

LETTER OF AGREEMENT FOR WELLNESS INSTITUTE SERVICES

May 20, 2016

Lakes Country Service Cooperative Wellness Institute
Jeremy Kovash, Executive Director
1001 E. Mt. Faith
Fergus Falls, MN 56537

Pelican Rapids Public Schools
PO Box 642
Pelican Rapids, MN 56572

Jeremy Kovash,

This letter is to affirm our mutual understanding and agreement between Lakes Country Service Cooperative ("LCSC") Wellness Institute (the "Wellness Institute") and [Name of Employer] ("Employer") with respect to the operation of the activity-based Wellness Program offered by the Wellness Institute in 2016.

Background

Wellness programs offered by the Wellness Institute are part of the group health plans made available through LCSC. In order to participate in these programs, employers must enter into an agreements with the Wellness Institute regarding their obligations with respect to the Program.

The current program is designed to improve health and control health care costs by encouraging activity. Fitbits™ will be used in fitness challenges designed by employers with the support of the Wellness Institute. Our goals are to reduce the incidence of obesity-related illnesses such as diabetes and heart disease. Although the program made available in 2016 encourages activity, the Wellness Institute will not offer financial incentives this year and no individual is required to perform or complete an activity related to a health factor in order to obtain a reward.

The program also requires participants to enroll in ClearCost Health. ClearCost offers price transparency information on providers and prescription drugs. Our goals are to encourage employees to 1) seek timely, quality care when needed by reducing the financial uncertainty of out-of-pocket costs; 2) use the lowest cost prescription drugs available; and 3) use lower cost, high quality in-network providers for their care.

The Wellness Institute agrees as follows:

- The LCSC Wellness Institute uses EBIS, Inc. to manage its wellness programs. EBIS is subject to written agreements with Blue Cross Blue Shield of Minnesota (BCBS) and ClearCost Health, Inc. (ClearCost) to maintain any information it collects as confidential and subject to state and federal privacy laws, including the Health Insurance Portability and Accountability Act (HIPAA).

- The LCSC Wellness Institute requires that employees enroll online with ClearCost, and complete a Wellness Authorization and Verification Form. The form does not collect any medical information on employees, but it does require them to state that they have enrolled in ClearCost and will participate in a fitness challenge to be arranged by the employer once they receive their FitBit™. It also authorizes EBIS to share this information with the LCSC Wellness Institute so that it can authorize and arrange for Fitbits™.
- ClearCost will send EBIS reports indicating when employees have registered for their services online. EBIS will use that information along with information that employees provide on this form to determine who is eligible.
- EBIS will send a report including the information above to the LCSC Wellness Institute. The Wellness Institute will use this information to confirm eligibility, arrange for Fitbits™, and send employees a code to be used to go online to order their Fitbit™ Charge. The Wellness Institute will transfer a list of who will receive Fitbits™ back to the employer.
- The wellness program is a one-time pilot program for the group health plan year beginning on July 1, 2016. The program automatically expires on June 30, 2017. LCSC Wellness Institute may request survey information to determine its effectiveness, but neither the LCSC Wellness Institute nor the employer agrees to provide same program in 2017. Wellness programs may change from year to year, as determined by the Wellness Institute in its discretion. But we ask employees to hang on to their Fitbits™ for use in possible future programs. Lost, stolen or damaged Fitbits™ will not be replaced.
- The wellness program is made available as part of the group health plan made available through LCSC. Employees must be enrolled in employer-sponsored group health coverage made available through the Lakes Country Service Cooperative in order to participate in or receive benefits associated with the wellness program. If an employee does not enroll in coverage made available through the Lakes Country Service Cooperative, the employee will not receive a Fitbit™ or continue to participant in ClearCost, even if the employee has enrolled in ClearCost and submitted the Wellness Verification and Authorization Form.

The Employer agrees as follows:

- The Employer will communicate the wellness program to employees.
- The Employer will collect completed Wellness Authorization and Verification Forms and mail them to EBIS no later than June 10, 2016.
- The Employer will work with LCSC Wellness Institute to design a fitness challenge that uses step data collected from Fitbits™.
- The Employer will remind employees that they do not have to use their real names in any FitBit™ Community Boards, and allow them to use a pseudonym.

Both the Employer and the Wellness Institute agree as follows:

- Fitbits™ and/or other costs associated with the program, such as activity trackers, will be paid from the Service Cooperative's reserves.
- The Wellness Institute will charge an administrative fee in the amount of \$5.00 per employee per month (PEPM) who is enrolled in the Employer's group health plan. The administrative fee shall be paid during the pilot program from pool reserves rather than assessed directly to participating employers or added to equivalent premium rates.
- Nothing herein shall contravene the Joint Power Agreement for Group Employee Benefits and other Financial and Risk Management Services.
- Fitness challenges do not have to include Employer-provided financial incentives or prizes; if they do, however, the Employer will not condition the receipt of an incentive or prize on satisfaction of an activity-based standard unless it provides a reasonable alternative standard to employees who may not be able to achieve the standard due to a medical condition.

Agreed and Accepted,

Deborah Wanel
[Employer]

Dated: 5-20-16

[Wellness Institute]

Dated: _____