DLC NO. 0801-2023

# VIRGIN ISLANDS DEPARTMENT OF JUSTICE

## OFFICE OF THE ATTORNEY GENERAL

September 11, 2023

**VIA SHAREPOINT©**
Honorable Albert Bryan Jr.
Governor of the Virgin Islands
Government House
Nos. 21-22 Kongens Gade
St. Thomas, VI 00802

***Attn:*** Richard T. Evangelista, Esq.
Chief Legal Counsel to the Governor

***Re:*** IMPORTANT: The current Voluntary Vision Insurance Agreement ends on September 30, 2023, and the attached Agreement requires the Governor's and the Legislature's approval.
Agreement between the Government of the Virgin Islands, through the GESC/Health Insurance Board of Trustees, and Standard Insurance Company for Group Vision Insurance

A.G.O. File No. K-23-0371

Dear Governor Bryan:

Transmitted herewith for your approval is the Agreement for Group Vision Insurance ("Vision Agreement") by and between the Government of the Virgin Islands, through the GESC/Health Insurance Board of Trustees ("Board")("Government"), and the Virgin Islands Port Authority (the "Authority"), the University of the Virgin Islands ("UVI"), and Frederiksted Health Care Inc. ("FHC") (the Government, the Authority, UVI, and FHC hereinafter collectively referred to as the "Employer") and Standard Insurance Company ("STANDARD").

According to the Justification letter of the Board, dated August 29, 2023, the Board acting as the sole body overseeing the operation of the Government employees' health and other benefit plans, has recently secured a proposal with STANDARD after completing a Request for Proposals (RFP) for competitive bids as required by statute for insurance services last year which included Medical and Prescription Drug coverage for active employees and retirees, Employee Assistance Program, Dental, Vision, Life and Accidental Death & Dismemberment (AD&D) plans.

The Standard was the only respondent to the voluntary vision plan and proposed the existing plan benefits and no increase to the premiums. They have guaranteed the premiums for the next three years, which would expire on September 30, 2026.

The Government does not contribute to Vision Insurance. The Voluntary Vision plan is a member-pay-all voluntary plan available to active employees and retirees. There will be no impact on employees and retirees in the premiums they pay:

| Coverage Level | Current per Pay (2022-2023) | Renewal per Pay (2022-2026) | Difference per Pay (2022-2023) |
|---|---|---|---|
| Employee/Retiree | $1.98 | $1.98 | $0.00 |
| Employee/Retiree & Family | $5:22 | $5.22 | $0.00 |

This Agreement is expressly made subject to your approval and the appropriation and availability of funds. The Renewal includes language allowing for execution in any number of counterparts, each of which shall be deemed an original, even if a photocopy or facsimile.

I have attached for your review the following documents:

1. Certificate of Authority (no business license is required because insurance companies are not engaged in any business, occupation, profession, or trade listed in 27 V.I.C. § 302);
2. Secretary's Certificate of Incumbency
3. GESC/Health Insurance Board of Trustees letter dated August 29, 2023;
4. Group Health Projected Budget;
5. Amended and Restated Articles of Incorporation; and
6. Vision Agreement.

Thank you for considering this matter. The Dental Agreement and supporting documents have been reviewed and approved for legal sufficiency. If you have questions, please contact Assistant Attorney General Ian S.A. Clement, Esq., or me at 340-774-5666.

Sincerely,

Pamela R. Tepper
Solicitor General

Enclosures: Voluntary Vision Agreement and Supporting Documents

cc: Ariel M. Smith, Esq., Attorney General
Department of Justice

Beverly Joseph, Chairperson
GESC Health Insurance Board

# AGREEMENT FOR VISION INSURANCE

**THIS AGREEMENT made and entered into this 1st day of October 2023,** by and between the **Government of the Virgin Islands**, through the Health Insurance Board of Trustees (the "Government" or Board"), the Virgin Islands Port Authority (the "Authority"), the University of the Virgin Islands ("UVI"), and the Frederiksted Health Care, Inc. ("FHC") (the Government, the Authority, UVI, and FHC hereinafter collectively referred to as the "Employer") and Standard Insurance Company (hereinafter "STANDARD").

WITNESSETH:

WHEREAS, the Employer consists of the Government of the Virgin Islands and its independent instrumentalities; and

WHEREAS, the Employer provides group health insurance benefits to their eligible employees, retirees and their dependents; and

WHEREAS, in accordance with Title 3, Chapter 25, Subchapter VIII, of the Virgin Islands Code, the Employer issued a Request for Proposal No. 2023-01 from companies interested in providing group health insurance coverage for its employees; and

WHEREAS, STANDARD along with other companies submitted a proposal to provide health insurance benefits to the Employer; and

WHEREAS, the Employer has accepted the proposal of STANDARD and the parties have negotiated and arrived at an agreement for the terms of the contract; and

WHEREAS, the terms of the Vision Insurance Agreement shall consist of the terms provided herein and the terms of the addenda and attached exhibits which are fully incorporated herein by reference; and

NOW THEREFORE, for and in consideration of the mutual covenants and promises made herein, the parties agree as follows:

## ARTICLE 1. TERM

This contract shall be in force and effect for a period of thirty-six (36) months beginning October 1, 2023 and ending September 30, 2026. This contract is subject to renewal, with terms to be renegotiated by the parties, for up to two (2) successive twelve (12) month terms. The Employer shall give notice of its intent to renew the contract at least sixty (60) days prior to the expiration of the term of the contract.

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## ARTICLE II. COMPENSATION FOR INSURER

A. The Employer shall pay premium payments to STANDARD in accordance with the terms contained in Addendum 1 to the Contract which by this reference is incorporated herein.

B. Premium payments are due as provided for in Addendum 1. The premium rates referenced in Addendum 1 shall remain in effect and are guaranteed for twenty-four (24) months commencing on October 1, 2023 and terminating on September 30, 2025. STANDARD may terminate the insurance policy for the reasons set forth in Article XVII of this contract, including for non-payment of premium. It is understood by STANDARD that the Authority, UVI, and FHC shall be responsible for paying the premiums for its employees separate from the responsibility of the Government. If any paying entity shall default on the payment of premiums, STANDARD may terminate the agreement with such entity. However, in the event of default of payment of premiums by any paying entity, the subject paying entity shall be afforded a 90 day grace period to cure any deficiency. If the entity cures the deficiency within the 90 day period, benefits shall be restored with no interruption in coverage.

C. While the future premiums shall be based upon the claims experience, it is agreed by the parties that the premium rates for any renewal period after expiration of the initial rate guarantees set out in Exhibit A to Addendum No. 1, shall be calculated in accordance with STANDARD's standard underwriting policies and procedures then in effect.

## ARTICLE III. BENEFITS PLAN

The benefits provided to employees by STANDARD (the "Plan") are as contained in Addendum 2 to the Contract and by this reference are incorporated herein.

## ARTICLE IV. PROVIDER DIRECTORY

STANDARD shall produce an updated network provider directory at least annually and deliver to the island of St. Thomas and to the island of St. Croix the desired number of copies in a manner directed by the Employer and agreed to by STANDARD.

## ARTICLE V. BOOKLETS

Within SIXTY (60) days of final approval of this agreement and of the benefit plan to be provided to Employer, STANDARD shall produce and distribute the complete booklet describing the agreed upon benefit plan. The number of copies and manner of distribution will be as directed by the Employer and as agreed upon by and between the Employer and STANDARD.

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## ARTICLE VI. REPORTS

A. STANDARD shall provide the following report on a quarterly basis:
Group utilization report showing (by month and cumulatively) the number of participating members, premium received, administrative costs, claims costs, number of accessing members and the average claim cost per accessing member

B. Renewal information shall be delivered to the Employer not less than one hundred twenty (120) days prior to end of plan year.

C. The report described above is subject to the performance guarantees set out in Addendum 3 to this Contract.

## ARTICLE VII. ENROLLMENT

STANDARD shall accept and provide coverage for all of the present active employee and retiree enrollees, without requiring evidence of insurability. Employees first eligible for coverage after the effective date shall be required to submit timely application or evidence of insurability.

## ARTICLE VIII. CLAIMS AUDIT

A. During the term of this Contract and for two years thereafter, upon at least 30 days' prior written notice to STANDARD, and at a time agreeable to both parties, the Employer may audit STANDARD's claim process.

B. The Employer will conduct audits, during normal business hours, in accordance with generally accepted auditing standards and the execution of any confidentiality agreements that are necessary.

C. The Employer may designate a third party to perform the Employer's obligations under this Section. This third party designation is subject to the approval of STANDARD, which approval will not be unreasonably withheld, and to the third party's entering into an agreement for the protection of confidential information. STANDARD shall cooperate with the auditor and provide the documents requested by the auditor with respect to the audit activities. Employer shall bear all costs associated with the audit activity; provided, however, that if the audit activity discloses that the dollar amount represented by STANDARD's claims data to the Employee deviates more than 5% from the actual amounts as computed by the auditor, then STANDARD shall bear all costs associated with the audit activity. Also, in such event, STANDARD shall reconcile its claims data as necessary. Also, STANDARD and Employer shall evaluate the impact of the disclosed deviation in its claims data on the rates charged to the Employer and STANDARD shall make the necessary adjustment in the underwriting for the Plan and in the premium charged to the Government.

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Audits shall be conducted at one of STANDARD'S or it's subcontractor's primary business locations and be subject to applicable privacy and confidentiality laws and STANDARD'S internal privacy and confidentiality policies and procedures.

## ARTICLE IX. PERFORMANCE GUARANTEE

STANDARD and Employer have agreed upon certain performance guarantees as set forth below. However, failure to satisfy any of the performance guarantees shall not, by itself, constitute a material breach of this Agreement as long as STANDARD's performance under the performance guarantees set forth below does not fall below 80% for any measurable standard for two consecutive reporting periods.

The performance guarantees set forth below are effective as of October 1, 2023 (the "Commencement Date"). The "Term" of the performance guarantees shall be from the Commencement Date through September 30, 2025 (the "Term").

**Performance Commitments and Penalty Amounts**

In connection with the services STANDARD will provide to the Employer with respect to the Plan, STANDARD guarantees its performance. A listing of all performance commitments and their associated penalties is attached hereto and made a part hereof at Addendum 3.

1. Within four (4) months after the end of the Term, STANDARD shall compile the necessary documentation and perform the necessary calculations to evaluate its fulfillment of each performance commitment set forth in this Agreement and make this information available to the Company.
2. Any dispute with the amount STANDARD determines to be owed under this Agreement must be raised in writing within sixty (60) days of the date that STANDARD notifies the Employer in writing of its determination.

3. If STANDARD fails to meet any of the performance commitments set forth above, STANDARD shall pay to the Employer the appropriate financial penalty set forth in Addendum 3 of this Agreement.

4. The penalty amounts in Addendum 3 have been established in relationship to the number of employees that the Employer has projected will be enrolled on the Effective Date. That number is stated in Addendum 3. In the event that the actual number of employees enrolled on the Effective Date is greater than one-hundred and fifteen percent (115%) of the projected number, the Employer reserves the right to increase the penalty amounts in proportion to the variation between the actual and projected number of enrolled employees. Correspondingly, STANDARD reserves the right to decrease the penalty amounts in proportion to the variation between the actual and projected number of enrolled employees in the event that the actual number of employees enrolled on the Effective Date is less than eighty-five (85%) of the projected number.

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5. The total amount payable by STANDARD during the Term for failure to meet the performance commitments set forth in this Agreement shall not exceed the sum of the penalties associated with each performance commitment.

STANDARD reserves the right to replace or modify any performance commitment if necessitated by a change in circumstances that would cause the performance commitment to be an inaccurate or unfair method of measuring STANDARD's performance. In such event, the performance commitment will be modified to the degree necessary to carry out the intent of the parties.

STANDARD shall be entitled to set off any amount owed by STANDARD to the Employer under this Agreement against any debt owed by the Employer to STANDARD, whether now existing or hereafter arising.

Notwithstanding any other Force Majeure clauses in this Agreement, STANDARD shall not be liable for any failure to meet any of the obligations specified or required under this Agreement where such failure to perform is due to any contingency beyond the reasonable control of STANDARD, its employees, officers, or directors. Such contingencies include, but are not limited to, acts or omissions of any person or entity not employed or reasonably controlled by STANDARD, its employees, officers, or directors, acts of God, fires, wars, accidents, labor disputes or shortages, and governmental laws, ordinances, rules or regulations, whether valid or invalid.

The provisions of this Article and Addendum 3 to this Agreement with respect to Performance Guarantees shall terminate upon the earliest of the following dates:

1 the end of the Term;

2. the effective date of any state's or other jurisdiction's action which prohibits activities of the parties under this Agreement;

3. the date upon which the Employer fails to fails to pay any premium charges, fees or other charges within the time frame specified in the applicable contract;

4. the date upon which the contract under which STANDARD provides services to the Employer is terminated;

5. any other date mutually agreeable to the Employer and STANDARD.

## ARTICLE X. LOCAL CUSTOMER REPRESENTATIVES

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STANDARD is not required to provide full-time local customer service representation in the USVI.

## ARTICLE XI. APPROVAL and CONTRACT EFFECTIVE DATE

This Contract is subject to and shall become effective upon the approval of the Governor of the Virgin Islands and the Legislature of the Virgin Islands. This Contract is subject to the appropriation availability of funds.

## ARTICLE XII. TAXES and LICENSURE

STANDARD shall maintain the appropriate licenses to conduct business in the Virgin Islands and shall pay all fees and taxes imposed by the Federal and Territorial government agencies, for its operations in the Virgin Islands. STANDARD shall also comply with all local and federal laws and rules and regulations applicable to and pertaining to insurance and insurance transactions the Virgin Islands.

## ARTICLE XIII. LIABILITY OF OTHERS

Nothing in this Contract shall be construed to impose any liability upon the Employer by persons, firms, associations, or corporations engaged by STANDARD as servants, agents, independent contractors, or in any other capacity whatsoever, or make the Employer liable to any such persons, firms, associations or corporations for the acts, omissions, responsibilities, obligations and taxes of STANDARD of whatsoever nature, including but not limited to unemployment insurance and social security taxes for STANDARD, its servants, agents or independent contractors.

## ARTICLE XIV. ASSIGNMENT AND DELEGATION

A. Assignment. STANDARD shall not assign any rights under this Contract without the prior written approval of Employer.

B. Delegation. STANDARD shall not subcontract or delegate any part of the services under this Contract without the prior written approval of Employer, which consent shall not be unreasonably withheld. STANDARD warrants that all subcontractor agreements related to this Contract include provisions pursuant to which the subcontractor agrees to preserve the confidentiality of Employer and Subscriber information.

C. Assignment or Delegation of Claims Processing Services and Obligations. To the extent STANDARD proposes to enter into a subcontracting relationship solely connected to providing group insurance coverage to the Employer, the Employer is willing to agree to these terms regarding the claims processing services provided to STANDARD by Ameritas.

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Accordingly, STANDARD subcontracts dental and vision administration with Ameritas Life Insurance Company (Ameritas), located in Lincoln, Nebraska. STANDARD and Ameritas have formed a strategic alliance partnership with group dental and group vision insurance product offerings. Ameritas provides the claims processing, member customer service, policyholder administration and the Ameritas Network. Ameritas is one of the nation's leading providers of dental, vision, and hearing care products and services and has been administering group dental policies since 1959.

## ARTICLE XV. INDEMNIFICATION

STANDARD agrees to indemnify, defend and hold harmless the Employer from and against any and all loss, damage, liability, claims, demands, detriments, cost charges and expenses (including attorney's fees) and causes of action of whatsoever character which the Employer may incur, sustain or be subjected to, arising out of or in any way connected to the services to be performed by STANDARD, its affiliates, subcontractors or agents under this contract, except to the extent caused by Employer.

## ARTICLE XVI. INDEPENDENT CONTRACTOR

STANDARD shall perform this Contract as an independent contractor and nothing herein contained shall be construed to be inconsistent with this relationship or status.

## ARTICLE XVII. TERMINATION

A. This Contract may be terminated only as follows:

1. By mutual agreement of the parties.

2. By the Employer, if it deems that it is in its best interest to do so. The Employer shall give STANDARD THIRTY (30) DAYS written notice of its intent to terminate the Contract under this Section. In the event of termination under this paragraph, the Employer shall be liable for premium payments up to and including the date of termination.

3. By the Employer in the event of a material breach of the Contract by STANDARD. For purposes of the paragraph, a material breach is a violation or nonperformance of a Contract term that is substantial and significant, may result in a liability to the Employer, or may give rise to a cause of action against STANDARD by Employer. The Employer shall give STANDARD written notice of its intention to terminate ("Notice of Intent") the Contract pursuant to this Section, which Notice of Intent shall specify the duties and responsibilities that STANDARD has failed to perform. Thereupon, STANDARD shall have a period of THIRTY (30) DAYS following

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receipt of said Notice of Intent to cure such failure or failures. If STANDARD cures such failure or failures in conformance with the requirements of the Contract and within said 30-day period, the Notice of Intent shall be deemed rescinded. If, however, STANDARD fails to cure such failure or failures within said 30-day period, this Contract shall terminate upon the lapse of the 30-day period, unless the parties shall otherwise agree in writing. In the event of termination under this paragraph, the Employer shall be entitled to compensation for all liabilities resulting from the material breach causing termination.

4. By STANDARD in the event of a material breach of the Contract by the Employer. For purposes of the paragraph, a material breach is a violation or nonperformance of a Contract term that is substantial and significant or that may give rise to a cause of action against the Employer by STANDARD. Without limiting the foregoing, failure of the Employer to pay premiums shall be deemed to be a material breach of the Contract. STANDARD shall give the Employer written notice of its intention to terminate the Contract pursuant to this paragraph ("Notice of Intent"), which Notice of Intent shall specify the duties and responsibilities that Employer has failed to perform or the reasons that lead STANDARD to the conclusion to terminate. Thereupon, Employer shall have a period of THIRTY (30) DAYS following receipt of said Notice of Intent to cure such failure or failures. If Employer cures such failure or failures in conformance with the requirements of the Contract and within said 30-day period, the Notice of Intent shall be deemed rescinded. If, however, Employer fails to cure such failure or failures within said 30-day period, this Contract shall terminate upon the lapse of the 30-day period, unless the parties shall otherwise agree in writing. In the event of termination under this paragraph, the STANDARD shall be entitled to premium payments up to and including the date of termination.

B. Notice of termination shall be given a party by certified mail with return receipt requested, addressed to the other party as provided in Article XXV of this Contract, and shall specify with particularity the nature and date of the termination.

C In the event of termination of this Contract, the Employer has the sole responsibility to notify all subscribers, as defined in Addendum 1 attached hereto, of the termination.

D. In the event of termination, the Employer has the sole responsibility to fulfill requirements (if any) of notifying members of any state or federal conversion or continuation of coverage rights or benefits to which members

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might be entitled. STANDARD has no responsibilities, liabilities, or duties related to this notification.

E. Notwithstanding anything herein to the contrary, in the event this Contract is terminated, STANDARD shall continue to process claims incurred while the Contract was in effect so long as such claims are filed within the Run-Off Period, as that term is defined in Addendum 1..

## ARTICLE XVIII. GOVERNING LAW

A. This Contract shall be governed by the laws of the United States Virgin Islands and jurisdiction over any and all matters and disputes is exclusive in the courts, both local and federal, sitting in the United States Virgin Islands.

B. STANDARD covenants that it has familiarized itself with the applicable provisions of Title 22, Virgin Islands Code.

## ARTICLE XIX. WAIVERS AND AMENDMENTS

No waiver, modification or amendment of any term, condition or provision of this Contract shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representative, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall in no event be construed to be a general waiver, modification or amendment of any of the terms, conditions or provisions of this Contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

## ARTICLE XX. AUTHORITY

Each party warrants and represents that it is authorized to enter into this Agreement, and agrees to be bound by the terms herein. The parties further warrant and represent that the persons signing on their behalf are representatives of the entity with proper and sufficient authority to bind the entity to the terms of this Agreement.

## ARTICLE XXI. CONDITION PRECEDENT

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This Contract shall be subject to the availability and appropriation of funds and to the approval of the Governor. In addition, this Contract is subject to the approval of the Virgin Islands Legislature.

## ARTICLE XXII. NON-DISCRIMINATION

No person shall be excluded from participating in, be denied the proceeds of, or be subject to discrimination in the performance of this Contract on account of race, creed, color, sex, religion, national origin or disability.

## ARTICLE XXIII. CONFLICT OF INTEREST

STANDARD covenants that it is:

(1) Not a territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature or any other elected territorial official; or an officer or employee of the legislative, executive or judicial branch of the Government or any agency, board, commission or independent instrumentality of the Government, whether compensation on a salary, fee or contractual basis); or

(2) a territorial officer or employee and, as such, has:

(i) familiarized itself with the provisions of Title 3, Chapter 37, Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in section 1108 thereof;

(ii) not made, negotiated or influenced this contract, in its official capacity;

(iii) no financial interest in the contract as that term is defined in section 1101, (1) of said Code chapter.

## ARTICLE XXIV. ENTIRE AGREEMENT

This agreement shall include: (i) the Contract and Addenda attached thereto, (ii) the Request for Proposals and any amendments thereto, and (iii) STANDARD's proposal submitted in response to the RFP, which are incorporated herein by reference, constitute the complete understanding and agreement of the parties. There are no other representations, covenants or understandings other than those included or incorporated herein by reference. This agreement shall not be amended, changed or modified except if done in writing and fully executed by the parties. In the event of a conflict in language among the documents referenced above, the provisions and requirements of the Contract shall govern, followed in priority order by the Addenda to the Contract, the Request for Proposals, and then STANDARD's response to the RFP. With respect to the Policy attached as Exhibit A to Addendum 2 to this Contract, any item not explicitly discussed in

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this Contract and the documents referenced above which is discussed in said Policy shall be controlled by the terms of said Policy.

## ARTICLE XXV. NOTICES

Any notice required to be given by the terms of this Contract shall be deemed to have been given when the same is sent by certified mail, postage prepaid or personally delivered, addressed to the parties as follows:

Employer

Chief, Group Insurance program
Virgin Islands Division of Personnel
3438 Kronprindsens Gade
GERS Complex, 3rd Floor
St. Thomas, Virgin Islands 00802

STANDARD

Standard Insurance Company
2811 Lord Baltimore Drive
Baltimore, MD 21244
ATTN: Account Management Services

## ARTICLE XXVI. DEBARMENT CERTIFICATION

By execution of this contract, STANDARD certifies that it is eligible to receive contract awards using federally appropriated funds and that it has not been suspended or debarred from entering into contracts with any federal agency. If, during the term of this contract, STANDARD shall become ineligible to receive contract awards using federal funds, this contract may be terminated for cause forthwith or at such future date as Employer may specify and STANDARD shall not be entitled to payment for any coverage performed under this contract or sub-contract after the effective date of such termination.

## ARTICLE XXVII. FALSE CLAIMS

STANDARD warrants that it shall not, with respect to this Agreement, make or present any claim upon or against a subscriber or Employer, knowing such claim to be false, fictitious or fraudulent. STANDARD acknowledges that making such a false, fictitious, or fraudulent claim is an offense under Virgin Islands law.

## ARTICLE XXVIII. COUNTERPARTS, FACSIMILE, and ELECTRONIC FILING

This Agreement may be executed in counterparts, each of which shall constitute an original and all or which, when taken together, shall constitute one and the same instrument. The parties agree that documents, including this Agreement, may be transmitted electronically and by facsimile and that executed electronic and facsimile documents, including this Agreement, shall be deemed an original and shall be binding on the party executing said document.

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## ARTICLE XXIX. RETENTION OF RECORDS AND ACCESS BY GOVERNMENT AGENCIES

STANDARD, including its employees and subcontractors, shall maintain all claim records and supporting documentation books, accounting records and other evidence pertaining to costs expended or incurred under this Contract and make such materials available at their respective offices at all reasonable times, for inspection by authorized officials of the United States Virgin Islands, and concerned Federal agencies, in a manner prescribed by ARTICLE VIII. Each subcontract shall include a provision containing the conditions of this Section. This documentation described in this Section shall be retained and preserved for a period of SIX (6) years from the date of expiration or termination of this Contract.

In this regard, the documentation resulting from the services under this Contract will be reviewed by the Government and these agencies, and STANDARD will be required to make any corrections required by these agencies as a result of their evaluations, subject to the terms of this Contract. The Government will give Contractor reasonable notice of at least THIRTY (30) workdays for any inspection of documentation as set forth herein.

## ARTICLE XXX. RIGHT TO RECOVER

STANDARD shall be financially responsible for any overpayment due to its own error. Any such overpayments that are recovered shall be credited to the claim experience of the Plan that STANDARD insures for the Employer. Further, STANDARD shall not, as a result of any such overpayment, charge Employer or a Subscriber any amount in addition to the agreed upon premium rates.

## ARTICLE XXXI. CONTINGENT FEE PROHIBITED

STANDARD warrants that it has not employed or retained any individual, corporation, partnership or other entity, other than a bona fide employee or agent working for Contractor to solicit or secure this Contract, and that it has not paid or agreed to pay any individual, corporation, partnership or other entity, other than a bona fide employee or agent any fee or other consideration contingent on the making of this Contract.

## ARTICLE XXXII. SEVERABILITY

If any term or condition of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application.

## ARTICLE XXXIII. HEADINGS NOT CONTROLLING

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Section headings in this Contract are for convenience only and shall have no binding force or effect and shall not enter into the interpretation of the Contract.

IN WITNESS WHEREOF the parties through their authorized representative set their signatures on the day and year indicated.

Witness:

**Standard Insurance Company**

Karen Hawks

CrisDee Plambeck Date: 08/18/2023

[NAME] CrisDee Plambeck
[TITLE] AVP, Product & Strategy Support

Witness:

Government of the Virgin Islands Health Insurance Board of Trustees

_____ Date: _____
Beverly A. Joseph, Chairperson

Witness:

Virgin Islands Port Authority

_____ Date: _____
Carlton Dowe, Executive Director

Witness:

University of the Virgin Islands

_____ Date: _____
David Hall, Ph.D., President

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Section headings in this Contract are for convenience only and shall have no binding force or effect and shall not enter into the interpretation of the Contract.

IN WITNESS WHEREOF the parties through their authorized representative set their signatures on the day and year indicated.

Witness:

Karen Hanks

**Standard Insurance Company**

CrisDee Plambeck

Date: 08/18/2023

[NAME] CrisDee Plambeck
[TITLE] AVP, Product & Strategy Support

Witness:

Government of the Virgin Islands Health Insurance Board of Trustees

Date: 8-30-23

Beverly A. Joseph, Chairperson

Witness:

J. Holder

Virgin Islands Port Authority

Date: 9/1/2023

Carlton Dowe, Executive Director

Witness:

University of the Virgin Islands

Date:

David Hall, Ph.D., President

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Section headings in this Contract are for convenience only and shall have no binding force or effect and shall not enter into the interpretation of the Contract.

IN WITNESS WHEREOF the parties through their authorized representative set their signatures on the day and year indicated.

Witness:

**Standard Insurance Company**

Karen Hawks

Cristie Plambeck Date: 08/18/2023

[TITLE] AVP, Product & Strategy Support

Witness:

Government of the Virgin Islands Health Insurance Board of Trustees

_____ Date: _____

Beverly A. Joseph, Chairperson

Witness:

Virgin Islands Port Authority

_____ Date: _____

Carlton Dowe, Executive Director

Witness:

VVP

University of the Virgin Islands

David Hall Date: 9/5/2023

David Hall, Ph.D., President

Witness:

Sherene Prescott-Charles
8/31/23

Frederiksted Health Care, Inc.

Date: 8/31/2023

Masserae Sprauve-Webster,
Chief Executive Officer

Approved as to Legal Sufficiency
Department of Justice

By: /s/ [illegible] Attorney Client Esq.
Assistant Attorney General

Date: 9/7/23

Approved:

Date: 9/14/23

Honorable Albert Bryan Jr.
Governor of the Virgin Islands

Approved:

Date: _____

Novelle E. Francis, Jr., President
President, 35th Legislature of the
Virgin Islands

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# ADDENDUM 1

## TRADITIONAL FUNDING ARRANGEMENT

### Article I Funding Arrangement

A. During the twenty-four (24) month term of this contract, the Government Program shall be operated under a "Traditional Funding Arrangement." Under this arrangement, the Government pays all premiums directly to STANDARD, ("STANDARD"). STANDARD is then responsible for paying all claims and expenses incurred while the underlying insurance policy (the "Policy") is in effect. A plan that is traditionally funded is considered to be fully insured. That is, once the required premium is paid in full, the policyholder has no additional liability.

### Article II Definitions

- "Benefit Program" is the program of vision benefits found at Exhibit A of Addendum 2 of the Agreement.
- "Covered Services" are those services or supplies specified in the Benefit Program for which benefits will be provided.
- "Premium Due Date" means the 30th day of the month following the date on which the Employer receives each monthly invoice from STANDARD.
- "Run-Offs" means any claim incurred under the insured policy issued by STANDARD, which claim was incurred, but not processed, prior to termination of this Agreement. All such Run-Offs shall be the obligation of STANDARD.
- "Subscriber" means an employee, retiree, or person eligible for coverage or the dependent of an employee, retiree or person eligible for coverage whose coverage under the Benefit Program has become effective.
- "Subscriber's Share" means the amount of deductible, coinsurance, copayment, and other liabilities required to be paid by the Subscriber under the Benefit Program. Subscriber's Share does not mean an amount payable by the Subscriber as a result of balance billing by a provider of services or supplies. If after Subscriber's Share is paid, an adjustment is made to the amount payable, paid, or charged for a particular service or supply, Subscriber's Share will not reflect the adjustment.

### Article III Obligations of the Employer

A. The employer shall pay premiums to STANDARD in accordance with this agreement. The amount to be paid is set out in Exhibit A to this addendum.

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B. The documents comprising the Benefit Program are identified in Addendum 2 and are attached to the Agreement. The Employer will notify STANDARD in writing of any changes the Employer desires to be made to the Benefit Program at least 60 days prior to the proposed effective date of the changes.

Such changes must be agreed to by STANDARD before they become effective. There may be an additional charge for such changes and such changes are subject to STANDARD's underwriting practices and guidelines.

C. The Employer will provide to STANDARD a complete and current listing of all Subscribers under the Benefit Program, in a form and medium agreed to by the parties. The Employer will also provide notice, in a form and medium agreed to by the parties, in advance of any additions to or subtractions from the listing by forwarding electronic eligibility data to STANDARD for the affected individual that includes the nature of the change and the effective date of the change. STANDARD will rely on the listing and changes to the listing. The Employer agrees that this listing may be subject to audit and verification by STANDARD. Audits may be performed during business hours after at least seven (7) days' notice.

In addition, the parties will establish a documented electronic eligibility process, with "default logic" as a safeguard against occasional errors in communicating changes in eligibility in the manner described in the preceding paragraphs. This default cancel process shall not be effective until reduced to a written protocol signed by Employer and STANDARD. The default cancel process may be terminated by STANDARD if STANDARD determines that too many exceptions are occurring. Employer acknowledges that default cancel creates an assumed termination that will generally be a date later than the termination date reflected in Employer's eligibility system. In the event of terminations due to default cancel logic, the assumed termination date shall be used to process claims and for the payment of premium including the determination of any premium credits.

STANDARD shall provide the Employer with the following reports separated by entity and participant class:

a. Report of enrollment totals (quarterly)
b. Report of mismatched records (monthly)

Any requests to STANDARD to reinstate eligibility for a person terminated by the Employer in error shall be in writing, shall identify the cause of the error (to allow root cause analysis by the Employer and STANDARD), and shall be signed by the Chief of Group Health Insurance of the Government of the Virgin Islands or its designee

D. The Employer will distribute forms for enrollment in the Benefit Program, which have been agreed to by the parties, to those members who are eligible for coverage under the Benefit Program. The Employer will forward to STANDARD, in a

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medium agreed to in advance by the parties, completed forms. Clerical errors or delays in recording or reporting dates will not:

- invalidate coverage which would otherwise be in force; and
- continue coverage which would otherwise terminate.

Upon discovery of errors or delays, an equitable adjustment of charges and benefits will be made consistent with STANDARD's then current enrollment and underwriting policies.

The Employer and STANDARD acknowledge that the written consent of Subscribers may be required by statute before the release of confidential medical information necessary to substantiate the payment of fees for health care services or supplies provided to Subscribers or otherwise necessary to STANDARD's performance of obligations under this Agreement. The Employer agrees to obtain and maintain these consents on file. The Employer will produce these consents upon request by STANDARD, or its designees, and permit STANDARD or its designees to audit these consents upon 48 hours' notice. The Employer and STANDARD recognize that failure to produce such consents could result in harm to STANDARD. Accordingly, it is hereby agreed and understood that, absent provision by Employer to STANDARD of the consents referenced herein, STANDARD shall have no obligation to provide the Employer with any patient-identifiable information. Employer agrees, to the extent permitted by law, to indemnify STANDARD and hold it harmless for any damages, expenses, or liabilities, which may accrue due to a failure on the part of Employer to fulfill its obligations under this provision.

## Article IV Obligations of STANDARD

A. STANDARD will review, evaluate, adjudicate, process, determine whether benefits are due regarding, and pay or not pay claims for benefits under the Benefit Program that are related to services and supplies provided during the term of the Agreement.

B. STANDARD will provide the Employer the claims reports of the types and with the frequencies set for in the Agreement. STANDARD may adjust all such information provided to the Employer to prevent the disclosure of the identity of any Subscriber or other patient who is the subject of the information.

C. As provided in the Agreement, STANDARD will prepare a booklet summarizing the benefits available to Subscribers under the Benefit Program.

D. The obligations of STANDARD set forth in this Addendum which are performable outside of STANDARD's geographic service area may be subcontracted to another provider that is located in or authorized to perform the obligations in the relevant geographic service area.

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E. STANDARD may seek recovery of payments made to ineligible persons or to providers for services rendered to ineligible persons.

F. STANDARD will maintain current individual benefit records on all Subscribers.

## Article V Payment Terms

A. Payment by the Government, the Authority, UVI, and FHC.

1. STANDARD shall, on a monthly basis during the term of the Contract, bill the Government, the Authority, and UVI for payment of premiums. The government, the Authority, and UVI shall pay such premium by the end of the 90 day Grace Period. Before then, the Policy may not be terminated for nonpayment.

2. If any entity fails to make any premium by the end of the Grace Period for payment of the premium, STANDARD may terminate the Contract and the coverage under the Policy with respect to such entity, for non-payment as of the end of the Grace Period.

3. All outstanding premiums shall be paid "as billed" by STANDARD both as to past invoices and to all future invoices. As to the past (except as provided herein) or the future, premium credits for persons who are not eligible will be limited to a retrospective period of not more than 60 days before the date that STANDARD is notified of the loss of eligibility plus three business days. Such credits will be reflected on monthly statements prepared by STANDARD.

## Article VI Confidential Information

- During and after the term of this Agreement the Employer will not release and will protect all Confidential Information that it receives or becomes aware of pursuant to or in the course of the performance of the obligations of this Agreement except pursuant to:

  - Virgin Islands or federal law;
  - court order;
  - this Agreement;
  - another agreement between the parties specifically regarding the subject matter of this Paragraph;
  - and as necessary to establish and maintain the Benefit Program.

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B. As used in this Article, "Confidential Information" includes, but is not limited to, the business practices, strategies, developments, know-how, procedures, methods, methodologies, provider relationships, and systems used by STANDARD to conduct its business, to process claims, and to otherwise administer the Benefit Program.

C. During and after the term of this Agreement, the Employer will not release and will protect all Confidential Information unless released pursuant to an agreement between the parties or as necessary to establish and maintain the Benefit Program.

- If the Employer releases Confidential Information contrary to the terms of this Article, the Employer will take all steps necessary to assure that the person to whom the Confidential Information is released does not release and does protect the Confidential Information.

- A breach of the terms of this Article will cause immediate and irreparable harm to STANDARD. As such, in addition to any other rights or remedies available at law or in equity, STANDARD is entitled to injunctive relief to restrain or enjoin such breach.

## Article VII Health Information

A. During and after the term of this Agreement the Employer will not release and will protect all Health Information that it receives or becomes aware of pursuant to or in the course of the performance of the obligations of this Agreement except pursuant to:

- Virgin Islands or federal law;
- court order;
- this Agreement;
- another agreement between the parties specifically regarding the subject matter of this Paragraph;
- and as necessary to establish and maintain the Benefit Program.

B. "Health Information" means any information that is created or received by a health care provider, the Employer, or STANDARD and relates to:

- the past, present, or future physical or mental condition of an individual;
- the provision of health care to an individual; or
- the past, present, or future payment for the provision of health care to an individual.

This definition shall include any additional information which may be defined as Health Information by any Virgin Islands or U.S. laws or regulations.

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C. During and after the term of this Agreement, the Employer will not release and will protect all Health Information unless released pursuant to applicable Virgin Islands and U.S. laws or regulations. Releases of such information may require the consent of the individual who is the subject of the information and improper releases may be subject to penalty.

D. To the extent permitted by applicable law, the Employer will indemnify, hold harmless and release STANDARD, its directors, officers, employees, subcontractors, principals, and agents (STANDARD) against any and all liabilities, losses, obligations, risks expenses (including attorneys' fees), costs, damages, and judgments, and against any and all claims and actions actually or allegedly based upon, arising out of, or in any way connected with:

- STANDARD's disclosure of Health Information to the Employer or any agent of the Employer; or
- disclosure or use of Health Information by the Employer or agent, regardless of the source of the Health Information.

E. If any applicable law or regulation is enacted, or a decision of a regulatory agency or judicial body is issued which prohibits STANDARD from disclosing Health Information, STANDARD shall be relieved of its obligations under this Agreement, to the extent required by the law or decision.

F. The obligations of this Article shall survive the termination or expiration of this Article or the Agreement.

## Article VIII Liability and Notice of Cause of Action

A. The Employer will promptly notify STANDARD of any cause or action brought against the Employer or any agent of the Employer (of which cause or action the Employer has knowledge) for which STANDARD may seek indemnification. In addition, the Employer warrants and represents its agents will do the same. The Employer may not compromise or settle any such cause or action without STANDARD's concurrence, and the Employer warrants and represents that its agents will do the same. STANDARD may in its discretion choose to undertake or take control of the defense of any such cause or action in which it is a named party.

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**EXHIBIT "A"**
to Addendum No. 1

**PREMIUM RATES**:

Employee Only Rate: $3.96
Employee and Family Rate: $10.44

The above rates shall remain in effect through September 30, 2026.

Additional performance guarantees are outlined in detail in Addendum 3.

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**ADDENDUM 2**
**BENEFITS PROGRAM**

This Addendum is to address the benefit provisions for the Agreement between the Employer and STANDARD.

A summary of the benefits to be provided under this contract is attached. These benefits are valid for the period of October 1, 2023 through September 30, 2026.

Additionally, the Agreement between the Employer and STANDARD contemplates a group benefit policy that more fully sets forth the terms of the benefits under this Agreement. STANDARD will provide a final group benefit policy (the "Policy") as of the effective date as of this Agreement, and such Policy shall be attached as Exhibit A to this Addendum.

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**EXHIBIT "A"**
to Addendum No. 2

**ATTACH VISION POLICY**

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**STANDARD INSURANCE COMPANY**

A Stock Life Insurance Company
900 SW Fifth Avenue
Portland, Oregon 97204-1282
(503) 321-7000

# GROUP EYE CARE INSURANCE POLICY

| | | | |
|---|---|---|---|
| **The Policyholder** | **GOV'T OF THE VIRGIN ISLANDS OF THE U.S.** | | |
| | | **Policy Number** | **160-648857** |
| **State of Delivery** | **Virgin Islands** | **Plan Effective Date** | **October 1, 2011** |
| | | **Plan Change Effective Date** | **October 1, 2018** |
| **Premium Due Date 1st of each month.** | | **Renewal Date** | **October 1** |

Standard Insurance Company agrees to pay, with respect to each Insured Person, the group insurance benefits provided in this policy.

This policy is issued to the Policyholder in consideration of the Policyholder's application and the payment of premiums, as provided herein.

This policy is delivered in and governed by the laws of the state of delivery.

**STANDARD INSURANCE COMPANY**

Elizabeth A. Fouts
Corporate Secretary

Daniel J. McMillan
President and CEO

# TABLE OF CONTENTS

## SCHEDULE OF BENEFITS
## OUTLINE OF COVERAGE

The Insurance for each Insured and each Insured Dependent will be based on the Insured's class shown in this Schedule of Benefits.

| Benefit Class | Class Description |
|---|---|
| Class 1 | All Eligible Employees |

**EYE CARE EXPENSE BENEFITS**

When you select a Participating Provider, a discounted fee schedule is used which is intended to provide you, the Insured, reduced out of pocket costs.

| | |
|---|---|
| Deductible Amount | $0 |

***Please refer to the EYE CARE EXPENSE BENEFITS page for details regarding frequency, limitations, and exclusions.***

## PREMIUMS

## TABLE OF MONTHLY PREMIUM RATES

| | |
|---|---|
| Eye Care Insurance | $3.96 per Insured Person |
| | $6.48 per Dependent Unit |

## ASSOCIATED GROUPS

UNIVERSITY OF THE VIRGIN ISLANDS
VIRGIN ISLANDS PORT AUTHORITY
FREDERIKSTED HEALTH CARE CENTER
ST. THOMAS EAST END COMMUNITY HEALTH
VIRGIN ISLANDS HOUSING AUTHORITY

**PAYMENT OF PREMIUMS.** The first premium will be due on the Policy Effective Date to cover the period from that date to the first Premium Due Date. Other premiums will be due on or before each Premium Due Date. Premiums are payable at our Home Office or at some other location to which we and the Policyholder agree.

**PREMIUM DUE DATE.** The Premium Due Date will be the first day of the month that falls on or after the Policy Effective Date. If we agree with the Policyholder to the payment of premiums on a basis other than monthly, the Premium Due Date will be fixed to match the correct basis. If there is a change in the method of payment or Premium Due Date, a pro-rata charge in the premium due will be made.

**PREMIUM STATEMENTS.** The premium due as of any Premium Due Date is the number of units in force on such date for each type of insurance multiplied by the rate shown in the Table of Premium Rates. A premium statement will be made as of the Premium Due Date showing the premium payable. If premiums are payable on other than a monthly basis, each statement will show any pro-rata premium charges and credits in the last premium period due to changes in the number of Insureds and in the amount of insurance for which people are insured. This is subject to the rules below.

**SIMPLIFIED ACCOUNTING.** The premium will start on the Premium Due Date falling on or after the date the insurance or the increase in the insurance is effective for: a) a person becoming insured; or b) an increase in the amount of insurance on any person. The premium will stop on the Premium Due Date falling on or after the date of termination of insurance or through the date of service of the last paid claim. There will be no pro-rata charges or credits for a partial month. If premiums are payable other than monthly, charges and credits will be figured as though the Premium Due Date is monthly.

We will be liable for the return of unearned premiums to the Policyholder only for the 12 months before the date we receive evidence that a return is due.

**ADJUSTMENTS IN PREMIUM RATES.** We may change the rates shown in the Table of Premium Rates by giving the Policyholder at least 120 days advance written notice. We may change the rates at any time the Schedule of Benefits, or any other terms and conditions of the policy, are changed. We will not change the rates until the Renewal Date shown on the policy cover or more than once in any 12 month period thereafter, unless there is a change in the Schedule of Benefits or a change in any other terms and conditions in the policy.

Notwithstanding the above, We the Company reserve the right to change any one or more of the rates prior to the Renewal Date or more than once in any 12 month period thereafter upon the occurrence of any one or more of the following:

1. We determine that the average number of dependent children for each Insured with Dependent coverage exceeds 4.0; and/or

2. We determine that the number of Insureds is less than 80% of those Insureds initially enrolled under the Policy as of either (i) the Plan Effective Date, if during the period of time between the Plan Effective Date and the Renewal Date, or (ii) the most recent 12 month anniversary of the Renewal Date: and/or

3. We are required by either the federal government or by any state or local government or by any agency thereof to pay a new or increased tax, assessment, or monetary charge of any kind (other than a new or any increase to the amount of tax we pay based upon our net operating income). Such taxes, assessments or fees would include those that are charged or assessed in connection with the operation of a health care exchange authorized by federal or state law.

Should any of the above occur and should we elect to change rates as a result, we agree to notify the Policyholder of the corresponding rate changes at least 120 days in advance of the Premium Due Date for which the rate change shall be effective. The right to change rates as well as the timing of such changes in the above limited situations shall at all times be subject to applicable state laws and regulations.

**RENEWAL DATE** refers to the date each calendar year that the coverage issued under the group policy is considered for renewal. The Renewal Date(s) are shown on the policy cover.

## DEFINITIONS

**COMPANY** refers to Standard Insurance Company. The words "we", "us" and "our" refer to Company. Our Home Office address is 900 SW Fifth Avenue, Portland, Oregon 97204-1282.

**POLICYHOLDER** refers to the Policyholder stated on the face page of the policy.

**INSURED** refers to a person:

a. who is a Member of the eligible class; and

b. who has qualified for insurance by completing the eligibility period, if any; and

c. for whom the insurance has become effective.

**DOMESTIC PARTNER**: Refers to two unrelated individuals who share the necessities of life, live together, and have an emotional and financial commitment to one another, similar to that of a spouse.

**CHILD.** Child refers to the child of the Insured , a child of the Insured's spouse or a child of the Insured's Domestic Partner, if they otherwise meet the definition of Dependent.

**DEPENDENT** refers to:

a. an Insured's spouse or Domestic Partner.

b. each unmarried child less than 26 years of age, for whom the Insured, the Insured's spouse or the Insured's Domestic Partner, is legally responsible, including:

   i. natural born children;

   ii. adopted children, eligible from the date of placement for adoption;

   iii. children covered under a Qualified Medical Child Support Order as defined by applicable Federal and State laws.

c. each unmarried child age 26 or older who:

   i. is Totally Disabled as defined below; and

   ii. becomes Totally Disabled while insured as a dependent under b. above.

   Coverage of such child will not cease if proof of dependency and disability is given within 31 days of attaining the limiting age and subsequently as may be required by us but not more frequently than annually after the initial two-year period following the child's attaining the limiting age. Any costs for providing continuing proof will be at our expense.

**TOTAL DISABILITY** describes the Insured's Dependent as:

1. Continuously incapable of self-sustaining employment because of mental retardation or physical handicap; and

2. Chiefly dependent upon the Insured for support and maintenance.

**DEPENDENT UNIT** refers to all of the people who are insured as the dependents of any one Insured.

**PROVIDER** refers to any person who is licensed by the law of the state in which treatment is provided within the scope of the license.

**PLAN EFFECTIVE DATE** refers to the date coverage under the policy becomes effective. The Plan Effective Date for the Policyholder is shown on the policy cover. The effective date of coverage for an Insured is shown in the Policyholder's records.

All insurance will begin at 12:01 A.M. on the Effective Date. It will end after 11:59 P.M. on the Termination Date. All times are stated as Standard Time of the residence of the Insured.

**PLAN CHANGE EFFECTIVE DATE** refers to the date that the policy provisions originally issued to the Policyholder change as requested by the Policyholder. The Plan Change Effective date for the Policyholder will be shown on the policy cover, if the Policyholder has requested a change. The plan change effective date for an Insured is shown in the Policyholder's records or on the cover of the certificate.

## CONDITIONS FOR INSURANCE COVERAGE
*ELIGIBILITY*

**ELIGIBLE CLASS FOR MEMBERS.** The members of the eligible class(es) are shown on the Schedule of Benefits. Each member of the eligible class (referred to as "Member") will qualify for such insurance on the day he or she completes the required eligibility period, if any. Members choosing to elect coverage will hereinafter be referred to as "Insured."

If employment is the basis for membership, a member of the Eligible Class for Insurance is any full time active employee working at least 30 hours per week. If membership is by reason other than employment, then a member of the Eligible Class for Insurance is as defined by the Policyholder.

Retirees are included in the Eligible Class for Insurance as defined by the Policyholder.

If both spouses are Members, and if either of them insures their dependent children, then the spouse, whoever elects, will be considered the dependent of the other. As a dependent, the person will not be considered a Member of the Eligible Class, but will be eligible for insurance as a dependent.

**ELIGIBLE CLASS FOR DEPENDENT INSURANCE.** Each Member of the eligible class(es) for dependent coverage is eligible for the Dependent Insurance under the policy and will qualify for this Dependent Insurance on the first of the month falling on or first following the latest of:

1. the day he or she qualifies for coverage as a Member;
2. the day he or she first becomes a Member; or
3. the day he or she first has a dependent. For dependent children, a newborn child will be considered an eligible dependent upon reaching their 3rd birthday. The child may be added at birth or within 31 days of the 3rd birthday.

A Member must be an Insured to also insure his or her dependents.

If employment is the basis for membership, a member of the Eligible Class for Dependent Insurance is any full time active employee working at least 30 hours per week and has eligible dependents. If membership is by reason other than employment, then a member of the Eligible Class for Insurance is as defined by the Policyholder.

Retirees are included in the Eligible Class for Dependent Insurance as defined by the Policyholder.

Any spouse who elects to be a dependent rather than a member of the Eligible Class for Personal Insurance, as explained above, is not a member of the Eligible Class for Dependent Insurance.

When a member of the Eligible Class for Dependent Insurance dies and, if at the date of death, has dependents insured, the Policyholder has the option of offering the dependents of the deceased employee continued coverage. If elected by the Policyholder and the affected dependents, the name of such deceased member will continue to be listed as a member of the Eligible Class for Dependent Insurance.

**CONTRIBUTION REQUIREMENTS.** Member Insurance: An Insured is required to contribute to the payment of his or her insurance premiums.

Dependent Insurance: An Insured is required to contribute to the payment of insurance premiums for his or her dependents.

**SECTION 125.** This plan is provided as part of the Employer's Section 125 Plan. Each Member has the option under the Section 125 Plan of participating or not participating in this plan.

If a Member does not elect to participate when initially eligible, the Member may elect to participate at a subsequent Election Period. This Election Period will be held each year and those who elect to participate in this plan at that time will have their coverage become effective on October 1.

Members may change their election option only during an Election Period, except for a change in family status. Such events would be marriage, divorce, birth of a child, death of a spouse or child, or termination of employment of a spouse.

**ELIGIBILITY PERIOD.** For Members on the Plan Effective Date of the policy, qualification will occur on the first of the month falling on or first following the date of employment.

For persons who become Members after the Plan Effective Date of the policy, qualification will occur on the first of the month falling on or first following the date of employment.

If employment is the basis for membership in the Eligible Class for Members, an Insured whose eligibility terminates and is established again, may or may not have to complete a new eligibility period before he or she can again qualify for insurance.

**EFFECTIVE DATE.** Each Member has the option of being insured and insuring his or her Dependents. To elect coverage, he or she must agree in writing to contribute to the payment of the insurance premiums. The Effective Date for each Member and his or her Dependents, will be the first of the month falling on or first following:

1. the date on which the Member qualifies for insurance, if the Member agrees to contribute on or before that date.

2. the date on which the Member agrees to contribute, if that date is within 31 days after the date he or she qualifies for insurance.

**EXCEPTIONS.** If employment is the basis for membership, a Member must be in active service on the date the insurance, or any increase in insurance, is to take effect. If not, the insurance will not take effect until the day he or she returns to active service. Active service refers to the performance in the customary manner by an employee of all the regular duties of his or her employment with his or her employer on a full time basis at one of the employer's business establishments or at some location to which the employer's business requires the employee to travel.

A Member will be in active service on any regular non-working day if he or she is not totally disabled on that day and if he or she was in active service on the regular working day before that day.

If membership is by reason other than employment, a Member must not be totally disabled on the date the insurance, or any increase in insurance, is to take effect. The insurance will not take effect until the day after he or she ceases to be totally disabled.

## *TERMINATION DATES*

**INSUREDS.** The insurance for any Insured, will automatically terminate on the end of the month falling on or next following the **earliest of:**

1. the date the Insured ceases to be a Member;
2. the last day of the period for which the Insured has contributed, if required, to the payment of insurance premiums; or
3. the date the policy is terminated.

**DEPENDENTS.** The insurance for all of an Insured's dependents will automatically terminate on the end of the month falling on or next following the **earliest of:**

1. the date on which the Insured's coverage terminates;
2. the date on which the Insured ceases to be a Member;
3. the last day of the period for which the Insured has contributed, if required, to the payment of insurance premiums; or
4. the date all Dependent Insurance under the policy is terminated.

The insurance for any Dependent will automatically terminate on the end of the month falling on or next following the day before the date on which the dependent no longer meets the definition of a dependent. See "Definitions."

**Special Continuation – Plant Closing**

If the Insured employee leaves the group because their employment has been terminated due to a plant closing as defined in Section 471 of Title 24 of the Virgin Islands Code, the coverage provided by this Plan for the Insured employee and their Dependents shall continue until the earlier of: (a) 90 days from the date their employment ends; or (b) as shown in (1), (2), or (3) of the "Other Dates of Termination" section that appears below.

For continuation to take effect the Insured employee must continue to pay any portion of the premium for which they were responsible prior to the end of their employment, and the Employer must continue to pay any portion of the premium for which they were responsible before the plant closing. If the insurance terminates because the Employer fails to pay the premium, the Employer will be responsible for any Covered Expenses incurred between the last premium payment and the end of the 90-day period.

Any current collective bargaining agreement that contains an extension of coverage that is at least equal to the continuation outlined here shall supersede the requirements of this provision.

**Other Dates of Termination**

(1) The date the Insured employee becomes eligible for similar benefits under another plan;
(2) The last date for which any required premium has been paid;
(3) With respect to any one Dependent, the earlier of: (a) the date that the Dependent becomes eligible for similar benefits under another plan or, (b) the date the Dependent no longer qualifies as a Dependent.

The Employer must notify an Insured employee if they are eligible for benefits under this provision. Contact your plan administrator for more details.

## EYE CARE EXPENSE BENEFITS

If an Insured has Covered Expenses under this section, we pay benefits as described. The Insured may use a Participating Provider or a Non-Participating Provider. The Insured has the freedom to choose any provider.

**AMOUNT PAYABLE**
The Amount Payable for Covered Expenses is the lesser of:

A. the provider's charge, or

B. the Maximum Covered Expense for such services or supplies. This is shown in the Schedule of Eye Care Services for Participating and Non-Participating Providers.

**DEDUCTIBLE AMOUNT**
The Deductible Amount is on the Schedule of Benefits. It is an amount of Covered Expenses for which no benefits are payable. It applies separately to each Insured. Benefits are paid only for those Covered Expenses that are over the Deductible Amount.

**PARTICIPATING AND NON-PARTICIPATING PROVIDERS**
A Participating Provider agrees to provide services and supplies to the Insured at a discounted fee. A Non-Participating Provider is any other provider.

**COVERED EXPENSES**
Covered expenses are the eye care expenses incurred by an Insured for services or supplies. We pay up to the Maximum Covered Expense shown in the Schedule of Eye Care Services.

**EYE CARE SUPPLIES**
Eye care supplies are all services listed on the Schedule of Eye Care Services. They exclude services related to Eye Care Exams.

**REQUEST FOR SERVICES**
When requesting services, the Insured must advise the Participating Provider's office that he or she has coverage under this network plan. If the Insured receives services from a Participating Provider without this notification, the benefits are limited to those for a Non-Participating Provider.

**ASSIGNMENT OF BENEFITS**
We pay benefits to the Participating Provider for services and supplies performed or furnished by them. When a Non-Participating Provider performs services, we pay benefits to the Insured.

**EXTENSION OF BENEFITS**
We will extend benefits for eye care supplies if this policy terminates. To be eligible for an extension, the supply must be prescribed prior to the termination of the policy and must be received within six months after the policy terminates.

**EXPENSES INCURRED** An expense is incurred at the time a service is rendered or a supply item furnished.

## LIMITATIONS

This plan has the following limitations.

1) This plan does not cover more than one Eye Exam in any 12-month period.

2) This plan does not cover more than one pair of ophthalmic Lenses in any 12-month period.

3) This plan does not cover more than one set of Frames in any 24-month period.

4) This plan does not cover Elective Contact Lenses more than once in any 12-month period. Contact Lenses and associated expenses are in lieu of any other Lens benefit.

5) This plan does not cover Medically Necessary Contact Lenses more than once in any 12-month period. The treating provider determines if an Insured meets the coverage criteria for this benefit as listed below. This benefit is in lieu of Elective Contact Lenses.

   a. For Keratoconus where the patient is not correctable to 20/30 in either or both eyes using standard spectacle lenses.
   b. Patients whose vision can be corrected two lines of improvement on the visual acuity chart when compared to best standard spectacle lens correction.
   c. Anisometropia of 3D or more.
   d. High Ametropia exceeding -10D or +10D in meridian powers.

6) This plan does not cover Orthoptics or vision training and any associated testing.

7) This plan does not cover Plano Lenses.

8) This plan does not cover non-prescribed Lenses or sunglasses.

9) This plan does not cover two pairs of glasses in lieu of Bifocals.

10) This plan does not cover replacement of Lenses and Frames that are lost or broken outside of the normal coverage intervals.

11) This plan does not cover medical or surgical treatment of the eyes or supporting structures.

12) This plan does not cover services for claims filed more than one year after completion of the service. An exception is if the Insured shows it was not possible to submit the proof of loss within this period.

13) This plan does not cover any procedure not listed on the Schedule of Eye Care Services

## SCHEDULE OF EYE CARE SERVICES

This page lists the benefits payable for eye care services. No benefits are payable for a service not listed.

| SERVICE | PLAN MAXIMUM COVERED EXPENSE | |
|---|---|---|
| | *Participating Provider* | *Non-Participating Provider* |
| Eye Exam | Covered in Full | Up to $ 40.00 |
| *(All lenses are per pair)* Single Vision Lenses | Covered in Full | Up to $ 40.00 |
| Lined Bifocal Lenses | Covered in Full | Up to $ 60.00 |
| Lined Trifocal Lenses | Covered in Full | Up to $ 80.00 |
| Lenticular Lenses | Covered in Full | Up to $ 80.00 |
| Frame | Up to $150.00 | Up to $ 45.00 |
| Contact Lenses | | |
| Elective | Up to $150.00 | Up to $150.00 |
| Medically Necessary | Covered in Full | Up to $210.00 |

## GENERAL PROVISIONS

**NOTICE OF CLAIM.** Written notice of a claim must be given to us within 90 days after the incurred date of the services provided for which benefits are payable.

Notice must be given to us at our Home Office, or to one of our agents. Notice should include the Policyholder's name, Insured's name, and policy number. If it was not reasonably possible to give written notice within the 90 day period stated above, we will not reduce or deny a claim for this reason if notice is filed as soon as is reasonably possible.

**CLAIM FORMS.** When we receive the notice of a claim, we will send the claimant forms for filing proof of loss. If these forms are not furnished within 15 days after the giving of such notice, the claimant will meet our proof of loss requirements by giving us a written statement of the nature and extent of loss within the time limit for filing proofs of loss.

**PROOF OF LOSS.** Written proof of loss must be given to us within 90 days after the incurred date of the services provided for which benefits are payable. If it is impossible to give written proof within the 90 day period, we will not reduce or deny a claim for this reason if the proof is filed as soon as is reasonably possible. For Eye Care benefits that use either the EyeMed or VSP network, please refer to the limitations section on the Eye Care Expense Benefits page.

**TIME OF PAYMENT.** We will pay all benefits immediately when we receive due proof. Any balance remaining unpaid at the end of any period for which we are liable will be paid at that time.

**PAYMENT OF BENEFITS.** Participating Providers have agreed to accept assignment of benefits for services and supplies performed or furnished by them. When a Non-Participating Provider performs services, all benefits will be paid to the Insured unless otherwise indicated by the Insured's authorization to pay the Non-Participating Provider directly.

**FACILITY OF PAYMENT.** If an Insured or beneficiary is not capable of giving us a valid receipt for any payment or if benefits are payable to the estate of the Insured, then we may, at our option, pay the benefit up to an amount not to exceed $5,000, to any relative by blood or connection by marriage of the Insured who is considered by us to be equitably entitled to the benefit.

Any equitable payment made in good faith will release us from liability to the extent of payment.

**PROVIDER-PATIENT RELATIONSHIP.** The Insured may choose any Provider who is licensed by the law of the state in which treatment is provided within the scope of their license. We will in no way disturb the provider-patient relationship.

**LEGAL PROCEEDINGS.** No legal action can be brought against us until 60 days after the Insured sends us the required proof of loss. No legal action against us can start more than five years after proof of loss is required.

**INCONTESTABILITY.** Any statement made by the Policyholder to obtain the Policy is a representation and not a warranty. No misrepresentation by the Policyholder will be used to deny a claim or to deny the validity of the Policy unless:

1. The Policy would not have been issued if we had known the truth; and

2. We have given the Policyholder a copy of a written instrument signed by the Policyholder that contains the misrepresentation.

The validity of the Policy will not be contested after it has been in force for one year, except for nonpayment of premiums or fraudulent misrepresentations.

**WORKER'S COMPENSATION.** The coverage provided under the Policy is not a substitute for coverage under a workmen's compensation or state disability income benefit law and does not relieve the Policyholder of any obligation to provide such coverage.

## GENERAL PROVISIONS (CONTINUED)

**CONFORMITY WITH LAW.** Any policy provision that conflicts with the laws of the state in which the policy is issued, when the policy is issued, is automatically changed to meet the minimum requirements of those laws.

**ENTIRE CONTRACT.** The policy and the application of the Policyholder constitute the entire contract between the parties. A copy of the Policyholder's application is attached to the policy when issued. All statements made by the Policyholder or an Insured will, in the absence of fraud, be considered representations and not warranties. No statement made to obtain insurance will be used to void the insurance or reduce the benefits of this policy unless it is in a written application signed by the Policyholder or Insured. A copy of this must have been given to the Policyholder or Insured.

No change in this policy will be valid unless approved in writing by one of our officers and given to the Policyholder for attachment to the policy. No agent has the authority to change this policy or waive any of its provisions. Any change in this policy will be valid even though an Insured may not have agreed to it.

**INSURANCE DATA.** The Policyholder will furnish, at our request, data necessary to administer this policy. The data will include, but not be limited to data:

i. nccessary to calculate premiums;

ii. nccessary to determine a person's effective date or termination date of insurance;

iii. nccessary to determine the proper coverage level of insurance.

We shall have the right to inspect any of the Policyholder's records we find necessary to properly administer this policy. Any inspections will be at a time and place convenient to the Policyholder.

We will not refuse to insure a person who is eligible to be insured just because the Policyholder fails or errs in giving us the data necessary to include that person for coverage. An Insured's insurance will not stay in force nor an amount of insurance be continued after the termination date, according to the Conditions for Insurance, because the Policyholder fails or errors in giving us the necessary data concerning an Insured's termination.

**CERTIFICATES.** We will issue certificates to the Policyholder showing the coverage under the policy. The Policyholder will distribute a certificate to each insured Member. If the terms of the certificate differ from the policy, the terms stated in the policy will govern.

**PARTICIPATION REQUIREMENTS.** There are two requirements that must be met in order for the policy to be placed in force, and to remain in force:

a. a certain percentage of all Members qualified for insurance must be insured at all times; and

b. a certain number of Members must be insured at all times.

The Participation Requirements are as follows:

| | |
|---|---|
| Percentage of Members- | 60% |
| Number of Members- | 4448 |

**TERMINATION OF THE POLICY.** The Policyholder may terminate this policy as of any Premium Due Date by giving us written notice before that date.

We may terminate this policy on the earlier of:

1. any Premium Due Date if the participation of Insureds and/or Dependents does not meet the requirements in "Conditions For Insurance." Written notice, by certified mail or actual delivery, of termination of insurance must be given to the Policyholder/Certificateholder at least 45 days before the date of termination.

2. any Premium Due Date on or after the first policy year, for reasons other than lack of participation. Written notice, by certified mail or actual delivery, of termination of insurance must be given to the Policyholder at least 60 days before the date of termination.

If any premium is not paid when due, this policy will automatically be terminated as of the Premium Due Date, except as stated below.

**GRACE PERIOD.** This policy has a 90 day grace period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the following 90 days. During the grace period, the policy will stay in force. If the Policyholder has not sent us a written request to terminate the policy and a premium is not paid by the end of the grace period, the policy will terminate at the end of the grace period. We will provide written notice, by certified mail or actual delivery, to the policyholder and certificateholder at least 15 days prior to cancellation. If the Policyholder gives us written notice of termination before the Premium Due Date, the policy will be terminated as of the date requested. The Policyholder will be liable for any unpaid premium for the time this policy was in force, including the grace period.

**CONSIDERATION.** This policy is issued to the Policyholder in consideration of the application and the payment of premiums specified in this policy.

**TERMS AND CONDITIONS.** Payment of any benefit under this policy is subject to the definitions and all other terms of this policy pertinent to the benefit.

**EXHIBIT "B"**
to Addendum No. 2

**ATTACH BENEFITS SUMMARY**

Contractor's Initials _____

# Gov't of the United States Virgin Islands

# Group Vision Insurance

## Help protect your eye health with coverage for exams, glasses and contacts.

This summary of benefits and coverage shows how you and The Standard would share the cost for covered vision care services.
NOTE: This is only a summary; for detailed information on coverage, please consult your certificate of coverage.

**Plan 1: Balanced Care Vision II Plan H Summary**

| | EyeMed Access Network | Out of Network |
|---|---|---|
| Deductibles | | |
| | $0 Exam<br>$0 Eye Glass Lenses | No deductible |
| Annual Eye Exam | Covered in full | Up to $40 |
| Lenses (per pair) | | |
| Single Vision | Covered in full | Up to $40 |
| Bifocal | Covered in full | Up to $60 |
| Trifocal | Covered in full | Up to $80 |
| Lenticular | 20% discount | Up to $80 |
| Progressive | See lens options | Up to $80 |
| Contacts | | |
| Fit & Follow Up Exams | | |
| *Standard* | Standard: Participant cost up to $55 | Not covered |
| *Premium (Allowance)* | Premium: 10% off of retail | Not covered |
| Elective | Up to $150 | Up to $150 |
| Medically Necessary | Covered in full | Up to $210 |
| Frame Allowance | $150 | Up to $45 |
| Frequencies (months) | | |
| Exam/Lens/Frame | 12/12/24<br>Based on date of service | 12/12/24<br>Based on date of service |

**Lens Options (participant cost)**

| | EyeMed Access Network | Out of Network |
|---|---|---|
| Progressive Lenses | | |
| *Standard* | Standard: $0 + lens deductible | Not covered |
| *Premium* | Premium: lens cost<br>- 20% discount<br>- $120 allowance<br>+ Standard Progressive cost | |
| Std. Polycarbonate | $40 | Not covered |
| Tint (solid and gradient) | $15 | Not covered |
| Scratch Resistant Coating | Covered in Full | Not covered |
| Anti-Reflective Coating | $45 | Not covered |
| Ultraviolet Coating | $15 | Not covered |
| Lasik or PRK | Average discount of 15% off retail price or 5% off promotional price at US Laser Network participating providers. | Not covered |

# Gov't of the United States Virgin Islands

| Additional Balanced Care Vision II H Features | |
|---|---|
| EyeMed In-Network Discounts | 15% discount off the remaining balance in excess of the conventional contact lens allowance. 20% discount off the remaining balance in excess of the frame allowance. 20% discount on items not covered by the plan at network providers, which may not be combined with any other discounts or promotional offers. This discount does not apply to EyeMed Provider's professional services, or contact lenses. |
| EyeMed In-Network Secondary Purchase Plan | Participants receive a 40% discount on a complete pair of glasses once the funded benefit has been exhausted. Participants receive a 15% discount off the retail price on conventional contact lenses once the funded benefit has been exhausted. Discount applies to materials only. |
| Contact Lens Replacement by Mail Program | After exhausting the contact lens benefit, replacement lenses may be obtained at significant discounts on-line. Visit **www.eyemedvisioncare.com** for details. |

*Based on applicable laws, reduced costs may vary by doctor location.*

## Section 125

This plan is provided as part of the Policyholder's Section 125 Plan. Each employee has the option under the Section 125 Plan of participating or not participating in this plan. If an employee does not elect to participate when initially eligible, he/she may elect to participate at the Policyholder's next Annual Election Period.

## Vision Plan Participant Service

Balanced Care Vision II from The Standard features the money-saving eye care network of EyeMed Vision Care. Customer service is available to plan participants through EyeMed's well-trained and helpful service representatives. Call or go online to locate the nearest EyeMed Access network provider, view plan benefit information and more.

**EyeMed Customer Care Center: 866.289.0614**
- Service representative hours: 8 a.m. to 11 p.m. ET Monday through Saturday, 11 a.m. to 8 p.m. ET Sunday
- Interactive Voice Response available 24/7

**Locate an EyeMed provider at:**
www.standard.com/services

## About The Standard

For more than 100 years, we have been dedicated to our core purpose: to help people achieve financial well-being and peace of mind. Headquartered in Portland, Oregon, The Standard is a nationally recognized provider of group employee benefits. To learn more about products from The Standard, visit us at **www.standard.com**.

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon, in all states except New York. Product features and availability vary by state and are solely the responsibility of Standard Insurance Company.

**This form is a benefit highlight, not a certificate of insurance. This policy has exclusions, limitations, reductions of benefits, and terms under which the policy may be continued in force or terminated. Please contact The Standard or your employer for additional information, including costs and complete details of coverage.**

**ADDENDUM NO. 3**

**PERFORMANCE GUARANTEES**

Conditions Precedent

1. The Agreement for Group Vision Insurance of which this is an addendum must be fully executed by the Government of the US Virgin Islands to accomplish the commitment dates.

2. STANDARD Vision may require the authority to use the name of the Government of the US Virgin Islands.

# STANDARD Vision Performance Guarantees

## Effective: 10/01/2023 – 09/30/2026

STANDARD Vision agrees to provide the following levels of service in the performance of its obligations under this Contract to Government of the United States Virgin Islands. Should the following levels of service not be met by STANDARD Vision, an adjustment on the total administration to STANDARD Vision will be made. Any payment at risk will be paid based on results and penalties at the end of each contract year and will be issued in the form of a check from STANDARD Vision.

Contractor's Initials ____

| Service Category | Expected Standards/Results | Percent of Administration at Risk* |
|---|---|---|
| **Account Management** | STANDARD Vision will assign an Account Manager to partner with the client to meet the client's vision benefit objectives, advise the client and work on the client's behalf to optimize STANDARD Vision's service. Standards of service include: | |

Contractor's Initials CP

| Service Category | Expected Standards/Results | Percent of Administration at Risk* |
|---|---|---|
| | a) Account Manager will provide comprehensive assistance for the client in support of STANDARD Vision's objective of top-tier customer service. (Client Satisfaction Survey item #7) | 0.5% |
| | b) Account Manager will provide timely response and follow-up on phone calls and emails from the client. (Client Satisfaction Survey item #8). | 0.5% |

Contractor's Initials CP

| Service Category | Expected Standards/Results | Percent of Administration at Risk* |
|---|---|---|
| | c) Account Manager will meet with the client's benefit staff as needed to meet the client's objectives and oversee the annual open enrollment process and participation in employee informational meetings. (Client Satisfaction Survey item #10). | 0.5% |
| | d) Account Manager will provide ongoing assistance with any issues escalated by designated benefits contacts. (Client Satisfaction Survey item #11). | 0.5% |
| | The client will monitor and annually evaluate STANDARD Vision's Account Management performance and provide feedback via a STANDARD Vision Client Satisfaction Survey. Pertinent questions for this guarantee are in the Account Management section of the survey, as noted above. Client satisfaction for each of the criteria above will be deemed as being met given a rating of Good, Very Good or Excellent. | |
| **Eligibility** | Eligibility updates will be completed on average within five (5) business days from receipt of data.<br><br>*Guarantee is contingent upon receipt of data in a mutually agreed upon format*<br><br>Measurement will be on a client-specific basis and reported annually. | 1.0% |
| | Eligibility updates will be guaranteed with 98% accuracy.<br><br>*Guarantee is contingent upon receipt of data in a mutually agreed upon format*<br><br>Measurement will be on a global basis and reported annually. | 1.0% |

Contractor's Initials _____

| Service Category | Expected Standards/Results | Percent of Administration at Risk* |
|---|---|---|
| **Claims Turnaround** | 90% of claims received by STANDARD Vision will be processed within 15 calendar days and 98% will be processed in 30 calendar days<br><br>*Claims turnaround is measured from the date of the initial receipt of the payment claim with complete information to the date the claim is processed.*<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| **Overall Claims Accuracy** | 99% financial (dollar) accuracy.<br><br>*Financial (dollar) accuracy is calculated from a random sample and defined as the total dollar amount paid correctly in the sample divided by the total dollar amount that should have been paid in the sample.*<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| | 97% payment accuracy.<br><br>*Payment accuracy is calculated from a random sample and defined as the number of claims in the sample without payment errors divided by the total number of claims in the sample.*<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| | 95% processing accuracy.<br><br>*Processing accuracy is calculated from a random sample and defined as the number of claims in the sample without payment or nonpayment errors divided by the total number of claims in the sample.*<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| **Customer Service** | 85% of all customer calls to the STANDARD Vision Contact Center will be answered within 30 seconds.<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| | 90% of Customer Service phone inquiries will be resolved within one (1) business day.<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| | STANDARD Vision will respond to written inquiries on average within seven (7) calendar days of receipt.<br><br>Measurement will be on a global basis and reported annually. | **1.0%** |
| | Call abandonment rate will be 5% or less.<br><br>Measurement will be on a global basis and reported annually | **1.0%** |

Contractor's Initials CP

| Service Category | Expected Standards/Results | Percent of Administration at Risk* |
|---|---|---|
| **Enrollee Satisfaction** | 85% of participants that respond to STANDARD Vision's Enrollee Satisfaction Survey will rate STANDARD Vision overall as Good, Very Good or Excellent. Overall customer satisfaction is measured by a survey distributed to a random sampling of STANDARD Vision enrollees.<br><br>Measurement will be on a global basis and reported annually | **1.0%** |
| **Client Reporting** | Client-specific Income Cost Experience and other reports as agreed upon will be provided within 60 days from the close of the established reporting period.<br><br>Measurement will be on a client-specific basis and reported annually. | **1.0%** |
| **Total Administration at Risk** | | **14.0%** |

Measurements of performance guarantees will not begin until the month after all aspects of the implementation process have been completed including:

1) a completed and signed client application
2) all eligibility specifications for reformatting (if reformatting is necessary)
3) full file history tape prior to processing of claims (if history load is required)

*Excludes premium tax and commission. STANDARD Vision will not incur penalties for its failure to meet the terms of these caused by fires, acts of public enemies, acts of God, civil disturbances, labor disputes or by any similar act or event beyond the client or STANDARD Vision.

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## ADDENDUM NO. 4

### Forces Majeure or Majesture

The parties agree that Forces Majeure or Majesture such as acts of God or nature, fires, floods, storms, or earthquakes, may prevent one or both parties from performing its obligations under the Agreement. Therefore, the parties agree that the following provisions shall apply.

Article I Notice

In the event Forces Majeure or Majesture may prevent performance of one party's obligations, that party shall notify the other party in writing as soon as reasonably possible.

Article II In the Event STANDARD Cannot Perform

In the event STANDARD, or its subcontractors, cannot perform its obligations due to Forces Majeure or Majesture, STANDARD shall make all reasonable efforts to resume performance of such obligations. Such efforts shall include, but not be limited to, the following:

a. Location of a facility by which claims payment operations would continue within 2 business days of a force majeure event

b. Resumption of customer service operations within 2 business days of such event.

Operations established pursuant to this section should be in place to handle not only ongoing claims issues, but historic claims and customer service issues that may arise due to ongoing service. The following services shall be included in such operations:

Pre-authorizations
Medical Case Management
Coordinated transfer of cases to the US Mainland
PPO Network management
Payment of claims

In addition, STANDARD is responsible to retain historic record of claims data in a manner that would protect its integrity in the event of such a force majeure event. STANDARD shall have safeguards to protect incoming data -- paper or otherwise -- in a manner by which no more than one day's claims receipts would be lost.

Contractor's Initials CP

Article III In the Event the Employer Cannot Perform

a. Non-financial obligations

In the event the Employer cannot reasonably perform its "non-financial" obligations due to Forces Majeure or Majesture, the Employer shall make all reasonable efforts to resume performance of such obligations. For the purposes of this Addendum, "non-financial" means obligations other than payment of premium.

b. Financial Obligations

In the event the Employer cannot reasonably perform its financial obligations within the time periods allotted in the Agreement (e.g. the 30 day "grace period") due to Forces Majeure or Majesture events, the Employer shall immediately notify STANDARD and shall immediately request a "90 Day Premium Delay." Such notice shall be mailed within 30 days of the occurrence of the Forces Majeure or Majesture.

Article IV 90 Day Premium Delay

Upon receiving a valid request to invoke the 90 Day Premium Delay, STANDARD shall suspend any efforts to collect premium from the Employer. The 90 Day Premium Delay shall be considered effective on the day after the last date for which premium was paid.

*Example 1: The Employer's premium is fully paid through August 31. On September 15, the Employer makes a valid request for a 90 Day Premium Delay. The Premium Delay is deemed to be effective on September 1, the day after the last day for which premium was paid. The Premium Delay shall extend for 90 days to December 1.*

The 90 Day Premium Delay does not relieve the Employer from the obligation to pay for the coverage in effect during the 90 Day Premium Delay.

a. STANDARD Obligations

STANDARD shall not invoice the Employer for 90 days from the last due date prior to the 90 Day Premium Delay taking effect. STANDARD shall continue to perform its obligations under the Agreement as required. When STANDARD resumes invoicing the Employer, such invoices shall be done in accordance with the terms of the Agreement, except that such invoices shall be for 100% of the premium owed:

-- to the period during which the 90 Day Premium Delay was in effect, and during which premiums were not received;

-- then to any period after the 90 Day Premium Delay for which premiums were not collected;

Contractor's Initials CP

-- finally to any current or future period for which premiums are due.

*Example 2: The Employer requests a premium delay that takes effect on September 1. STANDARD does not invoice the Employer for premiums during September, October, or November. STANDARD invoices the Employer for premiums in December, which the Employer pays. The premium received is applied by STANDARD to the amount due for the month of September. Premiums received in January will be applied to October, and so on.*

Application of new premium payments toward delayed premium payments shall not extend beyond the annual term of the Agreement. Except however, moneys paid by the Employer in excess of the premiums due in the new contract year will be applied by STANDARD to reduce outstanding amounts, including periods for which moneys are owed due to the invocation of a 90 Day Premium Delay.

*Example 3: The Employer has invoked a 90 day premium delay and made subsequent payments described in Example 1. On March 31, the Contract Year ends. The Employer pays the monthly premium for April. This amount is NOT applied to the outstanding balance from the previous year. In May, the Employer pays an amount equal to one and a half times the monthly premium invoiced. The amount in excess of the May premium shall be applied by STANDARD to the amount outstanding due to the 90 day premium delay.*

Any premiums not collected during the annual term of the Agreement shall remain due to STANDARD.

b. Agreement Provisions Applicable

Delayed premiums shall be subject to all provisions of the Agreement regarding invoicing, payment, and late charges, if any. Delayed premiums shall be considered late payments and subject to any interest and fees provided for in the Agreement or the addenda.

d. Advanced Payment

Nothing in this provision shall be construed to limit or prevent the Employer from reimbursing STANDARD all or some of the moneys owed due to the 90 Day Premium Delay earlier than might be required. Such advanced payments shall diminish any interest charges, late fees, or other penalties, as is appropriate under the terms of the Agreement and the addenda and exhibits thereto.

e. Not to Be Construed as Compromise or Settlement

The application of funds under this Article is in no way to be construed as constituting a compromise and settlement of the full amounts owed under the Agreement.

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f. 90 Day Premium Delay Inapplicable

In the event that the Employer properly requests, and STANDARD invokes, the 90 Day Premium Delay in accordance with this section, such 90 Day Premium Delay will be revoked if the Employer is determined to be paying other debts and obligations (not due and owing to STANDARD) on a timely basis. Upon revocation of such 90 Day Premium Delay pursuant to this subsection f., all premiums due and owing will be due immediately due and payable, and failure to make such payments will result in termination of the underlying Agreements and policy, subject to the notice requirements set forth therein.

## Article V. Continuing Responsibilities

Any delay in performance granted to either party due to Forces Majeure or Majesture do not release either party from the responsibility for fulfilling the delayed obligations required by the Agreement and its addenda, except as may be permitted by the Agreement or its addenda. Failure to perform these obligations may result in either party invoking the termination provisions of the Agreement, as may be appropriate.

Contractor's Initials U

# ADDENDUM NO. 5

## SERVICE CENTERS FOR THE VIRGIN ISLANDS

### Article I Days and Hours of Operation

STANDARD agrees that it will operate a Service Center in Mason, Ohio. This office will be open five (5) days (excluding Holidays) each week, with hours not less than 8:30 a.m. to 4:30 p.m.

When the Service Center is not open, telephone calls will be referred to a centralized unit by toll free telephone number, thereby providing 24 hour access to service.

### Article II Services Provided

STANDARD will provide customer service and claims processing services from the Service Center. The types of services to be offered include, but are not limited to:

a. Customer Services

- provide telephone customer assistance

b. Claim Processing Services

- telephone services for providers
- accept and input "paper" claims
- assistance with precertification of inpatient hospital admissions
- provide assistance to members seeking a participating provider
- answer member benefit questions

Contractor's Initials _____

# ADDENDUM NO. 6

## Electronic Claims Processing System

In recognition of provider concerns over prompt payment of claims and for ease of administration, and to provide more claims processing services on the U.S. Virgin Islands, STANDARD utilizes electronic claim clearing houses.

The parties recognize that there are a number of facilities that provide these services. The choice of clearing house is at the discretion of the provider.

All providers will be supplied with the names and phone numbers of the clearinghouses who are contracted with and are submitting electronic claims directly to STANDARD. It is the provider's responsibility to establish a trading partner relationship with the clearinghouses in order to submit electronic claims to STANDARD.

Contractor's Initials CP

## ADDENDUM NO. 7

## PROVIDER AND PPO CONTRACTING

STANDARD agrees that it will offer contracts to any provider licensed to practice in the Virgin Islands and willing to accept the rates and terms offered by STANDARD, provided, however, that such provider must comply with and satisfy STANDARD's National Credentialing and Recredentialing Policy then in effect.

Contractor's Initials CP

Company #: 1115854

# GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES
## OFFICE OF THE LIEUTENANT GOVERNOR
### Division of Banking, Insurance, and Financial Regulation

# Certificate of Authority

This is to certify that in accordance with the Virgin Islands Code, which provides for the regulation of the business of Insurance in the Virgin Islands,

**Standard Insurance Company**

1100 Southwest Sixth Avenue Portland OR 97204

having filed all the documents required by law and having otherwise complied with the applicable insurance laws of the U.S. Virgin Islands is hereby authorized to transact the type(s) of insurance listed below:

Life
Disability
Accident
Annuities

NOW, THEREFORE, I **Tregenza A. Roach Esq.** Lieutenant Governor and Commissioner of Insurance, pursuant to the authority vested in me in Section 209 of the Title 22 Virgin Islands Code, hereby issue this Certificate Of Authority which authorizes said Company to transact the type(s) of insurance set forth above.

This certificate is valid from January 01, 2023 to December 31, 2023. Renewal of this Certificate is required annually upon expiration on the 31st day of December, and it may be suspended or revoked as provided in Section 212 of Title 22 Virgin Islands Code.

Given under the Seal of the Government of the Virgin Islands of the United States, at Charlotte Amalie, St. Thomas.

TREGENZA A. ROACH ESQ.
Lieutenant Governor / Insurance Commissioner

# CERTIFICATE OF INCUMBENCY

I, Elizabeth A. Fouts, hereby certify that:

1. I am the Corporate Secretary of **Standard Insurance Company** (the "Company");
2. the Company is a corporation organized under the laws of the state of Oregon;
3. the individual listed below is a duly authorized representative of the Company in the capacity set forth opposite her name;
4. her signature is true and correct as of the date hereof;
5. she has proper corporate power and authority to sign documents on behalf of the Company.

| NAME | TITLE | SIGNATURE |
|---|---|---|
| CrisDee Plambeck | AVP, Product & Business Development | |

IN WITNESS WHEREOF, I have signed this Certificate on this 9th day of June 2022.

Elizabeth A. Fouts
Corporate Secretary

1100 SW Sixth Avenue
Portland, OR 97204
Tel. 888.937.4783

**GOVERNMENT OF**
**THE VIRGIN ISLANDS OF THE UNITED STATES**
**GESC/HEALTH INSURANCE**
**BOARD OF TRUSTEES**
P.O. Box 11177
St. Thomas, Virgin Islands 00801

August 29, 2023

Honorable Albert Bryan Jr.
Governor of the Virgin Islands
Government House
Nos. 21-22 Kongens Gade
St. Thomas, VI 00802

**RE: Justification Letter – GESC/Health Insurance Board of Trustees - The Standard Insurance Company Voluntary Vision Insurance effective October 1, 2023**

Dear Governor Bryan:

The Government Employees Service Commission (GESC) Health Insurance Board of Trustees ("Board") acting as the sole body overseeing the operation of the Government employees' health and other benefit plans, has recently secured a proposal with The Standard Insurance Company (The Standard) after completing a Request for Proposals (RFP) for competitive bids as required by statute for insurance services last year which included Medical and Prescription Drug coverage for active employees and retirees, Employee Assistance Program, Dental, Vision, Life and Accidental Death & Dismemberment (AD&D) plans.

The Standard was the only respondent to the voluntary vision plan and proposed the existing plan benefits and no increase to the premiums. They have guaranteed the premiums for the next three years which would expire on September 30, 2026.

The Government makes no contribution to the Vision Insurance. This is a member-pay-all voluntary plan available to active employees and retirees. There will be no impact to employees and retirees in the premiums they pay:

| Coverage Level | Current per Pay (2022-2023) | Renewal per Pay (2023-2026) | Difference per Pay (2022-2023) |
|---|---|---|---|
| Employee/Retiree | $1.98 | $1.98 | $0.00 |
| Employee/Retiree & Family | $5.22 | $5.22 | $0.00 |

The Board believes it was able to obtain the overall lowest cost for employees and retirees, while maintaining a viable benefit offering.

Sincerely,

Beverly A. Joseph
Chairperson, GESC/Health Insurance Board of Trustees

pc: GESC Health Insurance Board Members
Cindy Richardson, Director of Personnel
Valerie Clarke-Daley, Chief, Group Health Insurance
Ian S.A. Clement, Assistant Attorney General, Solicitor General Division
Gehring Group Consultant

**Government of The Virgin Islands of the United States**
**Central Government & GERS Group Health Projected Budget**
**Fiscal Year: October 1, 2023 - September 30, 2024**

GEHRING GROUP
A RISK STRATEGIES COMPANY

| Plan | Coverage Type | Enrollment | 2022-2023 Estimated FY Total Premium | 2022-2023 Estimated FY Employer Share | 2022-2023 Estimated FY Employee Share | 2023-2024 Projected FY Total Premium | 2023-2024 Projected FY Employer Share | 2023-2024 Projected FY Employee Share |
|---|---|---|---|---|---|---|---|---|
| **Active Employees** | | | | | | | | |
| Medical | Employee | 3,307 | $ 38,214,898 | $ 27,896,876 | $ 10,318,023 | $ 38,214,898 | $ 27,896,876 | $ 10,318,023 |
| | Family | 3,755 | $ 75,873,830 | $ 55,387,896 | $ 20,485,934 | $ 75,873,830 | $ 55,387,896 | $ 20,485,934 |
| Dental | Employee | 3,307 | $ 786,537 | $ 589,903 | $ 196,634 | $ 786,537 | $ 589,903 | $ 196,634 |
| | Family | 3,722 | $ 2,258,212 | $ 1,693,659 | $ 564,553 | $ 2,258,212 | $ 1,693,659 | $ 564,553 |
| Life | Basic | 7,848 | $ 170,459 | $ 170,459 | $ - | $ 95,118 | $ 95,118 | $ - |
| | Voluntary | 5,827 | $ 2,123,357 | $ - | $ 2,123,357 | $ 2,123,357 | $ - | $ 2,123,357 |
| | Spouse | 1,198 | $ 115,473 | $ - | $ 115,473 | $ 115,473 | $ - | $ 115,473 |
| | Child(ren) | 2,610 | $ 20,984 | $ - | $ 20,984 | $ 20,984 | $ - | $ 20,984 |
| Vision | Employee | 5,154 | $ 244,918 | $ - | $ 244,918 | $ 244,918 | $ - | $ 244,918 |
| | Family | 3,721 | $ 466,167 | $ - | $ 466,167 | $ 466,167 | $ - | $ 466,167 |
| **TOTAL - Active Employees** | | | **$ 120,274,835** | **$ 85,738,792** | **$ 34,536,043** | **$ 120,199,495** | **$ 85,663,451** | **$ 34,536,043** |
| **$ Amount Increase/(Decrease)** | | | | | | **$ (75,341)** | **$ (75,341)** | **$ -** |
| **% Amount Increase/(Decrease)** | | | | | | **-0.1%** | **-0.1%** | **0.0%** |
| **Retirees** | | | | | | | | |
| Under 65 Medical | Retiree | 773 | $ 11,581,272 | $ 8,454,328 | $ 3,126,943 | $ 11,581,272 | $ 8,454,328 | $ 3,126,943 |
| | Retiree Dependents | 374 | $ 5,603,358 | $ 4,090,451 | $ 1,512,907 | $ 5,603,358 | $ 4,090,451 | $ 1,512,907 |
| | Family | 577 | $ 15,450,768 | $ 11,279,060 | $ 4,171,707 | $ 15,450,768 | $ 11,279,060 | $ 4,171,707 |
| Over 65 Medical | Medicare Advantage | 6,513 | $ 19,557,757 | $ 12,908,120 | $ 6,649,638 | $ 19,557,757 | $ 12,908,120 | $ 6,649,638 |
| Dental | Retiree | 4,874 | $ 1,159,198 | $ 869,399 | $ 289,800 | $ 1,159,198 | $ 869,399 | $ 289,800 |
| | Family | 1,900 | $ 1,152,595 | $ 864,446 | $ 288,149 | $ 1,152,595 | $ 864,446 | $ 288,149 |
| Life | Basic | 8,242 | $ 659,195 | $ 659,195 | $ - | $ 331,328 | $ 331,328 | $ - |
| | Voluntary | 6,466 | $ 7,017,974 | $ - | $ 7,017,974 | $ 7,017,974 | $ - | $ 7,017,974 |
| | Spouse | 1,428 | $ 563,825 | $ - | $ 563,825 | $ 563,825 | $ - | $ 563,825 |
| | Child(ren) | 485 | $ 3,899 | $ - | $ 3,899 | $ 3,899 | $ - | $ 3,899 |
| Vision | Retiree | 1,061 | $ 50,419 | $ - | $ 50,419 | $ 50,419 | $ - | $ 50,419 |
| | Family | 346 | $ 43,347 | $ - | $ 43,347 | $ 43,347 | $ - | $ 43,347 |
| **TOTAL - Retirees** | | | **$ 62,843,606** | **$ 39,124,999** | **$ 23,718,607** | **$ 62,515,739** | **$ 38,797,133** | **$ 23,718,607** |
| **$ Amount Increase/(Decrease)** | | | | | | **$ (327,867)** | **$ (327,867)** | **$ -** |
| **% Amount Increase/(Decrease)** | | | | | | **-0.5%** | **-0.8%** | **0.0%** |
| TOTAL - Active Employees & Retirees | | | $ 183,118,442 | $ 124,863,791 | $ 58,254,650 | $ 182,715,234 | $ 124,460,584 | $ 58,254,650 |
| $ Amount Increase/(Decrease) | | | | | | $ (403,208) | $ (403,208) | $ - |
| % Amount Increase/(Decrease) | | | | | | -0.2% | -0.3% | 0.0% |

*Notes:*

*A. Projected Budget assumes Actual Premium Rates Negotiated in GESC RFP No. 2023-01.*

*B. Over 65 Medical is 9-months of the fiscal year (effective January 1, 2024).*

*1. Estimated FY Total Premium may vary based upon actual enrollment for the remainder of current Fiscal Year & proposed Fiscal Year.*

***2. Costs account for Senate funded subsidies of member contributions for FY2019-2020; FY2020-2021; FY2021-2022; & FY2022-2023.***

FIL 4-21-99
OREGON INSURANCE COMMISSIONER

# AMENDED AND RESTATED ARTICLES OF INCORPORATION OF STANDARD INSURANCE COMPANY

ARTICLE 1

The name of the Corporation is Standard Insurance Company.

ARTICLE 2

(1) The purpose of the Corporation is to engage in the business of insurance, including the making, writing and selling of any and all types and kinds of insurance and reinsurance (including annuities) covering human life or human health or otherwise having life contingencies to the extent permitted and authorized under the insurance laws of Oregon.

(2) To accomplish its purpose, the Corporation shall have all of the rights, powers and privileges granted to and possessed by: (a) insurance companies authorized to make, write and sell insurance and reinsurance (including annuities), covering human life or human health, or otherwise having life contingencies to the extent permitted under the laws of Oregon; (b) corporations generally under the laws of Oregon to the extent that they do not conflict with any limitations, restrictions or prohibitions of the insurance laws of Oregon; and (c) insurance companies authorized to make, write and sell insurance and reinsurance (including annuities) covering human life, human health or otherwise having life contingencies and corporations generally under the laws of other States and Territories of the United States and of foreign countries in which it engages in the business of insurance or otherwise is doing business to the extent that such laws

are applicable and do not conflict with the insurance and corporate laws of Oregon, or the corporate laws of said other States, Territories or counties do not conflict with the insurance laws therein.

ARTICLE 3

The Corporation is authorized to issue 1,000 shares of Common Stock.

ARTICLE 4

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for conduct as a director, provided that this Article shall not eliminate the liability of a director for any act or omission for which such elimination of liability is not permitted under the Oregon Business Corporation Act. No amendment to the Oregon Business Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission which occurs prior to the effective date of the amendment.

ARTICLE 5

The Corporation may indemnify to the fullest extent permitted by law any person who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the corporation) by reason of the fact that the person is or was a director, officer or employee of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the corporation, or serves or served at the request of the corporation as a director, officer or employee, or as a fiduciary of an employee benefit plan, of another corporation, partnership,

joint venture, trust or other enterprise. This Article shall not be deemed exclusive of any other provisions for indemnification of directors, officers and fiduciaries that may be included in any statute, bylaw, agreement, resolution of shareholders or directors or otherwise, both as to action in any official capacity and action in another capacity while holding office.

Executed: April 14, 1999

J. Gregory Ness
Vice President and Corporate Secretary