Ohio Public Employees Retirement System

REQUEST FOR PROPOSALS
(RFP)

For:
An Audit of the OPERS’
Member Directed and Wellness Retiree Medical Account Plans
Administration

Date:
April 11, 2016

277 East Town Street
Columbus, Ohio 43215
1-800-222-PERS (7377)
www.opers.org
A. BACKGROUND

Retirement System

In 1935, the Ohio Public Employees Retirement System (OPERS) began a tradition of providing excellent retirement benefits for state employees. With approximately $91 billion in assets as of 12/31/2014, the System provides retirement, disability, and survivor benefit programs for public employees throughout the state who are not covered by another state or local retirement system. OPERS serves more than 1 million members of more than 3,700 public employers and over 203,000 participants and surviving beneficiaries who receive monthly benefits.

Financial Information

The most recent OPERS Comprehensive Annual Financial Report is available on the OPERS website at: www.opers.org.

B. DEFINITIONS

The following definitions apply to this Request for Proposals (“RFP”):

Member Directed Retiree Medical Account Plan (MD-RMA) means the OPERS self-funded retiree medical account plan established for OPERS’ members enrolled in the OPERS’ defined contribution (member directed) pension plan. A portion of the employer contributions to these members’ pension accounts is deposited into their retiree medical accounts for their use for reimbursement of qualified medical expenses upon retirement or upon refund of the pension accounts.

Wellness Retiree Medical Account Plan (W-RMA): means the OPERS self-funded retiree medical account plan established for OPERS’ retirees enrolled in the OPERS wellness program to use for reimbursement of qualified medical expenses. Participants in the OPERS’ wellness program earn incentives up to one hundred dollars ($100.00) per rolling twelve (12) month period for successfully completing OPERS’ sponsored wellness activities. Earned incentive amounts are deposited into the participants’ wellness retiree medical accounts.

C. OVERVIEW

OPERS sponsors two self-funded retiree medical account plans: the MD-RMA and the W-RMA. OPERS has engaged Aetna Life Insurance Company (Aetna) to provide certain administrative services for the MD-RMA and the W-RMA. Aetna has subcontracted a portion of these administrative services to Voya Financial (formerly ING) as described further in this RFP.

The purpose of this RFP is to seek proposals from qualified auditing firms to conduct an audit of Aetna’s administration of the MD-RMA and W-RMA (including the administrative services of Voya Financial) as described further in this RFP. A responding vendor must include in its proposal pricing information using the form attached as Attachment B. A responding vendor will be referred to as “You,” “Your” or “Your Organization” throughout this RFP, as the context indicates.

The audit firm that may be selected as a result of this RFP (Selected Auditor) must have demonstrated experience and expertise to conduct the audit. The Selected Auditor also must possess excellent analytical skills, in-depth industry knowledge, and the skills necessary to provide OPERS with expert advice. The Selected Auditor will be expected to provide regular updates to OPERS while conducting the audit. Any audit exceptions will be identified and reviewed with Aetna to confirm the audit findings.
The primary objectives of the engagement will be to audit the financial data record keeping for transactions to and from OPERS and Aetna, and to and from Voya Financial to ensure MD-RMA and W-RMA accounts are in balance with the records of OPERS, Aetna and Voya Financial. The Selected Auditor will also validate the transactional components including but not limited to timing, accuracy and controls established to ensure correct account balance status and account transactional activities for the MD-RMA and W-RMA accounts. The specific requirements and timeframe for this audit are provided in Section E, Scope of Engagement.

For the MD-RMA and the W-RMA, Aetna currently processes the reimbursement of qualified medical expense claims, and Voya Financial maintains the MD-RMA and W-RMA account balance information. As of June 2015 there were 19,133 participants in the MD-RMA and 92,223 participants in the W-RMA.

This RFP will include four (4) phases:

- **Phase 1—Minimum Requirements**: Proposals must meet the Minimum Requirements contained in Section D, which OPERS will verify. Proposals that meet the Minimum Requirements will advance to Phase 2. Proposals that do not meet the Minimum Requirements will not be considered, reviewed, or evaluated.

- **Phase 2—Written Proposals**: OPERS will review and evaluate written proposals that meet the Minimum Requirements and determine, in its sole discretion, whether any Phase 2 vendors will be asked to make oral presentations. These vendors will advance to Phase 3.

- **Phase 3—Oral Presentations**: OPERS will provide clarifying questions to Phase 3 vendors asked to make oral presentations. The clarifying questions must be addressed during the oral presentations. OPERS will evaluate the oral presentations to determine, in its sole discretion, whether any Phase 3 vendors will advance to Phase 4.

- **Phase 4—Contract Negotiations**: Following evaluation of the written proposals and oral presentations, OPERS may determine a list of finalists and commence sequential negotiations as described in Section (G)(5).

**D. MINIMUM REQUIREMENTS**

The items listed in this section of the RFP are mandatory proposal requirements (“Minimum Requirements”). Your proposal must meet all of the Minimum Requirements or it will not be considered, reviewed, or evaluated. Please include the following information in Your proposal in a list format immediately following the proposal cover page.

- Confirm that Your Organization is licensed to do business in the state of Ohio and is in good standing with the Ohio Secretary of State.

- Confirm that Your Organization has had experience in conducting similar audits in size and scope as described in this RFP.

- Confirm that all work for this project will be performed within the continental United States, and that You agree that no services for this project will be performed off-shore, including subcontracting of services to any off-shore companies or locations.
E. SCOPE OF ENGAGEMENT

The audit timeframe will be January 2015 – December 2015, follow the audit procedure addendum (attached as Attachment C), and must include the following scope of services:

- Review Aetna’s and Voya Financial’s operations efficiency and integrity. If available, review the audited annual Statements on Standards for Attestation Engagement No. 16 (SSAE-16) report and the Service Organizational Control (SOC)-2 report. If these reports are not available, review the controls that Aetna and Voya Financial have established to address security, availability, processing integrity and confidentiality / privacy.

- Validate that Aetna’s and Voya Financial’s quality assurance policies and procedures are followed for each of the defined audit criteria.

- Verify that employer contributions transmitted from OPERS to Aetna and Voya Financial for the MD-RMA accounts are deposited into the correct MD-RMA accounts.

- Verify that, for the tested time period, the dollar amount transmitted from OPERS to Aetna and Voya Financial for the MD-RMA and for the W-RMA accounts matches the amount posted by Aetna and/or Voya Financial for the tested time period for each MD-RMA and W-RMA account.

- Audit and verify the consistency of the MD-RMA account status among OPERS, Aetna and Voya Financial to ensure retired MD-RMA accounts are frozen when the member is re-employed.

- Audit the timing, accuracy and processing of MD-RMA and W-RMA claim files.

- Audit vesting administration (for MD-RMA only) and the application of forfeitures (for both the MD-RMA and W-RMA).

- Confirm that the forfeitures are applied correctly for account inactivity for both W-RMA and MD-RMA.

- Audit all data flows, as follows:
  
  Process 1:
  - OPERS to Aetna
  - Aetna to Voya Financial
  - Voya Financial to Aetna
  - Aetna to OPERS

  Process 2:
  - OPERS to Voya Financial
  - Voya Financial to Aetna
  - Aetna to OPERS

- Audit application of the information technology statement of work (IT SOW), for both the MD-RMA and W-RMA, between OPERS and Aetna to ensure Aetna is processing claims according to the requirements described in the IT SOW. The IT SOW is included as Attachment E.

- Verify Aetna’s performance guarantee/standards reporting.
• Audit compliance with the OPERS’ W-RMA and MD-RMA and MD-VEBA Plan documents. Plan documents are addressed in OAC 145-4-40, 145-4-42 and 145-4-44 (for the W-RMA) and on the OPERS website under the Legal Section (for the MD-RMA).

• Provide recommendations on any corrective actions for identified issues. Audit report should include comments and recommendations the external audit determined would also enhance the services provided by Aetna to OPERS or correct discovered deficiencies.

• Audit the billing of the per member per month administrative fees

F. PROPOSAL CONTENT

At a minimum, the proposal must include the following information defined in Sections F1- F10. For ease of review, each requirement should be addressed in a separate section preceded by an index tab to identify the subject of the section. The proposal should be formatted on consecutively numbered pages and include a table of contents. You must provide an answer to each question in the order asked in the RFP, and must propose for all audits in this RFP.

F1. COVER LETTER

You must include a cover letter, which will be considered an integral part of the proposal, in the form of a standard business letter, and must be signed by an individual who is authorized to bind You contractually. The cover letter must include:

F1.1 A statement regarding Your Organization’s legal structure, e.g., an Ohio corporation, Federal tax identification number, and principal place of business.

F1.2 Your primary contact on this RFP, who has authority to answer questions regarding the proposal:

• Organization Name
• Contact’s Name
• Additional Contacts
• Contact’s Address
• Contact’s Phone Number
• Contact’s E-mail Address

F1.3 A statement that Your proposal meets all the requirements of this RFP.

F1.4 A statement that Your Organization has not submitted its proposal with the assumption that there will be an opportunity to negotiate any aspect of the proposal.

F1.5 A statement that You acknowledge that all documents submitted pursuant to this request may be subject to disclosure under Ohio’s Public Records Act, see Section H1 of this RFP.

F1.6 A statement that You acknowledge and agree that the contract provisions contained in Attachment A shall be included in any contract with OPERS that may result from this RFP, and such contract provisions shall control in the event of any conflict.

F1.7 OPERS shall have full ownership, including copyright interests in all documentation and other related work papers as applicable.
F1.8 The Vendor will ensure that the Vendors subcontractors shall be obligated to assign to OPERS their ownership rights in any deliverables.

F2. QUESTIONNAIRE

F2.1 Your Organization’s domestic office locations, identifying which location will be assigned this project. Please provide the following information:

- The full legal name of Your Organization;
- The address and telephone number of Your corporate office; and
- The current ownership of Your Organization, along with the name of any individual holding 10% or more of the stock or value of Your Organization, if applicable.

F2.2 Your Organization’s organizational structure, including subsidiary and affiliated companies, and joint venture relationships.

F2.3 How many years has Your Organization been in business?

F2.4 Yes/No: Has Your Organization undergone any material change in its structure or ownership within the last 18 months? If yes, please describe.

F2.5 Yes/No: Is any material change in ownership or structure currently under review or being contemplated? If yes, please describe.

F2.6 If available, please provide a report, study, or assessment of Your Organization, prepared by an unbiased independent third-party source, concerning client satisfaction and measures of Your Organization’s strengths and weaknesses vis-à-vis your key competitors.

F2.7 Please provide Your most recent financial statements including a statement of financial position, an annual income statement and balance sheet.

F2.8 Please describe any material litigation to which Your Organization is currently a party. In addition, please describe any material litigation that Your Organization has been involved in over the last three (3) years.

F2.9 Please provide a list and describe litigation brought or threatened against Your Organization by existing or former clients over the past five (5) years.

F2.10 Please describe any relationships that Your Organization has with potential vendors to OPERS, including any potential fees or other remuneration Your Organization may receive for recommending their products or services.

F2.11 Provide a copy of a final audit report presented to a client of similar size operationally to OPERS and similar in scope to this RFP for whom You have performed an audit within the last year, redacted to the extent necessary.

F2.12 Describe Your internal quality assurance process for the auditing process.

F2.13 Indicate Your Organization’s specific, relevant experience, with auditing an MD-RMA and W-RMA.

F2.14 Does Your Organization have a firm written code of conduct or set of standards for professional behavior? If so, attach a copy and state how the code or standards are monitored and enforced.

F2.15 How does Your Organization identify and manage conflicts of interest?

F2.16 Are there any potential conflicts of interest that Your Organization would have in providing the requested services to OPERS? If yes, explain.
F2.17 List and describe any relationships and/or contacts Your Organization or its officers or employees has had with any OPERS’ Board member and/or staff member within the last twelve (12) months.

F2.18 Has Your Organization or any officer or employee given any remuneration or anything of value directly or indirectly to any OPERS Board members, officers, or employees? If yes, identify the recipient and remuneration or thing of value. Additional information on the relevant OPERS ethics policy may be found at: https://www.opers.org/pdf/legal/ethics-policy.pdf.

F2.19 Has Your Organization or any officer or employee given any remuneration or anything of value as a finder’s fee, cash solicitation fee, or fee for consulting, lobbying or otherwise, in connection with this RFP? If yes, identify the recipient and remuneration or thing of value.

F2.20 Describe Your organizational structure, including subsidiary and affiliated companies, and joint venture relationships.

F2.21 Identify whether Your Organization currently performs any work for, provides services to, or receives compensation from Aetna or Voya Financial. Describe the work performed.

F2.22 Please confirm that Your Organization will execute a Business Associate Agreement with OPERS, in the form attached here as Attachment D (OPERS’ Business Associate Agreement).

F2.23 Describe any aspects of Your audit process that are unique to Your Organization and that distinguish You from your competitors.

F2.24 Describe how you would audit the per member per month administrative fees charged by the Vendor.

F3. UNDERSTANDING OF ENGAGEMENT

F3.1 Please describe in detail Your Organization’s understanding of the services requested in this RFP.

F3.2 In addition to the services described, please include any additional services You believe are applicable, and include the itemized fees for such services. The description of these services and the associated fees should be detailed in a separate section of Your proposal. The rationale for proposing these services should be included.

F3.3 Please provide a narrative that supports why Your Organization believes that it is qualified to undertake the proposed engagement.

F4. WORK PLAN (including timeline with details of hours)

The proposal should set forth a work plan including:

F4.1 Submit a detailed schedule and timetable that presents key activities, milestones, and timing for performing the audit and completion of the engagement. Provide estimated hours by major task and staffing plan to include both Selected Auditor’s and OPERS’ resources. The work plan should include the preparation of a draft audit report to be reviewed by OPERS before any final audit report is delivered. The work plan should assume that the MD- RMA and W-RMA reviews will be conducted in the same time frame.

F4.2 A description of how You will consult with and make presentations to OPERS staff during the engagement.
F4.3 A description of the service management and quality control procedures you will use. These should identify and describe any anticipated potential problems, your approach to resolving these problems, and any special assistance that will be requested from OPERS.

F5. DELIVERABLES

Provide a sample report from a client similar in size for F5.1 – F5.4:

F5.1 Audit Report:
A final audit report will be required detailing the findings and recommendations of the audit. In addition, the final audit report will include a description of the project methodology and exhibits that provide additional details about the sample and the errors discovered. It is critical that the final audit report clearly identifies the extent of potential financial recovery for OPERS and any areas of disagreement with the Administrator.

F5.2 Status Report:
Provide electronic status updates weekly to the designated representatives of OPERS. Conference calls will be scheduled, at a minimum, two times a month during the project timeline.

F5.3 Final Draft Audit Reports
OPERS should be permitted to provide feedback to Selected Auditor prior to submitting the final audit report.

F5.4 Final Audit Reports
A detailed written final audit report must be submitted with recommendations. The written recommendation/reports must include, at a minimum:

- Executive summary
- Description of the audit process/procedures, including audit milestones and key events associated with those milestones
- Recommendations for corrective action to ensure accurate claims handling
- Aetna’s action plan in response to the Selected Auditor’s recommendations
- Statement indicating the Selected Auditor has observed all conflict of interest requirements mandated by OPERS with respect to the audit process and has not received anything of value from Aetna or from Voya Financial while performing audit services.

F5.5 Final Presentations
Be prepared to provide an executive level presentation for OPERS’ Board based on the results of each audit and recommendation in the final reports.
F6. AUDITOR PERSONNEL

F6.1 Provide an organizational chart of Your Organization. Highlight the names/positions and office location of all persons who will work on the engagement.

F6.2 Provide the name and a brief biographical sketch of the lead auditor who will have overall responsibility for this project. For this individual, provide the following:

- Description of experience
- Education
- Length of employment at Your Organization
- Length of experience auditing
- Professional credentials and affiliations
- Description of this individual's specific responsibilities and duties under a contract that may result from this RFP.

F6.3 List your five (5) largest clients (by number of participants) for which the lead auditor has performed a substantial auditing function.

F6.4 Provide the names, title, contact information and a brief biographical sketch of each of the individuals who will be performing the services outlined in this RFP. For each individual, provide the following:

- Description of experience, i.e. work history
- Education
- Length of employment at the organization
- Length of experience auditing
- Professional credentials and affiliations
- Description of each individual's specific responsibilities and duties under a contract that may result from this RFP

F6.5 Provide samples of work that relate to the scope of services in this RFP You feel demonstrate the skill and talent of the audit team that would be assigned to this engagement.

F6.6 You are requested to perform all services and may not subcontract without the written consent of OPERS. For each of Your potential subcontractors, please provide a narrative with the following information:

- The subcontractor’s name and address.
- A brief description of the work said subcontractor might perform.
- A brief description of the subcontractor’s capabilities and
- Describe Your oversight of the subcontractor and controls in place to ensure that expected performance levels are maintained.

F6.7 Please describe Your Organization’s procedures in the event that a contact person assigned to this engagement leaves Your Organization during the term of the engagement.

F7. REFERENCES

F7.1 The names, addresses and telephone numbers of a contact person for three (3) current clients similar in size to OPERS.
F7.2 The name and telephone number of a responsible official who may be contacted as a reference at each of three (3) current clients.

F7.3 Provide a summary description of the scope of work performed for each of the three (3) current clients listed.

F8. COST

F8.1 In Attachment B, please provide a not-to-exceed, fixed fee price quote for this project showing the fee for the project in total to include any and all reimbursable expenses. OPERS expects all travel costs to be included in in the price quote contained in Attachment B. OPERS will not accept proposals that include separate charges for the upkeep and/or updating of Auditor’s information technology hardware or software.

F8.2 Provide cost per hour for additional service work or if hourly costs are not applicable, the deliverables that You intend to provide, and the cost associated with each deliverable.

F8.3 State whether You will negotiate Your proposed fee if OPERS decides negotiation is appropriate as to any aspect of the proposal, including the fee, with the finalist(s). In no case, however, will the negotiated fee be higher than the fee submitted in the proposal.

F9. SAMPLE CONTRACT

Please provide a sample contract with Your proposal along with a copy of Your certificate of insurance. The contract should reflect the specific scope and deliverables of this engagement as well as hourly fees for any potential work outside the scope of this engagement and response times.

Notwithstanding the foregoing, any contract that may result from this RFP must include the contract provisions included in Attachment A, which provisions shall control in the event of any conflict.

F10. ADDITIONAL INFORMATION

You should provide any other information You believe is relevant to the engagement.

G. SELECTION CRITERIA

G1. Proposals will be evaluated and OPERS will make any final decision to award the contract.

G2. During the evaluation process, OPERS’ management may, in its discretion, request that You or any or all responding vendors make oral presentations. Such presentations will provide responding vendors with an opportunity to answer questions regarding their proposals. Not all responding vendors may be asked to make such oral presentations. (See Section B, Overview, RFP phase 3.)

G3. Any pricing information submitted by You must be disclosed on the pricing pages as designated in this RFP. (See Section B, Overview, and Attachment B.) OPERS will not consider any pricing information which appears elsewhere in Your proposal.

G4. Proposals will be evaluated based on the following criteria, each criteria may be weighted, if desired:
• Cover Letter
• Questionnaire.
• Understanding of Engagement.
• Soundness of the approach and quality of the work plan.
• Proposed deliverables.
• Individual qualifications of the assigned staff.
• Sample Contract.
• Cost.

G5. After evaluation of the proposals, OPERS may determine a list of finalists not to exceed three (3) and may commence sequential negotiations on any aspects of the proposals OPERS deems appropriate beginning with the highest scoring finalist. If OPERS does not reach agreement with the highest scoring finalist within seven (7) calendar days, or if in the opinion of OPERS negotiations reach an impasse, OPERS may decide not to award the contract or may begin negotiations with the second highest scoring finalist. OPERS may choose to continue such negotiation schedule with subsequent finalists on the same basis until a contract is negotiated, no other finalists remain, or OPERS decides not to award the contract.

H. GENERAL TERMS AND CONDITIONS FOR SUBMITTING PROPOSALS

H1. You understand that OPERS is subject to the Ohio Public Records Act, and the documents submitted in response to this RFP may be subject to a public records request. You must identify and clearly mark the documents and materials that are confidential at the time You submit Your proposal. If OPERS receives a public records request for records related to this RFP, OPERS will reasonably attempt to contact You in sufficient time to allow You to take the legal steps You deem necessary to protect the confidential information from disclosure. You shall indemnify OPERS if OPERS is assessed any damages or fees as a result of the position You assert regarding the confidentiality or public disclosure of the records. If no documents or materials are clearly identified and marked as confidential, You will be deemed to have consented to the disclosure of the documents or materials, and to have waived any cause of action against OPERS resulting from the disclosure of the documents or materials.

H2. Regardless of cause, late proposals, in whole or in part, will not be accepted and will automatically be disqualified from further consideration. It shall be the Your sole risk to ensure delivery at the designated office by the designated time. Late proposals will not be opened and may be returned to the You at Your expense, or destroyed if so requested.

H3. OPERS reserves the right, in its sole discretion, to reject any or all proposals submitted, and to waive as to any or all responding vendors, any informality or irregularity in a proposal or proposals or any failure to conform to the instructions in this RFP.

H4. This RFP is not a contract, not meant to serve as a contract, and does not constitute a promise to enter into a contract.

H5. All documents, proposals and other materials submitted in response to this RFP will become the property of OPERS and will not be returned to You.

H6. You agree to comply with all terms, conditions and requirements described in the RFP. Any failure by any responding vendor to so comply shall be grounds for rejection of that vendor’s proposal, as determined by OPERS in its sole discretion.

H7. If a contract results from this RFP, neither the Selected Auditor, nor anyone on its behalf (including any or all of its agents, affiliates, subcontractors or vendors), shall
publish, distribute or otherwise disseminate any press release, advertising or publicity matter of any type or kind (collectively “Advertising Material”) having any reference to OPERS, this RFP or the resulting contract, unless and until the Advertising Material is first submitted to and approved in writing by OPERS.

I. INSTRUCTIONS FOR SUBMITTING PROPOSALS

Proposed Schedule of Events

1. RFP Release Date .................................................................April 11, 2016
2. Questions due from vendors by e-mail (1:00 p.m. ET)......................April 25, 2016
3. Proposals due to OPERS (1:00 p.m. ET).....................................May 27, 2016
4. Effective date of contract..........................................................Upon Signature

I1. Please provide five (5) hard copies, one redacted copy for public record requests and one full electronic copy of Your proposal by 1:00 pm Eastern Time, on May 27, 2016 to:
   Nicole Parsell
   Procurement Agent
   Ohio Public Employees Retirement System
   277 East Town Street
   Columbus, OH 43215-4642
   nparsell@opers.org

I2. Questions concerning this RFP must be submitted via e-mail to nparsell@opers.org. The question and answer period will be from April 11 - 25. Questions and answers will be posted on the OPERS’ website after April 25th.

I3. No responding vendor shall attempt to communicate with OPERS concerning this RFP in any manner or at any time other than during the question and answer period (see Section I2) or the finalist presentations, if held (see Section G2 and corresponding date above). Communication with OPERS, other than as previously described, will result in immediate disqualification.

I4. This RFP is issued on April 11, 2016. OPERS reserves the right, in its sole discretion, to amend or cancel this RFP.
ATTACHMENT A – RFP Terms and Conditions

1. CONTRACTOR’S REPRESENTATIONS, WARRANTIES AND COVENANTS:
   Contractor represents, warrants and covenants that:
   
   • it has the authority to enter into the Agreement and perform the services provided under the Agreement;
   
   • it shall comply with all applicable federal, state and local laws in providing services under the Agreement, including, but not limited to, the reporting requirements contained in Sections 101.90 et seq. of the Ohio Revised Code (Joint Legislative Ethics Commission), and the laws contained in Chapter 102 of the Ohio Revised Code (Ohio Ethics Commission) governing ethical behavior that apply to persons doing or seeking to do business with OPERS; and,
   
   • it has not paid and will not pay, has not given and will not give, any remuneration or thing of value directly or indirectly to OPERS or to any of its board members, officers, employees, or agents, or any other third party related to Contractor’s engagement under the Agreement, including a finder’s fee, cash solicitation fee, or a fee for consulting, lobbying or similar services that could influence OPERS’ decision to enter into the Agreement.

2. DISCLOSURE AND USE OF RECORDS: Contractor shall not disclose or use any information concerning OPERS’ members or retirees, or any other confidential information obtained in providing services under the Agreement, without OPERS’ prior written consent. Contractor understands that OPERS is subject to the Ohio Public Records Act. If OPERS receives a public records request for records related to the Agreement, OPERS will reasonably attempt to contact Contractor in sufficient time to allow Contractor to take the legal steps it deems necessary to protect the confidential information from disclosure. Contractor shall indemnify OPERS if OPERS is assessed any damages or fees as a result of the position Contractor asserts regarding the confidentiality or public disclosure of the records.

3. ADVERTISING AND PUBLICITY: Neither Contractor, nor anyone on Contractor’s behalf (including any or all of its agents, affiliates, subcontractors or vendors), shall publish, distribute or otherwise disseminate any press release, advertising or publicity matter of any type or kind (collectively “Advertising Material”) having any reference to OPERS or this Agreement, unless and until the Advertising Material is first submitted to and approved in writing by OPERS.

4. INDEMNIFICATION AND LEGAL ACTION:
   • Contractor shall indemnify OPERS, its board members, officers, and employees against any claims, damages, costs or losses resulting from Contractor’s negligent or intentional acts, or those of its officers, employees or agents, under the Agreement (“Indemnity Claims”). Contractor shall defend OPERS, its board members, officers and employees against Indemnity Claims, if OPERS requests that Contractor do so.
OPERS will not be required to file a lawsuit to obtain reimbursement for the Indemnity Claims.

- OPERS shall not indemnify Contractor for claims, damages, costs or losses of any nature that arise under the Agreement ("Contractor’s Claims"). Contractor may seek recovery of Contractor’s Claims through legal action against OPERS, if appropriate.

5. **GOVERNING LAW AND FORUM:** Despite anything to the contrary in the Agreement, issues concerning the Agreement will be governed by, construed and enforced according to Ohio law, exclusive of Ohio’s conflict of laws principles. Any litigation concerning the Agreement must be brought only in courts of competent jurisdiction located in Franklin County, Ohio, and Contractor irrevocably consents to this venue and jurisdiction. OPERS shall not waive its right to trial by jury in any action, proceeding or counterclaim concerning the Agreement or the actions of either party regarding any aspect of the Agreement, regardless of the legal theory, unless the Ohio Attorney General consents to this waiver.

6. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (“HIPAA”):** Contractor (i) is a Business Associate of OPERS, (ii) maintains a HIPAA compliance program consistent with the requirements of the HIPAA privacy, security and breach regulations; and (iii) has executed a Business Associate Agreement (“BAA”) with OPERS.

7. **AUDIT PROCEDURE:** Contractor shall conduct the audit described in this Agreement according to the audit procedure addendum attached to and made a part of this Agreement by this reference.
## ATTACHMENT B - Pricing

### PRICING

<table>
<thead>
<tr>
<th>DELIVERABLES</th>
<th>OPERS</th>
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<tbody>
<tr>
<td><strong>Service</strong></td>
<td>Audit Cost</td>
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<tr>
<td>Review operational efficiency</td>
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<tr>
<td>Validate quality assurance policies and procedures</td>
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<td>Verify deposit accuracy of employer contributions to MD-RMA accounts</td>
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<tr>
<td>Verify accuracy of posted amounts to MD-RMA and W-RMA accounts from OPERS</td>
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<td>Audit and verify MD-RMA account status</td>
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<td>Confirm forfeiture rules are applied correctly</td>
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**TOTAL COST**

OPERS expects all travel costs to be included in the costs quoted in Attachment B.
ATTACHMENT C – Audit Procedures

Aetna RMA
General Conditions Addendum

11. Audit Rights

(A) General: Upon reasonable prior request and as permitted by law or regulation, the claim payment and account information (including account balances and activity, forfeitures and interest calculations) contained in Aetna’s documents, records, reports and data, including data recorded in Aetna’s data processing systems and records maintained by any account administrator engaged by Aetna shall be made available to Customer or a third party designated by Customer during regular business hours at the place of business where it is maintained by Aetna or such administrator, for purposes of the administration of the RMA Plan (“Audit”). Audits shall be conducted in accordance with the Audit Procedure, which is attached hereto as the Audit Procedure Addendum and are further subject to the terms of the Customer Audit Request Form (“CARF”), attached as Exhibit A to the Audit Procedure Addendum and which Customer is required to have executed in advance of any Audit. Administrator shall bring the Customer up to date of any future material changes Aetna may make to the CARF.

(B) Audit Coordination - The account representative must be contacted to initiate an audit. The representative will identify an audit coordinator who will have day-to-day responsibility for coordinating and facilitating the audit.

Customer will provide reasonable advance notice of its intent to audit and will complete an Audit Request Form providing information reasonably requested by Aetna. Further, Customer or its representative will provide the account representative at least four (4) weeks advance notice of the audit, with a complete and accurate listing of the transactions to be pulled for the audit. Notification requirements may exceed four weeks for unusual audit requests, including but not limited to audits involving large sample sizes (e.g., greater than 250 transactions or with respect to a contribution audit, 250 Participants). Aetna will communicate these requirements to Customer upon receipt of the completed Audit Request Form.

(C) Timing and Scope: Audits must be commenced within two (2) years following the period being audited. The size of the audit sample may not exceed 250 claims without Aetna’s written consent.

(D) Audit Costs: Aetna is not responsible for paying Customers’ audit fees or the costs associated with the audit. Customer shall pay Aetna’s administrative costs for any audit which (i) cannot be completed within a five (5) day period, (ii) contains a sample size in excess of 250 claims (or with respect to a contribution audit, 250 Participants), or (iii) otherwise creates exceptional administrative demands upon Aetna. To the extent practicable, Aetna will endeavor to communicate the basis for these charges to Customer prior to the audit.

(E) Auditor Qualifications and Requirements - Customer will utilize individuals to conduct audits on its behalf who are qualified by appropriate training and experience for such work, will perform its review in accordance with published administrative safeguards or procedures against unauthorized disclosure (in the audit report or otherwise) of any individually identifiable information (including health care information) contained in the information to be audited and will not make or retain any record of provider negotiated rates included in the audited transactions, or payment identifying information concerning treatment of drug or alcohol abuse,
Audits of any services are subject to any related proprietary and confidentiality requirements protecting the nature of the data.

(F) Identification of Audit Sample – In accordance with the Audit Procedure, prior to the audit, the auditors will provide a listing of the transactions selected for testing and the specific service for which each item is being tested. The sample must be based on a statistical random sampling methodology (e.g., systematic random sampling, simple random sampling, and stratified random sampling). Aetna reserves the right to review and approve the sample size, the objectives of the audit and the sampling methodology proposed by the auditors.

(G) Exit Meeting – In accordance with the Audit Procedure, the auditors will provide their draft audit findings to Aetna, in writing, before a final audit report is presented to Customer. This draft will provide the basis for discussions between Aetna and the auditors to resolve disagreement and summarize the audit findings. Nothing herein shall prohibit auditors from providing draft audit findings or other reports to Customer at any time.

(H) Audit Reports – In accordance with the Audit Procedure, Aetna will have a right to review the final Audit Report, before delivery to Customer. Auditors shall provide Aetna with a copy of the final audit report delivered to Customer and Aetna shall have the right to include with the final Audit Report a supplementary statement containing facts that Aetna considers pertinent to the audit.

DESCRIPTION OF SERVICES ADDENDUM
This Description of Services Addendum between Aetna Life Insurance Company ("Aetna") and Ohio Public Employees Retirement System ("Customer") is an addendum to the Services Agreement Number RMA/ASA-876832 between Aetna and Customer and is incorporated by reference therein.

Subject to the terms and conditions of the Services Agreement, the Services available from Aetna are described below. Additional Services may be provided at Customer's written request under the terms of the Services Agreement.

AUDIT PROCEDURE ADDENDUM

1. Customer Audit Request Form
   A Customer Audit Request form will be completed detailing:
   • Detailing the requested timing, scope, and purpose of the audit.
   • Acknowledging the personal and confidential nature of the claim information being reviewed.
   • Stating that those individuals conducting the audit are qualified to so do, attesting to their objectivity and agreeing to an indemnification and hold harmless agreement.
   Aetna will approve the Customer Audit Request based on the spirit and intent of this agreement. Requests outside this agreement will be discussed with the Plan Sponsor/Audit Firm and approved on an exception basis or a reason will be provided as to why the request cannot be granted.
2. Pre-audit questionnaire
   The Plan Sponsor/Audit Firm may submit a pre-audit questionnaire with a time frame to have it completed and returned prior to the on-site visit. Aetna will complete the questionnaire and return to the appropriate party’s within the scheduled time frame. If for some reason Aetna cannot meet the time frame Aetna will discuss with the Plan Sponsor/Audit Firm and agree on a new completion date. It is expected that 95% of the time, Aetna would be able to complete the questionnaire in the agreed upon timetable. It is expected that 100% of the time the questionnaire would be completed by the revised date.

3. Claim selection is made and submitted to Aetna
   The Plan Sponsor/Audit firm will provide the Aetna Service Center with a listing of claims they will need, to complete the audit, a minimum of four weeks prior to the scheduled start of the audit. The listing must include sufficient information for the Service Center to pull supporting documentation, including applicable Social Security numbers (SSNs), Participant ID #, claim number, date of service and Transaction Control Numbers (TCNs). Aetna will notify the Plan Sponsor/Audit Firm of any issues they have with the claim selection in a timely manner. An additional charge may apply if the claims selection is more than 250 claims. Extraordinary costs for audits above 250 claims will be identified in advance to Plan Sponsor. Extraordinary audit costs are currently in the general range of $50 per claim. If Aetna does not have the appropriate documentation needed to select the claims, the scheduled dates for the on-site visit may need to be changed. Aetna requires a minimum of four weeks preparation time once the claim selection has been received to the actual on-site audit. The Plan Sponsor/Audit Firm and Aetna will agree in advance on the sampling methodology. Aetna expects at a minimum to have 98% of the claim submission documentation pulled by the first day of the site visit.

4. On-Site visit
   Aetna Customer audits are established for all customers to include a site visit that is intended to last no more than a maximum of 5 days. There is an Exception process that can be allowed with reasonable notice to extend a site visit to what is mutually considered a reasonable period with appropriate need. Aetna finds that the majority of its Customer’s auditors to get the work done in 3-5 working days. Approval for an exception to Aetna’s Audit Policy will be done in conjunction with Aetna Core Services which oversees all Plan exceptions. Aetna reserves the right to balance the Plan Sponsor’s/Audit Firm’s goals and with Aetna’s need to ensure service to all other Plan Sponsors is not adversely affected. This includes ensuring that any additional expenses are not incurred as a result of extending the Audit Policy and our standard 5 day period. Additional charges may apply if the audit lasts longer than 5 days.

5. Provide prepped/organized claims in the order established by the Plan Sponsor/Audit Firm.
   Original file documentation reference material and equipment will not be removed from the office and will be returned to the Audit Point Person at the completion of the audit. The Aetna Service Center will provide the Plan Sponsor/Audit Firm, on the day of arrival, with complete copies claim submission source documents for the sample which supports Aetna’s coverage determinations. The Service Center personnel will review these documents prior to the arrival of the Plan Sponsor/Audit Firm to insure that copies are legible, to the extent possible. Aetna expects at a minimum to have 98% of the claim submission documentation pulled by the first day of the site visit.

6. Opening meeting, introductions
The Plan Sponsor/Audit Firm and the Aetna Service Center will agree to advise each other of any problems as they occur. Problems will include lack of cooperation, inability to locate essential documentation and differences of opinion regarding audit errors. Aetna will have the appropriate staff available to assist with the on-site auditors in completing the audit within the time set forth. Total time available to the auditors to support questions and to respond to rebuttals, will be no more than 4 hours per day during the on-site visit.

7. Location of audit within the Service Center
   The auditors should notify the Audit Point Person if the accommodations or time frames are not adequate to complete the audit. The Audit Point Person will provide the auditors with appropriate workspace to minimize disruptions to the office and to provide the auditors the privacy they need. The auditors will be expected to conduct their audit during normal business hours (usually 8:00AM to 5:00 PM). However, this time can be extended to a maximum of one hour earlier or one hour later based on the needs of the auditor and approval of the Aetna Service Center Manager. Aetna will work directly with the auditors to establish the needed office hours to complete the audit in the time allotted.

8. System training and access
   The auditors will take notes as the training is conducted and ask any additional system questions to the Audit Point Person as they arise. The Audit Point Person will conduct system access training and the navigation of the screens necessary to complete the audit. A brief system and screen documentation will be provided to the auditors.

9. Establish Q&A schedule with Auditor.
   The Plan Sponsor/Audit Firm will establish a schedule for Aetna to review the completed audits and answer any system or claims questions. The Aetna Service Center will designate a technically competent person to act as an Audit Point Person. This person will be available throughout the audit to assist the auditors, including responding to questions concerning systems applications, claim procedures and audit policies.

10. Documentation of errors
    The auditors will provide the Audit Point Person with copies of any error sheets on a scheduled basis, as errors are identified, to allow for adequate time to review and discuss prior to the end of the audit. Aetna will make every effort to agree or disagree to an error within 24 hours of receiving the error from the auditors. If Aetna needs to complete additional research or obtain additional information, Aetna will notify the auditors within the 24 hours that additional time is needed to compile a response on a specific audit selection. Rebuttals to audit errors will include the rationale and supporting documentation for Aetna's position. Aetna will make every effort to have a response on all the audit errors while the auditors are on site. However, in some cases it may be necessary for each party to agree to disagree. Aetna expects to have 98% of the claims finalized at the end of the audit.

11. Exit meeting
    The auditors and Aetna Point Person will agree to conduct a formal exit meeting at the end of the audit to resolve any disagreements and to summarize any audit findings. Aetna will consider any trends and training opportunities the auditors where able to identify. If there are any claims that have not been finalized, a completion date of two weeks will be set for Aetna to have the responses forwarded to the Plan Sponsor/Audit Firm.
12. Written Preliminary report
   The Plan Sponsor/Audit Firm will provide Aetna with a written Preliminary report prior to finalizing a report to the Plan Sponsor.
   Aetna will respond by either agreeing or disagreeing with the audit report, within the time frame set forth by the Plan Sponsor/Audit Firm and Aetna. Aetna will provide additional documentation if needed. If for some reason Aetna cannot meet the time frame, Aetna will discuss with the Plan Sponsor/Audit Firm and agree on a new completion date. It is expected that 95% of the time, Aetna would be able to complete an audit draft response in the agreed upon timetable. It is expected that 100% of the time the audit draft response would be completed by the revised date.

13. Final report and corrective actions
   The Plan Sponsor/Audit Firm will provide Aetna with a final audit report.
   Aetna will take appropriate action to address any recommendations for agreed upon performance deficiencies identified during the audit, which agreement shall not be unreasonably withheld. Aetna will cooperate fully and make reasonable efforts to recover agreed upon overpayments.
ATTACHMENT D – Business Associate Agreement

This Business Associate Agreement ("Agreement") is entered into by and between The Ohio Public Employees Retirement System ("OPERS"), an Ohio public retirement system created pursuant to Chapter 145 of the Ohio Revised Code, located at 277 East Town Street, Columbus, Ohio 43215, and _______________ ("Business Associate"), a __________ corporation, located at _______________. This Agreement is effective on _______________ ("Effective Date").

WHEREAS, OPERS is the sponsor of one or more health plans which are covered entities under the Privacy and Security Regulations adopted by the United States Department of Health and Human Services ("HHS") pursuant to the Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act of 1996 and subsequent amendments thereto ("HIPAA"); and

WHEREAS, OPERS has, on behalf of one or more of the health plans it sponsors, contracted with Business Associate to perform certain services related to the administration of the health plans; and

WHEREAS, in the course of providing such services, Business Associate will create, receive and/or maintain protected health information from or on behalf of one or more of the health plans; and

WHEREAS, the Privacy and Security Regulations require that covered entities enter into a written agreement with all organizations which create, receive and/or maintain protected health information from or on behalf of the covered entity;

NOW, THEREFORE, in consideration of the mutual promises and agreements made herein, OPERS, acting as sponsor and on behalf of the Plan, and Business Associate hereby agree as follows:

I. Definitions. Capitalized terms used in this Agreement shall be defined as set forth below. To the extent not otherwise defined in this Agreement, terms shall have the same meaning as in HIPAA and in the Privacy and Security Regulations, as they may be periodically revised or amended by the U.S. Department of Health and Human Services, the U.S. Congress or other federal agency subsequent to the effective date of this Agreement.

Breach means the acquisition, access, use, or disclosure of Protected Health Information that is not a permissible acquisition, access, use or disclosure under HIPAA and the Privacy and Security Regulations, and which compromises the security or privacy of the Protected Health Information. "Compromises the security or privacy of the Protected Health Information" means that the acquisition, access, use or disclosure poses a significant risk of financial, reputational, or other harm to the Individual. Breach does not include the following:

1. Any unintentional acquisition, access, or use of Protected Health Information by an employee, officer, or contractor working for Business Associate, if such acquisition, access, or use was made in good faith and within the scope of authority of such employee, officer, or contractor working for Business Associate, and does not result in further use or disclosure of the Protected Health Information in a manner not otherwise permitted under the HIPAA privacy rules.
2. Any inadvertent disclosure of Protected Health Information by an employee, officer, or contractor of Business Associate who is otherwise authorized to access Protected
Health Information by Business Associate, when the inadvertent disclosure is to another similarly situated employee, officer or contractor of Business Associate, and the Protected Health Information received as a result of such disclosure is not further acquired, accessed, used or disclosed without authorization by any person.

3. A disclosure of protected health information where OPERS has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

**Disclose or Disclosure** means the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside of Business Associate’s operations, or to a person who is not an employee or officer of Business Associate. Disclosure includes both intentional and inadvertent or accidental disclosures.

**Electronic Protected Health Information** means Protected Health Information that is transmitted by electronic media or maintained in electronic form.

**HITECH Act** means the provisions of the American Recovery and Reinvestment Act of 2009 that address the privacy and security of personally identifiable health information.

**Individual** means a person whose Protected Health Information is created, accessed, used, held or maintained by Business Associate on behalf of OPERS or the Plan.

**Individual Right** means the right of an Individual to access or amend their Protected Health Information, to request an accounting of uses and disclosures of their Protected Health Information, to request restrictions on the use and disclosure of their Protected Health Information, to request confidential communications, and any similar right of an Individual with respect to Protected Health Information which arises out of HIPAA or the Privacy and Security Regulations.

**Limited Data Set** means Protected Health Information from which the following identifiers of the individual, or of relatives, employers, or household members of the individual, have been removed: (i) names; (ii) postal address information, other than town or city, state, and zip code; (iii) telephone numbers; (iv) fax numbers; (v) electronic mail addresses; (vi) social security numbers; (vii) medical record numbers; (viii) health plan beneficiary numbers; (ix) account numbers; (x) certificate/license numbers; (xi) vehicle identifiers and serial numbers, including license plate numbers; (xii) device identifiers and serial numbers; (xiii) web Universal Resource Locators (URLs); (xiv) Internet Protocol (IP) address numbers; (xv) biometric identifiers, including finger and voice prints; and (xvi) full face photographic images and any comparable images.

A Limited Data Set may include the following identifiable information: (i) admission, discharge, and service dates; (ii) date of birth and date of death; (iii) age (including age ninety (90) or over); and (iv) five-digit zip code.

**Plan** means the health plans sponsored by OPERS to provide health care coverage to certain retirees who are entitled to benefits under Chapter 145 of the Ohio Revised Code and their eligible dependents.

**Privacy and Security Regulations** means the regulations promulgated by HHS pursuant to HIPAA to address the privacy and security of Protected Health Information, which currently are codified at 45 C.F.R. 160 and 164, as now in effect or as amended, expanded or recodified from time to time subsequent to the Effective Date of this Agreement. Privacy and Security Regulations also includes without limitation any regulations adopted under the amendments to HIPAA enacted in the HITECH Act.
Protected Health Information or PHI means information that is received from, or created or received on behalf of the Plan, and is information i) about an Individual which relates to the past, present or future physical or mental health or 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, and ii) which either identifies the Individual or includes information which can reasonably be used to identify the Individual. Protected Health Information pertains to both living and deceased Individuals.

Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system, as such definition may be amended from time to time by HIPAA or the Privacy and Security Regulations.

Security Requirements means 45 C.F.R. Sections 164.308, 164.310, 164.312, and 164.316, as now in effect or as subsequently amended. Security Requirements also includes any law or regulation promulgated after the Effective Date to address the requirements imposed on a covered entity or a business associate of a covered entity under HIPAA.

Underlying Agreement means the Retiree Medical Account Plans audit agreement between OPERS and Business Associate effective___, as such may be renewed and amended from time to time.

Use means the sharing, employment, application, utilization, examination or analysis of Protected Health Information by an employee, officer or contractor of Business Associate within Business Associate’s operations.

II. Restrictions on Use and Disclosure of PHI. Except as otherwise provided herein, Business Associate may Use or Disclose Protected Health Information only as necessary to perform Business Associate’s obligations under the Underlying Agreement, subject to the conditions and restrictions set forth below.

A. Business Associate may Disclose Protected Health Information to other organizations with whom OPERS or the Plan has executed a business associate agreement related to the Plan, and to Business Associate’s subcontractors and agents, but only as necessary to perform services under the Underlying Agreement. Prior to the Disclosure of Protected Health Information to a subcontractor or agent of Business Associate, the subcontractor or agent must agree in writing to be bound by the same restrictions that apply to the Business Associate under this Agreement.

B. Unless otherwise limited by this Agreement, Business Associate may Use Protected Health Information in its possession for the proper management and administration of Business Associate or to carry out its legal responsibilities.

C. Unless otherwise limited by this Agreement, Business Associate may Disclose Protected Health Information in its possession for the proper management and administration of Business Associate or to carry out its legal responsibilities only if such Disclosure is required by law or is addressed in this Agreement.

D. Business Associate shall, in all cases, limit any Use or Disclosure of Protected Health Information to the minimum amount of Protected Health Information necessary to perform the task or accomplish the purpose of the Use or Disclosure.

E. Business Associate may not Use or Disclose Protected Health Information in any manner that would constitute a violation of HIPAA, including without limitation the Privacy and Security Regulations, if Used or Disclosed by the Plan.
F. Business Associate may not de-identify Protected Health Information created, received or maintained by Business Associate under this Agreement, except as requested by OPERS. Protected Health Information created, received or maintained by Business Associate under this Agreement which has been de-identified at the request of OPERS may not be Used by Business Associate for any purpose not expressly approved by OPERS.

G. Except as expressly approved by OPERS, Business Associate may not aggregate Protected Health Information created, received or maintained by Business Associate under this Agreement, whether de-identified or not, with any other Protected Health Information, including without limitation Protected Health Information of Business Associate’s other customers.

H. Business Associate agrees to not Use or further Disclose Protected Health Information other than as authorized by this Agreement, as requested by OPERS or as required by law.

I. Business Associate shall implement and use reasonable and appropriate administrative, technical and physical safeguards which will protect the confidentiality, integrity, and availability, and prevent uses or disclosures of Protected Health Information, other than as provided for by this Agreement.

J. If Business Associate becomes aware of any Use or Disclosure of Protected Health Information not permitted under this Agreement, it shall report such Use or Disclosure to OPERS within one (1) business day of gaining such knowledge. Business Associate shall also use its best efforts to mitigate the effect of such unauthorized Use or Disclosure, and shall implement or modify practices or take other reasonable action to prevent further unauthorized Uses or Disclosures.

III. Other Obligations of Business Associate.

A. Business Associate acknowledges that Business Associate is directly subject to certain provisions of the HITECH Act and the Privacy and Security Regulations, and Business Associate certifies that Business Associate has implemented policies and procedures and taken such other action as is necessary to comply with those provisions of the HITECH Act and the Privacy and Security Regulations which are directly applicable to Business Associate.

B. Business Associate agrees to comply with the provisions of the HITECH Act and the Privacy and Security Regulations that are applicable to the Plan.

C. Business Associate agrees that the Protected Health Information of the Plan will be subject to the security requirements of and Business Associate shall comply with sections 164.308, 164.310, 164.312, and 164.316 of Title 45, Code of Federal Regulations.

D. Business Associate shall cooperate with OPERS in the administration of Individual Rights, and shall provide OPERS promptly upon request with the information in the possession of Business Associate or a subcontractor or agent of Business Associate which OPERS deems necessary for OPERS to respond to a request from an individual to exercise one or more Individual Rights. Upon the instruction of OPERS, Business Associate will amend any Protected Health Information in the possession of Business Associate or a subcontractor or agent of Business Associate, and will implement restrictions on the Use and Disclosure of Protected Health Information in the possession of Business Associate or a subcontractor or agent of Business Associate, and will employ procedures to assure confidential communications of Protected Health Information in the possession of Business Associate or a subcontractor or agent of Business Associate as directed by OPERS. Business Associate will notify, and will require its subcontractors and agents to notify OPERS promptly, but in no event later than five (5) days after receipt of a request from an
Individual to exercise one or more Individual Rights. All requests from an Individual to exercise an Individual Right will be processed and handled by OPERS.

E. Business Associate shall maintain a record of all Disclosures of Protected Health Information made for a purpose other than treatment of the Individual, payment for treatment of the Individual, or the health care operations of the Plan, or pursuant to the written authorization of the Individual.

F. Business Associate shall Disclose Protected Health Information to a third party upon the request and pursuant to the instructions of OPERS.

G. Business Associate shall maintain a record of all Disclosures of Protected Health Information made for a purpose other than treatment of the Individual, payment for treatment of the Individual, or the health care operations of the Plan, or pursuant to the written authorization of the Individual.

H. Business Associate shall Disclose Protected Health Information to a third party upon the request and pursuant to the instructions of OPERS.

I. Business Associate certifies that it conducts any applicable transactions that are subject to the HIPAA standard transaction rules (45 CFR Parts 160-164) as required under the rules and any related regulations, operating rules, or guidance. Business Associate agrees to provide any documentation, certification, or evidence to demonstrate such compliance if requested by the Plan so that the Plan may certify to HHS, as required by the Affordable Care Act. Business Associate shall undertake this filing itself with respect to any transactions it conducts or that are conducted by subcontractors of Business Associate, if the Plan requests.

J. Business Associate shall make its internal practices, books and records relating to uses and disclosures of Protected Health Information available to OPERS, to the Secretary of the U.S. Department of Health and Human Services or designee, or to any other official or agency with enforcement authority under HIPAA, for purposes of determining the Plan’s and Business Associate’s compliance with HIPAA.

K. Beginning on and after the effective date of the requirements of HIPAA adopted under the HITECH Act and applicable to business associates or the adoption of regulations by HHS to implement such requirements, Business Associate shall comply with such requirements or regulations, and if necessary shall execute an amendment to this Agreement as required under HIPAA.

L. Business Associate shall comply with the requirements of HIPAA regarding administrative, physical and technical safeguards that will reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information, as required under HIPAA.

M. Business Associate shall require all employees, officers and contractors working for Business Associate to report immediately to Business Associate, no later than 24 hours after discovery, any occurrence, event or fact that could reasonably be considered an indication that a Breach of an Individual’s Protected Health Information has occurred. Upon receipt of a report, Business Associate shall immediately i) notify OPERS of the occurrence, event or fact, including the date and time of the discovery and as much information regarding the suspected Breach as is available; and ii) undertake an investigation of whether a Breach did occur, and apprise OPERS of the results of the investigation on an ongoing basis. Notification shall be provided by Business Associate to OPERS Privacy Officer/Legal Department, 277 E. Town Street, Columbus, OH 43215. Business Associate shall, and shall require its employees, officers and contractors to, cooperate fully with OPERS in providing any additional information requested by OPERS in connection
with the Breach. If OPERS determines that a Breach has occurred, Business Associate shall take all action which is reasonably requested by OPERS to mitigate the Breach and to prevent further Breaches.

N. Business Associate acknowledges and agrees that the Protected Health Information of the Plan will be subject to and Business Associate shall comply with the Security Requirements. Business Associate certifies that Business Associate has adopted written policies and procedures consistent with the Security Requirements, and taken such other action as appropriate to comply with the Security Requirements.

O. Business Associate shall not sell or directly or indirectly receive remuneration in exchange for any Protected Health Information. Protected Health Information of an Individual will not be used or disclosed for marketing purposes, regardless of whether remuneration is received, unless a valid written authorization from each affected Individual has been obtained.

P. In providing services under this Agreement, Business Associate shall limit its use and disclosure of Protected Health Information to the Limited Data Set, if practicable, or if needed by the Business Associate, to the minimum amount of Protected Health Information necessary to perform the service. Upon issuance of guidance by the Secretary on what constitutes the minimum amount of Protected Health Information necessary, Business Associate shall limit the amount of Protected Health Information used or disclosed by Business Associate in accordance with such guidance.

IV. Termination and Survival.

A. This Agreement may not be terminated so long as the Underlying Agreement remains in effect. To the extent the Underlying Agreement is terminated for any reason whatsoever, and Protected Health Information remains in the possession of Business Associate or an agent or subcontractor of Business Associate, this Agreement shall continue in full force and effect until all Protected Health Information the possession of Business Associate or an agent or subcontractor of Business Associate has been returned to OPERS or destroyed.

B. Notwithstanding any other provision of the Agreement, OPERS may immediately terminate the Underlying Agreement, if Business Associate has materially violated its responsibilities regarding Protected Health Information under this Agreement and has failed to provide satisfactory assurances to OPERS within ten (10) days of notice of such material violation that the violation has been cured and steps taken to prevent its recurrence. The responsibilities of Business Associate under this Agreement shall survive termination of the Underlying Agreement indefinitely, until all Protected Health Information in the possession of Business Associate or an agent or subcontractor of Business Associate has been destroyed or returned to OPERS.

V. Indemnification. Business Associate shall indemnify to the fullest extent possible OPERS; its Board members, employees and agents; and the Plan, for any loss, liability, damage, settlement, cost, expenses or other obligation, including without limitation reasonable attorney fees and defense costs, incurred by OPERS; a Board member, employee or agent of OPERS; or the Plan, as a result of Business Associate’s breach of any obligation under this Agreement, or Business Associate’s negligence in performing its obligations under this Agreement. This provision shall not inhibit OPERS’ ability to seek relief from Business Associate for any claim of negligence caused in whole or part by Business Associate or any other action at law or in equity.
VI. General Provisions.

A. The parties acknowledge that Business Associate is an independent contractor providing services to OPERS, and no provision of this Agreement is intended to create or shall be construed to create any employment relationship, partnership, joint venture, or agency relationship between OPERS and Business Associate.

B. Business Associate may not assign this Agreement, or any of the obligations of Business Associate hereunder without the written approval of OPERS.

C. Except as provided expressly in this Agreement, all notices required under this Agreement shall be in writing and, unless hand delivered, sent by certified mail or other method whereby receipt is evidenced in writing, addressed as follows:

   If to OPERS:

   Ohio Public Employees Retirement System
   Attention: Marianne Steger, or Successor
   277 East Town Street
   Columbus, Ohio 43215

   With copies to:

   Ohio Public Employees Retirement System
   Attention: Craig Crager, or Successor
   277 East Town Street
   Columbus, Ohio 43215

   Ohio Public Employees Retirement System
   Attention: Julie Becker, General Counsel or Successor
   277 East Town Street
   Columbus, Ohio 43215

   If to Business Associate:

   ______________________________
   ______________________________
   ______________________________

   With a copy to:

   ______________________________
   ______________________________
   ______________________________

D. This Agreement may be amended only in writing signed by a duly authorized representative of each party.

E. The waiver by either party of any breach of this Agreement shall not constitute a waiver of any subsequent breach of any term or condition hereof.

F. If any provision of this Agreement shall be declared invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not in any way be affected or impaired thereby.

G. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio without regard to its choice of law rules, and by HIPAA. All actions regarding this Agreement shall be filed and venued in a court of competent subject matter jurisdiction in Franklin County, Ohio. The parties hereby consent to the
jurisdiction and venue of such courts and waive any right to assert forum non
conveniens.

H. This Agreement shall be binding upon and inure to the benefit of the parties hereto
and their respective successors and assigns. This Agreement and the Underlying
Agreement contain the entire Agreement of the parties hereto, and supersede all
prior agreements, representations and understandings, whether written or oral,
between the parties relating to the specific subject matter stated herein.

I. This Agreement may be executed in one or more counterparts, each of which shall
be deemed an original.

J. Each party warrants that it has full power and authority to enter into and perform this
Agreement, and the person signing this Agreement on behalf of each party certifies
that such person has been properly authorized and empowered to enter into this
Agreement on behalf of such party.

K. If this Agreement, or any part hereof, is found not to be in compliance with any
pertinent federal or state statute or regulation, then the parties shall renegotiate the
Agreement for the sole purpose of correcting the non-compliance. If this Agreement,
or any part hereof, is found not to be in compliance with HIPAA or the regulations
promulgated thereunder, OPERS may amend the Agreement to bring it into
compliance with HIPAA and the regulation promulgated thereunder by notice to
Business Associate without Business Associate’s signature; provided, however, that
if HIPAA or the regulations promulgated thereunder requires Business Associate’s
signature on such amendment, Business Associate agrees to promptly sign the
amendment to bring the agreement into compliance with HIPAA and the regulations
promulgated thereunder.

L. In the event that a change in HIPAA or the Privacy and Security Regulations causes
a provision of this Agreement to become invalid or requires additional safeguards for
the protection of Protected Health Information, Business Associate agrees to execute
such amendments or additional agreements as may be required, in good faith and
within thirty (30) days of such event, in order to comply with such change.

M. This Agreement shall be construed liberally and in a manner consistent with the
intent and purpose of HIPAA and the Privacy and Security Regulations, and any
ambiguity shall be resolved in a manner consistent with HIPAA and the Privacy and
Security Regulations.
N. The headings of the various sections of this Agreement are inserted for convenience only and do not, expressly or by implication, limit, define, or extend the specific terms of the sections so designated.

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<th>OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM</th>
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