

Medicare Products Agent Agreement

This Medicare Advantage and Medicare Prescription Drug Products (hereinafter "Medicare Products") Agent Agreement (hereinafter referred to as the "Agreement") is made and entered into by and between BlueCross BlueShield of Tennessee, Inc., a Tennessee not-for-profit corporation and any of its wholly owned subsidiaries or affiliates selling Medicare Products (hereinafter referred to as "BCBST"), and the Agent listed on the signature page of this Agreement (hereinafter referred to as the "Agent"). This Agreement supersedes and replaces any other agreement between the parties concerning the subject matter of this Agreement. This Agreement is effective as of the last date the parties execute the signature page.

1. Recitals:

Whereas, BCBST is an independent corporation operating under a license from the BlueCross BlueShield Association (the "Association"). That license permits BCBST to use the Association's service marks within its assigned geographical location. BCBST is not a joint venturer, agent or representative of the Association nor any other independent licensee of the Association; and

Whereas, BCBST offers Medicare Products and desires to contract with and appoint Agent to market, sell and distribute these Medicare Products in accordance with this Agreement and applicable Laws; and

Whereas, Agent is a duly licensed insurance Agent in good standing and desires to contract with and be appointed by BCBST to market, sell and distribute the Medicare Products in accordance with this Agreement and applicable Laws; and

Whereas, as a result of changes in federal law and regulation, BCBST is making changes to the form of its agreement with Agents to comply with such new requirements; and

Whereas, the Agent understands that its ability to market, sell and distribute Medicare Products is different and independent of its ability to market, sell and distribute any other BCBST products.

Now, Therefore, in consideration of the promises and mutual covenants of the parties, the sufficiency of which is hereby acknowledged, the parties have agreed as follows:

2. Definitions - Defined terms, which are referenced in this Agreement, shall have the following meanings:

"Agent Account" is a Member currently enrolled in a Medicare Product with BCBST and was placed through the Agent.

"CMS" is the Centers for Medicare & Medicaid Services.

Medicare Products Agent Agreement

"Commission" is the compensation paid to the Agent in accordance with the terms of this Agreement and applicable Addendum. For purposes of this Agreement, Commission includes pecuniary and non-pecuniary remuneration of any kind, including bonuses, gifts, prizes, awards and finders' fees. It does not include payments made by BCBST, to the extent made under this Agreement, to comply with State appointment laws, training and testing, certification, reimbursement for mileage to and from appointments with beneficiaries and reimbursement for actual costs associated with the sales appointment. Nothing contained herein shall be interpreted to require that BCBST will pay any Commissions except as expressly set forth in the applicable Commission Addendum.

"Commission Addendum or Exhibit 3" is the document executed by BCBST and Agent, which is incorporated into this Agreement by reference, and sets forth the terms and conditions upon which the Agent will be compensated for beneficiaries that are properly enrolled in Medicare Products. The Commission Addendum may be amended as provided for in Section 7 of this Agreement.

"Enrollment Form" is the method (by telephone, internet based, electronic) by which a beneficiary submits to BCBST his/her intention to enroll in a Medicare Product.

"Evidence of Coverage" means the document that provides information on the coverage to be provided by BCBST to Members enrolled in Medicare Products.

"Laws" include: (i) State and Federal statutes, including the Medicare Modernization Act of 2003 (MMA) and subsequent amendments to the MMA, including but not limited to the Medicare Improvements for Patients and Providers Act of 2008; (ii) regulations related to the Part C (currently at 42 C.F.R. Part 422) and Part D programs (currently at 42 C.F.R. Part 423); (iii) administrative guidelines, bulletins and manuals, including, but not limited to, the Medicare Marketing Guidelines for Medicare Advantage Plans, Medicare Advantage Prescription Drug Plans, Prescription Drug Plans and 1876 Cost Plans ("CMS Marketing Guidelines") and CMS Guidance for regulations in CMS 4131-F and CMS 4138-IFC ("CMS MIPPA Guidance"); and (iv) any other laws, regulations or sub-regulatory guidance that applies to Medicare Products.

"Like Plan" means if a (i) Medicare Advantage Plan, another Medicare Advantage Plan; (ii) Medicare Advantage-Prescription Drug Plan, another Medicare Advantage-Prescription Drug Plan; and (iii) Prescription Drug Plan, another Prescription Drug Plan.

"Medicare Product" is any Medicare Advantage Plan, Medicare Advantage Prescription Drug Plan, or stand-alone Prescription Drug Plan that may now or in the future be offered to individual Medicare beneficiaries by BCBST. Medicare Product does not include any Medicare supplement insurance products offered by BCBST.

"Member" is a beneficiary who is properly enrolled in a Medicare Product with BCBST.

"Officer" is a person so designated by BCBST's Board of Directors or his/her designee.

"Premiums" are the periodic payments made by a Member.

Other terms are described in Attachment A.

Medicare Products Agent Agreement

3. Appointment and Limitation of Authority

A. Appointment. BCBST hereby appoints Agent as a licensed Agent to market and sell BCBST's Medicare Products, pursuant to applicable state appointment laws. BCBST relies on, and this appointment is based in part on the Agent's application, including without limitation the following assertions by Agent: "The Agent represents that the information contained in the Agent's application for appointment by BCBST, which is incorporated into this Agreement by reference, is and shall remain true and accurate throughout the term of this Agreement." Agent will cooperate with BCBST in the submission of any appointment forms with the (Department of Insurance (DOI) regarding the appointment of Agent.

B. Limitation of Authority. The Agent shall have no authority to bind BCBST to enroll an applicant, alter or modify the Premiums, or alter or modify the terms, conditions, limitations or exclusions set forth in the Evidence of Coverage, without the prior express written consent of an Officer of BCBST, which may be withheld in that Officer's sole and absolute discretion. BCBST and CMS shall have the sole discretionary authority to either accept or reject an Enrollment Form and to establish the terms and conditions upon which BCBST will offer Medicare Products to any prospective individuals consistent with applicable Laws, including but not limited to CMS Medicare Part C and Part D program requirements. This Agreement shall not grant the Agent an exclusive or preferential right to represent BCBST, or solicit individuals in a geographical area or to solicit any specified individual or category of individuals, except as otherwise specifically provided in this Agreement or an Addendum.

4. Agent Duties and Performance Obligations

A. License. Agent represents and warrants that it has all licenses necessary to perform the services required by Agent under this Agreement, including the sale and marketing of Medicare Products. Agent will maintain such licensure at Agent's sole cost and expense.

B. Errors & Omissions Coverage. Agent represents and warrants that it has Errors & Omissions (E&O) insurance to protect and insure proper coverage for the agent to assist with any liability.

C. Training and Certification. The Agent acknowledges that the Agent must successfully complete an annual compliance program training conducted by BCBST ("Annual Agent Training"). Agent must be certified by BCBST at the individual product level as having completed all training before Agent may market Medicare Products. Training and certification will be conducted on an annual basis. Agent must pass the annual training test at a 85% or above score. The Agent understands that the Agent's failure to successfully complete such Annual Agent Training will preclude the Agent from marketing the Medicare Products.

D. Compliance with Laws. The Agent represents and warrants that the Agent will comply with all applicable Laws, including but not limited to: (i) CMS Marketing Guidelines; (ii) Federal and State Telemarketing laws and regulations (e.g., Do Not Call requirements); (iii) Federal and State privacy laws and regulations (e.g., HIPAA Privacy regulations); and (iv) CMS Guidance implementing the Medicare Improvements for Patients and Providers Act and regulations--Guidance for regulations in CMS 4131-F and CMS 4138-IFC ("CMS MIPPA Guidance").

Medicare Products Agent Agreement

E. Compliance with BCBST's Policies and Procedures. Agent represents and warrants that Agent will comply with BCBST's policies and procedures related to the sale and marketing of Medicare Products. These policies and procedures include but are not limited to, the following:

1. CMS Marketing Guidelines. Agent will read, be familiar with and comply with the CMS Marketing Guidelines, prior to the marketing of Medicare Products.
2. CMS MIPPA Guidelines. Agent will read, be familiar with and comply with the CMS MIPPA Guidelines, prior to the marketing of Medicare Products.
3. Federal and State Telemarketing Restrictions. Agent will comply with state and federal telemarketing laws, including compliance with Do Not Call laws and regulations.
4. Federal and State Privacy Restrictions. Agent will comply with state and federal privacy laws and regulations, including the HIPAA privacy regulations, as provided for in Section 4D below.

F. Notice. The Agent shall promptly notify BCBST of any: (1) material changes in the information set forth in the Agent's application; (2) inquiries or disciplinary actions initiated against the Agent by the DOI or other regulatory agencies; (3) termination of the Agent's authority to represent other insurers or health maintenance organizations; (4) cancellation, material modification or non-renewal of the Agent's liability insurance coverage or fidelity bonds; (5) loss of the Agent's license; (6) actions to have the Agent excluded, suspended or debarred from doing business with the federal government or from participating in federal healthcare programs; or (7) other matters which adversely affect the Agent's ability to perform his/her duties pursuant to this Agreement. Agent's self reporting will be considered in mitigation.

G. Solicitation of Eligible Individuals. The Agent shall exercise its best efforts in full compliance with all provisions of the CMS Marketing Guidelines, including but not limited to restrictions on outreach to Medicare Beneficiaries and Scope of Appointment requirements, to identify and solicit eligible individuals to apply for Medicare Products during the term of this Agreement. The Agent shall make reasonable efforts to ensure that prospective individuals are eligible for Medicare Products in accordance with the Laws. Agent will make best efforts to market to prospective Members those Medicare Products that best meet the needs of the prospective Member. BCBST will provide the Agent with a reasonable supply of CMS approved solicitation/marketing materials and enrollment forms necessary to accurately describe the Medicare Products.

H. Solicitation Materials. The Agent shall not use the name, service marks or symbols or otherwise make reference to BCBST, either orally or in writing, without the express written consent of an Officer of BCBST. The Agent shall not use the name, service marks or symbols or otherwise make reference to BCBST on any Agent website without the express written consent of an Officer of BCBST.

Medicare Products Agent Agreement

I. Modification and Use of Materials. Applications, solicitation materials or proposals provided by BCBST must adhere to applicable Laws, including but not limited to CMS Marketing Guidelines and other requirements established by CMS. Solicitation materials shall not be amended or altered by the Agent. Such materials shall only be used in connection with the Agent's activities on behalf of BCBST pursuant to this Agreement, shall remain the property of BCBST, and shall promptly be accounted for or returned to BCBST upon request or upon the termination of this Agreement. No materials provided to Agent from BCBST may be removed from the marketing packets.

J. Submission of Enrollment Forms. The Agent shall make a good faith effort to submit Enrollment Forms to BCBST immediately upon Agent's receipt of the form. The effective date of the enrollment may be impacted if the Agent does not submit a fully completed Enrollment form prior to the proposed effective date of the Member.

The Agent shall not collect any application fees, deposits, or Premiums unless expressly authorized to do so, in writing, and signed by an Officer of BCBST. BCBST shall bill individuals for any Premiums and pay Commissions to the Agent pursuant to the section of this Agreement entitled "Commission Payments", below, following receipt of such payment.

K. Service Responsibilities. The Agent shall cooperate with representatives of BCBST, upon reasonable request, to assist with the installation of Coverage and provision of ongoing support services to the Agent Accounts.

L. Notice of Complaint, Legal Action or Other Potential Compliance Problems. The Agent shall **immediately** notify BCBST's Medicare Broker Credentialing area of receipt of any customer complaint or if the Agent is served any paper or has knowledge of any legal or administrative action, investigation or proceeding against BCBST or which involves BCBST in connection with this Agreement.

M. Regulatory Addenda. Agent will comply with the CMS Regulatory Addendum, attached hereto as Attachment B.

5. BCBST Duties and Performance Obligations

A. Appointment. BCBST will appoint Agent with the DOI or other applicable state regulatory agency before Agent may promote and market the Medicare Products.

B. Medicare Products. BCBST shall provide the Agent with information about the Medicare Products. BCBST shall provide underwriting, fulfillment, billing, claims processing, adjudication and customer service.

C. Establish Compliance Requirements and Monitor Agent's Adherence to These Requirements.

BCBST will provide Annual Agent Training regarding compliance obligations related to marketing and sales of Medicare Products. The Annual Agent Training will include, but not be limited to, information on adherence to BCBST's Code of Business Conduct and Compliance Program, Medicare rules and regulations and Medicare Product details. BCBST shall monitor the Agent's performance and take corrective action up to and including termination of this Agreement for non-compliance with this Agreement and applicable Laws.

Medicare Products Agent Agreement

D. Rights Reserved By BCBST. BCBST specifically reserves the right, without the approval of the Agent:

1. To cease doing business, or discontinue or withdraw from sale any Medicare Product anywhere in the state of Tennessee consistent with applicable Law.

2. To modify, change, or amend any certificate, enrollment or premium rate issued in conjunction with any of the Medicare Products consistent with applicable Law.

3. To determine all terms, conditions or limitations of any certificate or enrollment issued in conjunction with any of the Medicare Products and to modify or change the terms under which any Medicare Product may be sold, except as otherwise provided in this Agreement consistent with applicable Law.

E. Collection of Premiums. BCBST shall bill and collect all Premiums. The Agent shall not, under any circumstances, bill, charge or collect Premiums, or any other charges from Members, unless expressly authorized in writing to do so by an Officer of BCBST. Commissions shall be payable to the Agent as outlined in the Commission Addendum.

6. Books, Records and Monitoring

A. Maintenance. The Agent shall maintain complete and accurate business records for no less than 10 years concerning its activities pursuant to this Agreement, consistent with Laws and appropriate retention schedules. BCBST, and the government entities named in Attachment B, item 5 shall have the right to review and copy records directly related to the Agent's activities pursuant to this Agreement, at its expense upon reasonable advance notice, at the Agent's offices, during its normal business hours. This section shall survive the termination of this Agreement.

B. Record Ownership. In the event this Agreement is terminated, the Agent's records shall remain the property of the Agent and left in the Agent's undisputed possession. In the event this Agreement is terminated, then BCBST may continue to service BCBST customers directly.

C. Purchasers. Individuals who purchase Medicare Products from the Agent are neither the property of BCBST nor the property of the Agent. If an individual purchases a Medicare Product, the Agent will be considered to be the agent of such individual for that particular transaction, and the individual shall be a Member of BCBST. This Agreement shall not prohibit either the Agent or BCBST from soliciting said individual for other products, consistent with applicable Law.

D. Monitoring. The Agent understands that BCBST and CMS shall monitor its adherences to the compliance requirements related to the Medicare Products and any required periodic reports or evaluations of the Agent's performance as it relates to the Medicare Products.

E. Access to Books and Records. Agent will provide access to its books and records as it relates to Medicare Products as required by CMS and BCBST.

Medicare Products Agent Agreement

7. Commission Payments

A. Commissions. Agent recognizes that CMS may provide direction regarding commissions during the course of this Agreement that will require an amendment or modification of this Agreement. Commissions payable by BCBST to the Agent shall be subject to adjustment in accordance with Attachment 3 to Medicare Products Agent Agreement.

B. Payment of Commissions. Commissions payable pursuant to this Agreement shall be calculated and paid in accordance with the applicable Commission Addendum, within forty-five (45) days after BCBST accepts payment of the premium from a Member. Commissions will continue, in accordance with this Agreement, if this Agreement is terminated without cause and the agent maintains credentialing status.

C. Continuation of Commission. BCBST shall pay Commissions to the Agent, in accordance with the terms of this Agreement, provided: (1) the enrollment remains in effect and the Agent remains licensed and completed training as required by CMS and the Member pays required Premiums pursuant to that enrollment; (2) the Agent remains appointed by BCBST; and (3) such payments are not prohibited by applicable Laws.

8. Marketing, Advertising and Publicity

A. In General. BCBST and the Agent shall mutually agree on any BCBST Medicare Products offerings portfolio which the Agent markets. Agent understands that the BCBST marketing materials provided by BCBST to Agent may not be changed or altered without BCBST's approval to ensure compliance with Laws, including but not limited to CMS Marketing Guidelines.

1. The Agent will be responsible for all advertising and marketing content and materials that are for the express purpose of marketing and/or advertising the Agent and do not make any specific references to the Medicare Products or BCBST ("generic materials").

2. Advertising and marketing materials referencing BCBST that make specific reference to the Medicare Products or BCBST will not be used without the prior written consent of BCBST.

3. Such materials shall not violate BCBST's guidelines regarding branding or Laws, including but not limited to CMS Marketing Guidelines.

4. All material, generic and specific, will be fully compliant with all applicable regulatory authority rules and regulations regarding the advertising and marketing of insurance products, via the Internet or in general.

5. The Agent is responsible for adhering to applicable Laws, including but not limited to health laws related to its activities involving the Medicare Products including CMS Marketing Guidelines and other CMS policies.

B. Announcements or Press Releases. Agent is prohibited from making any public announcement or issue any press release with respect to this Agreement. BCBST will provide notice to Agent of any announcement or press release referencing Agent.

Medicare Products Agent Agreement

9. Confidentiality, Proprietary Information, and Technology

A. Nondisclosure. The Agent acknowledges that BCBST may furnish information identified as trade secret, proprietary or confidential information ("Confidential Information") to the Agent during the term of this Agreement. The Agent agrees that the Agent shall not disclose such Confidential Information to third parties without the written consent of an Officer of BCBST. The Agent agrees to promptly return all originals and copies of such Confidential Information to BCBST upon request or upon the termination of this Agreement. Both parties recognize that certain technologies, innovations, and processes may be considered as proprietary trade secrets and agree to make no disclosures of these technologies, innovations or processes except as required by applicable Laws, regulations, or pursuant to a court order.

B. Exceptions. It is understood and agreed between the parties that Confidential Information does not include or encompass information which is generally available to the public.

C. Use. The Agent shall only utilize Confidential Information as necessary or appropriate to perform its duties pursuant to this Agreement. The Agent shall not otherwise utilize such Confidential Information for its benefit or the benefit of any third party. The Agent may disclose Confidential Information to its Producing Agents, employees and other representatives (its "Representatives") as necessary to permit the Agent to perform its duties pursuant to this Agreement, but only after informing those Representatives of their obligation to maintain the confidentiality of such Confidential Information. The Agent shall be responsible if its Representatives breach this section of the Agreement.

D. Disclosure to Third Parties. The Agent may disclose Confidential Information to third parties only with BCBST's written consent or if compelled to do so by a subpoena, court order or other legally binding order, but only after providing BCBST with notice of an opportunity to challenge such efforts to compel disclosure of that Confidential Information. This non-disclosure obligation shall not be applicable to any Confidential Information that is or becomes publicly available other than as a result of the Agent's breach of this non-disclosure obligation.

E. Damages. The Agent acknowledges that any actual or threatened violation of this section may cause irreparable damages to BCBST that are inadequately compensable by damages or other legal remedies. In the event of any such breach or threatened breach of this section, BCBST may seek and obtain injunctive relief or specific performance.

F. Joint Technologies. Each party may elect, by a separate Attachment, to license technologies, innovations, or processes for use by the other. Technologies, innovations, or processes developed by either party during the course of this Agreement for use in the sale of products offered through this Agreement shall be considered as joint property of the parties and may not be disclosed to or licensed for use by any third party without the express written consent of both BCBST and the Agent.

Medicare Products Agent Agreement

G. Health Insurance Portability and Accountability Act. The Agent agrees to comply with applicable provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), including the HIPAA privacy and security regulation, 45 CFR 160 – 164 and the Business Associate Addendum of this Agreement (the "Business Associate Addendum"). The Business Associate Addendum shall supersede this subsection if it is determined that there is a conflict between the Business Associate Addendum and any provision of this Agreement. The Business Associate Addendum shall survive the termination of this Agreement.

H. Survival. This section shall survive the termination of this Agreement.

10. Suspension

A. Agent may be suspended until final review and resolution of the allegations, if the Company becomes aware of allegations, from Members, their representatives or any other credible source, such as regulatory authorities, that Agent is engaged or has been engaged in conduct in violation of this Agreement. During the period of suspension, Agent is prohibited from marketing any BCBST Medicare products. However, BCBST shall continue to pay commissions in accordance with this Agreement for existing enrollments in effect prior to the date of suspension.

B. In the event that BCBST determines, after its investigation of the allegations of misconduct, that Agent's actions do not warrant termination, BCBST will reinstate Agent subject to a six month probationary period. At the end of the probationary period, Agent's actions will be reviewed and, if found to be in full compliance with the Agreement, probation will be lifted and no further action will be taken.

11. Termination

A. This Agreement or an Addendum may be terminated:

1. Without Cause: This Agreement may be terminated by either party giving sixty (60) days prior written notice to the other party.

B. This Agreement or Amendment may be terminated immediately for cause for the following reasons:

1. Upon written notice that Agent has lost any license which is required to perform its duties pursuant to this Agreement or an Addendum, or becomes insolvent, or is charged with an act of moral turpitude; including but not limited to Agent's criminal conduct (including being charged with a felony), or exclusion from the Medicare Program or any other federal or state health benefit program;

2. If based upon CMS guidelines or direction, the Agent is unable to continue marketing the Medicare Products;

3. If while the Agent is conducting business on BCBST's behalf, Agent fails to comply with Laws;

4. If the Agent makes false or misleading statements about BCBST or the Medicare Products;

Medicare Products Agent Agreement

5. If the Agent fails to remit BCBST funds to BCBST or subjects BCBST to any liability (except for that incurred by BCBST under a properly issued contract) or commits any fraud hereunder;
 6. If during the terms of this Agreement, BCBST concludes that it is necessary to cancel any of the activities to be performed under this Agreement in order to comply with Federal or State laws, regulations, or policies, BCBST, may, at its discretion, cancel the activity and be relieved of any related obligations under the terms of the Agreement.
 7. Or to any unilateral amendments by BCBST.
- C. Upon the termination of this Agreement, the Commissions payable to the Agent shall be limited to the Commissions payable on Premiums that:
1. have been paid; or
 2. are owed prior to termination and subsequently paid to BCBST.
3. The parties agree to cooperate in good faith to promptly resolve any outstanding administrative or payment issues following the termination of this Agreement.
- D. The parties acknowledge that they each have a valuable interest in their relationship with the Agent Accounts and Members. BCBST reserves the right to solicit the Agent Accounts and Members to continue coverage after termination of this Agreement. Termination for Cause voids any obligation by BCBST to provide future compensation under the terms of this Agreement.

12. Independent Contractor Relationship

- A. No Employer-Employee Relationship.** The Agent and its representatives are independent contractors of BCBST. This Agreement shall not be construed to create an employer-employee or joint venture relationship among those parties.
- B. Insurance Coverage.** The Agent shall obtain and maintain all insurance coverages, including but not limited to errors and omissions, workers' compensation and comprehensive general liability coverages, in amounts that are reasonably acceptable to BCBST, and that are necessary or appropriate to insure the Agent against liability or to comply with applicable Laws. The Agent agrees to submit evidence of such coverages to BCBST upon request. The Agent shall also be responsible for paying all wages, benefits, license fees and taxes for itself and its Representatives related to the provision of services to BCBST pursuant to this Agreement.

Medicare Products Agent Agreement

C. No Liability for Acts of Other Party. Neither party shall have imputed, constructive or vicarious liability for any loss or expense, including attorneys' fees, incurred in the settlement or satisfaction of any claim, action or judgment proximately resulting from any action or failure to act by the other party, its directors, officers, employees, agents or contractors. The responsible party shall indemnify and hold the other party harmless against any and all vicarious losses or expenses related to such claims, actions or judgments; provided the indemnifying party has received timely notice of and been given the opportunity to defend against such actions.

D. Agent may be liable to BCBST for fines and/or penalties from CMS to BCBST that are caused by Agent's non-compliance with requirements related to the Medicare Products.

E. Survival. This section shall survive the termination of this Agreement.

13. Miscellaneous

A. Binding Nature of Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

B. Entire Agreement. This Agreement and its Addendums incorporated by reference represents the entire Agreement between the parties related to its subject matter. All prior agreements, negotiations, understandings, conversations, and communications, if any, that relate to the sale of the Medicare Products by the Agent on behalf of BCBST are merged into this Agreement and shall be of no force and effect other than as expressly set forth in this Agreement.

C. Severability. The provisions of this Agreement are severable. If any provision or part of this Agreement is held by any court or other official body of competent jurisdiction to be invalid or unenforceable for any reason, the remaining provisions or parts hereof shall continue to be given effect and shall bind the parties hereto unless the unenforceability or illegality has the consequence of substantially altering the respective rights and obligations of the parties.

D. Governing Law. This Agreement shall be governed by and construed in accordance with applicable Tennessee Laws.

E. Execution in Counterparts. This Agreement may be executed by the parties hereto signing the same instrument, or by each party hereto signing a separate counterpart, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. The parties agree that documents executed by facsimile shall be acceptable in this transaction, and the signatures thereof shall have the same force and effect as original signatures.

F. Captions. The captions appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such paragraph(s).

G. Construction. This Agreement shall be constructed without regard to the party that drafted it. Any ambiguity shall not be interpreted against either party but shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.

Medicare Products Agent Agreement

H. Assignment. Neither party hereto shall assign its rights or delegate its obligations pursuant to this Agreement to a third party without the prior written consent of the other party.

I. Unilateral Amendment. BCBST may amend this Agreement by providing written notice of the amendment and its effective date to Agent at least sixty (60) days prior to the effective date of such amendment. The amendment will become effective without Agent's written consent unless Agent notifies BCBST that it is terminating the Agreement prior to the effective date of the amendment.

J. Amendment to Comply with Laws. BCBST may amend this Agreement by providing written notice of the amendment and its effective date to Agent, at any time, with an effective date as identified by BCBST, to comply with Laws. The amendment will become effective without Agent's written consent.

K. Notices. Any notice required pursuant to the terms of this Agreement shall either be hand delivered or given in writing, sent by certified or overnight mail, return receipt requested, to the address listed on the signature page of this Agreement or such other address as a party may designate, in writing, during the term of this Agreement.

L. Other Acceptable Forms of this Document. The following shall have the same legal effect as an original: facsimile copy, imaged copy, scanned copy, and/or an electronic version.

M. Signature. A scanned, imaged, electronic, photocopy or stamp of the signatures hereunder shall have the same force and effect as an originally executed signature.

N. Disputes. Any dispute related to this Agreement, which the parties are unable to resolve through informal discussion within thirty (30) days after the initiation of that dispute, shall be resolved through binding arbitration or some other mutually acceptable dispute resolution procedure (e.g., mediation). Such arbitration or mediation shall be conducted by the American Arbitration Association in Chattanooga, Tennessee, or another mutually agreed upon dispute resolution arbitrator. The arbitrator shall be required to issue a written decision explaining the basis of that decision and the manner of calculating any award. The arbitrator may not award punitive or exemplary damages and must base the decision on the terms of this Agreement and applicable Laws. That decision may be entered and enforced in any State or Federal court. It may only be vacated, modified or corrected for the reasons set forth in Section 10 or 11 of the United States Arbitration Act, if the award contains material errors of law or is arbitrary and capricious.

Medicare Products Agent Agreement

In Witness Whereof, the parties have executed this Agreement intending to be bound on and after the

_____ day of _____, _____.

BlueCross BlueShield of Tennessee, Inc.



John Maki

Vice President,

Regional Sales and Account Management

Address/Telephone:
1 Cameron Hill Circle
Chattanooga, TN 37402
(423) 535-5600

Agent:

By: _____

Title: _____

Printed Name and Title:

NPN: _____

Address/Telephone:

Medicare Products Agent Agreement

ATTACHMENT A

Agent agrees to comply with all Laws regarding the sale and marketing of Medicare Products. Below are several requirements, which are not intended to be an exhaustive list. Agent is required to read and be familiar with the CMS Marketing Guidelines, CMS MIPPA Guidance and any other laws, regulation, guidance or direction from CMS regarding the sale of Medicare Products. Agent must make available to BCBST and CMS, upon either party's request, documentation of Agent's compliance with these requirements.

1. Non-solicitation. Agent is prohibited from door-to-door solicitation as well as making any unsolicited outbound telephone calls.
2. Scope of appointments. Agent must document, in advance of any sales or marketing meeting with a prospective Member, the products that will be discussed at that appointment.
3. Cross-selling. Agent will not market non-health related products, such as annuities and life insurance, during any sales or marketing activities.
4. Gifts prohibited. Agent may not offer or provide any gifts to Members or prospective Members, except as expressly permitted by CMS.
5. Meals. Agent shall not provide or subsidize a meal at any marketing or sales events. Agent may provide refreshments, such as fruit, raw vegetables, pastries, cookies, crackers, muffins, cheese, chips, yogurt and nuts. These items may not be "bundled" together to form a meal.
6. Health care setting. Agents may not conduct sales and marketing activities in health care settings except in common areas.
7. Educational setting. Agents may not include sales activities such as distribution of marketing materials or distribution or collection of Enrollment Forms at educational events.
8. Cooperation. Agent will cooperate with BCBST in the reporting of any information regarding the Agent as part of the DOI's investigation of the Agent.
9. Disclosures. Agent agrees to make the following disclosure, prior to the prospective Member signing the Enrollment Form: "The person that is discussing plan options with you is either employed by or contracted with BlueCross BlueShield of Tennessee. The person may be compensated based on your enrollment in a plan."

Medicare Products Agent Agreement

ATTACHMENT B CMS REGULATORY ADDENDUM

Agent will comply with the requirements set forth in this CMS Regulatory Addendum. All capitalized terms contained in this Addendum shall be defined as set forth in the Agreement. In the event that the provisions of this Addendum and the Agreement appear to conflict, this Addendum shall prevail.

1. Compliance with Laws. Agent must comply with all applicable Laws, including but not limited to, Medicare Advantage and Part D laws and regulations, all other Federal health care laws (including civil monetary penalty laws) and CMS policies and instructions, including the CMS Marketing Guidelines.

2. Delegated Activities. Agent will be responsible for providing or arranging for all services it is required to provide under the Agreement.

3. Records. Agent will maintain all records and information related to the services provided under this Agreement in an accurate and timely manner and for a period of 10 years or as otherwise provided under any applicable Laws.

4. Confidentiality. Agent will comply with all State and Federal requirements regarding the privacy, security and disclosure of Member health information, including but not limited to, the requirements established by CMS and BCBST, as applicable.

5. Access to Books and Records. In accordance with, but not limited to, 42 CFR 423.505(i) and .505(e) and 422.504(i), Agent agrees that as it relates to the Medicare Products, the Secretary of the United States Department of Health and Human Services, CMS and the Comptroller General and each of their agents or designees (the "Government") shall have the right to audit, evaluate or review any books, contracts, records, documentation or materials generated in support of this Agreement or the Medicare Products through ten (10) years from the final date of the CMS contract period with BCBST or from the date of the completion of any audit, or for such longer period provided for in other applicable Law, whichever is later. For the purposes specified in this provision, Agent agrees that the Government may have direct access to Agent's premises, physical facilities and equipment, as well as records relating to this Agreement and any additional relevant information that the Government may require.

6. Federal Funds. Agent acknowledges that payments it receives from BCBST to provide services under this Agreement are, in whole or in part, from Federal funds and Agent may be subject to certain laws that are applicable to individuals and entities that receive Federal funds.

7. Subcontractors. If Agent subcontracts for any of the services that it is required to perform under this Agreement, such subcontract shall include an agreement by the subcontractor to comply with all of the Agent's obligations under this Agreement and this Addendum.

8. Reporting Requirements. Agent will comply with any reporting responsibilities set forth in the Agreement or as otherwise requested for BCBST's compliance with Laws and requests by CMS.

Medicare Products Agent Agreement

9. Termination. Agent understands and agrees that BCBST has the right to immediately terminate this Agreement if BCBST or CMS determines that Agent, or any subcontractor of Agent, has not performed its obligations under this Agreement satisfactorily or if any reporting and disclosure obligations are not performed timely.

10. Oversight. Agent acknowledges that BCBST monitors the Agent on an ongoing basis and maintains ultimate responsibility for adhering to and complying with all terms and conditions in BCBST's contract with CMS, including the services provided by Agent under this Agreement. All services provided by Agent under this Agreement are consistent with and comply with BCBST's contractual obligations to CMS.

11. Excluded or Debarred. Agent represents and warrants that Agent has not been listed as debarred, excluded or otherwise ineligible for participation in a federal health care program. Agent will not employ or contract for the provision of any services under this Agreement with any individual excluded from participation in the Medicare and Medicaid program. Agent will notify BCBST immediately if it, its employees or subcontractors are listed as debarred, excluded or otherwise ineligible for participation in federal health care programs.

12. Hold Harmless. Agent will not, in any event, including but not limited to non-payment or insolvency by BCBST or breach of this Agreement, bill, charge, collect a deposit from, seek compensation or remuneration or reimbursement from, hold responsible for or otherwise have any recourse against any actual or prospective Member for any amounts otherwise payable to Agent under this Agreement.

13. Discrimination Prohibited. Agent will not engage in any discriminatory marketing practices, including "cherry picking" healthier beneficiaries. Commissions are not paid based on the health status or risk-profile of the Member or based upon the value of the Medicare Product business generated by the Agent.



BlueCross BlueShield of Tennessee
1 Cameron Hill Circle | Chattanooga, TN 37402
bcbst.com

BlueCross BlueShield of Tennessee, Inc., an Independent Licensee of the BlueCross BlueShield Association