

**JOINT POWERS AGREEMENT
FOR GROUP EMPLOYEE BENEFITS AND OTHER FINANCIAL AND RISK
MANAGEMENT SERVICES**

This Joint Powers Agreement, hereinafter referred to as "Agreement," is made between Participant Member listed on the signature page, and other Participant Members as are now or may hereafter become parties to this Agreement, and the South Central Service Cooperative hereinafter called the "SC."

RECITALS

Whereas, Minn. Stat. 471.59, Subds. 1 and 10, authorizes two or more governmental units to exercise jointly or cooperatively powers which they possess in common, and

Whereas, Minn. Stat. 123A.21, establishes service cooperatives, the purpose of which, among other things, is to assist participating governmental units in meeting certain specific needs which can most advantageously be met on a regional basis, and

Whereas, the Participant Members wish to authorize the SC Board of Directors to act as a joint board for the purpose of exercising certain powers as set forth in this Agreement, and

Whereas, the Participant Members acknowledge that the Board of Directors of the SC is representative of the parties to this Agreement;

NOW THEREFORE, the parties hereto agree as follows:

SECTION 1

PURPOSE, INTENT AND OBJECTIVE

1.1 **Purpose.** Under the provisions of Minnesota law, governmental units may enter into contracts to provide Group Employee Benefits for their employees and to obtain Other Financial and Risk Management Services deemed necessary or beneficial for their operation. Under the provisions of Minn. Stat. 471.59, two or more governmental units (including, but not limited to, school districts, counties, towns, other governmental agencies and service cooperatives) may agree to exercise jointly or cooperatively powers which they possess in common. The purpose of this Agreement is to authorize the Board to exercise the common powers of the participating governmental units in connection with certain matters pertaining to the administration and funding of Group Employee Benefits and the provisions of Other Financial and Risk Management Services, all as described herein. It is not the purpose of this Agreement to transfer to the Board the authority to execute contracts on behalf of Participants, or to in any manner become involved in any collective bargaining process.

1.2 **Compliance with Applicable Laws.** It is the parties' intent to comply with the applicable statutory requirements pertaining to requests for proposals for group insurance, self-insurance, COBRA and its Minnesota extensions, service cooperatives, and all other applicable federal and state statutes. Pursuant to the laws governing service cooperatives, it is also intended that nonprofit, non-governmental units be allowed to participate as Associate Members in the Group Employee Benefits and Other Financial and Risk Management Services made available pursuant to this Agreement, although it is not intended that such nonprofit, non-governmental units exercise any of the powers or authorities exclusively delegated to governmental units described in Minn. Stat. 471.59 Subd. 1.

SECTION 2

DEFINITIONS

2.1 **Advisory Committee(s)** means committees appointed by the Board in accordance with Section 4.8 of this Agreement which are representative of the Participants as deemed appropriate by the Board for the purpose of recommending policies, procedures and actions to the Board.

2.2 **Agreement** means this Joint Powers Agreement as the same may be amended from time to time. This document, and all other documents in the same form executed (or deemed executed as provided in Section 9 of this Agreement) by SC and other Participant Members, all as amended from time to time, shall together constitute a single Agreement.

2.3 **Associate Member** means any nonprofit or non-governmental entity which participates in any of the Group Employee Benefits or Other Financial and Risk Management Services made available to Associate Members by the Board, and agrees in writing to be bound by the terms of this Agreement other than those terms explicitly applicable only to Participant Members (or is deemed to have so agreed as provided in Section 9 of this Agreement).

2.4 **Board or Joint Powers Governing Board** means the SC Board of Directors acting as the joint board authorized to exercise certain powers of the Participant Members, as permitted by Minn. Stat. 471.59, Subd. 2, and as set forth in this Agreement.

2.5 **Carrier Contract** means an agreement by and between the Board and a Provider which establishes terms for the benefits, administration or funding of Group Employee Benefits or Other Financial and Risk Management Services.

2.6 **CBA** means collective bargaining agreement.

2.7 **CBA Employee Benefits** means employee welfare and retirement benefits made available by the Board from time to time for adoption by a Participant pursuant to the terms of a CBA, and may include, but shall not be limited to health benefits coverage, wellness and employee assistance programs, life insurance, disability income protection, dental insurance, flexible spending programs, retirement programs and long term care insurance. In no event shall any Discretionary Employee Benefits be considered CBA Employee Benefits unless and until they become part of a collective bargaining agreement between a union and a Participant.

2.8 **Discretionary Employee Benefits** means employee welfare and retirement benefits made available by the Board from time to time for adoption by a Participant, exclusive of any CBA Employee Benefits, and may include, but shall not be limited to health benefits coverage, wellness and employee assistance programs, life insurance, disability income protection, dental insurance, flexible spending programs, retirement programs and long term care insurance. Discretionary Employee Benefits may be terminated or reduced by the Board at any time. In the event any Discretionary Employee Benefit is terminated by the Board but continued by one or more Participants, the provision of such Discretionary Employee Benefit shall become the sole responsibility of such Participants.

2.9 **Group Contract** shall mean an agreement for the rendering of services by and between a Participant and a Provider of such services. In connection with the self-insurance of employee health

benefits, such an agreement may also mean a Participant's agreement to participate in a program of self-insurance.

2.10 **Group Employee Benefits** shall mean CBA Employee Benefits and Discretionary Employee Benefits.

2.11 **Other Financial and Risk Management Services** may include, but shall not be limited to, technical advice regarding borrowing programs, contracted legal services, property/casualty safety group protection, personal property and casualty protection, student accident, coverage, and other services as made available by Group Contract for Participants from time to time by the Board.

2.12 **Participant** means both Participant Members and Associate Members. It does not refer to individual employees obtaining insurance or other benefit coverage pursuant to a plan offered by a Participant which is funded or administered in whole or in part pursuant to this Agreement.

2.13 **Participant Member** means any governmental unit as defined in Minn. Stat. 471.59 which is accepted for participation in this Agreement by the Board, certifies that its employee benefit plans qualify as "governmental plans" that are exempt from application of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and agrees in writing to be bound by the terms of this Agreement (or is deemed to have so agreed as provided in Section 9 of this Agreement).

2.14 **Pool** means the collective group of Participants in a given program of Group Employee Benefits or Other Financial and Risk Management Services, as the context shall require. Absent an agreement expressly to the contrary, a separate Pool shall exist for each such program and a separate Group Contract shall exist between the Provider and each Participant for the rendering of services or benefits for which such Pool is formed.

2.15 **Program Funds** means any monies, reserves, excesses or other amounts, whether acquired through contributions, payments, discounts, dividends, refunds, credits, reserves, savings, interest or otherwise, that are held and administered in accordance with Section 6 of this Agreement.

2.16 **Provider** means the person, insurance carrier, third party administrator, or other entity which is selected by the Board, in its discretion, to provide Participants with Group Employee Benefits or Other Financial and Risk Management Services or, as in the case of self-insured health benefits, to provide administrative or other services in connection with such Benefits or Services.

2.17 **SC** means the South Central Service Cooperative, a governmental agency and public corporation, whose existence is authorized by Minn. Stat. 123A.21.

SECTION 3

JOINT POWERS GOVERNING BOARD

3.1 **Board Membership.** The SC Board of Directors, when exercising the joint powers authorized by this Agreement, will also serve as the Board referred to in this Agreement. The Board will be elected pursuant to the Bylaws of the SC. As appropriate, the Board may designate one or more representatives to act on its behalf.

3.2 **Upon Dissolution of SC.** In the event that the SC is dissolved, the Board shall continue to exist and its members shall be elected solely from the governing bodies of the Participant Members to this Agreement in a manner consistent with the provisions of the Joint Powers Act, Minn. Stat. 471.59, Subd.2. Any administrative services provided by the SC prior to its dissolution shall be provided thereafter as determined by the Board in its discretion.

3.3 **Acknowledgment by Associate Members.** Associate Members acknowledge that Minn. Stat. 471.59 does not authorize their participation in a Joint Powers Agreement, even though Minn. Stat. 123A.21, Subd.3, authorizes nonprofit, non-governmental organizations to participate in Group Employee Benefits, Other Financial and Risk Management Services, and other programs made available from time to time by service cooperatives. By participating in any such program made available by the SC, such non-governmental Associate Members agree to be bound by the terms of this Agreement (other than those terms explicitly applicable only to Participant Members) and that the Board is representative of their interests.

SECTION 4

RIGHTS AND RESPONSIBILITIES OF THE BOARD

4.1 **Authorized Powers.** Pursuant to Minn. Stat. 471.59, Subd. 2, in addition to any other powers specifically delegated to the Board by this Agreement, the Board is hereby authorized to:

- (a) establish, procure and administer Group Employee Benefits and Other Financial and Risk Management Services;
- (b) define and clarify requests for proposals, rights and responsibilities, length of contract, premium or contribution rates and other costs, termination guidelines, the relative liability of the parties, and the method(s) by which parties to this Agreement shall exercise their common powers; and
- (c) receive, collect, hold, invest, expend and disburse Program Funds in connection with the exercise of its powers under this Agreement.

4.2 **Group Employee Benefits.**

4.2.1 **CBA Employee Benefits.** The Board may from time to time make employee welfare and retirement benefits available for adoption by Participants pursuant to a CBA. The Board may arrange alternative financing arrangements respecting such benefits, and may administer or arrange for the administration of such benefits. Any employee or collective bargaining representative notification of alternative financing arrangements shall be the responsibility of the Participant. The Group Contract for the provision of such benefits shall be between the Participant

and the Provider. Pursuant to Minn. Stat. 471.6161, Subd.5, the Board has no authority nor authorization to change a policy or benefit respecting a Participant's CBA Employee Benefits in a manner that would reduce the aggregate value of such benefits.

4.2.2 Discretionary Employee Benefits. The Board may from time to time make available for adoption by Participants Discretionary Employee Benefits. The Board may arrange alternative financing arrangements respecting such benefits, and may administer or arrange for the administration of such benefits. The Group Contract for the provision of such benefits shall be between the Participant and the Provider. Notwithstanding that a Group Contract for Discretionary Employee Benefits be between a Participant and a Provider, the Board, upon reasonable notice to Participants, may prospectively amend, reduce or terminate any such Discretionary Employee Benefits in its sole and absolute discretion.

4.2.3 Reserves. The Board shall from time to time determine the minimum amount of funds needed for purposes of risk management and rate stabilization. Any such funds shall be held and used in accordance with, and subject to the limitations set forth in, Section 6.

4.2.4 Self-Insurance of Health Benefits. In accordance with Minn. Stat. 471.617, Group Employee Benefits that are employee health benefits may be self-insured. A self-insurance Pool made available by the Board shall be a pool established and operated by the Board, or by the Board and one or more other joint powers governing boards governed by Minn. Stat. 471.59 or service cooperatives governed by Minn. Stat. 123A.21.

4.3 Other Financial and Risk Management Services. The Board may make available Other Financial and Risk Management Services for electing Participants and may administer, or arrange for the administration of such services. The Board will determine the most cost-effective and appropriate manner in which to deliver Other Financial and Risk Management Services and the service fees and other costs pertaining to the same.

4.4 Carrier Contracts. The Board, alone or in collaboration with other governmental units, whether acting alone or jointly, including other service cooperatives, may negotiate Carrier Contracts for the benefit of the SC and each of the Participants with respect to any Group Employee Benefit or Other Financial and Risk Management Service. Such Carrier Contracts may establish, among other things:

- (a) the terms and conditions for any program,
- (b) premium or contribution rates and other costs,
- (c) funding arrangements,
- (d) administrative arrangements, including the extent to which the SC shall provide administrative services,
- (e) the applicable responsibilities of the Board, and
- (f) the amount of service fees payable to the SC.

The Carrier Contract is a proprietary document between the Service Cooperative and the provider. However, at the request of any Participant, the Board may provide that Participant with any

information regarding the applicable Carrier Contract that is reasonably necessary for the Participant to understand its rights and obligations thereunder.

4.5 SC Service Fees. The SC shall be paid a service fee in consideration for services rendered pursuant to this Agreement and any Carrier Contracts. The amount and source of such service fee shall be established from time to time by the Provider and the SC and shall be approved by the Board. Such service fee may include, but shall not be limited to, a percentage of premiums collected from Participants for the payment of Group Employee Benefits, a fixed fee per contract per month paid by each Participant, or such other arrangements approved from time to time by the Board. At the time a Participant elects to participate in any of the Group Employee Benefits made available by the Board, the Participant shall, by execution of this Agreement (or by the deemed execution of this Agreement as provided in Section 9), be deemed to have acknowledged and agreed to the amount of such service fee and the source of its payment, including any part thereof derived from discounts, refunds, dividends, and similar revenues. Services fees payable with respect to Other Financial and Risk Management Services shall be established and disclosed from time to time as determined by the Board. Participants shall be given advance notice of any change in service fees.

4.6 Use of SC Service Fees. The SC may use service fees to provide programs and services which are determined pursuant to Minn. Stat. Sec. 123A.21, Subd. 7 to be priority needs of the particular region and to assist in meeting special needs which arise from fundamental constraints upon individual members.

4.7 Service Providers.

4.7.1 Selection. The Participants hereby delegate to the Board the right to select the Providers for Group Employee Benefits and Other Financial and Risk Management Services.

4.7.2 Governmental Unit Bidding and Contracting Laws. As applicable, the Board shall comply with all state and federal laws relating to requests for proposals, review of proposals, length of Group Contract rules, and other laws and regulations relating to contracting for Group Employee Benefits and Other Financial and Risk Management Services.

4.7.3 Service Provider Rate Increases. The Board will annually review renewal information as presented by Providers, make recommendations and determine if requests for proposals are necessary. Rate renewals for group insurance will be determined on the basis of the aggregate change of premiums.

4.8 Premiums and/or Contract Charges. To the extent not established by the applicable Carrier Contract or in any other manner prescribed by this Agreement, premiums and/or contract charges shall be determined by the Board in its discretion; provided, however, that in accordance with Section 6.5, no retroactive assessment may be made without the consent of the affected Participants.

4.9 Advisory Committee(s). The Board may, but is not required to, appoint one or more advisory committees. The purpose of any such committee may include, without limitation, the receipt and processing of information relating to group employee benefits, and the future direction of such benefits as well as other programs and services. The Board shall consider, but is not required to adopt, advisory committee recommendations and proposals. Labor representation, when appropriate, on any advisory committee formed by the Board shall be, insofar as is reasonably possible, representative of the bargaining representatives of individuals covered in the relevant

Pool. Notwithstanding anything to the contrary in this Section 4.8, the SC shall create a labor-management committee to advise it on certain matters as required by Minn. Stat. 123A.25.

4.10 **Authority of Board.** The Board, with due consideration given to recommendations submitted by any advisory committee which may be established, shall, unless otherwise expressly agreed, retain final authority in all matters relative to this Agreement and to the Group Employee Benefits and Other Financial and Risk Management Services subject to this Agreement; provided, however, that nothing in this Agreement shall permit the Board to enter into a Group Contract on behalf of a Participant, and that, subject to any applicable notice rules, nothing in this Agreement shall prevent a Participant from withdrawing from this Agreement, any Group Employee Benefit, or any Other Financial and Risk Management Service.

4.11 **Liability Limited.** The Board, its authorized representatives, employees and designees shall have no duty or liability to any of the Participants or Providers with respect to the fees, premium and/or contract charges, offers, acceptances or binders of coverage, cancellation notices, or other matters relating to a Participant's subscribers, all of which shall be the responsibility of the Participant. The Board, its authorized representatives, employees and designees, and each Participant shall have no duty or liability due to negligence of other Participants and Providers. When it is not exercising the joint powers authorized by this Agreement (and, therefore, not acting as the Board), the SC Board of Directors shall have no duty or obligation whatsoever to act for the benefit of Participants (as Participants).

4.12 **Withdrawal by Board.** The undertakings for the provision of Group Employee Benefits in this Agreement may be terminated by the Board or the SC (as applicable) at any time.

SECTION 5

RIGHTS AND RESPONSIBILITIES OF PARTICIPANTS

5.1 **Enrollment and Renewal.** Participants may elect whether to participate in any Group Employee Benefit and any Other Financial and Risk Management Service made available by the Board. If a Participant elects to participate in a Group Employee Benefit or Other Financial or Risk Management Service, the Participant must execute any applicable Group Contract, Group Contract amendment, enrollment and renewal documents directly with the Provider.

5.2 **Participants to Furnish Data.** Each Participant agrees to furnish all reasonably necessary employee data directly to the SC or its designee.

5.3 **Remittance of Premiums and Contract Charges.** The Participant shall remit premiums and/or contract charges in the time and manner as from time to time determined by the Board.

5.4 **CBA Employee Benefits.** Each Participant that participates in CBA Employee Benefits shall be solely responsible for the collective bargaining of such benefits, and for providing any notices regarding CBA Employee Benefits, including, without limitation, the obligation to notify certain representatives regarding the adoption of a self-insured health benefit plan set forth in Minn. Stat. 471.617, Subd.4.

5.5 **Participant Withdrawal.**

5.5.1 **Voluntary Withdrawal.** At any time during a year, (but at least three (3) months prior to renewal), a Participant may terminate its participation in this Agreement or in a Pool upon ninety

(90) days written notice to the Board and to all Providers of programs in which it participates.

5.5.2 Withdrawal Relating to Participant Rate Solicitation. If a Participant solicits proposals independently of this agreement within five months prior to the end of the master agreement, the Board retains the right to deem that the Participant has withdrawn from the appropriate pool. "Soliciting proposals" shall be defined as requesting and/or accepting written or verbal proposals of any kind, regardless of how formal or informal.

5.5.3 Withdrawal Relating to Dual Offering. If a Participant offers Group Employee Benefits through an additional or different plan which, in the discretion of the Board, are considered to be substantially similar to those provided by a Pool in which the Participant participates, then the Board retains the right to deem that such Participant has withdrawn from the Pool.

5.5.4 Withdrawal at Annual Renewal. If a material change in any term or condition of a Group Employee Benefit or Other Financial or Risk Management Service in which a Participant participates is proposed to commence as of the Participant's annual renewal date, the Participant may withdraw from the applicable Pool as of the renewal date, provided the Participant gives advance written notice of its intent to withdraw promptly (within 30 days) after receiving notice of the material change, even if such notice is given less than five (5) months in advance of the renewal date.

5.6 Effect of Participant Withdrawal. Upon a Participant's withdrawal or deemed withdrawal from this Agreement or from a Pool, the following rules shall apply:

5.6.1 Withdrawal from this Agreement. Upon its withdrawal from this Agreement, a Participant shall be deemed to have withdrawn from all Pools maintained under this Agreement in which the Participant is participating at the time of such withdrawal. If a Participant no longer participates in any Pool, the Participant shall be deemed to have withdrawn from this Agreement, as well as from the applicable Pool(s).

5.6.2 Withdrawal from a Pool. Withdrawal by a Participant from any Pool shall not affect the Participant's participation in any other Pool.

5.6.3 Program Funds. No Program Funds or any other amounts that may, in any way, be attributable to a Participant's participation in a Pool shall be returned to the Participant in the event such Participant's participation in a Pool ends prior to the Pool's termination.

5.6.4 Future Participation Limited. If a Participant withdraws or is deemed by the Board to have withdrawn from a Pool, such Participant's participation in such Pool shall be prohibited for a period of twelve (12) months from the date of such withdrawal or deemed withdrawal. If a Participant withdraws or is deemed by the Board to have withdrawn from this Agreement, such Participant's participation in this Agreement (and any Pool offered hereunder) shall be prohibited for a period of twelve (12) months from the date of such withdrawal or deemed withdrawal.

SECTION 6

PROGRAM FUNDS ADMINISTRATION

6.1 Program Funds. It is understood and agreed that, in connection with the Group Employee Benefits and Other Financial and Risk Management Services made available pursuant to

this Agreement, the Board may acquire Program Funds. The Board may, in its discretion, establish and maintain separate accounts for specified portions of the Program Funds, and may designate specific purposes, such as the payment and financing of Group Employee Benefits or the stabilization of the cost of such benefits, for which the amounts credited to such account shall be used, but it shall not be required to do so.

6.2 General Rules Regarding Management and Disposition of Program Funds.

Program Funds shall be used solely for the purposes of providing Group Employee Benefits and Other Financial and Risk Management Services, providing related services, defraying the reasonable expenses of administering such benefits and services, and, if the Board determines that such use would either directly or indirectly benefit Participants (e.g., by spreading risk, achieving economies of scale, generating revenues or enhancing the Board's ability to negotiate with Providers as a result of the Board's visibility, presence in the marketplace or enhanced expertise), establishing, providing and administering similar benefits and services offered by the joint action of other governmental units. Program Funds shall not inure to the benefit of the Board; this prohibition shall not, however, prohibit the payment of service fees to an SC as provided below. Subject to the foregoing, the Board, in its sole discretion, shall determine the management and disposition of the Program Funds. The Board may consider Advisory Committee recommendations regarding the use of Program Funds before any determinations are made. The following are examples of purposes for which the Board may use and apply Program Funds.

(a) to negotiate the purchase of, administer, provide and maintain (either directly or through the purchase of insurance, or both) Group Employee Benefits (including, but not limited to programs related to the purpose for which the Fund was created, such as, for example, in the case of a Health Pool, an Employee Assistance Program (EAP) and Wellness Program) and Other Financial and Risk Management Services;

(b) to pay or provide for the payment of reasonable and necessary expenses of administering Group Employee Benefits and Other Financial and Risk Management Services including, without limitation, all expenses which may be incurred in connection with the establishment and administration of Pools, the employment of administrative, legal, accounting, other expert and clerical assistance, the leasing of such premises and the purchase of lease materials, supplies, equipment, and liability and property insurance;

(c) to establish and accumulate funds deemed adequate by the Board to carry out the purposes of the Pools, for example, for purposes of rate stability and risk reserve;

(d) to pay any federal, state or local income, employment, death or other tax which may be properly imposed on or levied against Group Employee Benefit, Other Financial and Risk Management Service, a Pool, or on benefits paid therefrom;

(e) to pay for any bond and to pay the premiums on any insurance purchased by a Pool, including, but not limited to liability insurance, "stop loss" insurance and other insurance intended to pay directly or indirectly the benefits established with respect to a Pool; and

(f) to pay the SC any service fee payable to it pursuant to, or authorized pursuant to, this Agreement.

6.3 Investment of Program Funds. Program Funds shall be held and invested in a manner that is consistent with any applicable legal requirements regarding the holding and investment of funds by the Participant Members who are governmental units within the meaning of Minn. Stat. 471.59.

6.4 **Withdrawal of Participant.** In the event of the withdrawal of a Participant prior to the termination of this Agreement or of a Pool, Program Funds attributable to contributions of such Participant shall not be returned to such Participant.

6.5 **Termination of Pool.** In the event of termination of a Pool, any portion of the Program Funds that has been designated for use solely in connection with the terminating Pool, and any other portion allocated to the terminating Pool by the Board in its sole discretion, shall be distributed to the Pool Participants in a manner to be determined by the Board, which may include the following:

- (a) payment of benefits to or on behalf of enrolled employees with respect to claims arising prior to such termination;
- (b) provision of similar benefits for such employees;
- (c) payment of reasonable and necessary expenses incurred in such termination;
- (d) payment of taxes; and
- (e) cash payments to Participant Members according to a formula established by the Board.

Upon such termination, the Board shall continue to serve for such period of time and to the extent necessary to carry out the directions of the preceding sentence. The Participants who receive such distributions shall be solely responsible for determining whether, and to what extent, any amounts they receive will be distributed to individuals who were covered by benefit programs provided by the terminating Pool.

6.6 **Funding of Risk.** Premiums may be adjusted, but no retroactive assessment shall be made without consent and agreement by the affected Participants. Subject to their obligation to provide accurate information regarding the individuals who will receive benefits from a Pool, no Participant or its employees shall bear any financial risk other than the agreed upon premium.

SECTION 7

LENGTH OF AGREEMENT AND TERMINATION

Pursuant to Minn. Stat. 471.59, Subd. 4, but subject to the provisions herein relating to Participant withdrawal, this Agreement shall be ongoing.

SECTION 8

LIABILITY OF PARTIES

Any Participant to this Agreement holds the Board and its employees and its designees, and the SC and its board, employees and designees, harmless from any and all causes of action arising at law or in equity unless such action shall arise from its or their gross negligence and is permitted, after application of all doctrines and statutes respecting immunity, by applicable law. The parties agree to waive any rights to litigation from any dispute arising out of this Agreement unless such action is the

result of intentional wrongdoing. All benefits hereunder are the sole responsibility of the Provider(s) and the Participants, and shall not be the responsibility of the Board or the SC.

SECTION 9

AGREEMENT BY PARTICIPATION

Any governmental unit, and any nonprofit or non-governmental entity, which participates in any of the Group Employee Benefits or Other Financial and Risk Management Services and remits premium and/or contract charges in accordance with this Agreement, shall be deemed to have approved this Agreement and, in the case of an eligible governmental unit, to have executed this Agreement by its duly authorized officers, and shall be bound by the terms and conditions of this Agreement to the same extent as if such formal approval had been obtained and such execution had occurred.

SECTION 10

SOLICITATION OF BIDS

Notwithstanding anything in the Joint Powers Agreement to the contrary, the following amendments and additions, consistent with changes made by the Minnesota State Legislature in 2006, shall become part of the Joint Powers Agreement.

1. All members of Service Cooperative Health Insurance Pools may solicit bids and other information from competing sources of health coverage at any time other than within the five months prior to the end of the Carrier Contract.
2. Should a member of the Health Insurance Pool solicit bids pursuant to #1 above, the Service Cooperative will not impose a fine or other penalty against the member for soliciting a bid or other information during the allowed period. Should a member leave the Service Cooperative Health Insurance Pool and obtain health insurance coverage elsewhere, the Service Cooperative may prohibit member from participating in Service Cooperative coverage for a period of up to one year.
3. The Service Cooperative shall provide each member with that entity's monthly claims data notwithstanding the provisions of Minn. Stat. 13.203.

Pursuant to all applicable state and federal laws, this Agreement has been approved by the governing boards of the parties and is signed by the duly authorized officers of the parties.

PARTICIPANT MEMBER

Name of Organization _____


By _____

Title _____

Date _____

SERVICE COOPERATIVE

Name of Organization South Central Service Cooperative

By Les Martisko 

Title Executive Director

Date May 15, 2010