who call Covered California with escalated issues or complaints that need to be addressed by Contractor. Covered California shall maintain staff resources sufficient to facilitate a live transfer (from Contractor to Covered California) of customers who call Contractor with escalated issues, complaints, or address changes that need to be addressed by Covered California. Contractor and Covered California shall establish a designated customer service team available to handle the live transfer of escalated calls.

(b) Examples of issues or complaints may include premium billing or claims issues; benefit coverage questions (before and after enrollment); grievance; network or provider details; and Contractor-specific questions.

(c) Contractor shall refer Enrollees and applicants with questions regarding premium tax credit and Covered California eligibility determinations to Covered California's website or Service Center, as appropriate.

(d) Contractor shall work with Covered California to develop a mechanism to track handling and resolution of calls referred from Covered California to Contractor (such as through the use of call reference numbers).

4.6.6 Customer Care

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(a) Contractor shall comply with the applicable requirements of the Americans with Disabilities Act and provide culturally competent customer service to all Covered California Enrollees in accordance with the applicable provisions of 45 C.F.R. § 155.205 and § 155.210, which refers to consumer assistance tolls and the provision of culturally and linguistically appropriate information and related products.

(b) Contractor shall comply with HIPAA rules and other laws, rules and regulations respecting privacy and security.

4.6.7 Notices

(a) For all forms of notices required under Federal and State law to be sent to Covered California Enrollees regarding rates, benefit design, network changes, or security/HIPAA references, Contractor shall submit an electronic copy to Covered California at least five (5) business days in advance of the message transaction. If Contractor is unable to notify Covered California in advance due to Federal or State notice requirements, Contractor shall send Covered California notification simultaneously.

(b) Contractor shall provide a link to Covered California website on its website.

(c) When Contractor provides direct contacts for getting membership assistance, Contractor shall also include the Covered California website for Covered California-related issues.

(d) Contractor shall use standardized member renewal language, developed by Covered California, and approved by DMHC and CDI for all Covered California Enrollee renewal notices.

(e) All legally required notices sent by Contractor to Covered California Enrollees shall be translated into and available in languages other than English as required under applicable Federal and State laws, rules and regulations, including Health and Safety Code §§ 1367.04, 1367.041, 1367.042, and Insurance Code §§ 10133.8, 10133.10, 10133.11.

(f) Contractor shall release notices in accordance with Federal and State law. All such notices shall meet the accessibility and readability standards in applicable Federal regulations (45 C.F.R. Parts 155 and 156) and Covered California regulations located in 10 CCR § 6400 et seq.

(g) Contractor must prominently inform consumers of their right to request a refund of any credits on their accounts in premium invoices, termination

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notices as required under 45 C.F.R § 156.270, and other notices where applicable.

4.6.8 Contractor-Specific Information

Upon request, Contractor shall provide training materials and participate in Covered California customer service staff training.

Contractor shall provide summary information about its administrative structure and the QDPs offered on Covered California. This summary information will be used by Covered California customer service staff when referencing Contractor or QDP information.

4.6.9 Covered California Enrollee Materials: Basic Requirements

(a) Contractor shall provide or make available to Covered California Enrollees Plan materials required under the terms of the Agreement and applicable laws, rules and regulations. Such materials shall be available in languages as required by Federal and State law and receive any necessary regulatory approvals from the relevant State Regulators, be provided to Covered California as directed by Covered California, and shall include information brochures, a summary of the Plan that accurately reflects the coverage available under the Plan, and related communication materials. Contractor shall, upon request by Covered California, provide copies of Covered California Enrollee communications and give Covered California the opportunity to comment and suggest changes in such material.

(b) Covered California Enrollee materials shall be available in English, Spanish and other languages as required by applicable laws, rules and regulations. Contractor shall comply with Federal and State laws, rules and regulations regarding language access. To the extent possible, Covered California Enrollee materials shall be written in plain language, as that term is defined in applicable laws, rules and regulations. Plan materials that require Covered California notification before usage are those that communicate specific eligibility and enrollment and other key information to Covered California Enrollees. Such materials may include:

(i) Welcome letters;

(ii) Covered California Enrollee ID card;

(iii) Billing notices and statements;

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(iv) Notices of actions to be taken by QDP Issuer that may impact coverage or benefit letters;

(v) Termination Grievance process materials; and

(vi) Other materials required by Covered California.

4.6.10 New Covered California Enrollee Enrollment Packets

(a) Contractor shall mail or provide online enrollment packets to all new Covered California Enrollees in Covered California QDPs within ten (10) business days of receiving complete and accurate enrollment information from Covered California and the binder payment. Contractor may deliver Covered California Enrollee materials pursuant to other methods that are consistent with: (i) Contractor's submission of materials to Enrollees of its other plans; (ii) the needs of Covered California Enrollees; (iii) the consent of the Covered California Enrollee; and (iv) with applicable laws, rules and regulations. Contractor shall report to Covered California monthly, in a format mutually agreed upon by Covered California and Contractor, on the number and accuracy rate of identification cards that were sent to new Covered California Enrollees and Contractor's compliance with the Performance Standards set forth in this Agreement. The enrollment packet shall include, at the minimum, the following:

(i) Welcome letter;

(ii) Covered California Enrollee ID card; in a form approved by Covered California, or communication approved by Covered California issued to Covered California Enrollee regarding use of approved no-card eligibility verification system;

(iii) If Covered California Enrollee ID card is not included in the enrollment packet, Contractor must send a notice to the Covered California Enrollee that states the ID card will be sent separately, and when the Covered California Enrollee should expect to receive it, and provide the information necessary for the Covered California Enrollee to receive services and for providers to file claims; and

(iv) Other materials required by Covered California.

(b) Contractor shall maintain access to enrollment packet materials; claim forms and other Plan-related documents in both English and Spanish and any other languages required by State and Federal laws, rules and regulations to the

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extent required to timely meet all requirements of this Agreement for timely mailing and delivery of Plan materials to Covered California Enrollees. Contractor shall be responsible for printing, storing and stocking, as applicable, all materials.

4.6.11 Electronic Listing of Participating Providers

Contractor shall create and maintain a continually updated electronic listing of all Participating Providers and make it available online for Covered California Enrollees, potential Enrollees, and Participating Providers, 24 hours a Day, 7 Days a week as required by Federal and State laws, rules and regulations, including requirements to identify Providers who are not accepting new Enrollees.

4.6.12 Access to Dental Services Pending ID Card Receipt

Contractor shall promptly coordinate and ensure access to dental services for Covered California Enrollees who have not received ID cards but are eligible for services.

4.6.13 Explanation of Benefits

Contractor shall send each Covered California Enrollee an Explanation of Benefits to Covered California Enrollees in Plans that issue Explanation of Benefits or similar documents as required by Federal and State laws, rules and regulations. The Explanation of Benefits and other documents shall be in a form that is consistent with industry standards.

4.6.14 Secure Plan Website for Enrollees and Providers

Contractor shall maintain a secure website, 24 hours, 7 Days a week. All content on the secure Enrollee website shall be available in English and Spanish and any other languages required under Federal and State law. If Contractor is new to offering coverage on Covered California, Contractor shall meet the requirements of this section within ninety (90) Days after the Effective Date of this Agreement. The secure website must include, at a minimum, the following information about the Plan:

(a) Upon implementation by Contractor, benefit descriptions, information relating to covered services, cost sharing and other information available;

(b) Ability for Covered California Enrollees to view their claims status such as denied, paid, unpaid;

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(c) Ability to respond via e-mail to customer service issues posed by Covered California Enrollees and Participating Providers;

(d) Ability to provide online eligibility and coverage information for Participating Providers;

(e) Support for Covered California Enrollees to receive Plan information by e-mail; and

(f) Covered California Enrollee education tools and literature to help Covered California Enrollees understand oral health costs and research condition information.

4.6.15 Required Reports

Contractor shall submit required reports as defined in this Agreement. For Contractor's convenience, all required reports are listed in the "Contract Reporting Requirements" table posted on Contractor's extranet website provided by Covered California (Carrier Management (External) page, PMD Resources, Contract Reporting Compliance folder).

Upon request, Contractor shall submit standard reports as described below in a manner and time as specified by Covered California:

(a) Enrollee customer service reports including phone demand and responsiveness, first call resolution, response to written correspondence, and number/accuracy/timeliness of ID card distribution;

(b) Use of Plan website;

(c) Enrollment reports; and

(d) Premiums collected.

4.6.16 Contractor Staff Training about Covered California

Contractor shall arrange for and conduct staff training regarding the relevant laws, mission, administrative functions, and operations of Covered California, including Covered California program information and products in accordance with Federal and State laws, rules and regulations, using training materials developed by Covered California.

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4.6.17 Customer Service Training Process

Contractor shall demonstrate to Covered California that it has in place initial and ongoing customer service protocols, training, and processes to appropriately interface with and participate in Covered California. As part of this demonstration, Contractor shall permit Covered California to inspect and review its training materials. Covered California will share its customer service training modules with Contractor.

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ARTICLE 5 – ADVANCING EQUITY, QUALITY, AND VALUE

5.1 Covered California Quality and Equity Initiatives

The parties acknowledge and agree that furthering the shared goals of improved health, reduced health disparities, and high quality healthcare require Contractor to work with the other QDP Issuers and its contracted providers to play an active role in building and supporting models of care to meet consumer and social needs for providing better care, promoting health and lowering per capita costs through improvement.

Contractor agrees to work with Covered California to develop or participate in initiatives to promote models of care that (i) promote a culture of continuous quality and value improvement, health promotion, and the reduction of health disparities to the benefit of all Enrollees and, to the extent feasible, other health care consumers, (ii) minimize unpredictable quality, (iii) reduce inefficiencies of the current system, and (iv) target excessive costs.

In order to further the mission of Covered California with respect to these objectives and to provide the Covered Services required by Enrollees, Covered California and Contractor shall coordinate and cooperate with respect to health equity and quality improvement activities conducted by Covered California in accordance with the terms set forth in this section and in Covered California's Quality, Network Management and Delivery System Standards set forth at Attachment 1 - Advancing Equity, Quality, and Value.

5.2 Quality Improvement and Disparities Reduction Programs

5.2.1 General Requirements

(a) Contractor shall maintain a quality improvement program to foster continuous quality improvement among its Participating Providers and other Subcontractors. Contractor's quality improvement program shall be subject to review by Covered California annually to evaluate Contractor's compliance with requirements set forth in Attachment 1 - Advancing Equity, Quality, and Value.

(b) Contractor shall take steps to foster a culture of equity within its dental plan operations and through its Participating Providers. Contractor shall maintain a disparities reduction program including collection of Enrollee demographic data, stratification of quality measures by demographic factors, and

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implementation and evaluation of interventions to reduce health disparities. Contractor's disparities reduction program shall be subject to review by Covered California annually to evaluate Contractor's compliance with requirements set forth in Attachment 1 — Advancing Equity, Quality, and Value.

(c) Contractor shall coordinate and cooperate with Covered California in implementing Attachment 1 - Advancing Equity, Quality, and Value, including (i) participating in meetings and other programs as reasonably requested from time to time by Covered California, (ii) providing mutually agreed upon data and other information required under Attachment 1 - Advancing Equity, Quality, and Value, and (iii) as otherwise reasonably requested by Covered California. The parties acknowledge and agree that quality related activities contemplated under this Article 5 will be subject to and conducted in compliance with any and all applicable laws, rules and regulations including those relating the confidentiality of medical information and will preserve all privileges set forth at Health and Safety Code § 1370.

Consistent with Covered California's mission to promote better care, better health and lower cost as part of a Quality Improvement Strategy, Contractor agrees to:

(a) Implement a quality assurance program in accordance with 28 CCR § 1300.70, for evaluating the appropriateness and quality of the covered services provide to members;

(b) Maintain a system of accountability for quality improvement in accordance with all applicable statutes and regulations, monitoring, evaluating and taking effective action to address any needed improvements, as identified by Covered California, in the quality of care delivered to members;

(c) Work with Covered California to craft a quality improvement program that is dental-specific and tailored to the Covered California population; and

(d) Each of Contractor's products is required to meet or exceed the requirements, standards, and quality benchmarks established in Attachment 1 — Advancing Equity, Quality, Value, Attachment 2 — Performance Standards with Penalties, and Attachment 3 — Performance Standards and Expectations.

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5.2.2 Payment Obligations for Quality and Health Equity Performance

Contractor is subject to potential payment obligations for quality and health equity performance requirements as specified in Attachment 2 — Performance Standards with Penalties. The maximum payment obligations collectively are 1% of Contractor's total annual Gross Premium per product.

5.3 Utilization Management

Contractor shall maintain a utilization management program that complies with applicable laws, rules and regulations, including Health and Safety Code § 1367.01 and other requirements established by the State Regulators responsible for oversight of Contractor.

5.4 Transparency and Quality Reporting

(a) Pursuant to 45 C.F.R. § 156.220 and Centers for Medicare & Medicaid Services Transparency in Coverage requirements, Contractor shall provide Covered California and Enrollees with information reasonably necessary to provide transparency in Contractor's coverage, and report to Covered California and Enrollees the data as required by Covered California. This includes disclosing applicable information relating to claims payment policies and practices, periodic financial disclosures, enrollment, disenrollment, claims denials, appeals, rating practices, cost-sharing, payments with regard to any out-of-network coverage, and Enrollee rights. Contractor may include pre-treatment estimates as one method of satisfying this obligation. Contractor shall provide information required under this section to Covered California and Enrollees in plain language.

(b) Contractor shall timely respond to a Covered California Enrollee's request for cost sharing information and shall make cost sharing information available to individuals through the internet and pursuant to other means for individuals without internet access in a timely manner.

5.5 Dental Utilization Reporting

Contractor shall submit to Covered California dental utilization data to include the measure numerator, denominator and rate for the required measure set. Covered California reserves the right to use Contractor-reported measures scores to construct Contractor summary quality ratings that Covered California may use for such purposes as Covered California's plan oversight management.

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5.6 Data Submission Requirements

Contractor shall provide to Covered California information regarding Contractor's enrollment through Covered California in a manner consistent with applicable federal and California State law, as well as the terms and conditions of this Agreement as detailed in Attachment 1 - Advancing Equity, Quality, and Value, Article 5, Section 5.02.1 Data Submission (Healthcare Evidence Initiative).

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ARTICLE 6 – FINANCIAL PROVISIONS

6.1 Covered California for the Individual Market

6.1.1 Rates and Payments

(a) Schedule of Rates. Covered California and Contractor have agreed upon monthly premium rates ("Monthly Rates") payable to Contractor as compensation for Services provided under this Agreement. The Monthly Rates for Covered California for the Individual Market for Plan Year 2028 are those rates submitted by Contractor during the Certification Process and subsequently uploaded and validated by Contractor through the SERFF Templates for each Plan Year. The parties acknowledge and agree that the premium amounts set forth under the Monthly Rates are actuarially determined to ensure that premium revenues and cost sharing contributions will provide the total dollar amount necessary to support (i) the provision of Covered Services by Contractor through its QDPs, (ii) administrative expenses and reasonable reserves required by Contractor to meet the requirements outlined in this Agreement and in accordance with applicable laws, rules and regulations, and (iii) the payment by Contractor of the Participation Fee, as further described in Section 6.1.3.

(b) Updates. If the Term of this Agreement is longer than one year and Contractor's QDPs are certified for another year, the Monthly Rates for each subsequent year of the Agreement will be established no more frequently than annually during the Certification Process and in accordance with the procedures set forth at Section 4.5.

(c) Collection and Remittance. Contractor understands that Contractor is responsible for collection and the Covered California Enrollee is responsible for remittance of the agreed-upon premium rates to Contractor in a timely manner. Contractor understands that individual Covered California Enrollees will remit their monthly premium payments directly to Contractor, and Covered California will not aggregate premiums. The failure by a Covered California Enrollee to timely pay premiums may result in a termination of coverage pursuant to the terms set forth at Sections 2.2.4 and 2.3.4. Contractor further understands that the premium payment collected by Contractor includes amounts allocated to the Participation Fee due to Covered California. The Participation Fees shall be billed by Covered California to Contractor and

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payable by Contractor to Covered California in accordance with the requirements set forth at Section 6.1.3.

6.1.2 Financial Consequences of Non-Payment of Premium

(a) Premium payment rules. Contractor is responsible for enforcement of premium payment rules at its own expense, as outlined in the terms set forth in the Evidence of Coverage (EOC) regarding the failure by Enrollee to pay the premium in a timely manner as directed by the Enrollee policy agreement and in accordance with applicable laws, rules and regulations. Enforcement by Contractor shall include: chargebacks, delinquency and termination actions and notices, grace period requirements, and partial payment rules. Such enforcement shall be conducted in accordance with requirements in this Agreement consistent with applicable laws, rules and regulations.

(b) Enrollee Terminations. In the event Contractor terminates a Covered California Enrollee's coverage in a QDP due to non-payment of premiums, loss of eligibility, fraud or misrepresentation, change in Covered California Enrollees selection of QDP, decertification of Contractor's QDP, or as otherwise authorized under Sections 2.2.4 and 2.3.4, Contractor must include applicable State Regulator-approved appeals language, and any Covered California-required appeals language in its notice of termination of coverage to the Covered California Enrollee.

(c) Enrollee Disenrollment. In the event a Covered California Enrollee terminates coverage with a QDP for any reason, including termination due to non-payment of premium, Contractor may not charge the Covered California Enrollee any type of termination or disenrollment fee and the consumer must be allowed to re-enroll pursuant to federal and state open enrollment and special enrollment regulations.

6.1.3 Covered California for the Individual Market Participation Fees

(a) Contractor understands and agrees that (i) under the Affordable Care Act and the California Affordable Care Act, Covered California may generate funds through Participation Fees on Contractor's QDPs and (ii) Contractor is responsible for the timely payment of any Participation Fees to Covered California.

(b) Contractor recognizes that the total cost of all Participation Fees for Covered California must be spread across Contractor's entire book of business in the single risk pool (both inside and outside Covered California) for the Individual

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Market and across Contractor's entire book of business in the single risk pool (both inside and outside Covered California) for the small employer market.

(c) The Participation Fee payable to Covered California during each month of this Agreement shall be equal to one (1) percent of the gross premium attributable to each Covered California Enrollee in Contractor's QDPs for such month. The Participation Fee will be assessed by Covered California and payable monthly by Contractor based on Covered California's gross premium records attributable to effectuated Covered California Enrollees in Contractor's QDPs sold through Covered California for the Individual Market for 2028-2030.

(d) The Participation Fee will be reviewed each year as part of Covered California's annual budget process. Should Covered California need to record any positive or negative adjustments to enrollment activity for prior years, the Participation Fee shall be calculated pursuant to Contractor's Agreement that was in place during the applicable Plan Year or years.

(e) Participation Fee invoices will be issued by Covered California to Contractor on the 15th of the month. Contractor's Participation Fee obligation will be determined and billed by evaluating Contractor's then-current QDP effectuated enrollment and may be subject to adjustment to reflect changes in enrollment that may have occurred in prior months (including additions, terminations and cancellations of enrollment). Covered California may reduce Contractor's Participation Fee in specified months as a result of such changes in enrollment. In situations where Covered California has previously authorized and agreed to reimburse Contractor in writing for specified activities, such as additional marketing activities, Covered California may also reduce Participation Fee to offset Contractor's expenses. Participation Fee payments will be due fifteen (15) Days from the date the invoice is emailed to Contractor. For invoices paid after fifteen (15) Days from the date the invoice is emailed, Contractor may be assessed a 1% per month late fee on the unpaid balance as of that date. Covered California, in its sole discretion, may assess the late fee for any month that Contractor fails to make the payment by the due date. Participation Fee payments will be applied to the oldest outstanding invoice or overall balance, including prior month late fees, whichever is greater.

(f) In the event that Contractor disputes the amount of Participation Fees billed or deducted by Covered California, Contractor shall submit a written notice of such dispute to Covered California within thirty (30) Days following receipt of such bill or deduction by Covered California. Contractor's notice will document the nature of the discrepancies, including, reconciliation of any

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differences identified by Contractor in enrollment or premiums collected. Covered California will respond to Contractor within forty-five (45) Days of receipt of the notice by either (i) paying the amount claimed by Contractor or (ii) providing a detailed explanation for the denial of the refund. If Contractor still disputes the findings of Covered California, Contractor may pursue additional remedies in accordance with Section 13.1.

(g) Subject to the provisions of Section 11.5, Contractor agrees to a periodic audit or other examination by Covered California or its designee regarding the computation and payment of Participation Fees. In the case of material non-compliance with Participation Fee payments, Contractor shall implement any necessary corrective action. Covered California may perform follow up audits or examinations more frequently than annually to monitor Contractor's implementation of such corrective actions.

(h) Contractor acknowledges that Covered California is required under Government Code §100520(c) to maintain a prudent reserve as determined by Covered California.

6.2 Covered California for Small Business

6.2.1 Rates and Payments

(a) Schedule of Rates. The rates for the Covered California for Small Business Plan Year 2028, are those rates submitted by Contractor during the Certification Process and subsequently uploaded and validated by Contractor through the SERFF Templates for each Plan Year. The parties acknowledge and agree that the premium rates for Covered California for Small Business are actuarially determined to assure that premium revenues and cost sharing contributions will provide the total dollar amount necessary to support (i) the provision of Covered Services by Contractor through its QDPs, (ii) administrative expenses and reasonable reserves by Contractor to meet the requirements outlined in this Agreement and in accordance with applicable laws, rules and regulations, and (iii) the payment by Contractor of the Participation Fee to Covered California. The Participation Fee payable with respect to Covered California Enrollees in Covered California for Small Business includes a fee specified by Covered California as necessary to support payment of distribution related expenses. Contractor acknowledges and agrees that any Participation Fees due to Covered California from Contractor shall be withheld by Covered California before passing through

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any premium payments received by Covered California from Employers and Employees to Contractor in accordance with paragraph (d) of this Section 6.1.1.

(b) Updates. The Monthly Rates shall be established in accordance with the procedures set forth at Section 4.5. Covered California may authorize an update of rates no more frequently than on an annual basis in Covered California for Small Business, in accordance with requirements and update schedules to be determined by Covered California.

(c) Rate Determinations. Rates will be determined for Covered California in accordance with applicable laws, rules and regulations. Rates for plan years for Employers and all covered Employees will be determined by ZIP Code of the Employer's primary business address. Rates for an Employer and all covered Employees will be determined and frozen at initial enrollment, or upon renewal, for twelve (12) months, until the next group renewal. Rates for all Employees including new Employees or Employees with qualifying events during the Employer Plan Year will be determined by the prevailing rates at group enrollment.

(d) Collection and Remittance. Covered California agrees to perform collection and aggregation of monthly premiums with respect to Contractor's QDPs in Covered California for Small Business and will remit said premiums, net of (i) Participation Fees payable to Covered California and (ii) the fee associated with Agent compensation paid by Covered California pursuant to Section 2.3.6.

(e) Covered California's collection of premiums and remittance of net amounts to Contractor's QDPs as described in this section shall be made on a monthly basis.

(f) Grace Period. Contractor acknowledges and agrees that applicable laws, rules and regulations, including the Knox-Keene Act and Insurance Code, set a grace period with respect to the delinquent payment of premiums for the small group market.

6.2.2 Covered California for Small Business Participation Fees

(a) Contractor understands and agrees that (i) under the Affordable Care Act and the California Affordable Care Act, Covered California may generate funds through Participation Fees on Contractor's QDPs and (ii) Contractor is responsible for the timely payment of any Participation Fees to Covered California. Covered California shall collect Participation Fee and Agent and

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General Agent compensation from premiums remitted by Employers and Employees.

(b) The Participation Fee payable to Covered California during each month of this Agreement shall be equal to four point two five (4.25) percent of the gross premium attributable to each Covered California Enrollee in Contractor's QDPs for such month plus additional fees as necessary to support distribution related expenses. The Participation Fee will be assessed by Covered California and payable monthly by Contractor based on premium attributable to Covered California Enrollees in Contractor's QDPs sold through Covered California for Small Business for 2028-2030. The Participation Fee will be reviewed each year as part of Covered California's annual budget process. Should Covered California need to collect or refund any premiums for prior years, the Participation Fee shall be calculated pursuant to the QDP Issuer Agreement that was in place during the applicable Plan Year or years.

(c) With respect to Covered California for Small Business, Contractor acknowledges that (i) Covered California is responsible for collecting premiums from Employers and Employees, and (ii) Covered California will remit applicable Employer and Employee premiums collected by Covered California to Contractor, net of (i) Participation Fees computed in accordance with the Participation Methodology - Covered California for Small Business, and (ii) Distribution related expenses determined in accordance with the terms set forth at Sections 2.3.3 and 2.3.6. Covered California for Small Business shall transfer funds to Contractor on a monthly basis or such other intervals as mutually agreed upon by Covered California and Contractor and shall establish a process to resolve any disagreements on premium amounts due in a timely manner and prior to transfer of funds to Contractor as required under this section.

(d) In the event that Contractor disputes the amount of Participation Fees billed or deducted by Covered California, Contractor shall submit a written notice of such dispute to Covered California within thirty (30) Days following receipt of such bill or deduction by Covered California. Contractor's notice will document the nature of the discrepancies, including reconciliation of any differences identified by Contractor in enrollment or premiums collected. Covered California will respond to Contractor within forty-five (45) Days of receipt of the notice by either (i) paying the amount claimed by Contractor or (ii) providing a detailed explanation for the denial of the refund. If Contractor still disputes the findings of Covered California, Contractor may pursue additional remedies in accordance with Section 13.1.

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(e) Subject to the provisions of Section 11.5, Contractor agrees to a periodic audit or other examination by Covered California or its designee regarding the computation and payment of Participation Fees. In the case of material non-compliance with Participation Fee payments, Contractor shall implement any necessary corrective action and follow up audits or examinations may be performed by Covered California more frequently than annually to monitor Contractor's implementation of such corrective actions.

(f) Contractor acknowledges that Covered California is required under Government Code § 100520(c) to maintain a prudent reserve as determined by Covered California.

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Article 7 – Performance Standards

7.1 Performance Standards

Contractor shall comply with the Performance Standards set forth in this Agreement and Attachment 2 - Performance Standards with Penalties and Attachment 3 –Performance Standards and Expectations. Contractor shall measure and report Covered California for the Individual Market and Covered California for Small Business lines of business separately. Covered California will conduct or arrange for a review of Contractor's performance under the Performance Standards. Covered California shall be responsible for the actual and reasonable costs of the review, including the costs of any third-party designated by Covered California to perform such review. The review shall be in addition to any ongoing monitoring that may be performed by Covered California with respect to the Performance Standards.

Covered California will review results of Contractor's Performance Standards. The parties will meet and confer on the results of Contractor's Performance Standards.

7.2 Corrective Action Plan (CAP)

In the event Contractor fails to meet any of Contractor's Performance Standards, Covered California shall determine if corrective actions are necessary. Contractor shall develop a Corrective Action Plan (CAP), that will specify steps necessary to resolve identified issues related to its failure to meet Contractor's Performance Standards. Contractor agrees to implement the CAP within ninety (90) Days, or a time mutually agreed upon by the parties. In the event Contractor cannot implement the CAP within ninety (90) Days or the agreed upon time period, it shall submit a status report to Covered California that states why it cannot correct the issue within the specified time frame, proposes another date for correction, and provides a mitigation strategy.

7.3 Penalties

Covered California may impose penalties ("penalties") in the event that Contractor fails to comply or otherwise act in accordance with the Performance

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Standards. Penalties will be calculated in accordance with Attachment 2 - Performance Standards with Penalties.

7.4 Noncompliance

7.4.1 Patterns of Noncompliance

Repeated failure to meet Contractor's Performance Standards may serve as evidence that Contractor does not provide Qualified Dental Plans in the best interest of Covered California Enrollees for the purposes of Government Code § 100503, subdivision (c). Covered California may consider Contractor's patterns of noncompliance with Contractor's Performance Standards, including repeated necessity for CAPs, as part of its annual Recertification and Decertification process, assessing the severity of noncompliance and Contractor's good faith efforts to identify and address systemic issues.

7.4.2 Removal from Covered California

(a) Contractor's products offered by Covered California shall meet or exceed the following annual Minimum Performance Standards or face removal from Covered California if not met:

i. Contractor shall submit Covered California Healthcare Evidence Initiative (HEI) Data totaling at least 350 dental claims or encounters per 1,000 members according to the standards outlined in Attachment 1, Article 5.02.1 and Attachment 1, Article 1.02.1.

ii. Contractor shall maintain a Dental Loss Ratio for dental plans offered through Covered California of at least 50 percent, as calculated and submitted to Contractor's State Regulator annually and calculated separately by market and product type.

iii. Contractor shall maintain a Pediatric Oral Evaluation, Dental Services (OEV-CH-A) (NQF #2517) utilization rate of at least 20 percent.

iv. Contractor shall maintain an Adult Use of Preventive Services utilization rate of at least 15 percent. The Adult Use of Preventive Services utilization rate is the percentage of adult dental Enrollees age 19 and above who received any preventive dental service during the Plan Year.

(b) Contractor's products with a minimum of two years of performance data will be subject to this Section.

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(c) If Contractor's products fail to meet any of the Minimum Performance Standards specified in subdivision (a) of this Section for one (1) year (the Monitoring Period), Covered California will notify Contractor and specify the Remediation Period (the year following the Monitoring Period) within which Contractor must meet or exceed the Minimum Performance Standards. If Contractor's products do not meet or exceed the Minimum Performance Standards within the Remediation Period, those products will not be certified for the Plan Year two (2) years following the Remediation Period.

(d) Once notified of the Remediation Period by Covered California, Covered California may request and Contractor shall:

i. Investigate and report on the root cause of the problem;

ii. Develop a Minimum Performance Standards Corrective Action Plan that meets the requirements specified in Section 7.4.3 of this Agreement;

iii. To the extent within Contractor's control, remedy the cause of the performance failure and resume meeting the affected Minimum Performance Standards;

iv. Implement and notify Covered California of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and

v. Make written recommendations to Covered California for improvements in Contractor's procedures.

(e) Contractor's products in Covered California for Small Business are not required to meet the Minimum Performance Standards specified in subdivision (a) of this Section.

7.4.3 Minimum Performance Standards Corrective Action Plan

(a) Upon notification of required improvement as specified in Section 7.4.2 and Covered California request, Contractor must submit a Minimum Performance Standards Corrective Action Plan to Covered California detailing the action(s) it plans to take to improve performance.

(b) Covered California reserves the right to approve or reject the Minimum Performance Standards Corrective Action Plan and request amendments. Upon receipt of the Minimum Performance Standards Corrective Action Plan, Covered California will approve or advise Contractor of any deficiencies. Contractor must resolve any identified deficiencies to Covered California's satisfaction within thirty (30) business days.

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(c) Contractor must regularly report to Covered California on its progress in implementing the Minimum Performance Standards Corrective Action Plan and achieving the targets for improvement, in writing and on a recurring basis as specified by Covered California.

(d) Covered California will work with Contractor to ensure its Minimum Performance Standards Corrective Action Plan does not negatively impact Enrollees.

(e) Covered California will closely monitor Contractor actions following approval of the Minimum Performance Standards Corrective Action Plan. Monitoring will include review of specified progress reports and evaluation of Contractor compliance and performance in contractual and regulatory requirements.

7.5 No Waiver

Covered California and Contractor agree that the failure to comply with the Performance Standards may cause damages to Covered California and its Enrollees which may be uncertain and impractical or difficult to ascertain. The parties agree that Covered California shall assess, and Contractor promises to pay Covered California, in the event of such delayed, or failed performance that does not meet the Performance Standards, the amounts to be determined in accordance with the Performance Standards set forth at Attachment 2 — Performance Standards with Penalties.

The assessment of fees relating to the failure to meet Performance Standards shall be subject to the following: (i) be determined in accordance with the amounts and other terms set forth in the Performance Standards, (ii) be cumulative with other remedies available to Covered California under the Agreement, (iii) not be deemed an election of remedies, and (iv) not constitute a waiver or release of any other remedy Covered California may have under this Agreement for Contractor's breach of this Agreement, including, without limitation, Covered California's right to terminate this Agreement. Covered California shall be entitled, in its discretion, to recover actual damages caused by Contractor's failure to perform its obligations under this Agreement.

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ARTICLE 8 – CONTRACT TERM; RECERTIFICATION AND DECERTIFICATION

8.1 Agreement Term

The term of this Agreement is specified on the STD 213, which is the signature page of this Agreement.

8.2 Agreement Termination

8.2.1 Covered California Termination

Covered California may, by ninety (90) Days' written notice to Contractor, and without prejudice to any other of Covered California remedies, terminate this Agreement for cause based on one or more of the following occurrences:

(a) Contractor fails to fulfill an obligation that is material to its status as a QDP Issuer or its performance under the Agreement;

(b) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under this Agreement or Contractor otherwise fails to maintain compliance with the "good standing" requirements pursuant to Section 4.1.1 and which impairs Contractor's ability to provide Services under the Agreement;

(c) Contractor breaches any material term, covenant, warranty, or obligation under this Agreement that is not cured or substantially cured to the reasonable satisfaction of Covered California within forty-five (45) Days after receipt of notice of default from Covered California; provided, however, that such cure period may not be required and Covered California may terminate the Agreement immediately if Covered California determines pursuant to subparagraph (e) below that Contractor's breach threatens the health and safety of Covered California Enrollees;

(d) Contractor knowingly has a director, officer, partner, or person with a beneficial ownership of more than five percent (5%) of Contractor's equity or has an employment, consulting or other Subcontractor agreement for the provision of Services under this Agreement who is, or has been: (i) excluded, debarred, or suspended from participating in any federally funded health care program, (ii) suspended or debarred from participation in any state contract or

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procurement process, or (iii) convicted of a felony or misdemeanor (or entered a plea of nolo contendere) related to a crime or violation involving the acquisition or dispersal of funds or delivery of Covered Services to beneficiaries of any State or Federal health care program;

(e) Covered California reasonably determines that (i) the welfare of Covered California Enrollees is in jeopardy if this Agreement continues, as such determination shall be made in the reasonable discretion of Covered California based on consideration of professionally recognized standards and benchmarks, requirements imposed by accreditation agencies and applicable laws, rules and regulations; or (ii) Contractor fails to comply with a change in laws, rules or regulations occurring during the term of this Agreement and/or does not take any and all actions that may be required to amend the Agreement and otherwise establish and document compliance with any such changes; and (iii) Covered California reasonably determines, based on consultation with legal counsel and/or State and Federal Regulators and/or other State-based or Federal health benefit exchanges, that it may be at risk of being found noncompliant with Federal or State laws, rules or regulations.

8.2.2 Contractor Termination

Contractor may, by ninety (90) Days' written notice to Covered California, and without prejudice to any other of the remedies, terminate this Agreement for cause based on one or more of the following occurrences:

(a) Covered California breaches any material term, covenant, warranty, or obligation under this Agreement that is not cured or substantially cured to the reasonable satisfaction of Contractor within forty-five (45) Days after receipt by Covered California of notice from Contractor; or

(b) Covered California fails to comply with a change in laws, rules or regulations occurring during the term of this Agreement or does not take any and all actions that may be required to amend the Agreement and otherwise establish and document compliance with any such changes, and Contractor reasonably determines, based on consultation with legal counsel and/or other State and Federal regulators and/or other State-based or Federal health benefit exchanges, that it may be at risk of being found noncompliant with Federal or State laws, rules or regulations.

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8.2.3 Notice of Termination

If Covered California determines, based on reliable information, that there is a substantial probability that Contractor will be unable to continue performance under this Agreement or Contractor will be in material breach of this Agreement in the next thirty (30) Days, then Covered California shall have the option to demand that Contractor provide Covered California with a reasonable assurance of performance. Upon Contractor's receipt of such a demand from Covered California, Contractor shall provide to Covered California a reasonable assurance of performance responsive to Covered California's demand. If Contractor fails to provide assurance within ten (10) Days of Covered California's demand that demonstrates Contractor's reasonable ability to avoid such default or cure within a reasonable time period not to exceed thirty (30) Days, the failure shall constitute a breach by Contractor justifying termination of the Agreement by Covered California.

In case a party elects to terminate this Agreement in whole or in part under Section 8.2, the notifying party shall give the other party ninety (90) Days written notice of termination for default, specifying the default or defaults justifying the termination. The termination shall become effective after the expiration of such notice period if the defaults specified by the notifying party in its notice remain uncured at that time; provided, however, that Covered California may require Contractor to discontinue the provision of certain Services if Covered California determines that the continuing provision of services may cause harm to Covered California Enrollees, Participating Providers or other stakeholders.

Covered California shall be entitled to retain any disputed amounts that remain in the possession of Covered California until final resolution of all claims by the parties against each other arising out of any Contractor default alleged by Covered California.

8.2.4 Remedies in Case of Contractor Default or Breach

(a) In addition to the termination provisions in Section 8.2.1, Covered California shall have full discretion to institute any of the following remedies, in accordance with Subsection (b) of this Section, in case of Contractor's breach, whether material or not, or default:

i. Changing the order in which Contractor's QDPs are displayed in CalHEERS;

ii. Removing Contractor's provider directory from the Covered California website;

iii. Freezing Contractor's enrollment during Open or Special Enrollment Periods;

iv. Recovery of damages to Covered California caused by the breach or default; and

v. Specific performance of particular covenants made by Contractor hereunder.

(b) Prior to instituting any of the remedies in Subsection (a), Covered California shall provide written notice to Contractor that Contractor is in breach or default of this Agreement, identify the basis for such breach or default, and provide Contractor with a thirty (30) Day period to cure. During the cure period, the parties agree to meet and confer in an effort to informally resolve the breach or default. Contractor shall have thirty (30) Days from the date Contractor received notice of the breach or default to fully cure the breach or default unless the parties mutually agree to a longer cure period. If Contractor has not cured the breach or default within the thirty (30) Day period, or a longer cure period that has been mutually agreed upon, Covered California may institute any of the remedies identified in Subsection (a) of this section. All remedies of Covered California under this Agreement for Contractor default or breach are cumulative to the extent permitted by law.

(c) This section shall not apply to any contractual requirements that are associated with a performance guarantee in Attachment 2 - Performance Standards with Penalties and Attachment 3 - Performance Standards and Expectations, or for failure to meet any quality targets in Attachment 1 - Advancing Equity, Quality, and Value.

8.2.5 Contractor Insolvency

Contractor shall notify Covered California immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudicated bankrupt, or a receiver is appointed and qualifies. In case any of the foregoing events occurs, Covered California may terminate this Agreement upon five (5) Days written notice. If Covered California does so, Covered California shall have the right to recover damages from Contractor as though the Agreement had been terminated for Contractor default.

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8.3 Recertification

8.3.1 Recertification Process

During each year of this Agreement, Covered California will evaluate Contractor for recertification based on an assessment process conducted by Covered California in accordance with its procedures and on a basis consistent with applicable laws, rules and regulations. Covered California shall consider Contractor for recertification unless (i) the Agreement is terminated sooner than the Expiration Date by Covered California in accordance with the requirements set forth at Section 8.2 or pursuant to other terms set forth in the Agreement, or (ii) Contractor makes a Non-Recertification Election pursuant to Section 8.3.2.

8.3.2 Non-Recertification Election

(a) Contractor election. Contractor shall provide Covered California with notice on or before February 15th of each Plan Year whether Contractor will elect to not seek recertification of its QDPs for the following Plan Year ("Non-Recertification Election"). Contractor shall comply with conditions set forth in this Section 8.3.2 with respect to continuation of coverage and transition of Covered California Enrollees to new QDPs following Covered California's receipt of Contractor's Non-Recertification Election.

(b) Continuation and Transition of Care. Except as otherwise set forth in this Section 8.3.2, Contractor shall continue to provide Covered Services to Covered California Enrollees in accordance with the terms set forth in the Agreement from and after Contractor's Non-Recertification Election up through the termination of coverage for Covered California Enrollees, as such termination of coverage shall be determined in accordance with the requirements set forth in this section. In the event that Contractor continues to offer coverage in the individual or small group market, Contractor shall comply with the same requirements found in Health and Safety Code § 1365(a)(6) and Insurance Code §§ 10713(e) and 10273.6(e).

Contractor shall take any further action reasonably required by Covered California to provide Covered Services to Covered California Enrollees and transition care following the Non-Recertification Election.

Contractor shall coordinate and cooperate with respect to communications to Covered California Enrollees in Covered California for the Individual Market, Employers, and Employees in Covered California for Small Business and

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other stakeholders regarding the transition of Covered California Enrollees to another QDP.

(c) Covered California for the Individual Market. The following provisions shall apply to Covered California for the Individual Market:

(i) Following Covered California's receipt of the Non-Recertification Election, Contractor must continue to participate in the enrollment and eligibility assignment process, and may be assigned new Covered California Enrollees through the end of the Calendar Year;

(ii) Contractor will provide coverage for Covered California Enrollees assigned to Contractor until the earlier of (i) the end of the Calendar Year, or (ii) the Covered California Enrollee's transition to another QDP during a Special Enrollment Period.

(d) Covered California for Small Business. The following provisions shall apply to Covered California for Small Business:

(i) In the event that Contractor continues to offer small group coverage in the State following the Notice of Non-Recertification Election, Contractor shall comply with applicable laws, rules and regulations relating to the discontinuation of a benefit package, including those set forth at Section 1365 of the Health and Safety Code and Section 10713 of the Insurance Code.

The termination of the Agreement shall occur upon the termination of coverage which shall be determined as follows:

(1) Contractor shall continue to provide coverage to Employers and Employees until the expiration of the Employer's Plan Year of Contractor's last Certified Year.

(2) Contractor shall notify Employers and Employees that Contractor's QDP will not be available for renewal at least ninety (90) Days prior to policy expiration. Non-renewal notification must be in a format approved by CCSB. To the extent permissible by state and federal law, CCSB may begin sending non-renewal notices on behalf of Contractor pursuant to the terms in Section 4.6.7(f) of the Agreement.

(ii) Contractor shall comply with other requirements of Covered California relating to the continuation and transition of coverage following Contractor's

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Non-Recertification Election, including without limitation, those relating to protocols and timing for the removal of Contractor from the listing of QDPs to be selected by Employers and Employees, the commencement of coverage for new Employers and Employees, and termination and transition of coverage.

8.4 Decertification

Notwithstanding any other language set forth in this Section 8.4, the Agreement shall expire on the Expiration Date set forth in Section 8.1 in the event that Covered California elects to decertify Contractor's QDP based on Covered California's evaluation of Contractor's QDP during the recertification process that shall be conducted by Covered California pursuant to Section 8.3.

8.5 Effect of Termination

(a) This Agreement shall terminate on the Expiration Date unless otherwise terminated earlier in accordance with the provisions set forth in this Agreement.

(b) Contractor's QDPs shall be deemed decertified and shall cease to operate as QDPs as defined at 10 CCR § 6410 immediately upon termination or expiration of this Agreement in the event uninterrupted continuation of agreement between Covered California and Contractor is not achieved pursuant to either: (i) an extension of the term of the Agreement based upon the mutual agreement of the parties that is documented pursuant to a written amendment, or (ii) Contractor and Covered California enter into a new agreement that is effective immediately upon the expiration of this Agreement. There shall be no automatic renewal of this Agreement or recertification of Contractor's QDPs upon expiration of the term of this Agreement. Contractor may appeal the decertification of its QDP that will result in connection with the termination of this Agreement and such appeal shall be conducted pursuant to Covered California's process and in accordance with applicable laws, rules and regulations.

(c) All duties and obligations of Covered California and Contractor shall cease upon termination of the Agreement and the decertification of Contractor's QDPs that shall occur upon the termination of this Agreement, except as set forth below or otherwise provided in the Agreement:

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(i) Each party shall remain liable for any rights, obligations, or liabilities that have accrued or arise from activities carried on by it under this Agreement prior to the effective date of termination.

(ii) Any information of the other party that is in the possession of the other party will be returned promptly, or upon the request of owner of such property, destroyed using reasonable measures to protect against unauthorized access to or use of the information in connection with its destruction, following the earlier of: (i) the termination of this Agreement, (ii) receipt of a written request to return or destroy the Information Assets, or (iii) the termination of the business relationship between the parties. If both parties agree that return or destruction of information is not feasible or necessary, the receiving party will continue to extend the protections outlined in this Agreement to all assets in its possession and will limit further use of that information to those purposes that make the return or destruction of the information or assets. Covered California reserves the right to inspect the storage, processes, and destruction of any Information Assets provided under this Agreement.

(d) Contractor shall comply with the requirements set forth at Section 8.3.2 in the event that Contractor makes a Non-Recertification Election.

(e) Contractor shall cooperate fully to effect an orderly transfer of Covered Services to another QDP during (i) any notice period set forth at Sections 8.2.3, 8.2.5, or 8.3.2, and (ii) if requested by Covered California to facilitate the transition of care or otherwise required under Section 8.6, following the termination of this Agreement. Such cooperation shall include the following:

(i) Upon termination, Contractor, if offering a DHMO, shall complete the processing of all claims for benefit payments under the QDP for Covered Services other than Capitated Services, and if offering a DPPO, shall complete the processing of all dental claims for benefit payments under Contractor's QDP for Covered Services rendered on or before the termination date.

(ii) Contractor will provide communications developed or otherwise approved by Covered California, to communicate new QDP information to Covered California Enrollees and Employers in accordance with a timeline to be established by Covered California.

(iii) In order to ensure the proper transition of Services provided prior to, and subsequent to, termination, Contractor will forward to any new QDP Issuer

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the electronic and direct paper claims that are received by Contractor but which relate to Services provided by new contractor. Any such information shall be subject to compliance with applicable laws, rules and regulations and shall be sent at such time periods and in the manner requested by Covered California for a period of up to three (3) months following the termination date.

(iv) Contractor shall provide customer service to support the processing of claims for Covered Services rendered on or before the termination date for a period of two (2) months or such other longer period reasonably requested by Covered California at a cost to be mutually agreed upon per Covered California Enrollee.

(v) If so instructed by Covered California in the termination notice, Contractor shall promptly discontinue the provision of Services requested by Covered California to be discontinued as of the date requested by Covered California.

(vi) Contractor will perform reasonable and necessary acts requested by Covered California and as required under applicable laws, rules and regulations, consistent with industry standards to facilitate transfer of Covered Services herewith to a succeeding Contractor. Contractor shall comply with requirements reasonably imposed by Covered California relating to (i) the discontinuation of new enrollment or re-enrollment in Contractor's QDP, (ii) the transfer of Covered California Enrollee coverages to another QDP prior to the commencement date, (iii) the expiration of existing quotes and (iv) such other protocols that may reasonably be established by Covered California.

(vii) Contractor will reasonably cooperate with Covered California and any successor QDP Issuer in good faith with respect to taking such actions that are reasonably determined to be the best interest of the QDP Issuer, Covered California Enrollees, and Employers.

(f) Contractor shall cooperate with Covered California's conduct of an accounting of amounts paid or payable and Covered California Enrollees enrolled during the month in which termination is effective in order to assure an appropriate determination of premiums earned by and payable to Contractor for Services rendered prior to the date of termination, which shall be accomplished as follows:

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(i) Mid-Month Termination: For a termination of this Agreement that occurs during the middle of any month, the premium for that month shall be apportioned on a pro rata basis. Contractor shall be entitled to premiums from Covered California Enrollees for the period of time prior to the date of termination and Covered California Enrollees shall be entitled to a refund of the balance of the month. Contractor shall follow the methodology specified in 10 CCR § 6500(i) for the refund of any excess premiums paid.

(ii) Responsibility to Complete Contractual Obligations: Contractor is responsible for completing submission and corrections to Encounter Data for Covered Services received by Covered California Enrollees during the period of the Agreement. Contractor is responsible for submitting any outstanding financial or other reports required for Covered Services rendered or Claims paid during the term of the Agreement.

(g) Contractor shall (i) provide such other information to Covered California, Covered California Enrollees and/or the succeeding QDP Issuer, and/or (ii) take any such further action as is required to effect an orderly transition of Covered California Enrollees to another QDP in accordance with requirements set forth under this Agreement and/or necessary to the continuity and transition of care in accordance with applicable laws, rules and regulations.

8.6 Coverage Following Termination and Decertification

(a) Upon the termination of the Agreement or decertification of one or more of Contractor's QDPs, Contractor shall cooperate fully with Covered California in order to effect an orderly transition of Covered California Enrollees to another QDP as directed by Covered California. This cooperation shall include (i) attending post-termination meetings, (ii) providing or arranging for the provision of Covered Services as may be deemed necessary by Participating Providers to assure the appropriate continuity of care, and (iii) communicating with affected Covered California Enrollees in cooperation with Covered California and the succeeding contractor as applicable, as reasonably requested by Covered California.

(b) In the event the termination or expiration of the Agreement requires the transfer of some or all Covered California Enrollees into any other dental plan, the terms of coverage under Contractor's QDP shall not be carried over to the replacement QDP but rather the transferred Covered California Enrollees

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shall be entitled only to the extent of coverage offered through the replacement QDP as of the effective date of transfer to the new QDP.

8.7 Termination Due to Contractor Merger

(a) If Covered California receives notice from Contractor pursuant to Section 1.9(b), Covered California reserves the right to stop offering a Contractor's QDPs following thirty (30) Days written notice.

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ARTICLE 9 - INSURANCE AND INDEMNIFICATION

9.1 Contractor Insurance

9.1.1 Required Coverage

(a) Without limiting Covered California's right to obtain indemnification or other forms of remedies or relief from Contractor or other third-parties, Contractor shall, at its sole cost and expense, obtain, and, during the term of this Agreement, maintain, in full force and effect, the insurance coverage described in this section and as otherwise required by law, including coverage required to be provided and documented pursuant to § 1351(o), (p), and (r) of the Health and Safety Code and relating to insurance coverage or self-insurance: (i) to respond to claims for damages arising out of the furnishing of Covered Services, (ii) to protect against losses of facilities where required by the director, and (iii) to protect against workers' compensation claims arising out of work-related injuries that might be brought by the employees and staff of Contractor. All insurance shall be adequate to provide coverage against losses and liabilities attributable to the acts or omissions of Contractor in performance of this Agreement and to otherwise protect and maintain the resources necessary to fulfill Contractor's obligations under this Agreement. Contractor shall arrange for continuous insurance coverage throughout the term of this Agreement. The minimum acceptable limits shall be as indicated below; Covered California may modify these limits based on Contractor's organization type and size:

(i) Commercial general liability or equivalent self-insurance covering the risks of bodily injury (including death), property damage, and personal injury, including coverage for contractual liability, with a limit of not less than $1 million per occurrence/$2 million general aggregate;

(ii) Employers liability insurance covering the risks of Contractor's employees and employees' bodily injury by accident or disease with limits of not less than $1 million per accident for bodily injury by accident and $1 million per employee for bodily injury by disease and $1 million disease policy limit;

(iii) Umbrella policy providing excess limits over the primary general liability, automobile liability, and employer's liability policies in an amount not less than $10 million per occurrence and in the aggregate; and

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(iv) Cyber Liability insurance at such levels consistent with industry standards and reasonably determined by Contractor to cover network security, unauthorized access, unauthorized use, receipt or transmission of a malicious code, denial of service attack, unauthorized disclosure or misappropriation of private information and privacy liability Protected Health Information (PHI) and Personally-Identifiable Information (PII). The insurance must cover notification costs, credit card monitoring, and fines and penalties to the extent insurable incurred by Covered California due to Contractor's mistake or error.

9.1.2 Workers' Compensation

Contractor shall, in full compliance with State law, provide or purchase, at its sole cost and expense, statutory California's workers' compensation coverage which shall remain in full force and effect during the term of this Agreement.

9.1.3 Subcontractors Coverage

Contractor shall require all Subcontractors that may be authorized to provide Services on behalf of Contractor or otherwise under this Agreement to maintain insurance commensurate with the nature of such Subcontractors' work and all coverage for Subcontractors shall be subject to all the requirements set forth in this Agreement and applicable laws, rules and regulations. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

9.1.4 Premium Payments and Disclosure

Premium on all insurance policies shall be paid by Contractor or its Subcontractors. Contractor shall provide thirty (30) Days' notice of cancellation to Covered California. Contractor shall furnish to Covered California copies of certificates of all required insurance prior to the Execution Date, and copies of renewal certificates of all required insurance within thirty (30) Days after the renewal date. Covered California reserves the right to review the insurance requirements contained herein to ensure that there is appropriate coverage that is in accordance with this Agreement. Covered California is to be notified by Contractor promptly if any aggregate insurance limit is exceeded. In such event, Contractor must purchase additional coverage to meet these requirements.

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9.2 Indemnification

Contractor shall indemnify, defend, and hold harmless Covered California, the State, and all of the officers, trustees, Agents, and Employees of the foregoing, from and against any and all demands, claims, actions, losses, costs, liabilities, damages or deficiencies, including interest, penalties and attorneys' fees, related to any of the following:

(a) Arise out of or are due to a breach by Contractor of any of its representations, warranties, covenants or other obligations contained in this Agreement; or

(b) Are caused by or resulting from Contractor's acts or omissions constituting bad faith, willful misfeasance, negligence or reckless disregard of its duties under this Agreement or applicable laws, rules and regulations; or

(c) Accrue or result to any of Contractor's Subcontractors, material men, laborers or any other person, firm or entity furnishing or supplying services, material or supplies in connection with the performance of this Agreement.

The obligation to provide indemnification under this Agreement shall be contingent upon Covered California:

(a) Providing Contractor with prompt reasonable written notice of any claim for which indemnification is sought,

(b) Allowing Contractor to control the defense and settlement of such claim; provided, however, that Contractor consults with Covered California regarding the defense of the claim and any possible settlements and agrees not to enter into any settlement or compromise of any claim or action in a manner that admits fault or imposes any restrictions or obligations on Covered California without Covered California's prior written consent, which will not be unreasonably withheld; and,

(c) Cooperating fully with Contractor in connection with such defense and settlement. Indemnification under this section is limited as described herein.

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ARTICLE 10 – PRIVACY AND SECURITY

10.1 Privacy and Security Requirements for Personally Identifiable Data

(a) HIPAA Requirements. Contractor agrees to comply with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including the Administrative Simplification Provisions of HIPAA, as codified at 42 U.S.C. § 1320d et seq., the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH"), and any current and future regulations promulgated under HITECH or HIPAA, all as amended from time to time and collectively referred to herein as the "HIPAA Requirements". Contractor agrees not to use or further disclose any Protected Health Information (PHI), other than as permitted or required by the HIPAA Requirements and the terms of this Agreement.

(b) Covered California Requirements. With respect to Covered California General Functions, as outlined in 45 CFR § 155.200. Contractor agrees to comply with the following privacy and security requirements and standards applicable to Personally Identifiable Information (PII) which have been established and implemented by Covered California in accordance with the requirements of 45 CFR § 155.260 ("Covered California Requirements"):

i. Uses and Disclosures. Pursuant to the terms of this Agreement, Contractor may receive from Covered California PHI and/or PII in connection with Covered California General Functions that is protected under applicable Federal and State laws and regulations. Contractor shall not use or disclose such PHI or PII obtained in connection with Covered California General Functions other than as is expressly permitted under Covered California Requirements and only to the extent necessary to perform the Covered California General Functions described within this Agreement.

ii. Fair Information Practices. Contractor shall implement reasonable and appropriate fair information practices to ensure:

1. Individual Access. Contractor shall provide access to, and permit inspection and copying of PHI and PII in either an electronic or hard copy format as specified by the individual and as required by law, within thirty (30) Days of such request from the individual. If Contractor denies access,

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in whole or in part, Contractor must provide a written denial within the time limits for providing access, which includes the basis for the denial and a statement of the individual's review rights, if applicable. In the event any individual requests access to PHI or PII maintained by Covered California or another health plan directly from Contractor, Contractor shall within five (5) Days forward such request to Covered California and the relevant health plan as needed.

2. Amendment. Contractor shall provide an individual with the right to request an amendment of inaccurate PHI and PII. Contractor shall respond to such individual within sixty (60) Days of such a request either by making the correction and informing the individual of such correction or notifying the individual in writing that the request was denied, which notice shall provide an explanation for the denial and explain that the individual may submit a statement of disagreement with the denial.

3. Openness and Transparency. Contractor shall make available to individuals applicable policies, procedures, and technologies that directly affect such individuals and/or their PHI and PII.

4. Choice. Contractor shall provide individuals with a reasonable opportunity and capability to make informed decisions about the collection, use, and disclosure of their PHI and PII.

5. Limitations. Contractor represents and warrants that all PHI and PII shall be collected, used, and/or disclosed under this Agreement only to the extent necessary to accomplish a specified purpose under the terms of this Agreement or as permitted by Covered California Requirements and never to discriminate inappropriately.

6. Data Integrity. Contractor shall implement policies and procedures reasonably intended to ensure that PHI and PII in its possession is complete, accurate, and current, to the extent necessary for Contractor's intended purposes, and has not been altered or destroyed in an unauthorized manner.

7. Safeguards. Contractor must have in place administrative, physical, and technical safeguards that meet or exceed the standards published in the National Institute of Standards and Technology (NIST), Special Publication 800-53 rev 5, or in the ISO/IEC 27001 to appropriately protect the confidentiality, integrity, and availability of the PHI and PII that it creates, receives, maintains or transmits pursuant to the Agreement and

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to prevent the use or disclosure of PHI and/or PII other than as provided for in this Agreement, or as required by law. In furtherance of compliance with such requirements, Contractor shall:

a. Encrypt all PHI and/or PII that is in motion and at rest, including data on portable media devices, consistent with the current Federal Information Processing Standards (FIPS) Publication 140 encryption standards;

b. Implement a contingency plan for responding to emergencies and/or disruptions to business or systems used to deliver services pursuant to this Agreement without degradation of the PHI and/or PII security, and is tested at least annually;

c. Maintain a Security Incident response plan; Mitigate to the extent practicable, any harmful effect that is known to Contractor of any Security Incident related to PHI and/or PII or of any use or disclosure of PHI and/or PII by Contractor or its Subcontractors or Agents in violation of the requirements of this Agreement or applicable privacy and security laws and regulations and agency guidance;

d. Ensure that each individual user, including Contractor's employees, Sub-contractors, Agents or other such individuals, of any Covered California computer system through which PHI and/or PII is accessed be assigned and maintain their own unique user-id and password. Contractor shall immediately notify Covered California via the current provisioning process for access permissions provided by Covered California once any such employees, Sub-contractors, Agents or other such individuals are no longer employed, retained, or acting in a role that does not require access to PHI and/or PII by Contractor. Contractor shall likewise cooperate in good faith to ensure the accounts of any such individuals are de-activated to prevent unauthorized access to PHI and/or PII through any such Covered California computer system;

e. Destroy PHI and PII in a manner consistent with applicable State and Federal laws, regulations, and agency guidance on the destruction of PHI and PII, including NIST special publication 800-88 "Guidelines for Media Sanitization"; and

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f. Comply with all applicable Covered California policies within Section 10.2. Protection of Information Assets, including executing non-disclosure agreements and other documents required by such policies. Contractor shall also require any Subcontractors and Agents to comply with all such Covered California policies.

(c) Compliance with California Requirements. With respect to all provisions of information under this Agreement, Contractor agrees to comply with all applicable California state health information privacy and security laws applicable to PII, including the Confidentiality of Medical Information Act, the California Insurance Information and Privacy Protection Act, and the Information Practices Act (IPA), all collectively referred to as "California Requirements."

i. With respect to the IPA, Contractor agrees to adhere to the standards and requirements of the IPA as if Contractor were Covered California itself. Contractor is therefore required to meet the same standards of privacy and information handling as Covered California and must comply with all applicable sections of the IPA related to the collection, use, storage, security, and disclosure of personal information as applicable and when handling any PII received from, or collected on behalf of, Covered California.

(d) Interpretation. Notwithstanding any other provisions in this section, to the extent a conflict arises between the permissibility of a use or disclosure of PHI or PII under the HIPAA Requirements, Covered California Requirements, or California Requirements with respect to Covered California General Functions, the applicable requirements imposing the more stringent privacy and security standards to such uses and disclosures shall apply. In addition, any ambiguity in this Agreement regarding the privacy and security of PHI and/or PII shall be resolved to permit Covered California and Contractor to comply with the most stringent of the applicable privacy and security laws or regulations.

(e) Breach Notification.

i. Contractor shall report to Covered California any Breach or Security Incident reasonably calculated to result in the Breach of PII or PHI created or received in connection with Covered California General Functions in accordance with the provisions set forth herein. For purposes of this Paragraph (e), a "Breach" shall, in accordance with the HIPAA Breach Notification Rule, mean the impermissible use or disclosure of PII or PHI within Contractor's custody or control which is reasonably calculated to

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compromise the security or privacy of any such PII or PHI [45 CFR §§ 164.400-414]. A "Security Incident" shall, in accordance with the HIPAA Security Rule, mean the attempted or successful unauthorized access, use, disclosure, modification or destruction of information or the interference with system operations in an information system [45 CFR § 164.304].

ii. Contractor shall, without unreasonable delay, but no later than within three (3) business days after Contractor's discovery of a Breach or Security Incident reasonably calculated to result in a Breach of PII or PHI subject to this Agreement, submit an initial report regarding any such Breach or Security Incident to Covered California. Reports shall be made on a form made available to Contractor by Covered California.

iii. Contractor shall cooperate with Covered California in investigating any such Breach or Security Incident and in meeting Covered California's obligations, if any, under applicable State and Federal security breach notification laws, regulatory obligations or agency requirements. If the cause of the Breach or Security Incident is attributable to Contractor or its Agents or Subcontractors, Contractor shall be responsible for Breach notifications and reporting as required under applicable Federal and State laws, regulations and agency guidance. Such notification(s) and required reporting shall be done in cooperation with Covered California.

iv. To the extent possible, Contractor's initial report shall include: (a) the names of the individual(s) whose PHI and/or PII has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed. In the event of a Security Incident Contractor shall provide such information regarding the nature of the information system intrusion and any systems potentially compromised; (b) a brief description of what happened including the date of the incident and the date of the discovery of the incident, if known; (c) a description of the types of PHI and/or PII that were involved in the incident, as applicable; (d) a brief description of what Contractor is doing or will be doing to investigate, to mitigate harm to the individual(s) and to its information systems, and to protect against recurrences; and (e) any other information that Covered California determines it needs to include in notifications to the individual(s) or relevant regulatory authorities under applicable privacy and security requirements.

v. Within three (3) Days of conducting its investigation, unless an extension is granted by Covered California, Contractor shall file a final report, which shall identify and describe the results and outcome of Contractor's above-

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referenced investigation and mitigation efforts. Contractor shall make all reasonable efforts to obtain the information listed above and shall provide an explanation if any information cannot be obtained. Contractor and Covered California will cooperate in developing content for any public statements.

(f) Other Obligations. The following additional obligations apply to Contractor:

i. Subcontractors and Agents. Contractor shall enter into an agreement with any Agent or Subcontractor that will have access to PHI and/or PII that is received from, or created or received by, Contractor on behalf of Covered California or in connection with this Agreement, or any of its contracting Plans pursuant to which such Agent or Subcontractor agrees to be bound by the same or more stringent restrictions, terms and conditions as those that apply to Contractor pursuant to this Agreement with respect to such PHI and PII.

ii. Covered California Operations. Unless otherwise agreed to by Contractor and Covered California, Contractor shall provide patient dental information needed by Covered California to fulfill its health oversight obligations under applicable law and effectively oversee and administer the Plans.

iii. Records and Audit. Contractor agrees to make its internal practices, books and records relating to the use and disclosure of PHI and/or PII received from Covered California, or created or received by Contractor on behalf of Covered California or in connection with this Agreement available to the Secretary of the U.S. Department of Health and Human Services for purposes of determining Contractor's and/or Covered California's compliance with HIPAA Requirements. In addition, Contractor shall provide Covered California with information concerning its safeguards described throughout this section and/or other information security practices as they pertain to the protection of PHI and PII, as Covered California may from time to time request. Failure of Contractor to complete or to respond to Covered California's request for information within the reasonable timeframe specified by Covered California shall constitute a material breach of this Agreement. In the event of a Breach or Security Incident related to PHI and/or PII or any use or disclosure of PHI and/or PII by Contractor in violation of the requirements of this Agreement, Covered California will be permitted access to Contractor's facilities in order to review policies, procedures and controls relating solely to compliance with the terms of this Agreement.

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iv. Electronic Transactions Rule. In conducting any electronic transaction that is subject to the Electronic Transactions Rule on behalf of any Plan, Contractor agrees to comply with all applicable requirements of the Electronic Transactions Rule set forth in 45 C.F.R. Part 162. Contractor agrees to require that any Agent, including a Subcontractor, of Contractor that conducts standard transactions with PHI and/or PII of the Plan comply with all applicable requirements of the Electronic Transactions Rule.

v. Minimum Necessary. Contractor agrees to request and use only the minimum necessary type and amount of PHI required to perform its services and will comply with any regulations promulgated under the HIPAA Requirements and agency guidance concerning the minimum necessary standard pertaining to PHI. Contractor will collect, use and disclose PII only to the extent necessary to accomplish a specified purpose under this Agreement.

vi. Indemnification. Contractor shall indemnify, hold harmless, and defend Covered California from and against any and all costs (including mailing, labor, administrative costs, vendor charges, and any other costs Covered California determines to be reasonable), losses, penalties, fines, and liabilities arising from or due to a Breach or other non-permitted use or disclosure of PHI and/or PII by Contractor or its Subcontractors or Agents, including (i) damages resulting from any action under applicable (1) HIPAA Requirements, (2) Covered California Requirements or (3) California Requirements, and (ii) the costs of Covered California actions taken to: (1) notify the affected individual(s) and other entities of and to respond to the Breach; (2) mitigate harm to the affected individual(s); and (3) respond to questions or requests for information about the Breach or other impermissible use or disclosure of PHI and/or PII.

(g) Privacy Policy. Covered California shall notify Contractor of any limitation(s) in its Privacy Policy, to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or PII.

(h) Reporting Violations of Law. Contractor may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. § 164.502(j)(2), other provisions within the HIPAA Requirements, or any other applicable state or federal laws or regulations.

(i) Survival. Notwithstanding anything to the contrary in the Agreement, the provisions of this Section 10.1 on the protection of PII shall survive termination of the

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Agreement with respect to information that relates to Covered California General functions until such time as all PII and PHI is destroyed by assuring that hard copy PII and PHI will be shredded and electronic media will be cleared, purged, or destroyed consistent with (NIST) Guidelines for Media Sanitization, or is returned to Covered California, in a manner that is reasonably acceptable to Covered California.

(j) Contract Breach. Without limiting the rights of the parties pursuant to this Agreement, if Contractor breaches its obligations under this section, Covered California may, at its option: (i) exercise any of its rights of access and inspection under this Agreement; (ii) require Contractor to submit to a plan of monitoring and reporting, as Covered California may determine necessary to maintain compliance with this Agreement and such plan shall be made part of this Agreement; or (iii) notwithstanding any other provisions of this Agreement, after giving Contractor opportunity to cure the breach, terminate this Agreement. If Contractor materially breaches its obligations under this section, Covered California may terminate this Agreement, with or without opportunity to cure the breach. Covered California's remedies under this section and any other part of this Agreement or provision of law shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

10.2 Protection of Information Assets

(a) The following terms shall apply as defined below:

i. "Information Assets" means any information, including Confidential Information, necessary to the operation of either party that is created, stored, transmitted, processed or managed on any hardware, software, network components, or any printed form or is communicated orally. "Information Assets" does not include information that has been transferred from the Disclosing Party to the Receiving Party under applicable laws, regulations and agency guidance, and that is being maintained and used by the Receiving Party solely for purposes that are not Covered California General Functions.

ii. "Confidential Information" includes, any information (whether oral, written, visual or fixed in any tangible medium of expression), relating to either party's services, operations, systems, programs, inventions, techniques, suppliers, customers and prospective customers (excluding Covered California), cost and pricing data, trade secrets, know-how, processes, plans, reports, designs and any other information of or relating to the

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business or either party, including Contractor's programs, but does not include information that (i) is described in the Evidence of Coverage (EOC), (ii) was known to the Receiving Party before it was disclosed to the Receiving Party by the Disclosing Party, (iii) was or becomes available to the Receiving Party from a source other than the Disclosing Party, provided such fact is evidenced in writing and the source is not bound by a confidentiality obligation regarding such information to Disclosing Party, or (iv) is developed by either party independently of the other party's Confidential Information, provided that such fact can be adequately documented.

iii. "Disclosing Party" means the party who sends Information Assets that it owns to the other party for the purposes outlined in this Agreement.

iv. "Receiving Party" means the party who receives Information Assets owned by the other party.

(b) The Receiving Party shall hold all Information Assets of the Disclosing Party in confidence and will not use any of the Disclosing Party's Information Assets for any purpose, except as set forth in this Agreement, or as otherwise required by law, regulation or compulsory process.

(c) The Receiving Party must take all reasonable and necessary steps to prevent the unauthorized disclosure, modification or destruction of the Disclosing Party's Information Assets. The Receiving Party must, at a minimum, use the same degree of care to protect the Disclosing Party's Information Assets that it uses to protect its own Information Assets.

(d) The Receiving Party agrees not to disclose the Disclosing Party's Information Assets to anyone, except to employees or third parties who require access to the Information Assets pursuant to this Agreement, but only where such third parties have signed agreements regarding the Information Assets containing terms that are equivalent to, or stricter than, the terms of this section, or as otherwise required by law.

(e) In the event the Receiving Party is requested to disclose the Disclosing Party's Information Assets pursuant to a request under the California Public Records Act (PRA), a summons, subpoena or in connection with any litigation, or to comply with any law, regulation, ruling or government or public agency request, the Receiving Party shall, to the extent it may do so lawfully, give the Disclosing Party five (5) business days' notice of such requested disclosure and afford the Disclosing Party the opportunity to review the

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request before Receiving Party discloses the Information Assets. The Disclosing Party shall, in accordance with applicable law, have the right to take such action as it reasonably believes may be necessary to protect the Information Assets, and such action shall not be restricted by the dispute resolution process of this Agreement. If such request is pursuant to the PRA, Covered California shall give Contractor five (5) business days' notice to permit Contractor to consult with Covered California prior to disclosure of any Confidential Information. This subdivision shall not apply to restrict disclosure of any information to the State or in connection with a dispute between Covered California and Contractor or any audit or review conducted pursuant to this Agreement.

(f) The Receiving Party shall notify the Disclosing Party in writing of any unauthorized disclosure, modification or destruction of the Disclosing Party's Information Assets by the Receiving Party, its officers, directors, employees, contractors, Agents, or third parties. The Receiving Party shall make this notification promptly upon becoming aware of such disclosure, modification or destruction, but in any event, not later than four (4) Days after becoming aware of the unauthorized disclosure, modification or destruction. After such notification, the Receiving Party agrees to cooperate reasonably, at the Receiving Party's expense, with the Disclosing Party to remedy or limit the unauthorized disclosure, modification, or destruction and/or its effects.

(g) The Receiving Party understands and agrees the Disclosing Party may suffer immediate, irreparable harm in the event the Receiving Party fails to comply with any of its obligations under this section, that monetary damages will be inadequate to compensate the Disclosing Party for such breach and that the Disclosing Party shall have the right to enforce this section by injunctive or other equitable remedies. The provisions of this section shall survive the expiration or termination, for any reason, of this Agreement.

(h) To the extent that information subject to this section on Protection of Information Assets is also subject to HIPAA Requirements, the Covered California Requirements or California Requirements in Section 10.1(b) and (c), such information shall be governed by the provisions of Section 10.1. In the event of a conflict or inconsistency between the requirements of the various applicable sections and attachments of this Agreement, including Section 10.1 and this Section 10.2, Contractor shall comply with the provisions that provide the greatest protection against access, use or disclosure.

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(i) Survival. Notwithstanding anything to the contrary in the Agreement, the provisions of this Section 10.2 on Information Assets shall survive termination of the Agreement until such time as all Information Assets provided by Covered California to Contractor, or created, received or maintained by Contractor on behalf of Covered California, is destroyed by assuring that hard copy Information Assets will be shredded and electronic media will be cleared, purged, or destroyed consistent with National Institute of Standards and Technology Guidelines for Media Sanitization or is returned to Covered California, in a manner that is reasonably acceptable to Covered California.

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ARTICLE 11 - RECORDKEEPING

11.1 Clinical Records

Except with respect to any longer periods that may be required under applicable laws, rules and regulations, Contractor shall maintain, and require each Participating Provider and Subcontractor to maintain, a dental record documentation system adequate to fully disclose and document the medical and dental condition of each Enrollee and the extent of Covered Services provided to Enrollees. Clinical records shall be retained for at least seven (7) years following the year of the final Claims payment. Except as otherwise required by State and Federal laws, rules and regulations, if an audit, litigation, research, evaluation, claim or other action involving the records has not been concluded before the end of the seven (7) year minimum retention period, the clinical records must be retained until all issues arising out of the action have been resolved. If responsibility for maintenance of dental records is delegated by Contractor to a Participating Provider or Subcontractor, Contractor shall require such Participating Provider or other Subcontractor to comply with the document retention requirements set forth in this Agreement and as otherwise required by applicable laws, rules and regulations.

11.2 Financial Records

(a) Except as otherwise required to be maintained for a longer period by law or this Agreement, financial records, supporting documents, statistical records and all other records pertinent to amounts paid to or by Contractor in connection with this Agreement shall be retained by Contractor for at least ten (10) years from the date of the final claims payment. Contractor shall maintain accurate books, accounts, and records and prepare all financial statements in accordance with Generally Accepted Accounting Principles, applicable laws, rules and regulations and requirements imposed by any governmental, or State or Federal Regulator having jurisdiction over Contractor.

(b) Contractor shall maintain adequate data customarily maintained and reasonably necessary to properly document each of its transactions with Participating Providers, Covered California, and Enrollees during the period this Agreement remains in force and will keep records of claims, including dental review and high dollar special audit claims, for a period of ten (10)

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years or for such length of time as required by federal or state law, whichever is longer. Subject to compliance with applicable laws, rules and regulations, including those relating to confidentiality and privacy, at the end of the ten (10) year retention period, at the option of Covered California, records shall either be transferred to Covered California at its request or destroyed.

(c) Contractor shall maintain historical claims data and other records and data relating to the utilization of Specialized Health Care Services by Enrollees online for two (2) years from date that the Agreement is terminated with respect to Specialized Health Care Services provided to Enrollees during the term of this Agreement. These records shall include the data elements necessary to produce specific reports mutually agreed upon by Covered California and Contractor and in such form reasonably required by Covered California that is consistent with industry standards and requirements of State Regulators regarding statistical, financial and/or data reporting requirements, including information relating to diagnosis, treatment, amounts billed (allowed and paid), dates of service, procedure numbers, deductible, out-of-pocket and other cost sharing for each claim.

11.3 Storage

Such books and records shall be kept in a secure location at Contractor's office(s), and books and records related to this Agreement shall be available for inspection and copying by Covered California, Covered California representatives, and such consultants and specialists as designated by Covered California, at any time during normal business hours as provided in Section 11.5 hereof and upon reasonable notice. Contractor shall also ensure that related books and records of Participating Providers and Subcontractors shall be accurately maintained. If any inquiry, audit, investigation, litigation, claim or other action involving the records is ongoing and has not been finally concluded before the end of the ten (10) year minimum retention period, the applicable financial records must be retained until all issues arising out of the action have been resolved.

11.4 Back-Up

Contractor shall maintain a separate back-up system for its electronic data processing functions and a duplicate data file which is updated regularly and stored off-site in a secured, controlled environment. Contractor's back-up system shall comply with applicable laws, rules and regulations, including those relating

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to privacy and confidentiality and shall be designed to meet or exceed industry standards regarding the preservation of access to data.

11.5 Examination and Audit Results

(a) Contractor shall submit to Covered California the results of final financial, market conduct, or special audits/reviews performed by State and Federal Regulators that have jurisdiction where Contractor serves Covered California Enrollees within five (5) business days of receipt.

(b) Contractor agrees to subject itself to Covered California for audits/reviews, either by Covered California or its designee, or the Department of General Services, California State Auditors, other state and/or federal regulatory agencies or their designee. Audits/reviews include, the evaluation of the correctness of premium rate setting, Covered California's payments to Agents based on Contractor's report, questions pertaining to Covered California Enrollee premium payments and advance premium tax credit payments and participation fee payments which Contractor made to Covered California, Contractor's compliance with the provision set forth in this Agreement, and review of Contractor's internal controls to perform the duties specified in this Agreement. Contractor also agrees to all audits subject to applicable State and Federal law regarding the confidentiality of and release of confidential PHI of Covered California Enrollees.

(c) Contractor agrees that Covered California, the Department of General Services, the California State Auditors, other state and federal regulatory agencies or their designated representative, shall, subject to applicable State and Federal law regarding the confidentiality and release of confidential PHI of Enrollees, have the right to access, review and to copy any information and records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records, information and supporting documentation during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement.

(d) Contractor agrees to implement any necessary corrective action in response to an audit/review finding within an agreed upon timeline. In the instance

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Contractor cannot implement the corrective action of a finding within the agreed upon timeline, it shall submit a status report to Covered California stating why it cannot correct the finding within the specified time frame and shall propose another date for correction which shall also include a mitigation strategy. Should Contractor disagree with Covered California's decision on an audit/review finding, Contractor may pursue additional remedies in accordance with Section 13.1.

11.6 Notice

Contractor shall promptly notify Covered California in writing of any inquiry, audit, investigation, litigation, claim, examination, or other proceeding involving Contractor, or any Contractor personnel, Participating Provider or other authorized Subcontractor that is threatened or commenced by any State and Federal Regulatory agency or other party that a reasonable person might believe could materially affect the ability of Contractor to perform in accordance with the terms set forth in this Agreement. Such notice shall be provided by Contractor to Covered California within ten (10) Days of Contractor's receipt of notice regarding such action; provided, however, that any such exchange of information shall be subject to compliance with applicable laws, rules and regulations, and shall not occur to the extent prohibited by order of the court, administrative agency or other tribunal or State of Federal regulatory authority having jurisdiction over the matter or by the laws and regulations governing the action. This section shall not be required with respect to disputes relating to claims and other matters noticed to Covered California in the ordinary course of business pursuant to other terms and conditions set forth in this Agreement or required by law.

11.7 Confidentiality

Covered California understands and agrees that Contractor shall only be obligated to provide access to such information to the extent that: (i) access to such information is permitted by applicable State and Federal law and regulation, including, State and Federal law or regulation relating to confidential or private information; and (ii) it would not cause Contractor to breach the terms of any contract to which Contractor is a party. Contractor shall use efforts reasonably acceptable to obtain any necessary consents relating to Contractor's access to information.

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11.8 Tax Reporting

Contractor shall provide such information to Covered California upon request and in such form as mutually agreed upon by the parties and reasonably required to document Contractor's compliance with, and/or to fulfill Covered California's obligations with respect to, income tax eligibility, computation, and reporting requirements required under applicable laws, rules and regulations applicable to the operation of Covered California, including those relating premium tax credit and other operations of Covered California set forth at 45 C.F.R. Part 155.

11.9 Electronic Commerce

Contractor shall use commercially reasonable efforts, which shall include Contractor's development, implementation and maintenance of processes and systems consistent with industry standards, to comply with the requirements of Covered California and applicable laws, rules and regulations relating to Contractor's participation in electronic commerce activities required under the terms of this Agreement. Contractor shall comply with service levels and system interface specifications documented by Covered California in appropriate CalHEERS documentation.

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ARTICLE 12 – INTELLECTUAL PROPERTY

12.1 Warranties

(a) Contractor represents, warrants and covenants to the best of its knowledge that:

i. It has secured and will secure all rights and licenses necessary for its performance of this Agreement, including consents, waivers, releases from all authors of or owners of any copyright interests in music or performances used, individuals, and talent (radio, television, and motion picture talent), owners of any interest in and to real estate site, locations, property, or props that may be used or shown.

ii. To the best of Contractor's knowledge, neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary or contractual right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.

iii. Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute false or misleading advertising or a libel or slander against any person or entity.

iv. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to Covered California in this Agreement.

v. It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

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vi. It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this agreement.

(b) EXCEPT AS EXPRESSLY STATED ELSEWHERE IN THIS AGREEMENT, COVERED CALIFORNIA AND CONTRACTOR MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ANY WARRANTY, EXPRESS OR IMPLIED, THAT THEIR INTELLECTUAL PROPERTY OR THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT IS MERCHANTABLE, FIT FOR A PARTICULAR PURPOSE, OR DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

12.2 Intellectual Property Indemnity

(a) Subject to subsection (c) hereof, Contractor agrees to indemnify and hold Covered California harmless from any expense, loss, damage, or injury; to defend at its own expense any and all claims, suits, and actions; and to pay any judgments or settlements against Covered California to the extent they arise or are due to infringement of third-party intellectual property rights enforceable in the U.S., misuse of third-party confidential or trade secret information, failure to obtain necessary third-party consents, waivers or releases, violation of the right of privacy or publicity, false or misleading advertising, libel or slander, or misuse of social media, by Contractor or any Contractor Intellectual Property. Contractor's indemnification obligations under this section are subject to Contractor receiving prompt notice of the claim after Covered California becomes aware of such claim and being given the right to control the defense of such claim. Should any Intellectual Property licensed by Contractor to Covered California under this Agreement become the subject of an Intellectual Property infringement claim or other claim for which Contractor is obligated to indemnify Covered California, Contractor will promptly take steps reasonably and in good faith to preserve Covered California's right to use the licensed Intellectual Property in accordance with this Agreement at no expense or disruption to Covered California, except as otherwise stated in this Agreement. Covered California shall have the right to monitor and appear through its own counsel (at Covered California's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for Covered California to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property

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becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property, as its sole remedy.

(b) Notwithstanding anything to the contrary in this Agreement, any such indemnification obligation of Contractor shall not extend to any infringement or alleged infringement to the extent that such infringement or alleged infringement resulted from (i) specific instructions to use certain Intellectual Property given to Contractor by Covered California; (ii) Covered California's unauthorized modification of Contractor Intellectual Property; (iii) Covered California's use of Contractor Intellectual Property in combination with any service or product not supplied, recommended or approved by Contractor, or used by Covered California in a manner for which it was not authorized; or (iv) Intellectual Property created or derived by Covered California.

(c) Contractor agrees that damages alone would be inadequate to compensate Covered California for breach of any term of this Article by Contractor. Contractor acknowledges Covered California would suffer irreparable harm in the event of such breach and agrees Covered California shall be entitled to seek equitable relief, including an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

12.3 Federal Funding

If this Agreement is funded in whole or in part by the federal government, Covered California may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the Agreement; except as provided in 37 C.F.R. § 401.14 and except as stated herein. However, the federal government shall have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

12.4 Ownership and Cross-Licenses

(a) Intellectual Property Ownership. As between Contractor and Covered California, each Party shall remain at all times the sole and exclusive owner of all rights, title and interest in and to the Intellectual Property that it owned or

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used prior to entry into this Agreement, or that it developed in the course of performance of this Agreement. Any Intellectual Property created by either Party in the performance of this Agreement shall not be considered a "work made for hire" of the other Party, as "work made for hire" is defined in the United States Copyright Act, 17 U.S.C. § 101. Any rights not licensed to the other Party hereunder are expressly reserved exclusively by the originating Party.

(b) License of Intellectual Property. Each Party (a "Licensor") grants the other Party (a "Licensee") the non-exclusive, royalty-free, paid-up, worldwide, irrevocable, right, during the term of this Agreement, to use the Licensor's Intellectual Property solely for the purposes of this Agreement and to carry out the Party's functions consistent with its responsibilities and authority as set forth in the enabling legislation and regulations. Such licenses shall not give the Licensee any ownership interest in or rights to the Intellectual Property of the Licensor. Each Licensee agrees to abide by all third-party license and confidentiality restrictions or obligations applicable to the Licensor's Intellectual Property of which the Licensor has notified the Licensee in writing.

(c) Definition of Intellectual Property. For purposes of this Agreement, "Intellectual Property" means recognized protectable rights and interests such as: patents (whether or not issued), copyrights, trademarks, service marks, applications for any of the foregoing, inventions, Confidential Information, trade secrets, trade dress, domain names, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all registrations, renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction. For the avoidance of doubt, PHI and PII are not included in the definition of Intellectual Property, and are addressed under Article 10.

(d) Definition of Works. For purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works

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including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works do not include articles submitted to peer review or reference journals or independent research projects.

12.5 Survival

The provisions set forth in this section shall survive any termination or expiration of this Agreement.

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ARTICLE 13 – SPECIAL TERMS AND CONDITIONS

13.1 Dispute Resolution

(a) If any dispute arising out of or in connection with this Agreement is not resolved within thirty (30) Days or such other reasonable period of time determined by Contractor and Covered California staff normally responsible for the administration of this Agreement, the parties shall attempt to resolve the dispute through the submission of the matter for executive level involvement. The executive officer of each party or their designated representative shall meet and confer to attempt to resolve the dispute. If the parties agree, a neutral third-party mediator may be engaged to assist in dispute resolution at either the line employee level or the executive level, or both. If after expending reasonable efforts at executive level resolution of the dispute, no resolution can be reached within thirty (30) Days, or such other reasonable period determined by Contractor and Covered California, then either party may seek its rights and remedies in a court of competent jurisdiction or otherwise available under this Agreement or applicable laws, rules and regulations.

(b) Each party shall document in writing the nature of each dispute and the actions taken to resolve any disputes utilizing this dispute resolution procedure. Each party shall act in good faith to resolve such disputes. Neither party may seek its rights and remedies in court respecting any such notice of termination for default without first following the dispute resolution process stated in this Section.

(c) Covered California and Contractor agree that the existence of a dispute notwithstanding, they will continue without delay to carry out all their responsibilities under this Agreement which are not affected by the dispute.

(d) Either party may request an expedited resolution process if such party determines that irreparable harm will be caused by following the timelines set forth in Section 13.1(a). If the other party does not consent to such expedited process, the requesting party will hire, at its sole cost and expense, an independent mediator to determine whether such an expedited process is necessary to avoid or reduce irreparable harm. In the event that the mediator determines that irreparable harm may result from delays required under the thirty (30) Day period required under Section 13.1(a), the parties will engage

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in an expedited process that will require the parties to resolve the dispute within five (5) business days or such other period as mutually agreed upon by the parties.

(e) This section shall survive the termination or expiration of this Agreement.

13.2 Attorneys' Fees

In the event of any litigation between the parties to enforce or interpret the provisions of this Agreement, the non-prevailing party shall, unless both parties agree, in writing, to the contrary, pay the reasonable attorneys' fees and costs of the prevailing party arising from such litigation, including outside attorneys' fees and allocated costs for services of in-house counsel, and court costs. These attorneys' fees and costs shall be in addition to any other relief to which the prevailing party may be entitled.

13.3 Notices

Any notice or other written communication that may or must be given hereunder shall be deemed given when delivered personally, or if it is mailed, three (3) Days after the date of mailing, unless delivery is by express mail, telecopy, electronic mail or telegraph, and then upon the date of the confirmed receipt, to either the representative executing the STD 213 or the following representatives:

For Covered California:

Covered California
Attention: James DeBenedetti
1601 Exposition Blvd.
Sacramento, CA 95815
Telephone No. (916) 228-8665
Email: James.DeBenedetti@covered.ca.gov

For Contractor:

Name:
Address:
City, State, Zip Code:
Telephone No. _____ FAX No. _____
Email: _____

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Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or other communications thereafter are to be addressed.

13.4 Amendments

(a) By Covered California. In the event that any law or regulation is enacted or any decision, opinion, interpretive policy or guidance of a court or governmental agency is issued (any of the foregoing, a "Change in Law") that Covered California determines, based on its consultation with legal counsel, regulators or other state-based or Federal health benefit exchanges: (i) affects or may affect the legality of this Agreement or any provision hereof or cause this Agreement or any provision hereof to prevent or hinder compliance with laws, rules or regulations, or (ii) adversely affects or may adversely affect the operations of Covered California or the ability of Covered California or Contractor to perform its respective obligations hereunder or receive the benefits intended hereunder, Covered California may, by written notice to Contractor, amend this Agreement to comply with or otherwise address the Change in Law in a manner reasonably determined by Covered California to carry out the original intent of the parties to the extent practical in light of such Change in Law. Such amendment shall become effective upon sixty (60) Days' notice, or such lesser period as required for compliance or consistency with the Change in Law or to avoid the adverse effect of the Change in Law. If Contractor objects to such amendment, it must notify Covered California in writing within twenty (20) Days of receipt of notice from Covered California. If the parties are unable to agree on an amendment within thirty (30) Days thereafter, Covered California may terminate this Agreement.

(b) Other Amendments. Except as provided in Section 13.4(a), this Agreement may be amended only by mutual consent of the parties. Except as provided herein, no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

13.5 Time is of the Essence

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Time is of the essence in this Agreement.

13.6 Publicity

Contractor shall coordinate with Covered California with respect to communications to third-parties regarding this Agreement; provided, however, that no external publicity release or announcement or other such communication concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by Covered California unless such communication complies with standards that may be issued by Covered California to Contractor based on consultation with Contractor from time to time.

13.7 Force Majeure

Except as prohibited by applicable laws, rules and regulations, neither party to this Agreement shall be in default of its obligations hereunder for delay or failure in performing that arises out of causes beyond the control and without the fault or negligence of either party and arising from a catastrophic occurrence or natural disaster, such as Acts of God or of the public enemy, acts of the State in its sovereign capacity, acts of the State Controller's Office or other State agency having an impact on Covered California's ability to pay its obligations, acts of the State legislature, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes. However, each party shall utilize its best good faith efforts to perform under this Agreement in the event of any such occurrence.

13.8 Further Assurances

Contractor and Covered California agree to execute such additional documents, and perform such further acts, as may be reasonable and necessary to carry out the provisions of this Agreement.

13.9 Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions, and obligations of Contractor

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and Covered California contained therein, shall be binding upon the parties and their successors, assigns, and legal representatives.

13.10 Titles/Section Headings

Titles or headings are not part of this Agreement, are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

13.11 Severability

Should one or more provisions of this Agreement be held by any court to be invalid, void, or unenforceable, such provision(s) will be deemed to be restated to affect the original intentions of the parties as nearly as possible in accordance with applicable law. The remaining provisions shall nevertheless remain and continue in full force and effect.

13.12 Entire Agreement/Incorporated Documents/Order of Precedence

This Agreement represents the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreements are replaced in total by this Agreement. This Agreement shall consist of:

(a) The terms of this Agreement, including obligations set forth in other documents that are referenced herein;

(b) All attached documents, which are expressly incorporated herein;

(c) Terms and conditions set forth in the Application, to the extent that such terms are expressly incorporated by reference in specific sections of this Agreement and/or otherwise not inconsistent with the Agreement or Proposal; and,

(d) The Proposal, which is expressly incorporated herein to the extent that such terms are not superseded by the terms set forth in this Agreement.

(e) In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used:

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1. Applicable laws, rules and regulations;
2. The terms and conditions of this Agreement, including attachments; and
3. Application.

13.13 Waivers

No delay on the part of either party in exercising any right, power, or privilege hereunder shall operate as a waiver thereof. No waiver on the part of either party of any right, power, or privilege hereunder, nor any single or partial exercise of any right, power, or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power, or privilege hereunder.

13.14 Incorporation of Amendments to Applicable Laws

Any references to sections of Federal or State statutes or regulations shall be deemed to include a reference to any subsequent amendments thereof and any successor provisions thereto made from time to time from and after the date of this Agreement.

13.15 Choice of Law, Jurisdiction, and Venue

This Agreement shall be administered, construed, and enforced according to the laws of the State (without regard to any conflict of law provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder shall be brought in the state or federal courts sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in person jurisdiction over it and consents to service of process in any manner authorized by California law.

13.16 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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13.17 Ambiguities Not Held Against Drafter

This Agreement having been freely and voluntarily negotiated by all parties, the rule that ambiguous contractual provisions are construed against the drafter of the provision shall be inapplicable to this Agreement.

13.18 Clerical Error

No clerical error shall operate to defeat or alter any terms of this Agreement or defeat or alter any of the rights, privileges or benefits of any Covered California Enrollee or Employer.

13.19 Administration of Agreement

(a) Covered California may adopt policies, procedures, rules and interpretations that are consistent with applicable laws, rules and regulations and deemed advisable by Covered California to promote orderly and efficient administration of this Agreement. The parties shall perform in accordance with such policies and procedures; provided, however, that any changes to policies and procedures that are not disclosed to Contractor prior to the Agreement Effective Date shall not result in additional obligations and risks to Contractor existing at the Agreement Effective Date except as otherwise mutually agreed upon by the parties.

(b) Covered California shall provide ninety (90) Days prior written notice by letter, newsletter, electronic mail, or other media of any material change (as defined below) in Covered California's policies, procedures or other operating guidance applicable to Contractor's performance of Services. The failure by Contractor to object in writing to any material change within thirty (30) Days following Contractor's receipt of such notice shall constitute Contractor's acceptance of such material change. For purposes of this section, "material change" shall refer to any change that could reasonably be expected to have a material impact on Contractor's compensation, Contractor's performance of Services under this Agreement, or the delivery of Covered Services to Covered California Enrollees.

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13.20 Performance of Requirements

To the extent the Agreement requires performance under the Agreement by Contractor but does not specifically specify a date, the date of performance shall be based on the mutual agreement of Contractor and Covered California.

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ARTICLE 14 - DEFINITIONS

Except as otherwise expressly defined, capitalized terms used in the Agreement and/or the Attachments shall have the meaning set forth below.

Affordable Care Act – The Federal Patient Protection and Affordable Care Act, (P.L. 111-148), as amended by the Federal Health Care and Education Reconciliation Act of 2010 (P.L. 111 -152), known collectively as the Affordable Care Act.

Agent(s) – Individuals who are licensed and in good standing as a life licensee under Insurance Code §1626 by the California Department of Insurance to transact in accident and health insurance. The term used in this Agreement will only apply to Agents certified by Covered California to transact business in the Covered California for the Individual Market and Covered California for Small Business Markets.

Agreement – This Agreement attached hereto, including amendments, attachments and documents incorporated by reference, entered into between Covered California and Contractor.

Agreement Effective Date – The effective date of this Agreement established pursuant to Section 8.1 of this Agreement.

Application -The Qualified Dental Plan Certification Applications for Plan Years 2028-2030.

Board – The executive board responsible for governing Covered California under Government Code § 100500.

California Affordable Care Act – The California Patient Protection and Affordable Care Act, AB 1602 and SB 900 (Chapter 655, Statutes of 2010 and Chapter 659, Statutes of 2010).

CAL COBRA – The California Continuation Benefits Replacement Act, Health and Safety Code § 1366.20 et seq and Insurance Code § 10128.50 et seq.

Calendar Year – Calendar Year means the period of time beginning on January 1 and ending on December 31 of each year.

CalHEERS – The California Healthcare Eligibility, Enrollment and Retention System, a project jointly sponsored by the Covered California and DHCS, with the assistance of the Office of Systems Integration to maintain processes to make the eligibility determinations regarding Covered California and other State health care programs and assist Enrollees in selection of health plan. For the purposes of this Agreement,

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CalHEERS includes any other eligibility and enrollment system used by Covered California, including the system operated by CCSB's contractor.

CCR – California Code of Regulations

CDI – California Department of Insurance

Children's Dental Plan - A plan certified by Covered California that provides only the pediatric dental benefits required in Health and Safety Code § 1367.005(a)(5) and Insurance Code § 10122.27(a)(5).

COBRA – Federal law (Consolidated Omnibus Budget Reconciliation Act of 1985) requiring continuing coverage of group health benefits to employees and their families upon the occurrence of certain qualifying events where such coverage would otherwise be terminated.

Confidentiality of Medical Information Act (CMIA) – The Confidentiality of Medical Information Act (California Civil Code § 56 et seq.) and the regulations issued pursuant thereto or as thereafter amended, to the extent applicable to operation of Contractor.

Contract Year – The full twelve (12) month period commencing on the effective date and ending on the Day immediately prior to the first anniversary thereof and each full consecutive twelve (12) month period thereafter during which the Agreement remains in effect.

Contractor – The Dental Insurance Issuer contracting with Covered California under the Agreement to offer a QDP and perform in accordance with the terms set forth in the Agreement.

Covered California – The California Health Benefit Exchange, doing business as Covered California and an independent entity within the Government of the State.

Covered California Enrollee – Refers to every individual enrolled in Covered California for the purpose of receiving dental benefits. Also referred to as "on-exchange".

Covered California for the Individual Market – The Covered California program providing coverage to Covered California Enrollees, formerly referred to as the Individual Exchange.

Covered California for Small Business (CCSB) –The Covered California program providing coverage to eligible small businesses, formerly referred to as the Small Business Health Options Program (SHOP) and described in Government Code § 100502(m).

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Covered Services – The Covered Services that are covered benefits under the applicable Contractor and described in the Evidence of Coverage (EOC).

Days – Wherever in this Agreement a set number of days is stated or allowed for a particular event to occur, the days are understood to include all calendar days, including weekends and holidays, unless otherwise specified.

DHCS – The California Department of Health Care Services

DHHS – The United States Department of Health and Human Services

DMHC – The California Department of Managed Health Care

Dental Health Maintenance Organization (DHMO) – A type of dental plan product that delivers dental services by requiring assignment to a primary dental care provider who is paid a capitated fee for providing all required dental services to the Enrollee unless specialty care is needed. DMHOs require referral to specialty dental providers. These products do not include coverage of services provided by dental care providers outside the dental plan.

Dental Plan Issuer – A carrier licensed to provide dental coverage in the state of California, including specialized health care service plans regulated by the California Department of Managed Health Care and insurers regulated by the California Department of Insurance.

Dental Preferred Provider Organization (DPPO) – A type of dental plan product that delivers dental services to members through a network of contracted dental care providers and includes limited coverage of out-of-network services.

Downstream Entity (Entities) – An individual or an entity that has an agreement with a Subcontractor or another Downstream Entity that relates directly or indirectly to the performance of Contractor's services under this Agreement. A provider is not a Downstream Entity solely because it enters into a provider agreement.

Effective Date – The date on which a Plan's coverage goes into effect.

Eligibility Information – The information that establishes an Enrollee's eligibility.

Eligibility File – The compilation of all Eligibility Data for an Enrollee or group of Enrollees into a single electronic format used to store or transmit the data.

Employee – A "qualified employee," as defined in 45 C.F.R. § 155.20.

Employer – A "qualified employer," as defined in § 1312(f)(2) of the Affordable Care Act.

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Encounter – Any dental service or bundle of related Covered Services provided to one Enrollee by one Dental Care Professional within one time period. Any Covered Services provided must be recorded in the Enrollee's health record.

Encounter Data – Detailed data about individual services provided by a capitated managed care entity. The level of detail about each service reported is similar to that of a standard claim form.

Enrollee – Enrollee means each and every individual enrolled for the purpose of receiving dental benefits in the dental plan or market referenced. If no dental plan or market is referenced, this term is used to reference individuals enrolled in both on-exchange QDPs and off-exchange dental plans in the individual and small group markets.

Evidence of Coverage (EOC) – The State-Regulator approved document which describes the benefits, exclusions, limitations, conditions, and the benefit levels of the applicable Plans issued to a Subscriber or Member.

Explanation of Benefits (EOB) – A statement sent from Contractor to an Enrollee listing services provided, amount billed, eligible expenses and payment made by the Plan.

Explanation of Payment (EOP) – A statement sent from Contractor to Providers detailing payments made for Covered Services.

Family Dental Plan – A plan certified by Covered California that provides the pediatric dental benefits required in Health and Safety Code § 1367.005(a)(5) and Insurance Code § 10122.27(a)(5), and also includes coverage for certain benefits for adult Covered California Enrollees.

Family Member – An individual who is within an Enrollee's or Employee's family, as defined in 26 U.S.C. § 36B (d)(1).

Fraud, Waste, and Abuse –

Fraud - Consists of an intentional misrepresentation, deceit, or concealment of a material fact known to the defendant with the intention on the part of the defendant of thereby depriving a person of property or legal rights or otherwise causing injury. (CA Civil Code §3294 (c)(3), CA Penal Code §§470-483.5). Prevention and early detection of fraudulent activities is crucial to ensuring affordable healthcare for all individuals. Examples of fraud include false applications to obtain payment, false information to obtain insurance, billing for services that were not rendered.

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Waste - Intentional or unintentional, extravagant careless or needless expenditures, consumption, mismanagement, use, or squandering of resources, to the detriment or potential detriment of entities, but without an intent to deceive or misrepresent. Waste includes incurring unnecessary costs because of inefficient or ineffective practices, systems, decisions, or controls.

Abuse - Excessive, or improper use of something, or the use of something in a manner contrary to the natural or legal rules for its use; the intentional destruction, diversion, manipulation, misapplication, maltreatment, or misuse of resources; or extravagant or excessive use to abuse one's position or authority. Often, the terms fraud and abuse are used simultaneously with the primary distinction is the intent. Inappropriate practices that begin as abuse can quickly evolve into fraud. Abuse can occur in financial or non-financial settings. Examples of abuse include excessive charges, improper billing practices, payment for services that do not meet recognized standards of care and payment for medically unnecessary services.

General Agent – A licensed insurance brokerage firm, qualified and operating under the laws of the state of California, with a network of affiliated Agents in the state of California, that is contracted with Covered California.

Good Standing - See Table 4.1.1

Grace Period – A specified time following the premium due date during which coverage remains in force and a Covered California Enrollee or Employer or other authorized person or entity may pay the premium without penalty.

Health Care Professional – An individual with current and appropriate licensure, certification, or accreditation in a medical, dental or behavioral health profession, including medical doctors (including psychiatrists), dentists, osteopathic physicians, psychologists, registered nurses, nurse practitioners, licensed practical nurses, certified medical assistants, licensed physician assistants, mental health professionals, chemical dependency counselors, clinical laboratory professionals, allied health care professionals, pharmacists, social workers, physical therapists, occupational therapists, and others to provide Covered Services.

Health Information Technology for Economic and Clinical Health Act (HITECH Act) – The Health Information Technology for Economic and Clinical Health Act, which was enacted as part of the American Recovery and Reinvestment Act of 2009, and the regulations issued pursuant thereto or as thereafter amended.

Health Insurance Issuer - Health Insurance Issuer has the same meaning as that term is defined in 42 U.S.C. § 300gg 91 and 45 C.F.R. § 144.103. Also referred to as "Carrier," "Health Issuer," or "Issuer."

Health Insurance Portability and Accountability Act of 1996 (HIPAA) – The Health Insurance Portability and Accountability Act of 1996 and the regulations issued pursuant thereto or as thereafter amended.

Individual Exchange – Covered California through which Qualified Individuals may purchase QDPs.

Individually Identifiable Health Information (IIHI) – The "individually identifiable health information" as defined under HIPAA.

Information Practices Act (IPA) – The California Information Practices Act, Civil Code § 1798 et seq. and the regulations issued pursuant thereto or as thereafter amended.

Insurance Information and Privacy Protection Act (IIPPA) – The California Insurance Information and Privacy Protection Act, Insurance Code §§ 791-791.28 et seq., and the regulations issued pursuant thereto or as thereafter amended.

Medicaid – The program of medical care coverage set forth in Title XIX of the Social Security Act and the regulations issued pursuant thereto or as thereafter amended.

Monthly Rates – The rates of compensation payable in accordance with the terms set forth at Article 6 to Contractor for Services rendered under this Agreement.

Open Enrollment or Open Enrollment Period – The fixed time period as set forth in 45 C.F.R. § 155.410, Health and Safety Code § 1399.849 (c)(3), and Insurance Code § 10965.3 (c)(3) for individual applicants and Enrollees to initiate enrollment or to change enrollment from one health benefits plan to another. For benefit years beginning on or after January 1, 2019, references to Open Enrollment include the allowance for Special Enrollment Periods for all individuals as described in Health and Safety Code § 1399.849 (c)(3), and Insurance Code § 10965.3 (c)(3).

Participating Provider – An individual Health Care Professional, hospital, clinic, facility, entity, dentist, dental assistant, dental hygienist or any other person or organization that provides Health Care or Dental Services and that, at the time care is rendered to an Enrollee, has (or is a member of a Medical Group that has) a contract in effect with Contractor to provide Covered Services to Enrollees and accept copayments for Covered Services.

Participation Fee – The user fee on QDPs authorized under § 1311(d)(5) of the Affordable Care Act, 45 C.F.R. §§ 155.160(b)(1) and 156.50(b), and Government Code § 100503(n) to support Covered California operations.

Performance Standard – A financial assurance of service delivery at levels agreed upon between Covered California and Contractor.

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Personally Identifiable Information (PII) – Any information that identifies or describes an individual, including their name, social security number, physical description, home address, home telephone number, education, financial matters, medical or employment history, and statements made by, or attributed to, the individual. It also includes any identifiable information collected from or about an individual for purposes of determining eligibility for enrollment in a Qualified Health Plan, determining eligibility for other insurance affordability programs, determining eligibility for exemptions from the individual responsibility provisions, or any other use of such individual's identifiable information in connection with Covered California.

Plan(s) – The QDPs Covered California has entered into a contract with a Dental Plan Issuer to provide hereinafter referred to as the Plan(s).

Plan Data – All the utilization, fiscal, and eligibility information gathered by Contractor about the Plans exclusive programs, policies, procedures, practices, systems and information developed by Contractor and used in the normal conduct of business.

Plan Year – Plan Year has the same definition as that term is defined in 45 C.F.R. § 155.20.

Premium – The dollar amount payable by the Covered California Enrollee to the QDP Issuer to effectuate and maintain coverage.

Premium Rate or Monthly Rate – The monthly premium due during a Plan Year, as agreed upon by the parties.

Primary Care Provider (PCP) – The following types of health care providers or organizations are considered Primary Care Providers and provide medical care, either through team members or as individual health care providers, which includes coordination of care as needed and as used in this Agreement: a California licensed doctor of medicine or osteopathy who is a general or family practitioner, internist, obstetrician-gynecologist, pediatrician, Health Center or a Patient-Centered Medical Home (PCMH) and who has a contract with Contractor and has assumed the primary responsibility for providing initial and primary medical care to Enrollees and coordinating care for an Enrollee, including facilitating access to specialists and hospital care and maintaining the continuity of Enrollee's medical care.

Proposal – The proposal submitted by Contractor in response to the Application.

Protected Health Information or Personal Health Information (PHI) – Protected health information, including electronic protected health information (EPersonal Health Information) as defined in HIPAA that relates to an Enrollee. Protected Health

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Information also includes “medical information” as defined by the California Confidentiality of Medical Information Act (CMIA) at California Civil Code § 56 et seq.

Provider – A licensed health care facility or as stipulated by local or international jurisdictions, a program, agency or health professional that delivers Covered Services.

Provider Claim(s) – Any bill, invoice, or statement from a specific Provider for Covered Services or supplies provided to Enrollees.

Provider Group ––A group of physicians or other Health Care Professionals that is clinically integrated, financially integrated, or that contract together to provide care to patients in a coordinated manner.

Qualified Dental Plan or QDP – A dental care service plan contract or policy of insurance offered by a QDP Issuer and certified by Covered California. QDP means either a Children’s Dental Plan or a Family Dental Plan.

Qualified Dental Plan Issuer or QDP Issuer – A licensed specialized health care service plan or insurer that has been selected and certified by Covered California to offer QDPs through Covered California.

Qualified Health Plan or QHP– A health care service plan contract or policy of insurance offered by a QHP Issuer and certified by Covered California.

Qualified Health Issuer Plan or QHP Issuer – A licensed health care service plan or insurer that has been selected and certified by Covered California to offer QHPs through Covered California, as specified in 10 CCR § 6410.

Qualified Individual – Qualified Individual has the same meaning as that term is defined in § 1312(f)(1) of the Affordable Care Act.

Quality Management and Improvement – The process for conducting outcome reviews, data analysis, policy evaluation, and technical assistance internally and externally to improve the quality of care to Enrollees.

Reconciliation Process – Covered California and CalHEERS engage in a cyclically occurring Reconciliation Process with each QHP and QDP Issuer participating in the individual market. The Reconciliation Process is leveraged to monitor and facilitate all eligibility and enrollment reconciliation efforts with the QHP and QDP Issuers as defined in the Covered California Reconciliation and Process Guide. As a component of the Reconciliation Process, the Dispute Process provides a platform for Issuer enrollment and eligibility disputes to be assessed. Assessment of each enrollment dispute includes focused analysis of operational cause risk, and enterprise-wide impact.

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Regulations – The regulations adopted by the Covered California Board. (California Code of Regulations, Title 10, Chapter 12, § 6400 et seq.)

Security Incident – The attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system.

Service Area – The designated geographical areas where Contractor provides Covered Services to Covered California Enrollees and comprised of the ZIP set forth in Contractor's current Plan Year SERFF templates tested and validated by Contractor.

Services – The provision of Services by Contractors and Subcontractors required under the terms of the Agreement, including those relating the provision of Covered Services and the administrative functions required to carry out the Agreement.

Special Enrollment Period – The period during which a Qualified Individual, Enrollee, Qualified Employee, or dependent who experiences certain qualifying events, as defined in applicable Federal and State laws, rules and regulations, may enroll in, or change enrollment in, a QDP through Covered California outside of the initial and annual Open Enrollment Periods.

Specialized Health Care Service Plan or SHCSP – Any person who undertakes to arrange for the provision of health care services to subscribers or Enrollees, or to pay for or to reimburse any part of the cost for those services, in return for a prepaid or periodic charge paid by or on behalf of the subscribers or Enrollees as defined in Health and Safety Code § 1345(f).

State – The State of California

State Regulators – California Department of Insurance and Department of Managed Health Care, as applicable.

State and Federal Regulators – Department of Managed Health Care, California Department of Health Care Services, California Department of Insurance, US Department of Health and Human Services, and any other regulatory entity within the State of California that has jurisdiction over Contractor, as applicable.

Subcontractor(s) – An individual or entity that has an agreement with a Contractor that relates directly or indirectly to the performance of Contractor's services under this Agreement. A provider is not a Subcontractor solely because it enters into a provider agreement.

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Utilization Management – Pre-service, concurrent or retrospective review which determines the Medical Necessity of hospital and skilled nursing facility admissions and selected Covered Services provided on an outpatient basis.

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