

Article 1. Authority and Purpose

The governmental units that are signatories to this agreement, hereinafter referred to as “participating governmental units” or “participants”, have entered into this agreement pursuant to Massachusetts General Laws, Chapter 32B, Section 12 for the purpose of jointly providing health coverage to their employees and retirees (and their dependents) and to such other individuals as are eligible for participation in their health plans under Chapter 32B, or under state or federal laws requiring continuation coverage. The legal entity established by this agreement shall be known as the Southeastern Massachusetts Health Group (“the Group”).

Article 2. Eligibility and Participating Governmental Units

A. Participants

The participants in this joint negotiation and purchase agreement are listed in Appendix A, as it may be modified from time to time by vote of the Board to reflect changes in participants. Those units that were party to this agreement at its inception and are still participants are listed alphabetically at the top of Appendix A. Each governmental unit that became a participant after the Group’s inception is listed thereafter by chronological order with the date of its admission in parentheses. Additional governmental unit participants may be added pursuant to Section C. of this Article and Article 12.

B. Eligibility

Participants shall be Massachusetts governmental units as the term is defined in M.G.L. Chapter 32B, section 2(f).

C. Application for Participation

Membership in the Group is granted at the discretion of the Group’s Board of Directors. A governmental unit that wishes to participate in the Group must submit a written application to the Chairperson of the Board of the Group. The governmental unit must also submit information and data as required by the Group. Upon acceptance into the Group, the Appropriate Public Authority of the new member unit must sign this agreement and fulfill all other obligations for participation as described in this agreement.

D. Entry Fee

The Board may establish a one-time entry fee for each new member.

Article 3. Term of Agreement and Participation

A. Duration

This agreement shall continue in full force and effect for an indefinite period, subject to amendment as agreed upon in accordance with the terms of Article 12 of this agreement, so long as three or more governmental units elect to continue participation.

B. Withdrawal of a Participating Governmental Unit

A Participating Governmental Unit may withdraw participation at its discretion, but a withdrawal may only be effective on June 30th of any Plan Year. An election by a governmental unit to terminate participation under this agreement must be communicated in writing to the Board on or before the December 31 that precedes the June 30 upon which the withdrawal would be effective. A governmental unit that (1) terminates its participation without satisfying the above notification requirement or (2) terminates its participation on a date other than June 30 shall be assessed a liquidated damages charge of three hundred percent (300%) of its highest monthly premium expense for any month within the twelve (12) month period that precedes the effective date of its withdrawal. That liquidated damages charge is intended to compensate the Group for expenses that the Group and its remaining members will suffer as a result of the governmental unit's untimely withdrawal.

A governmental unit that provides the Board with notification of its intention to withdraw from the group will not be permitted to subsequently withdraw such notification. Such governmental unit's termination will be effective on the date specified in such notice (or on the succeeding June 30 if the notice does not include an effective date). If a governmental unit that has provided the Board with timely notification of its intention to withdraw subsequently petitions the Board for re-admission to the Group, the Board may consider such petition but will be under no obligation to act favorably upon such petition.

C. Plan Year

For purposes of this Agreement the Plan Year shall be the period from July 1 to June 30.

D. Termination of a Participating Governmental Unit by the Group

Any Participating Governmental Unit which is 60 days in arrears for the payments due under Article 10 of this agreement may be terminated from participation in this Agreement for Joint Negotiation and Purchase of Health Coverage by a weighted two-thirds vote of the Board of Directors. Such termination shall not limit the Board from obtaining payment of all monies in arrears under Article 10. The Board of Directors may, in lieu of termination, take other appropriate action

to correct delinquency by an unweighted vote of the Board. A Participating Governmental Unit shall be subject to automatic termination pursuant to Article 4 for non-participation in the Board's operations. In either event, a terminated Participating Governmental Unit shall be liable for (1) the governmental unit's proportionate share of any certified deficit in the trust fund as of the following June 30 (based upon claims incurred as of June 30), (2) unpaid contributions or assessments attributable to periods prior to the effective date of the governmental unit's termination, (3) subsequent expense for its covered members still on the plan after termination (where required by law) and (4) all expenses that the Group suffers as a result of the governmental unit's termination. A Participating Governmental Unit that is terminated from the Group shall forfeit any right it may have to share in any surplus.

E. Termination of the Group

In the event that the Group terminates and there is a certified Trust Fund deficit, each Participating Governmental Unit agrees to make payment of its share of such deficit. Such payments, if required, will be assessed on the basis set forth below.

In the event that the Group terminates and there is a certified Trust Fund surplus, once all obligations of the Group have been met, surplus funds shall be distributed to the Participating Governmental Units on the basis set forth below.

The determination of a Participating Governmental Unit's proportionate share of the certified surplus or deficit shall be calculated as follows:

The "proportionate share" of each Participating Governmental Unit shall be calculated by dividing the total premium and/or working rate contributions billed to and due from that Participating Governmental Unit for the last Plan Year that the Group engaged in the self-funding of benefits by the total premium and/or working rate contributions billed to and due from all of the Group's Participating Governmental Units for that same Plan Year.

Each Participating Governmental Unit agrees to make payment of its proportionate share of a deficit within thirty (30) days of its receipt of a statement from the Board.

Distributions of any surplus will be made as soon as all obligations of the Group have been satisfied.

Upon termination of the Group, the Board shall continue to serve to conclude the affairs of the Group.

Article 4. Administration

Administrative authority shall be vested in a board to be known as the Southeastern Massachusetts Health Group Board, hereinafter referred to as the “Board”. The Appropriate Public Authority as defined in M.G.L. Chapter 32B, Section 2(a) of each participating governmental unit shall appoint one member of the Board, and one alternate representative who shall assume all of the responsibilities of the primary member (excepting Chairperson and Vice-Chairperson responsibilities) in the event of the primary member’s absence. The Board Member representative and alternate of each governmental unit shall serve until replaced in writing by the Appropriate Public Authority of the Participating Governmental Unit. It is understood and agreed that the Southeastern Massachusetts Health Group Board may rely on the authority of each Board Member (nor alternate) to represent the respective Participating Governmental Units and any vote of any individual Board Member or alternate shall be deemed to be binding upon the Participating Governmental Unit represented by such Board Member or alternate. It is understood that if both the Board Member and alternate representative attend a meeting, only the Board Member may vote. Only the designated Board Member or alternate may represent the Participating Governmental Unit at a Board or Steering Committee meeting, or may vote or participate at such meetings.

The Participating Governmental Units recognize the critical importance of active participation by their Board members and/or alternates in the operation of the Group. Accordingly, it is understood that if during any Plan Year (July 1 – June 30) a Participating Governmental Unit is not represented (by its Board member or alternate) at two (2) Board meetings, the Board shall send a notice (on a form designed for that purpose) to the Board Member and alternate. The notice will state that if the Participating Governmental Unit is not represented at any Board meeting for the remainder of the Plan Year by either a designated Board Member or alternate, a notice will be sent (on a form designed for that purpose) by the Board to the Appropriate Public Authority of that governmental unit. The notice will state that if the Participating Governmental Unit is not represented by a designated Board member or alternate (i) at another Board meeting during that Plan Year or (ii) at more than two (2) Board meetings during the succeeding Plan Year, the Participating Governmental Unit will be automatically terminated from the Group (without need of a vote by the Board) effective as of the last day of the applicable Plan Year.

A. Steering Committee

The Board shall elect from its membership (both primary and alternate members) a steering committee of up to seven (7) persons representing seven different Participating Governmental Units, hereinafter referred to as “the Steering Committee.” The Board shall elect from the membership of the Steering Committee a Chairperson and Vice-Chairperson. The Steering Committee members shall serve for a term of one year or until removed by the Board, provided the members remain members of the Board. Steering Committee members may be elected for succeeding terms. In the event that a Steering

Committee member is removed from the Board by the Appropriate Public Authority of the Participating Governmental Unit or by the Board, the Board may elect a replacement. The Steering Committee shall have whatever authority is granted to it by the Board including the establishment of advisory sub-committees.

In the event that a member of the Steering Committee misses three (3) meetings of that Committee or indicates an incapacity or unwillingness to continue his/her service on that Committee, the Board may at a duly called meeting elect a replacement for such member from its membership (both primary and alternate members).

Article 5. Meetings, Voting and Quorum

A. Scheduling of Meetings

The Board shall adopt a schedule of meeting dates and times for the conduct of ordinary business and shall establish a reasonable procedure for notice to the members of the Board concerning special meetings. The Steering Committee shall, in a like manner, establish a procedure for adequate notice to each member for all meetings to be conducted.

B. Types of Voting

For purposes of this Agreement, voting will be conducted in two (2) alternative forms: a.) weighted, and b.) unweighted.

a.) Weighted Vote – When a weighted vote is taken under this Agreement, each Participating Governmental Unit shall have a percentage vote that reflects its proportionate share of the total premium and/or working rate contributions billed to and due from all Participating Governmental Units under this Agreement during the preceding Plan Year (July 1 through June 30). Notwithstanding the above sentence, if there is a change in the Group’s membership, the calculation of the weighted vote for the ensuing year shall be based upon each member’s proportionate share of the total premium and/or working rate contributions billed to and due from all Participating Governmental Units under this Agreement for the month of July. The Group’s Treasurer shall be responsible for performing the calculation and notifying the Board of the results of that calculation.

b.) Unweighted Vote – When an unweighted vote is taken under this Agreement, each Participating Governmental Unit that participates in the vote will have an equal vote.

C. Quorum of the Board

The Board may take no action at a meeting unless a quorum is present. For purposes of this Agreement a quorum of the Board shall require the attendance of representatives of at least fifty percent (50%) of the Participating Governmental Units. In addition, the Participating Governmental Units represented must reflect at least fifty (50%) of the total weighted vote of the Group.

D. Voting by the Board

Except where otherwise specified in this Agreement, a motion made at a Board meeting shall be conducted by unweighted vote and shall be deemed to have been accepted by the Board if more than fifty percent (50%) of the Board members (or alternates) present vote in the affirmative.

E. Steering Committee Quorum and Voting

A quorum of the Steering Committee shall be more than fifty-percent (50%) of its membership. A motion made at a meeting of the Steering Committee shall be conducted by unweighted vote and shall be deemed to have been accepted if more than fifty percent (50%) of the Steering Committee members present vote in the affirmative.

Article 6. Chairperson

The Board, shall elect from its membership (both primary and alternate members), by unweighted vote of the participants at a duly called meeting, a Chairperson and Vice Chairperson (to act in the absence of the Chairperson) for the Board and for the Steering Committee who shall serve for terms of twelve months, unless replaced prior to termination of such twelve month period by unweighted vote of the Board at a duly called meeting. It is agreed that the Chairpersons and Vice Chairpersons of the Board and the Steering Committee may be elected for succeeding twelve month terms at the discretion of the Board.

It shall be the duty of the respective Chairpersons to call meetings of the Board and the Steering Committee, including designation of the date, place, and time of such meetings, and to perform other duties and functions as delegated by the Board and the Steering Committee, respectively.

The Board may appoint any other officers and committee chairpersons whom the Board deems appropriate, by unweighted vote at a duly called meeting. The term of membership of such additional officers and committee chairpersons and the duration of such committees shall be determined at the discretion of the Board.

Article 7. Communication

It shall be the duty of each member of the Board (and alternate) to communicate all matters relating to the action of the Board to the member's respective Participating Governmental Unit, and its Appropriate Public Authority. The Chairperson, acting directly or through the Group's consultant/central administrative office, shall provide minutes of the Board meetings to all Board members.

The Chairperson of the Steering Committee shall, acting directly or through the Group's consultant/central administrative office, provide minutes of Steering Committee meetings to all Board members and shall report to the Board all significant actions taken by the Steering Committee.

Article 8. Calculation of Working Rate Contributions and/or Acceptance of Premium Rates

A change in the Group's insurance carrier(s) or health benefit administrator(s) and/or a change in the Group's funding mechanism (from premium to self-funding or vice versa) must be voted pursuant to the waiver procedure provided at Article 12.

When the Group elects to purchase health care on a premium basis the Board shall be responsible for negotiating with the insurance carrier(s) for the premium rates that will be payable by the Participating Governmental Units.

When the Group elects to engage in self-funding, the Board, either directly or through the Steering Committee, shall determine the monthly rates and any uniform or non-uniform assessments payable by each participating governmental unit with the advice and recommendations of the consultant/administrator. Those rates shall be set at amounts which will fully satisfy the funding requirements of the claims trust fund from which all claims will be paid. The funding requirements for the claims trust fund will, in turn, be established through underwriting and/or actuarial estimates. The Board shall further be responsible for negotiating with the carrier(s) for administrative rates and with reinsurers for appropriate stop loss coverage.

The Board may elect to use surplus funds to reduce the working rates or premium rates charged to the Participating Governmental Units, or the Board may decide to increase working rates or premium rates to make up for any Trust Fund deficit.

For plan years that the Group elects self-funding, the Board, either directly or through the Steering Committee, shall determine, based upon the advice of the consultant/administrator, within six (6) months of the last day of the plan year, a reconciliation of the trust fund balance for the joint purchase group for that plan year. In establishing the reconciled balance the Board shall include a factor to represent the cost of the run-out of claims which were incurred as of the last day of the plan year but which have not been paid as of the reconciliation date.

At the conclusion of plan years for which the Group elects self-funding, the Board shall contract with an accounting firm for the performance of an annual audit. This report shall be provided to each member of the Board. For plan years that the Group elects to purchase health care entirely on a premium basis, the Board may at its discretion decide to contract for an audit.

Each governmental unit shall be responsible for paying all insurance, premium, administration, or claims charges which were incurred by the governmental unit or any person enrolled in the governmental unit's health program prior to the effective date of its membership in the Group.

Article 9. Establishment and Operation of the Group's Trust Fund(s)

A. Appointment of Treasurer

The Board shall appoint a Treasurer to receive and hold all contributions described in Articles 8 and 10 and other funds of the Group as provided in this Article 9.

The Treasurer shall be required to obtain a fidelity bond for himself/herself from a bonding company licensed to do business in Massachusetts in an amount designated by the Board. The premium expense for said bond shall be paid by the Group.

The Board agrees not to collect, or cause to be collected, from such bond, any loss, judgement, fee, penalty or like charge, unless such loss was directly caused by the Treasurer's own acts of malfeasance which include, fraud, embezzlement, misappropriation of funds or any other intentional and illegal act. All costs, legal and otherwise, associated with defending such claims, or costs associated with such claims that are assessed to the Treasurer by his surety, shall be reimbursed to the Treasurer by the Board, unless such loss was directly caused by the Treasurer's own acts of malfeasance which include, fraud, embezzlement, misappropriation of funds or any other intentional and illegal act.

B. Trust Fund Bank Accounts and Investments

The Board, or Treasurer if designated by the Board, shall contract with one or more banks to act as depository of payments contemplated by Article 9, and accounts established shall be interest bearing accounts. Each designated bank shall be required, as a precondition to service as such depository, to act under the direction of the Board or its designee for the benefit of the Participating Governmental Units and the Board and shall provide for periodic reports and statements of accounts as required by the Board or its designee.

The Board, or Treasurer if designated by the Board, shall establish one or more checking accounts, which may be interest or non-interest-bearing accounts. Said checking accounts shall be funded from the Trust Fund depository account(s). The Board, or Treasurer if authorized by the Board, shall make deposits as required from the Trust Fund depository(ies) into the checking account(s) and the Board may authorize the Treasurer to draw on such checking accounts for the payment of covered benefits to plan members and for administrative and stop loss expenses, and other expenses associated with the operation of the Group.

All payments for covered benefits for eligible plan members, all administrative fees, health plan premiums (other than premium payments that the Board designates for billing directly by the carrier with payment made directly to the carrier), reinsurance premiums, consulting fees, attorney's fees, Treasurer's fees, banking fees, and other expenses related to the operation and development of the Group and its programs shall be paid from the Group's Trust Fund.

The Board, or the Treasurer upon authorization by the Board, may invest a portion of the Group's Trust Fund monies in certain investments as permitted by law and this agreement. The Treasurer will report to the Board on the status of investments at least once per quarter-year.

Article 10. Payment of Premium or Working Rate Charges

When benefits are procured on a premium basis the Board may designate that the premium payments be billed by the carrier and paid directly by the Participating Governmental Units to the carrier.

When benefits are provided on a self-funded basis, on a monthly basis each Participating Governmental Unit shall make payment to the Treasurer of the full premium or working rate charges for its subscribers, and shall also make payment of any assessment allocated to it by the Board. The Treasurer shall determine the appropriate payment due from each Participating Governmental Unit each month.

All payments described in the second paragraph of this Article 10 shall be due and payable on the first day of the month. If payment is not received by the Treasurer on or before the 22nd day of the month, interest shall be assessed, at a rate determined by the Board, from said 22nd day forward.

Article 11. Collective Bargaining and Eligibility Determinations

A. Collective Bargaining

Notwithstanding any other provisions of this agreement, a governmental unit maintains its autonomy and responsibility for collective bargaining. Each Participating Governmental Unit shall determine the level of contribution that it will make towards benefits provided to its employees/retirees through this agreement provided that said contribution is in conformance with M.G.L. Chapter 32B.

B. Eligibility Determination

Nothing contained in this Agreement for Joint Negotiation and Purchase of Health and Life Coverages shall in any way limit the authority of a Participating Governmental Unit to determine that a person is eligible for participation in the health coverage program, provided that the person is eligible under M.G.L. Chapter 32B. Unless the Group specifically contracts for centralized services regarding notification of eligibility, including notification to and from affected parties of eligibility rights under M.G.L. Chapter 32B, The Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985, and any other applicable federal and state statutes, these functions and tasks, as well as employee direct billing, shall be the responsibility of and determined by the Participating Governmental Unit.

Article 12. Amendment, Waiver, Addition of New Participants

A. Amendment

The provisions of this Agreement may be amended at any time provided that the Board representatives of at least two-thirds (2/3rds) of the Participating Governmental Units and the Board representatives of participants making up at least two-thirds (2/3rds) of the total weighted vote of the Group vote in favor of the amendment. No vote shall be taken at a meeting on an amendment unless the Board representatives of all Participating Governmental Units have been provided at least fourteen (14) days' notice of the proposed amendment. Ordinarily, the vote on a proposed amendment will be taken at a Board meeting. However, if the Chairperson concludes that it is impractical to schedule a Board meeting for that purpose and further concludes that the proposed amendment should be put to a vote before the Board's next regularly scheduled meeting, the Chairperson may direct that the votes of all Board members (or alternates) concerning the proposed amendment be taken by facsimile transmission or other suitable media and may specify the timeframe within which the submission of ballots shall be required. In such case the Chairperson, acting directly or through the Board's consultant, shall provide each Board member (or alternate) with a ballot containing the proposed amendment as well as boxes in which the Board member (or alternate) may indicate his/her vote on the proposed amendment. No ballot shall be valid unless it has been signed by the Board member (or alternate). The Chairperson shall be responsible for tabulating the results. The Chairperson may also invoke the

facsimile (or alternative) ballot procedure when an amendment has been scheduled for consideration at a Board meeting but the vote fails due to insufficient attendance at that meeting.

B. Waiver

The Board may, in appropriate situations, decide to waive the application of a specific requirement of this Agreement as it applies to a particular member or prospective member. A motion to waive will require a weighted two-thirds (2/3rds) vote of the Board as well as an unweighted two-thirds (2/3rds) vote of the Board present at a duly called meeting. Alternatively, the Chairperson may decide that a vote to waive be taken by the facsimile (or alternative) ballot procedure provided, above, for amendments to this Agreement.

C. Emergency Voting Procedure

It is understood that issues may sometimes arise that require an immediate response by the Group. In such instances the Chairperson or, in cases of the unavailability of the Chairperson, the Vice-Chairperson shall be empowered to render a decision for the Group subject to the following procedure:

The Chairperson or Vice-Chairperson shall first attempt to reach the Chairperson of the Steering Committee by telephone, fax or other appropriate media. If he/she is unable to reach the Chairperson of the Steering Committee within one (1) hour of his/her first call or fax he/she shall attempt to reach the Vice-Chairperson of the Steering Committee. If he/she is unable to reach the Vice-Chairperson within thirty (30) minutes of his/her first call or fax to the Vice-Chairperson he/she shall call the other members of the Steering Committee until he/she reaches a member of the Steering Committee with whom the issue can be discussed. If the first member of the Steering Committee (Chairperson, Vice-Chairperson or member) with whom the Board Chairperson or Vice-Chairperson is able to discuss the issue agrees with the disposition of the issue recommended by the Board Chairperson or Vice-Chairperson, the issue shall be resolved on that basis and the resulting disposition/resolution shall be binding upon the Board. If the first member of the Steering Committee with whom the Board Chairperson is able to discuss the issue does not agree with the disposition of the issue recommended by the Board Chairperson or Vice-Chairperson, the issue will be considered tabled. In such case the Chairperson or Vice-Chairperson may in his/her discretion invoke the facsimile ballot procedure provided, above, at Section A.

It is understood that no matter that would require a two-thirds vote under this Agreement may be resolved under the procedure described in this section.

D. Addition of New Participants

Additional governmental units may be added as participants, commencing on a date mutually agreed upon, pursuant to Article 2 and this section. The addition of governmental units will require a vote pursuant to the amendment procedure provided at Section A., above.

In addition to executing this Agreement, a new governmental unit will be required to sign an agreement that outlines the conditions upon which it is being admitted to the Group. A new Participating Governmental Unit may be admitted to the Group on an individual rated basis, if the Board so determines. In that event, the Board will determine the monthly rates for that Participating Governmental Unit, and those rates will be unique to that Participating Governmental Unit. Alternatively, the Board may elect to admit a new Participating Governmental Unit as an addition to the experience pool of the Group's existing members. In that event, the new Participating Governmental Unit would pay the same monthly rates as the Group's existing members. The Board may further agree that a participant that is originally admitted on an individual rated basis will transition to full participation in the Group's experience pool over a set period of time.

Article 13. Liability Following Termination of Participation

A. Participating Governmental Unit's Liability

A Participating Governmental Unit that withdraws from the Group in accordance with the procedures specified at Article 3B shall have no liability for contributions and assessments for any period following the effective date of termination of its participation under this agreement, except for (1) the governmental unit's proportionate share of any certified deficit in the trust fund as of the last day of the Plan Year during which the withdrawal is effective (based upon claims incurred as of that date (June 30)), (2) unpaid contributions or assessments attributable to periods prior to the effective date of the governmental unit's termination, and/or (3) subsequent expense for its covered members still on the plan after termination (where required by law). A Participating Governmental Unit that either (A) withdraws from the Group without satisfying the procedures for withdrawal specified at Article 3. B or (B) is terminated from the Group in accordance with Article 3. C or Article 4 shall be liable for (1) the governmental unit's proportionate share of any certified deficit in the trust fund as of the last day of the Plan Year during which the withdrawal or termination is effective (based upon claims incurred as of that date (June 30)), (2) unpaid contributions or assessments attributable to periods prior to the effective date of the governmental unit's termination, (3) subsequent expense for its covered members still on the plan after termination (where required by law) and (4) all expenses that the Group suffers as a result of the governmental unit's termination or untimely withdrawal.

A Participating Governmental Unit that withdraws from the Group or that is terminated from the Group shall be assessed its proportionate share of any trust fund deficit.

Provided that it satisfies the procedures for withdrawal specified at Article 3.B, a Participating Governmental Unit that withdraws from the Group shall be entitled to its proportionate share of any trust fund surplus.

In the event that the Group is purchasing health care entirely on a premium basis during the Plan Year that the Participating Governmental Unit withdraws or is terminated, the participant's proportionate share of a trust fund surplus or deficit shall reflect its percentage of the total premium and/or working rate contributions billed to and due from all Participating Governmental Units under this Agreement during the last Plan Year that the Group engaged in the self-funding of benefits.

In the event that the Group is engaged in the self-funding of benefits during the Plan Year that the Participating Governmental Unit withdraws or is terminated, the participant's proportionate share of a trust fund surplus or deficit shall reflect its percentage of the total premium and/or working rate contributions billed to and due from all Participating Governmental Units under this Agreement during that Plan Year.

In either event, payment by or to the withdrawing participant shall be effectuated within sixty (60) days following the annual trust fund reconciliation. If the Group had been purchasing benefits entirely on a premium basis and, pursuant to Article 8, elects not to have an annual reconciliation performed, payment by or to the withdrawing participant shall be effectuated on or before October 1, unless another date is mutually agreed upon by the Group and the terminating participant.

B. Liability of the Group after Termination of a Participating Governmental Unit

The Group shall have no liability for benefits received by a subscriber or dependent of a terminated participant after the date of the participant's termination, except as may be provided in the Plan Document and/or Certificate of Insurance of the health plan in which the subscriber or dependent is enrolled. Each Participating Governmental Unit agrees that, in the event that its participation under this Agreement terminates and a subscriber or dependent of that participant takes legal action against the Group seeking payment for any benefits received by that subscriber or dependent after the participant's termination (other than post-termination benefits provided in the Plan Document and/or Certificate of Insurance of the health plan in which the subscriber or dependent is enrolled), the Participating Governmental Unit will indemnify the Group for all expenses that the Group may incur in the defense of such action including legal fees and costs, as well as the costs of any settlement or any judgments that may be rendered against the Group or its representatives.

Article 14. Indemnification

A. Personal Protection For Board Members And Alternates

Each Participating Governmental Unit agrees that as a precondition for entering into this Agreement for Joint Negotiation and Purchase of Health Coverage each representative and alternate designated by the Participating Governmental Unit to serve on the Board and any committee established by the Board shall be indemnified and held harmless from personal financial loss and expense, including reasonable legal fees and costs, if any, to the full extent permitted by all applicable statutes, including M.G.L. Chapter 258, sections 8, 9, and 13.

Indemnification shall be provided for liability arising from all activities directly related to the establishment of this agreement and all related activities, commencing on and after the effective date of this agreement through and including the date which such designated representative terminates his or her position as a delegate or alternate delegate to the Board and the Board's committees. This hold harmless protection shall include indemnification from any claim, demand, suit or judgment by reason of any act or omission, except an intentional violation of the civil rights of any person arising as a result of such person's service to the Southeastern Massachusetts Health Group.

This hold harmless status shall include any and all activities relating to such Board participation, including but not limited to, serving on any related committee, holding an office as a member of the Board or Committee established by the Board, traveling to and from meetings relating to the designee's service, communications and all other acts related to the appointment as a representative or alternate representative of the Participating Governmental Unit.

B. For The Southeastern Massachusetts Health Group

Each Participating Governmental Unit agrees to hold the Group harmless from any and all charges, including legal fees, judgments, administrative expenses, and benefit payment requirements that the Group may incur arising from or in connection with any negligent or willful acts or omissions (including the Participating Governmental Unit's failure to comply with any laws or regulations) of the Participating Governmental Unit, its agents or employees under this agreement. By way of example, each Participating Governmental Unit shall hold the Group harmless from any of the above-described charges related to the Participating Governmental Unit's enrollment of an ineligible person in its health plan or related to the Participating Governmental Unit's failure to comply with Medicare Secondary Payor, COBRA or HIPAA requirements.

Article 15. Certification of Funds

It is understood and agreed that each Participating Governmental Unit shall provide adequate funds to pay its proportionate share of the joint purchase group health insurance premium and other related expenses approved by the Board in a timely manner. The appropriate public officials shall verify annually upon request to the Board the availability of such funds.

Article 16. Signatories to Agreement

By our signatures, we, the undersigned appropriate public authority evidence our acceptance of the terms of this Agreement For Joint Negotiation And Purchase Of Health Coverage on behalf of our governmental unit under the terms and conditions described in such agreement.

We agree to become a Participating Governmental Unit and to appoint a person to represent our governmental unit on the Board described in Article 4 herein and agree to appoint such representative within thirty days following execution of this agreement. We also agree to appoint an alternate representative to serve on the Board to ensure representation of our governmental unit in the event of incapacity, inability or unwillingness to attend meetings of the Board by our primary representative. It is understood and agreed that such primary representative and alternate representative shall have full authority to represent our governmental unit in accordance with the terms of this Agreement For Joint Negotiation And Purchase Of Health Coverage except for the authority reserved to us as described in Article 11.

For: _____
Participating Governmental Unit (M.G.L. Chapter 32B, Section 2f).

Signature	Title	Date
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Revised to reflect September 22, 2006 amendment)