

**2026 AMENDMENT TO THE
ADMINISTRATIVE SERVICES AGREEMENT
WITH
ORMAT TECHNOLOGIES, INC.**

This Amendment is made part of the Administrative Services Agreement and is effective January 1, 2026. This Amendment supplements and amends the Agreement between Employer and Rocky Mountain Hospital and Medical Service, Inc. dba Anthem Blue Cross and Blue Shield dba Anthem. If there are any inconsistencies between the terms of the Agreement or its Schedules and this Amendment, the terms of this Amendment shall control.

1. The following provision replaces ARTICLE 13 – RECOVERY AND PREPAYMENT ANALYSIS SERVICES – provision 13(a) in its entirety:
 - a. Pursuant to the provisions of this Article 13(a), Anthem shall conduct recovery activities including review of Paid Claims processed under this Agreement (including during any Claims Runout Period) and audits of Provider and Vendor contracts. The purpose of these services is to determine whether Paid Claims processed under this Agreement have been paid accurately and identify recoveries that can be pursued. Anthem shall not be obligated to retain outside counsel or other third parties if Anthem's recovery efforts are not successful. If Anthem makes a recovery as a result of the services described in this Article 13(a), then Anthem shall receive a fee provided in Schedule A as compensation for its services, except in instances of Anthem's sole error or Provider voluntary reimbursement, and Employer will receive the remaining recovery amount.

Anthem shall also engage in various Claims prepayment analysis activities. These activities analyze Claims after services are rendered by a Provider or Vendor but prior to Claims payment to determine whether the billing and Claims submission are accurate and are intended to prevent inaccurate payments from being made. In addition, Anthem may analyze Claims to identify aberrant Provider billing practices and conduct interventions which are designed to ensure that Provider billing practices conform to nationally recognized coding and billing guidelines. If the amount charged to Employer as a Paid Claim is less than the amount that would have been charged to Employer absent the services described in this Article 13(a), then Anthem shall be entitled to receive the fee provided in Schedule A as compensation for its services. This fee shall only be charged where the prepayment analysis activities relate to a specific Claim(s).
2. SCHEDULE A is replaced by the attached SCHEDULE A.
3. SCHEDULE B is replaced by the attached SCHEDULE B.
4. The FLEXIBLE SPENDING ACCOUNT SCHEDULE is added as attached.
5. The COBRA SCHEDULE is added as attached.

IN WITNESS WHEREOF, Anthem has caused this Amendment to be executed by affixing the signature of its duly authorized officer.

Rocky Mountain Hospital and Medical Service, Inc. dba
Anthem Blue Cross and Blue Shield



By: Mike Murphy
Title: President NV and General Manager
Date: March 2, 2026

**SCHEDULE A
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
Ormat Technologies, Inc.**

This Schedule A shall govern the Agreement Period from January 1, 2026 through December 31, 2026. For purposes of this Agreement Period, this Schedule shall supplement and amend the Agreement between the Parties. If there are any inconsistencies between the terms of the Agreement including any prior Schedules, and this Schedule A, the terms of this Schedule A shall control.

Section 1. Effective Date and Renewal Notice

This Agreement Period shall be from 12:01 a.m. January 1, 2026 to the end of the day of December 31, 2026.

Paid Claims shall be processed pursuant to the terms of this Agreement when incurred and paid as follows:

Incurred from 01/01/2025 through 12/31/2026 and

Paid from 01/01/2026 through 12/31/2026.

Anthem shall provide any offer to renew this Agreement at least 30 days prior to the end of an Agreement Period.

Section 2. Broker or Consultant Base Compensation

Not Applicable

Section 3. Administrative Services Fees

Change to Administrative Services Fees. In addition to the provisions in Article 18(c), Anthem reserves the right to change the Administrative Services Fees provided in this Section 3 of Schedule A during the Agreement Period based upon the occurrence of any of the following events:

- Employer's Member to Subscriber ratio is not within +/-5% of 2.72;
- Anthem is not the sole administrator for medical and pharmacy benefits under Employer's Plan;
- Employer's enrollment is not within +/-10% of 626 Subscribers;
- The total number of average monthly Subscribers falls below 100;
- Employer moves any of the Plan benefits administered under this Agreement to another administrator or to a public or private exchange;
- A material reduction in Provider billed or published charges that results in a decrease in Anthem's discount of 10% or more;
- A change in law or regulation that materially impacts underwriting assumptions made at the time of the offer or renewal.

If Employer terminates the Pharmacy Services Schedule with PBM at any time, then Anthem shall have the right to amend the Administrative Services Fees indicated in Section 3 of Schedule A of this Agreement.

A. Base Administrative Services Fee

PPO (PPO)

The fees below apply from 01/01/2026-12/31/2026

Base Administrative Services Fee	\$49.66 per Subscriber per month
Less Pharmacy Rebate Offset from Exhibit A to the Pharmacy Schedule	(\$36.99) per Subscriber per month

Total Administrative Services Fee After Offsets \$12.67 per Subscriber per month

HSA (HSA)

The fees below apply from 01/01/2026-12/31/2026

Base Administrative Services Fee	\$49.66 per Subscriber per month
Less Pharmacy Rebate Offset from Exhibit A to the Pharmacy Schedule	(\$36.99) per Subscriber per month

Total Administrative Services Fee After Offsets \$12.67 per Subscriber per month

Article 3(a) Retroactivity.

Notwithstanding anything to the contrary in the Agreement, Anthem reserves the right to limit the effective date of retroactive enrollment to a date not earlier than 60 days prior to the date the notice is received and Anthem reserves the right to limit retroactive terminations to a maximum of 60 days prior to the date the notice is received. Anthem reserves the right to not process Claims for retroactive additions beyond 60 days and to not pursue recovery of Claims for retroactive terminations beyond 60 days. Additionally, Anthem is not required to initiate recovery services if the Provider agreement or any law or regulation precludes recovery. Anthem shall credit per Subscriber per month and per Member per month Administrative Services Fees for each retroactive deletion up to a maximum of 60 days and shall charge Administrative Services Fees for each retroactive addition up to a maximum of 60 days.

B. Health and Wellness Program Fees

PPO (PPO)

The fees below apply from 01/01/2026-12/31/2026

Wellbeing Solutions Basic Foundational Program	\$0.00 per Subscriber per month.
Wellbeing Solutions Basic Foundational Program	\$0.87 per Subscriber per month. These charges are included in the oncology condition based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions Basic Foundational Program	\$1.11 per Subscriber per month. These charges are included in the behavioral health condition based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.

HSA (HSA)

The fees below apply from 01/01/2026-12/31/2026

Wellbeing Solutions Basic Foundational Program	\$0.00 per Subscriber per month.
Wellbeing Solutions Basic Foundational Program	\$0.87 per Subscriber per month. These charges are included in the oncology condition based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.
Wellbeing Solutions Basic Foundational Program	\$1.11 per Subscriber per month. These charges are included in the behavioral health condition based category, are included in Paid Claims on the invoice, and may accumulate towards aggregate stop loss purchased from Anthem.

C. Other Fees or Credits

Fee for Subrogation Services. The charge to Employer is 25% of gross subrogation recovery.

Fee for Overpayment Identification, Prevention, and Claims Prepayment Analysis Activities. The charge to Employer is 25% of (i) the amount recovered from review of Claims and membership data and audits of Provider and vendor activity to identify overpayments and (ii) the difference between the amount Employer would have been charged absent prevention or prepayment analysis activities and the amount that was charged to Employer following performance of prevention or prepayment analysis activities. This includes, but is not limited to, COB, Host Blue activities, contract compliance, and eligibility. The fee for Overpayment Identification, Prevention, and Claims Prepayment Analysis Activities will not exceed \$25,000.00 per Claim.

Fee for Independent Claims Review: \$500.00 per independent review.

Fees and Costs for Independent Dispute Resolution. Notwithstanding anything to the contrary in the Agreement, Employer shall assume liability for payment of all fees and costs, including but not limited to arbitrator fees, charged to or paid by Anthem as part of independent dispute resolution processes.

Enhanced Personal Health Care Fee. A fee shall be charged for Anthem's oversight of Enhanced Personal Health Care with Providers or Vendors. Such fee shall be 25% of the per attributed Member per month amount charged to Employer for the Provider performance bonus portion of the Enhanced Personal Health Care program. These charges are included in Paid Claims on the invoice and may accumulate towards any stop loss policy amounts.

Discount Share. Employer agrees to pay an additional amount based on the difference between Billed Charges for Covered Services and the Negotiated Amount. The "Negotiated Amount" is the amount Anthem, an Anthem Affiliate and/or Host Blue is contractually obligated to pay a Network Provider under a negotiated reimbursement arrangement, before application of Member cost-share amounts, such as deductibles, copayments and coinsurance. Prescription Drug Claims, Payment Innovation Program payments and Claims paid on a capitated basis are all excluded from the fee calculation. In addition, Claims paid at the out-of-network level of benefits using the Traditional Network fee schedule are excluded from the fee calculation. The Discount Share is equal to 2% per Claim. These charges are included in Paid Claims as claim related charges on the invoice.

Traditional Network Savings Fee. Employer agrees to pay an additional amount based on the difference between Billed Charges for Covered Services and the Traditional Provider Negotiated Amount. The "Traditional Provider Negotiated Amount" is the amount Anthem, an Anthem Affiliate and/or Host Blue is contractually obligated to pay a Traditional Provider under a negotiated fee schedule, before application of Member cost-share amounts, such as deductibles, copayments and coinsurance. Prescription Drug Claims, Claims paid on a capitated basis and Payment Innovation Program payments are excluded from the fee calculation. This fee applies to certain Providers who are paid by Anthem, an Anthem Affiliate and/or Host Blue according to a Traditional Network fee schedule ("Traditional Provider").

The Traditional Network Savings Fee is equal to 50% per Claim.

Non-Network Savings Fee. If Anthem or its Vendor negotiates with a non-Network Provider for Covered Services from the non-Network Provider, Employer will pay a fee equal to 50% of the difference between the non-Network Provider's Billed Charges and the amount Anthem uses to calculate Plan liability for the Covered Service (the "Plan Liability Amount"). In the case of facility-based Provider Claims, Plan Liability Amount will be based on the negotiated rate; if negotiations are not successful, the Plan Liability Amount shall be determined using a pricing tool. Fees paid to Anthem for Claims priced through such tool will not exceed \$25,000 per claim. In the case of professional Provider Claims, Plan Liability Amount will be based upon the negotiated rate obtained by Anthem or its Vendor, if applicable (in the absence of successfully negotiated Claims, there will be no fee charged as the amount will be determined by the local Blue plan).

Unidentified Recoveries. Anthem shall retain any funds received through recovery processes that are paid to Anthem and, following good faith and reasonable efforts, cannot be tied to a specific Employer or Member.

Third Party Stop Loss Coordination Fee. Employer will pay a fee of \$4.00 per Subscriber per month for generation of reports delivered to Employer related to use of an external stop loss carrier. Anthem shall assume no liability or responsibility to Employer if the stop loss carrier determines that a stop loss claim is not covered for any reason.

Fee for Ad Hoc Reports. Anthem shall provide, on an annual basis, up to 20 hours of time needed to generate custom or ad hoc reports at no additional charge. The charge to Employer beyond 20 hours per year is \$150.00 per hour for time needed to generate custom or ad hoc reports.

Fee for Article 11(e) Data Audits. \$150.00 per hour. Maximum of 250 Claims.

Fee for Electronic Data Feeds to Plan Contractors. Anthem shall provide electronic data Feeds on an annual basis to Plan Contractors as follows:

Standard Monthly Feeds. 12 Feeds are included in the Base Administrative Services Fee, \$1,000.00 per month for each additional Feed.

For the purposes of this provision, Feed is defined as each instance in which a data transmission is sent during the year.

COBRA Administration and Optional Services.

- Monthly Fee (Less than 1000 eligible employees). \$1.00 per Subscriber per month.
- New Subscriber COBRA rights notification. \$1.00 per notice.
- HIPAA special enrollment notification. \$2.90 per notice.
- Past due notices. \$1.00 per notice.
- Custom programming. \$125.00 per hour.
- Fees may be renegotiated in the event of substantial changes that would increase or decrease the obligations or costs of providing services including, but not limited to, program changes, legal/regulatory changes, and postal rate changes.

Section 4. Paid Claims, Billing Cycle and Payment Method

A. Paid Claims

Paid Claims are described in Article 1-Paid Claims Definition of the Agreement.

B. Billing Cycle

Weekly

Anthem shall notify Employer of the amount due to Anthem as a result of Claims processed and paid by Anthem according to the billing cycle described above. The actual date of notification of Paid Claims and the Invoice Due Date will be determined according to Anthem's regular business practices and systems capabilities.

C. Payment Method

ACH Demand Debit Reimbursement for Paid Claims. Anthem will initiate an ACH demand debit transaction that will withdraw the amount due from a designated Employer bank account no later than the next business day following the Invoice Due Date, however, if the Invoice Due Date falls on either a banking holiday, a Saturday or a Sunday, the withdrawal shall be made on the following banking day.

Section 5. Administrative Services Fees Billing Cycle and Payment Method

A. Billing Cycle

Monthly List Bill (pay as billed)

Anthem shall notify Employer of the amount due to Anthem pursuant to Section 3 of Schedule A according to the billing cycle described above. The actual date of notification of amounts due and the Invoice Due Date will be determined according to Anthem's regular business practices and systems capabilities.

B. Payment Method

ACH Demand Debit Reimbursement. Anthem will initiate an ACH demand debit transaction that will withdraw the amount due from a designated Employer bank account no later than the next business day following the Invoice Due Date, however, if the Invoice Due Date falls on either a banking holiday, a Saturday or a Sunday, the withdrawal shall be made on the following banking day.

Section 6. Claims Runout Services

A. Claims Runout Period

Medical:

Claims Runout Period shall be for the 12 months following the date of termination of this Agreement.

B. Claims Runout Administrative Services Fee

Medical:

The fee for Claims Runout Services will be equal to 9% of Paid Claims. Fees in Sections 3(B), 3(C), and 7 of this Schedule A that (i) are associated with Claims processed or reviewed during the Claims Runout Period including without limitation subrogation fees, Claims prepayment analysis fees, recovery fees, discount share fees, network access fees; or (ii) apply to the Agreement Period but were not billed during the Agreement Period, will be billed and payable during the Claims Runout Period. Payment is due to Anthem by the Invoice Due Date.

Section 7. Inter-Plan Arrangements

Certain fees and compensation are charged each time a Claim is processed through the BlueCard Program and include, but are not limited to, Access Fees, AEA Fees, CFA Fees and ITS Transaction Fees. Other Inter-Plan Arrangement related fees that Anthem may charge include, but are not limited to, fees for Blue Cross Blue Shield Global Core® Program services. These fees may be separately billed or included in Paid Claims. The extent to which these fees and compensation are (i) included in the Base Administrative Services Fee; or (ii) included in Paid Claims or separately billed to Employer is as follows:

BlueCard Fees

Access Fees and AEA Fees will be included in the Base Administrative Services Fees for Claims incurred in the Anthem Service Areas for the following states: California, Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri, Nevada, New Hampshire, New York, Ohio, Virginia, and Wisconsin.

Access Fees (Network Provider Claims only):

- 3.21% for fewer than 1,000 Subscribers of network savings, capped at \$2,000.00 per Claim.

Administrative Expense Allowance Fees ("AEA") (Network Provider and Non-Network Provider Claims):

- Network Provider - \$5.00 per professional Claim and \$11.00 per institutional Claim for fewer than 1,000 Subscribers.
- Non-Network Provider - \$3.00 per Claim.

Central Financial Agency Fee ("CFA") (Network Provider, Non-Network Provider and Blue Cross Blue Shield Global Core Claims):

- \$0.35 per payment notice.

ITS Transaction Fee ("ITS") (Network Provider, Non-Network Provider and Blue Cross Blue Shield Global Core Program Claims):

- \$0.05 per transaction.

Blue Cross Blue Shield Global Core Fees

Administrative Expense Allowance Fee:

- \$4.35 per Member-submitted Claim;
- \$5.50 per professional Claim; and
- \$18.55 per institutional Claim.

All other fees associated with the Blue Cross Blue Shield Global Core program, except the CFA and ITS Fees described above, are included in the Base Administrative Services Fee.

Section 8. **Other Amendments.** The Administrative Services Agreement is otherwise amended as follows:

Not applicable.

**SCHEDULE B
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
Ormat Technologies, Inc.**

This Schedule B shall govern the Agreement Period from January 1, 2026 through December 31, 2026. For purposes of this Agreement Period, this Schedule B shall supplement and amend the Agreement between the Parties. If there are any inconsistencies between the terms of the Agreement including any prior Schedules and this Schedule B, the terms of this Schedule B shall control.

The following is a list of services that Anthem will provide under this Agreement for the Base Administrative Services Fee listed in Section 3(A) of Schedule A. These services will be furnished to Employer in a manner consistent with Anthem's standard policies and procedures for self-funded plans.

Anthem may also offer additional, optional services to Employer, and such services, whether or not purchased by Employer, are not included in the services set forth below in this Schedule B. By way of example and not limitation, Anthem may offer certain optional programs that include utilization management activities. In such event, the services associated with those programs are not included in the services described below. Services under Article 13 will only be pursued or performed for Claims associated with these programs or that would have been impacted by these programs if the programs are purchased by Employer. If Employer has purchased such services, those services and any additional fees are also listed in Schedule A.

SERVICES INCLUDED IN THE BASE ADMINISTRATIVE SERVICES FEE IN SECTION 3A OF SCHEDULE A

Management Services

- Anthem's benefits and administration as described in this paragraph:
 - Anthem definitions, and exclusions
 - Anthem complaint and appeals process (One mandatory level of appeal, one voluntary level of appeal)
 - Claims incurred and paid as provided in Schedule A, excluding activities related to Claim recovery
 - Accumulation toward plan maximums beginning at zero on effective date
 - Anthem Claim forms
 - ID card
 - Explanation of Benefits (Non-customized)
- Acceptance of electronic submission of eligibility information in HIPAA-compliant format
- Preparation of Benefits Booklet (accessible via internet)
- Information for ERISA 5500
- Account reporting - standard data reports
- Standard billing and banking services
- Plan Design consultation
- Employer eServices
 - Add and delete Members
 - Download administrative forms
 - View Member Benefits and request ID cards
 - View eligibility
 - View Claim status and detail
- Responsible Reporting Entity for the Plan
- Information for preparation of SBC

Claims and Customer Services

- Claims processing services
- Medicare crossover processing
- Employer customer service, standard business hours
- Member customer service, standard business hours
- 1099s prepared and delivered to Providers
- Residency-based assessments and/or surcharges and other legislative reporting requirements
- Member eServices
- Member identity theft and credit monitoring and identity repair

Care Management

- Health Care Management
 - Referrals
 - Utilization management
 - Case management
 - Anthem Medical Policy
- SpecialOffers
- Member Digital Tools

Networks

- Network Management
- Online Provider directory

Other Services Required by Federal Law not Otherwise Specified in the Agreement (as of the applicable effective date)

- For Claims that qualify as no surprises Claims, Anthem shall calculate and apply the Member's cost share at the in-network benefit level using the qualifying payment amount. Anthem shall post a disclosure of the patient protections against balance billing on www.anthem.com and shall include applicable language in Claim denial notices and explanations of benefits.
- Prepare advanced explanations of benefits to Members after receiving a notice of scheduled services from a Provider
- Provide cost transparency tool/self-service tool access
- Provide for continuity of care administration for Provider termination from the network
- Provide air ambulance Provider reporting
- Provide aggregated reporting as required under Section 204 of the CAA for the services that Anthem administers under the Agreement. This reporting does not include the D1 Premium and Life Years Report.
- Anthem represents that it is administering its Provider agreements consistent with the requirements set forth in Section 201 of the CAA.
- Upon request, Anthem will provide the non-quantitative treatment limitation analysis for the standard services that Anthem provides under the Agreement. Anthem will also provide reasonable assistance to Employer in the event of a regulatory audit for compliance with the Mental Health Parity and Addiction Equity Act.
- Post machine readable files on a monthly basis for the services Anthem administers for the Plan on www.anthem.com

**FLEXIBLE SPENDING ACCOUNT SCHEDULE
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
Ormat Technologies, Inc.**

This Flexible Spending Account (“FSA”) Schedule supplements and amends the Administrative Services Agreement (Agreement) and is effective as of January 1, 2026 (“Effective Date”). In the event of an inconsistency between the applicable provisions of this FSA Schedule, any other FSA Schedule and/or the Agreement, the terms of this FSA Schedule shall govern, but only as they relate to the FSA. Except as set forth herein, all other terms and conditions of the Agreement remain in full force and effect.

A. **Definitions.** The following definitions apply to Flexible Spending Account Administrative Services.

1. **“Carry Over”** means a specified amount that allows the FSA Participant to carry over up to the Internal Revenue Service (“IRS”) maximum amount of unused health FSA funds to the following Plan Year. Plans can specify carry over maximum limits that are less than the IRS maximum amount. These funds may be carried over year after year if Employer elects to permit FSA Participants to do so. There is no time limit on a FSA Participant using the funds, however, the FSA Participant must adhere to regular IRS guidelines.
2. **“Dependent Care Flexible Spending Account” (“DCFSA”)** means a dependent care assistance flexible spending account arrangement, as described in IRS regulations under Internal Revenue Code (“Code”) sections 125 and 129.
3. **“Flexible Spending Account” (“FSA”)** means a DCFSA or an HCFSA.
4. **“FSA Claim,” “DCFSA Claim,” and “HCFSA Claim”** mean a request for reimbursement made by an FSA Participant, including such a request made via use of an electronic payment card, if applicable.
5. **“FSA Claims Runout Period”** means the period following the conclusion of the Plan Year (and any grace period, if applicable) during which an FSA Participant may submit eligible expenses incurred during the previous Plan Year (and any grace period, if applicable) to be reimbursed from any remaining balance from the previous Plan Year.
6. **“FSA Participant”** means an individual who is covered under the FSA Plan.
7. **“FSA Plan”** means the program, the FSA provisions of the Program, or the provisions of a separate plan or program established by Employer to provide FSA benefits for its eligible Members.
8. **“Health Care Flexible Spending Account” (“HCFSA”)** means a health care flexible spending account arrangement, as described in IRS regulations under Code section 125.
9. **“FSA Participant”** means an individual who is covered under the FSA Plan.
10. **“Limited Purpose FSA”** means a HCFSA that is only used to reimburse for dental and/or vision expenses.
11. **“Plan Year”** shall mean the plan year designated in the FSA Plan.

B. **Duties of Anthem**

Anthem shall:

1. Provide the FSA Services enumerated in Section E (the “Services”).
2. In its discretion, provide the Services either directly, or through one or more designated Subcontractors, or any subsequent assignee thereof, which Subcontractors Anthem reserves the right to change from time to time without the consent of Employer (collectively the “Subcontractor”). All references to Anthem for purposes of this Schedule shall be deemed to include, if applicable, the Subcontractor.
3. Provide the Services in accordance with the FSA Plan document(s) adopted by Employer. The Services shall be procedural only and shall be performed by Anthem within the framework of policies, interpretations, rules, practices, and procedures made, established, and provided in writing to Anthem by Employer. Anthem shall not have discretionary authority or discretionary controls respecting management of any trust fund and shall not have authority to exercise, nor exercise, any control respecting management and shall not render investment advice with respect to any money or other property of any trust fund.

C. **Duties of Employer**

Employer shall:

1. Provide to Anthem a current copy of Employer's FSA Plan Document(s) and other appropriate materials, if any, governing the administration of the FSA Plan.
2. Provide timely written notice to Anthem of rules, interpretations, and procedures concerning the FSA Plan, which may affect Anthem's responsibilities under this Schedule.
3. Make all initial and ongoing FSA Participant eligibility and coverage status determinations for the FSA Plan, based on the provisions of the FSA Plan and the elections of eligible employees of Employer.
4. Provide accurate, timely, complete, and ongoing eligibility information to Anthem using Anthem's prescribed format and methods. Such information shall include, but is not limited to, the number and names of persons eligible for and covered under the FSA Plan and any other information determined by Anthem to be necessary to provide the Services.
5. Provide timely notification to Anthem of FSA Participant terminations. Anthem shall not be responsible for FSA Claim payments made to a terminated employee prior to receipt by Anthem of notice of the employee's termination.
6. Make ultimate decisions regarding any FSA Claim presented to Anthem which is in dispute, including resolution of all final-level appeals of FSA Claims, in accordance with the applicable claims review provisions of the FSA Plan.
7. Provide timely and adequate funds for Anthem or the Subcontractor to pay FSA Claims under the FSA Plan, in accordance with the FSA Funding provisions in Section F of this Schedule.

D. **Fees and Expenses**

1. Employer agrees to pay Anthem fees for the Services as set forth in Schedule A of the Agreement.
2. Anthem's fees for the Services may be renegotiated in the event of substantial changes that would increase or decrease the obligations or costs of providing the Services, including but not limited to changes in the Program, the FSA Plan, or FSA Plan design; legislative changes; and postal rate changes.
3. If changes in the FSA Plan are incompatible with existing systems and procedures and require Anthem or its Subcontractor to perform additional programming, reports, or services, such additional activities will be performed at the expense of Employer.
4. Employer will be responsible for out-of-pocket production costs, travel expenses, and banking expenses, if any, incurred by Anthem or the Subcontractor in carrying out implementation activities at the request of Employer.
5. Anthem will not provide or be responsible for the expenses or costs of services furnished by attorneys, actuaries, certified public accountants, investment counselors, or investment analysts, or for similar services performed for Employer. Anthem shall not be authorized to engage such services or incur any expense or cost there for without the written consent of Employer. In the event that such services are engaged by Anthem at the written request of Employer, Employer shall be responsible for all costs and expense thereof, which shall be separately billed by the provider of the services or by Anthem as incurred.

E. **FSA Services**

1. **Implementation support**

Anthem shall:

- a. If applicable and as indicated on Schedule A of the Agreement, provide plan documentation for review by Employer and Employer's legal counsel and for possible adoption by Employer, limited to:
 - i. FSA plan document
 - ii. FSA summary plan descriptionAnthem makes no warranties or representations as to the legal adequacy of such documentation, which must be determined by Employer in consultation with Employer's legal counsel.
- b. Provide employee packets from the debit card carrier. Additional information and FAQ will be provided on the portal.

- c. Conduct enrollment communication meetings for employees via telephone and computer (“Web Seminars”) on a schedule mutually agreed to by Employer and Anthem.
- d. Conduct onsite employee communication meetings designed to educate and promote FSA Plan participation. A fee may be charged for onsite employee communication meetings as mutually agreed to between the Parties.
- e. Assist Employer in preparing to provide eligibility data to Anthem by providing Employer with:
 - i. file format and content specifications to be used in providing eligibility data to Anthem;
 - ii. file format and content specifications to be used in providing election file data to Anthem;
 - iii. technical support for set-up and programming of the eligibility file; and
 - iv. technical support for testing of transmission of eligibility data.
- f. Advise Employer as to the requirements for banking arrangements necessary to effectuate the FSA funding arrangements described in Section F of this Schedule.

2. **Enrollment administration**

Anthem shall:

- a. Maintain employee participation census and Employer contribution and information for the FSA accounts as reported to Anthem by Employer, including:
 - i. Initial enrollments;
 - ii. Mid-year election changes; and
 - iii. Accepting enrollment data from one or more third parties on behalf of Employer.
- b. Annually perform re-enrollment of FSA Participants in accordance with elections made for each Plan Year.
- c. Provide employee packets from the debit card carrier. Additional information and FAQ will be provided on the portal.

3. **FSA Claim Processing.**

Anthem shall:

- a. Maintain a separate bookkeeping account with respect to each FSA Participant’s FSA balance, based on election data provided to Anthem by Employer.
- b. Review and process FSA Claims (including claims submitted by one or more third parties on behalf of Employer) in accordance with applicable law and the terms of the FSA Plan as provided to Anthem by Employer.
- c. Approve each FSA Claim that satisfies all of the following conditions and deny each FSA Claim that fails to satisfy all of the following conditions:
 - i. the employee submitting the FSA Claim is covered under the terms of the FSA Plan;
 - ii. the FSA Claim is associated with eligible expenses incurred during the FSA Plan Year or other applicable period of coverage under the FSA Plan;
 - iii. the FSA Claim was submitted within the time prescribed by the Plan or by applicable law or regulation;
 - iv. for DCFSA Claims, the available funds in the FSA Participant’s DCFSA account during the relevant period of Plan coverage is sufficient to permit reimbursement of all or part of amount claimed;
 - v. for HCFSAAs, the balance of the total FSA benefit for the relevant Plan Year is sufficient to permit reimbursement of all or a part of the amount claimed; and
 - vi. the expense is not clearly ineligible for reimbursement from an FSA under applicable laws and/or regulations in effect at the relevant period of plan coverage.

- d. Disburse benefit payment by check or, at the option of the FSA Participant, by direct deposit, for each approved FSA Claim as soon as reasonably possible after such approval, provided that sufficient funds have been made available to Anthem to pay such benefits by Employer in accordance with the FSA Funding provisions in Section F of this Schedule.
 - e. Take all reasonable steps to process each FSA Claim and make disbursements within five (5) business days after its receipt thereof; provided.
 - f. Notify FSA Participants of approved and denied FSA Claims in the manner and within the time periods required by applicable law and the terms of the FSA Plan.
 - g. Review FSA Claim appeals other than final appeals, and make appeal determinations as to all levels of appeal provided for in the FSA Plan except the final appeal, for which Employer shall make all determinations.
 - h. For HCFsAs, coordinate between Employer's self-funded medical benefits plan administered by Anthem and the FSA Plan, by receiving explanations of benefits or other claims records for processing against FSA Participants' HCFsA accounts or for substantiation of FSA Participants' HCFsA debit card transactions, as applicable.
4. **Provision of electronic payment cards.** If applicable, Anthem shall make an electronic payment card ("Card") available to FSA Participants through which eligible medical and/or dependent care expenses (if applicable) may be paid, in accordance with the following provisions:
- a. Anthem, or a service provider chosen by Anthem, shall provide a Card to each FSA Participant who so elects, or, at Employer's option, to all FSA Plan FSA Participants.
 - b. The Card will be deactivated upon notice from Employer that the FSA Participant is no longer employed by Employer or has ceased to satisfy the eligibility requirements for the FSA Plan. Anthem further reserves the right to deactivate the Card any other time that it deems appropriate.
 - c. Neither Anthem nor its Card service provider is responsible for any damages or costs arising from use of such Card by an ineligible individual prior to receipt by Anthem of notice of the individual's ineligibility.
 - d. FSA Participants must agree to use the Card in accordance with the terms of its accompanying Cardholder Agreement as a condition of use. Anthem or its Card services provider will deactivate a FSA Participant's Card if the FSA Participant fails to use it in accordance with the Cardholder Agreement.
 - e. The Card may be used by FSA Participants to pay expenses which are:
 - i. eligible for reimbursement under the terms of the FSA Plan; and
 - ii. for services or supplies provided by persons or entities having a category code associated with medical expenses.
 - f. Anthem will require substantiation of expenses paid with the Card in accordance with applicable legal and regulatory requirements. The Card will be deactivated if the FSA Participant fails to provide the requested substantiation.
 - g. Anthem will provide to employer a self -service report by which unsubstantiated amounts can be identified from FSA Claims for ineligible expenses incurred via use of a Card; provided, however, that if, after two requests, the FSA Participant has not repaid such amounts, Anthem will inform Employer, and Employer will then be responsible for complying with all legal and regulatory requirements, including but not limited to any applicable requirement to report such amounts as income to the recipient.
 - h. Neither Anthem, nor its Card service provider, if any, will incur any liability for ineligible Card payments, except those arising from Anthem's, or the Card service provider's, negligence or material breach of its obligations under this Schedule.
 - i. All Cards will be deactivated on the date this Schedule or the Agreement is terminated. If a Card has been deactivated (other than for failure to properly fund), neither Anthem nor its Card service provider will reactivate the Card, except if instructed to do so in writing by Employer.

- j. Employer understands and agrees that until and unless the IRS, Treasury Department, or other entity with legal authority to do so issues formal guidance approving the use of electronic payment cards under a DCFSA Plan and outlining the required terms and condition of such use, Employer assumes all risks of offering the electronic payment card through Anthem for use in paying dependent care expenses. Employer agrees to indemnify and hold Anthem harmless from any and all damages that may arise as a result of using the electronic payment card for such expenses.
5. **Customer Service and Employer Administrator support.**
- Anthem shall:
- a. Provide member services including phone, IVR, email, and web capabilities, as well as phone and email inquiry resolution.
 - b. Provide access and information to Employer Administrator via an employer website portal, including web-based:
 - i. FSA funding requests based upon claims processed
 - ii. Reports of Account activity
 - iii. Employer detail
 - c. Provide access and information to Employer Administrator via an employer website portal, including web-based:
 - i. FSA funding requests based upon claims processed
 - ii. Reports of Account activity
 - iii. Employer detail
 - d. Provide account balance statements via the member portal to FSA Participants at intervals mutually agreed upon by Employer and Anthem, but no more often than monthly. There shall be no charge for providing these statements in electronic form. The FSA Participant will be charged for hard-copy account balance statements mailed to the FSA Participant.
6. **Form 5500 Reporting.** Anthem shall provide, upon the request of Employer, any information maintained in Anthem's database that is required to be included on Form 5500 for the FSA Plan. Such information will be provided within a reasonable period of time following receipt of Employer's request. Employer is responsible for determining whether a Form 5500 is required to be filed for its FSA Plan.
7. **Nondiscrimination Testing.** Upon the request of the Employer, Anthem shall conduct the following nondiscrimination testing required under the Code (collectively referred to as the "Nondiscrimination Tests"):
- a. Employer Cafeteria Plan (Code Section 125 Plan):
 - i. Eligibility Test, as required under Code Section 125(g)(3);
 - ii. Contributions and Benefits Test, as required under Code Section 125(c); and
 - iii. Key Employee Concentration Test (utilization), as required under Code Section 125(b)(2);
 - b. For HCFSA Plans:
 - i. Eligibility Test, as required under Code Section 105(h);
 - ii. Benefits Test, as required under Code Section 105(h); and
 - iii. 25% Key Employee Concentration Test required under Code Section 125(b);
 - c. For DCFSA Plans, the following tests, as required under Code Section 129:
 - i. 55% Average Benefits Test;
 - ii. 5% Owner Concentration Test;
 - iii. Eligibility Test; and
 - iv. Contributions and Benefits Test.

To the extent necessary, Anthem shall provide Employer with a form requesting data necessary to complete the Nondiscrimination Tests. Upon Anthem's receipt of the completed form, Anthem shall complete the Nondiscrimination Tests and provide a report summarizing its interpretations of the results (based solely on information provided by Employer and/or maintained by Anthem in accordance with this Schedule) within a reasonable amount of time thereafter. If the form and/or the necessary data are not returned as requested, Anthem shall not perform the Nondiscrimination Tests and shall incur no liability of any kind associated with nondiscrimination testing or legal requirements for such nondiscrimination testing. If the Nondiscrimination Tests result in a finding that the FSA Plan is discriminatory, Employer shall be solely responsible for making appropriate adjustments, amendments, or other changes necessary to bring its FSA Plan into compliance with applicable Code nondiscrimination requirements. Employer shall also be solely responsible for any reporting requirements, penalties, costs, and expenses associated with a finding that the FSA Plan is discriminatory.

8. **Activity reporting.** Anthem shall make reports available to Employer on its Web site, summarizing FSA Plan activities for the previous month. Employer is responsible for reviewing such activity reports and notifying Anthem of any errors of which it is aware, within a reasonable period of time after receipt of the report.
9. **Extended Grace Period FSA Claims Processing** If applicable and as indicated on Schedule A of the Agreement:
 - a. Unless otherwise agreed by Anthem, Employer's extended grace period shall be the period beginning on the next day after Employer's FSA Plan Year ends, and ending two months and fifteen days thereafter (the "Extended Grace Period").
 - b. FSA Participants may incur eligible expenses and submit FSA Claims for such eligible expenses incurred during the Extended Grace Period ("Extended Grace Period FSA Claims") to Anthem.
 - c. Anthem shall process FSA Extended Grace Period Claims in accordance with Section E (3) of this Schedule.
 - d. Unless otherwise agreed by Anthem, the deadline by which FSA Claims for the Plan Year and FSA Extended Grace Period Claims must be received by Anthem is the last day of the Extended Grace Period.
 - e. Card transactions, if any, will be applied to the Plan Year election amount only. Manual FSA Claims must be submitted via mail, fax, or Web site to access carry-over amounts during the Extended Grace Period. Manual Extended Grace Period FSA Claims and Extended Grace Period FSA Claims submitted electronically are paid from carry-over funds first and then from amounts elected for the Plan, if the carry-over funds are insufficient. Extended Grace Period FSA Claims will be paid in the order in which they are received and previous claims will not be reprocessed or re-characterized so as to change the order in which they were received.
10. **Carryover of Healthcare FSA Dollars.** In lieu of the Extended Grace Period FSA Claims Processing outlined in Section E (9), Employer may elect to carry over dollars from the previous Plan Year. Anthem will process current year FSA Claims by first using dollars carried over from the previous Plan Year.
11. **FSA Claims Runout Processing.** If applicable and as indicated on Schedule A of the Agreement:
 - a. For purposes of this Amendment, FSA Claims Runout Period is indicated on Schedule A and allows an FSA Participant to submit eligible expenses (old claims) incurred in the previous Plan year to be reimbursed from any remaining balance from the previous plan year.
 - b. Anthem shall process all FSA Claims during the FSA Runout Period, and provide availability of reporting reconciliation of funding at the end of such FSA Runout Period via the member portal.
 - c. Anthem will process requests, including a review of substantiating evidence, for reimbursement during the FSA Runout Period subject to applicable law. Requests for reimbursement received after the end of the FSA Claims Runout Period of this Amendment or termination of the Agreement will not be processed. Notwithstanding the above, any FSA Claims incurred during any applicable FSA Extended Grace Period shall be submitted by no later than the end of the FSA Claims Runout Period.
12. **Transition to Replacement Administrator.** Upon termination of this Schedule or the Agreement and on request of Employer, Anthem shall, for an additional cost:
 - a. provide replacement administrator necessary data files within 2 weeks of termination; and
 - b. Assist replacement administrator in completion of implementation activities as needed.

F. **FSA Funding**

Except as set forth herein regarding electronic payment procedures, Employer shall make sufficient funds available to Anthem or the Subcontractor to pay for benefits of approved claims under the plan in accordance with the following subsection(s):

1. Employer shall establish a new account or designate an existing account ("Transfer Account") in Employer's name at a bank chosen by Employer into which Employer will transfer funds for purposes of paying claims.
 - a. Employer will give Anthem or its Subcontractor ACH withdrawal authority over the Transfer Account. Employer understands that Anthem or its Subcontractor will initiate transfers of funds from the Transfer Account to an account owned by Anthem or its Subcontractor ("Funding Account") from which claims processed and determined to be eligible for reimbursement will be paid. Employer will notify Anthem or its Subcontractor within ten (10) days of any change to the Transfer Account. Employer understands Anthem or its Subcontractor will initiate a \$1.00 pre-note to validate the funds in the account. The pre-note transaction checks the validity of the bank transit and routing number and ensures the employer has added the appropriate filter information with their bank.
 - i. All funds in the Funding Account attributable to Employer will be returned following termination of this Agreement within 60 days after the date the FSA Claims Runout ends, not to exceed 240 days from the date FSA Claims Runout ends, or as mutually agreed to by Anthem or Employer after all outstanding claims required to be processed as set forth herein have been processed and paid. Anthem or its Subcontractor will exercise commercially reasonable efforts to locate Employer in order to return funds as set forth herein; however, Employer agrees that Anthem or its Subcontractor may retain such funds to the extent Anthem or its Subcontractor is unable to locate Employer as set forth herein.
 - ii. Employer agrees to provide all information to Anthem or the Subcontractor that Anthem or the Subcontractor deems necessary to verify or confirm the Minimum Deposit amount. Employer and Anthem may agree that Anthem's fees may be withdrawn from the Account.
 - iii. Employer agrees to provide a reserve of an amount specified by Anthem or the Subcontractor from time to time ("Pre-Fund") from its general assets for amounts of allocable approved Claims. Employer shall also deposit additional funds in order to reestablish the Minimum Balance at the request of Anthem or the Subcontractor. If Employer does not deposit additional funds, all Claim payments shall be suspended and all electronic payment cards shall be suspended.
 - iv. The reserve is calculated by using the following formula: Total Annual Election * the percent selected in Section 2.
 - v. If the amount of enrolled employees increases month to month, Anthem may recalculate the reserve amount required and may request additional funds. The Employer must be notified of any changes required via email.
 - vi. A new reserve must be calculated, communicated and obtained from Employer each renewal. The timing of this reserve will be requested after enrollment is received for the new Plan Year. The prior year's reserve is not returned until the end of the FSA Claims Runout.
2. Employer may select from the following funding options:
 - a. Option 1 – ACH
 - i. Depending on the frequency of replenishment, a portion of the annual liability is held to pay debit card transactions and claims daily or weekly.
 - ii. Funds can be replenished weekly and the reserve required equals 5% of the annual elections or monthly and the reserve required equals 10% of the annual elections.
 - b. Option 2 – Check or Wire
 - i. Depending on the frequency of replenishment, a portion of annual liability is held to pay debit card transactions and claims daily or weekly.
 - ii. Funds must be replenished monthly and the reserve required equals 10% of annual elections.

G. **General Provisions**

1. **Takeover from a prior administrator and acceptance of records from other health plans and administrators:**
 - a. Anthem shall not be responsible for any adverse consequences arising from its takeover, at Employer's request, of FSA administration from another administrator.
 - b. Anthem will not be responsible for administering grace period and/or FSA Claims Runout from a prior administrator for an employer.
 - c. Anthem may, at Employer's request and in the manner prescribed by Employer, accept electronic explanations of benefits ("EOBs") from health plans or administrators specified by Employer, for purposes of processing reimbursements from FSA Participants' FSA accounts. EOBs accepted by Anthem under this provision shall constitute FSA Claims. Employer understands, acknowledges, and assumes all risk associated with this process, including but not limited to any failure to satisfy legal certification requirements resulting from FSA Participants' inability to certify that expenses have not been reimbursed at the time Anthem processes such FSA Claims.
2. **Data Requirements and Accuracy Of Records**
 - a. Anthem shall not be responsible for determining eligibility to participate in the FSA Plan and shall rely on the information supplied by Employer as to FSA Participant eligibility.
 - b. Employer shall provide employee eligibility and financial information to Anthem as described in Section C (4) of this Schedule. Anthem shall not audit the data provided by Employer or be liable for errors resulting from incorrect or incomplete data supplied by Employer.
 - c. Employer shall promptly respond to requests for data and other correspondence. Anthem shall not be responsible for missed deadlines due to non-response or late response by Employer to requests for data, information, or approval to proceed.
 - d. Anthem shall not audit FSA Plan reports prepared by any prior service provider. If Employer is or becomes aware of any record keeping error, Employer shall promptly inform Anthem.
3. **FSA Claim Assets as General Assets of Employer**
 - a. Notwithstanding any provision in the Agreement to the contrary, Employer and Anthem intend and agree that all claims assets transferred to the general account of Employer from which FSA Claims shall be paid (the "FSA Claim Assets") under this Schedule: (i) are and shall remain the general assets of Employer; (ii) are not "plan assets" within the meaning of ERISA; (iii) were never held in an account, fund, or trust bearing the name of the Plan or otherwise held in an account of the Plan or any FSA Participants or beneficiaries thereof; and (iv) shall remain subject to the claims of Employer's creditors at all times. Further, it is agreed that the Claims Assets shall be held in a general account of Employer.
 - b. Employer represents and agrees that: (i) neither it nor any of its employees, directors, representatives, fiduciaries, or employee benefit plans (or any entity performing services for Employer or such plans) or any of their predecessors, successors or assigns have represented or will represent to any FSA Participant or beneficiary of the Plan that a separate account, fund, or trust is being held on behalf of the Plan that may be used to provide or secure benefits under the Plan; and (ii) it shall advise the FSA Participants and beneficiaries of the Plan that the benefits under the Plan shall at all times be paid out of the general assets of Employer.
 - c. Employer agrees to fund the FSAs in accordance with the FSA Funding provisions in Section F of this Schedule. Anthem shall not at any time be obligated to pay any FSA Claim unless there are sufficient Claims Assets held by Employer to pay such claims. Employer agrees to indemnify and hold Anthem harmless from any loss or expense of any kind whatsoever (including, without limitation, reasonable attorney's fees and costs) incurred by Anthem or its Subcontractor as a result of Employer failing to transfer sufficient Claims Assets to pay benefits under the Plan.
4. **Forfeitures.** FSA Participant FSA Claim payments that remain unclaimed or not cashed by the end of the Plan Year following the year in which such FSA Claim payments were issued are considered forfeited by the FSA Participant. Such forfeitures will be refunded to Employer by Anthem before the end of the thirteenth month following the end of the applicable Plan Year.

5. **Legal Obligations**
 - a. Employer is responsible for selecting and retaining legal or tax counsel to provide advice to Employer with respect to the law and the FSA Plan, as needed by Employer. Employer acknowledges that Anthem will not provide professional tax or legal services to Employer.
 - b. Employer is responsible for complying with all applicable provisions of law respecting its FSA Plan, establishing and maintaining of all required documents and fulfilling all reporting and disclosure requirements including, if applicable, preparation and filing of IRS Form 5500 Series.
 - c. Employer acknowledges that it is the named fiduciary responsible for the operation and administration of the Plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") that Anthem's role is limited to providing the Services described in this Agreement as a third-party administrator, and as such are deemed strictly ministerial..
6. **Records and Files**. Anthem and or its sub-contractors shall maintain either paper or electronic copies of all records in conjunction with the Services. The confidentiality of such records shall be maintained by Anthem and the information therein shall not be divulged or disclosed or made available to persons other than Employer without the written approval of Employer or a court of competent jurisdiction. Anthem agrees to maintain such files for a period of seven years or longer if required by applicable state law. If requested by Employer, at Employer's expense, Anthem shall deliver all records and files to Employer, or representative of Employer. Anthem shall be entitled to retain copies of any such records at its own expense.
7. **Independent Contractor**. It is understood and agreed that Anthem is engaged to perform services under this Schedule as an independent contractor and will remain an independent contractor and will not be deemed an employee of Employer, a partner, engaged in a joint venture with Employer, plan administrator, or engaged in any legal relationship other than that of independent contractor. Anthem shall use its best efforts to implement such written instructions, if any, as to policy and procedures which may be given by Employer to it, provided, however, that such instructions are consistent and compatible with the description of services to be performed by Anthem and do not violate or contradict any laws or regulations, including but not limited to ERISA.
8. **Controlled Employer Or Affiliated Service Employer**. Employer is responsible for determining whether Employer is part of a "controlled group" or "affiliated service group," as such terms are defined under the §414 of the Internal Revenue Code, and shall promptly notify Anthem if Employer is or becomes part of such a group. Anthem shall have no responsibility to verify whether or not Employer is part of such a group and shall not be liable for damages, fines, penalties or taxes, which may be imposed as a result of such status.
9. **Third Party Beneficiaries**. Nothing express or implied in this Schedule is intended to confer, nor shall anything herein confer, upon any person other than Anthem, the Subcontractors, and Employer and their respective successors or assigns, any rights, remedies, or obligations whatsoever.
10. **Termination**.
 - a. This Schedule may be terminated either by Employer or by Anthem at any time provided the terminating Party gives the other Party prior written notice. The written notice shall state the effective date of the termination and shall be given no less than one (1) month prior to the date of the termination.
 - b. Anthem shall have no obligation to provide services for any period of time for which any fees have not been paid to Anthem by Employer. Anthem may terminate this Schedule by giving written notice thereof to Employer if Employer fails to pay the required administration fees when the invoice is due and payable as provided in the Agreement. Such termination shall be effective as of the date through which all fees have been timely paid. If this Schedule has been terminated for non-payment of fees, Anthem may, in its sole discretion, offer to reinstate this Schedule under terms and conditions prescribed by Anthem.
 - c. This Schedule shall terminate on the date all Plans subject to the Agreement are terminated or the Agreement is terminated.
 - d. This Schedule shall terminate on the effective date of any state's or other jurisdiction's action which prohibits activities of the Parties under this Schedule.
 - e. Termination of this Schedule will not terminate the rights or obligations of either Party arising out of the period during which this Schedule was in effect.

**COBRA SCHEDULE
TO
ADMINISTRATIVE SERVICES AGREEMENT
WITH
Ormat Technologies, Inc.**

This COBRA Schedule supplements and amends the Administrative Services Agreement and is effective as of January 1, 2026 (Effective Date). In the event of an inconsistency between the applicable provisions of this COBRA Schedule and the Agreement, the terms of the COBRA Schedule shall govern, but only as they relate to COBRA. Except as set forth herein, all other terms and conditions of the Agreement remain in full force and effect.

- A. **Definitions.** The following definitions apply to COBRA Administrative Services.
1. **“COBRA”** shall mean the continuation coverage provisions in sections 601 through 608 of Title I of ERISA and Internal Revenue Code section 4980B, enacted as part of the Consolidated Omnibus Budget Reconciliation Act of 1985.
 2. **“ERISA”** shall mean the Employee Retirement Income Security Act of 1974.
 3. **“Last Known Address”** shall mean the address most recently provided to Anthem by Employer or the Qualified Beneficiary, to the extent Anthem has had a reasonable amount of time to enter such address in its records and processing systems.
 4. **“Premium”** shall mean the Qualified Beneficiary’s share of the cost of COBRA continuation coverage, whether such coverage is insured or provided under Employer’s self-funded group health plan.
 5. **“Qualified Beneficiary”** shall mean an employee or dependent who is entitled to continuation coverage under COBRA.
 6. **“Qualifying Event”** shall mean an event giving rise to continuation coverage rights under COBRA.
- B. **Duties of Anthem.** Anthem shall:
1. Provide the COBRA Administrative Services enumerated in Section E (the “Services”).
 2. In its discretion, provide the Services either directly or through its designated subcontractor or any subsequent assignee thereof, which subcontractor Anthem reserves the right to change from time to time without the consent of Employer (the “Subcontractor”). All references to Anthem for purposes of this Addendum shall be deemed to include, if applicable, the Subcontractor.
 3. Provide the Services in accordance with applicable law. The Services shall be procedural only, and Employer shall retain all discretionary authority and responsibility for fulfilling the requirements of COBRA.
- C. **Duties of Employer.** Employer shall:
1. Provide Anthem with timely, accurate and complete information necessary for Anthem to provide the Services. Anthem shall be under no obligation to verify the accuracy and completeness of information provided to it by Employer.
 2. Identify Qualified Beneficiaries and provide accurate, timely, complete, and ongoing COBRA eligibility information to Anthem using Anthem’s prescribed format, content, and methods.
 3. Make ultimate determinations as to Employer’s obligations under COBRA with respect to all Qualified Beneficiaries and potential Qualified Beneficiaries, including determinations as to duration of continuation coverage, acceptability of partial Premium payments, extensions of continuation coverage due to disability, and other discretionary matters associated with the Services.
- D. **Fees and Expenses**
1. Employer agrees to pay Anthem fees for the Services as set forth in Schedule A of the Agreement.
 2. Anthem’s fees for the Services may be renegotiated in the event of substantial changes that would increase or decrease the obligations or costs of providing the Services including, but not limited to, changes in the Program, legal/regulatory changes, and postal rate changes.

3. If changes in Employer's COBRA policies, interpretations, rules, practices, and/or procedures are incompatible with Anthem's existing systems and procedures and require Anthem or its Subcontractor to perform additional programming, reports, or services, such additional activities will be performed at the expense of Employer.
4. Anthem will not provide or be responsible for the expenses or costs of services furnished by attorneys or actuaries, or for similar services performed for Employer. Anthem shall not be authorized to engage such services or incur any expense or cost therefore without the written consent of Employer. In the event that such services are engaged by Anthem at the written request of Employer, Employer shall be responsible for all costs and expense thereof, which shall be separately billed by the provider of the services or by Anthem as incurred.

E. COBRA Administrative Services

1. Provision of General Notices of Continuation Coverage. If applicable and as indicated on Schedule A of the Agreement:

- a. Anthem shall mail its standard COBRA General Notice of Continuation Coverage ("General Notice"):
 - i. To the Last Known Address of each existing and new covered employee and, when required by applicable law, the covered spouse of such covered employee; and
 - ii. As soon as reasonably possible, but no later than thirty (30) business days after the later of:
 - (1) receipt by Anthem of the information needed to prepare and send the General Notice; or
 - (2) the initial effective date of coverage of the covered employee or spouse under the Program.
- b. Employer understands and acknowledges that delivery of the General Notice as required by subsection (1)(a), may not comply with applicable legal requirements for timeliness of the General Notice. Employer is solely responsible for promptly providing the necessary information to Anthem so as to permit satisfaction of such timeliness requirements, taking into account the provisions of subsection (1)(a), to ensure that all General Notices are furnished in accordance with applicable law.
- c. Anthem is not responsible for resending any General Notice that is returned to Anthem if such General Notice was mailed to the Last Known Address of the intended recipient.

2. Provision of Election Notices and Election Forms

- a. Anthem shall mail its standard COBRA Election Notice and Election Form ("Election Notice"):
 - i. To the Last Known Address of each Qualified Beneficiary to whom a separate Election Notice must be provided under applicable law.
 - ii. As soon as reasonably possible, but no later than fourteen calendar days after receiving the information necessary to provide the Election Notice from Employer, or when applicable, from the Qualified Beneficiary; and
 - iii. Retaining certified mail documentation as evidence of the mailing of such Election Notice.
- b. Employers understand and acknowledges that delivery of the Election Notice as required by subsection (2)(a), may not comply with applicable legal requirements for timeliness of the Election Notice. Employer is solely responsible for promptly providing the necessary information to Anthem so as to permit satisfaction of such timeliness requirements, taking into account the provisions of subsection (2)(a), to ensure that all Election Notices are furnished in accordance with applicable law.
- c. Anthem is not responsible for resending any Election Notice that is returned to Anthem if such Election Notice was mailed to the Last Known Address of the intended recipient.

3. Provision of Notices of Unavailability of Continuation Coverage

- a. Anthem shall mail a Notice of Unavailability of Continuation Coverage ("Unavailability Notice") when:
 - i. it has received notification of a purported Qualifying Event from Employer or from an individual purporting to be a Qualified Beneficiary; and
 - ii. Such individual is not eligible for continuation coverage under COBRA for any reason.

- b. Anthem shall also mail an Unavailability Notice when:
 - i. It has received from Employer, a Qualified Beneficiary, or any other source a notification of a disability determination by the Social Security Administration; and
 - ii. Such Qualified Beneficiary or other individual is not entitled to continuation coverage under COBRA or is not entitled to an extension of continuation coverage due to disability under COBRA.
 - c. Anthem shall mail the Unavailability Notice to the Last Known Address of the Qualified Beneficiary or other individual as soon as reasonably possible but no later than fourteen calendar days after Anthem's receipt of the notification described in subsection 3(a)(i) or 3(b)(i), retaining certified mail documentation as evidence of the mailing of such Unavailability Notice.
 - d. Employer understands and acknowledges that delivery of the Unavailability Notice as required by subsection (3)(c), may not comply with applicable legal requirements for timeliness of such Notice. Employer is solely responsible for promptly providing the necessary information to Anthem so as to permit satisfaction of such timeliness requirements, taking into account the provisions of subsection (3)(c), to ensure that all Unavailability Notices are furnished in accordance with applicable law.
4. **Processing of Elections**
- a. Anthem shall process Election Forms submitted by Qualified Beneficiaries in accordance with applicable law and any additional written instructions from Employer.
 - b. Anthem shall also process any mid-year election changes to which Qualified Beneficiaries are entitled under applicable law and the terms of Employer's group health plan.
5. **Provision of Annual Open Enrollment Forms and Materials** If applicable and as provided on Schedule A of the Agreement,
- a. To the extent instructed by Employer and to the extent Employer has made such materials available to Anthem, Anthem shall send annual open enrollment forms and materials ("Enrollment Materials") to the Qualified Beneficiaries.
 - b. Anthem shall send such Enrollment Materials to the Last Known Address of each Qualified Beneficiary to whom a separate notification is required by applicable law.
6. **Administration of Premiums**. Anthem shall:
- a. Provide invoices showing Premium amounts and Premium due dates to Qualified Beneficiaries.
 - b. If applicable and as provided on Schedule A of the Agreement, provide past-due reminder notices to all Qualified Beneficiaries whose Premiums have not been received by the sixteenth of each month.
 - c. Collect and post Premiums from Qualified Beneficiaries or third parties on behalf of Qualified Beneficiaries, if applicable.
 - d. Deposit all such Premiums into an account maintained by Anthem.
 - e. Remit to the insurance company or other third party identified by Employer an amount equal to the Premiums collected, reduced by a 2% administration fee.
 - f. Make each such remittance by the 10th business day after the end of month in which the premiums were collected.
7. **Provision of Notices of Termination of Continuation Coverage**
- a. Anthem shall mail a Notice of Termination of Continuation Coverage ("Termination Notice") as soon as practicable after the earlier of:
 - i. The date Anthem determines that a Qualified Beneficiary's continuation coverage will end before the end of the maximum continuation period allowed under COBRA; or
 - ii. The date a Qualified Beneficiary's continuation coverage ends for any reason.
 - b. Anthem shall mail such Termination Notice to the Last Known Address of the Qualified Beneficiary.

- c. Employer understands and acknowledges that delivery of the Termination Notice as required by subsection (7)(a), may not comply with applicable legal requirements for timeliness of the Termination Notice. Employer is solely responsible for promptly providing the necessary information to Anthem so as to permit satisfaction of such timeliness requirements, taking into account the provisions of subsection (7)(a), to ensure that all General Notices are furnished in accordance with applicable law.
8. **Review of Reinstatement Requests.** Anthem shall:
 - a. Review reinstatement requests submitted to Anthem in writing and process such requests in accordance with COBRA regulations and any applicable guidelines provided by Employer.
 - b. Review appeals of declined reinstatements to verify consistency with COBRA regulations and any applicable guidelines provided by Employer and respond accordingly.
 - c. Refer second appeals of reinstatement requests to Employer for review. Employer shall be responsible for making final decisions as to such second appeals of reinstatement requests; provided, however, that for insured coverage underwritten by Anthem, Employer's decision to reinstate the coverage of a former Qualified Beneficiary shall not be binding on Anthem and shall not obligate Anthem to reinstate coverage if such reinstatement is inconsistent with Anthem's underwriting guidelines.
9. **Customer Service and Group Administrator Support.** Anthem shall:
 - a. Provide member services including phone, IVR, email, and web capabilities, as well as phone and email inquiry resolution.
 - b. Provide responses to inquiries by providers and/or insurance carriers regarding the coverage status of Qualified Beneficiaries. All responses will be based solely on the information provided to Anthem by Employer under the terms of this Addendum.
10. **Provision of Certificates of Creditable Coverage.** If applicable and as indicated on Schedule A of the Agreement, Anthem shall mail its standard Certificate of Creditable Coverage to the Last Known Address of each individual whose continuation coverage under COBRA has ended. Such Certificate shall be mailed as soon as practicable after the termination of coverage. Anthem shall also send a Certificate of Creditable Coverage upon request by an individual whose continuation coverage under COBRA has ended, provided that the request is made no later than 24 months after the date coverage terminated. All Certificates of Creditable Coverage will be mailed in accordance with applicable legal requirements.
11. **Monthly Reporting.** Anthem shall provide to Employer a written monthly report summarizing COBRA activities for the previous month. Employer is responsible for reviewing such reports and notifying Anthem of any errors within a reasonable time after receiving the report.
12. **Eligibility Communication Reporting.** If applicable and as indicated on Schedule A of the Agreement, Anthem shall provide: (1) a weekly report of COBRA eligibility changes; and (2) a monthly comprehensive eligibility report to each health plan, HMO, or TPA identified by Employer, which may include both Anthem (in its role as insurer, HMO, or TPA) and other entities identified by Employer. At the election of Employer, such reports shall be made available via access to Anthem's Web site, electronically, or in hard copy.
13. **Premium Remittance.** If applicable and as indicated on Schedule A of the Agreement, Anthem shall remit collected COBRA premiums to each health plan, HMO, or TPA identified by Employer, which may include both Anthem (in its role as insurer, HMO, or TPA) and other entities identified by Employer, and shall provide a copy of each remittance report to Employer.
14. **Transition to Replacement Administrator.** Upon termination of this Addendum or the Agreement and on request of Employer, Anthem shall, for an additional cost mutually agreed to between the Parties:
 - a. Provide replacement administrator necessary data files within 2 weeks of termination; and
 - b. Assist replacement administrator in completion of implementation activities as needed.

F. **General Provisions**

1. **Data Requirements and Accuracy Of Records**

- a. Anthem shall not be responsible for determining eligibility for continuation coverage and shall rely on the eligibility information supplied by Employer.
- b. Employer shall provide employee eligibility information to Anthem as described in Section C(3) of this Addendum. Anthem shall not audit the data provided by Employer or be liable for errors resulting from incorrect or incomplete data supplied by Employer.
- c. Employer shall promptly respond to requests for data and other correspondence. Anthem shall not be responsible for missed deadlines due to non-response or late response by Employer to requests for data, information, or approval to proceed.

2. **Legal Obligations**

- a. Employer is responsible for selecting and retaining legal or tax counsel to provide advice to Employer with respect to its obligations under COBRA, as needed by Employer. Employer acknowledges that Anthem will not provide professional tax or legal services to Employer.
- b. Employer is responsible for complying with all applicable provisions of COBRA respecting the Program, establishing and maintaining of all required documents and fulfilling all reporting and disclosure requirements.
- c. Employer acknowledges that it is the named fiduciary responsible for the operation and administration of the Plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") that Anthem's role is limited to providing the Services described in this Agreement as a third-party administrator.
- d. Employer understands and acknowledges that Anthem's performance of the Services may not constitute compliance with applicable legal requirements for timeliness of COBRA notifications. Employer is solely responsible for promptly providing the necessary information to Anthem so as to permit satisfaction of such timeliness requirements, taking into account the provisions of this Addendum as to when Anthem will mail notifications, to ensure that all such notifications are furnished in accordance with applicable law.

3. **Records and Files.** Anthem shall maintain either paper or electronic copies of all records in conjunction with the Services. The confidentiality of such records shall be maintained by Anthem and the information therein shall not be divulged or disclosed or made available to persons other than Employer without the written approval of Employer or a court of competent jurisdiction. Anthem agrees to maintain such files for a period of seven years or longer if required by applicable state law. If requested by Employer, at Employer's expense, Anthem shall deliver all records and files to Employer, or representative of Employer, within thirty (30) days of such request. Anthem shall be entitled to retain copies of any such records at its own expense.

4. **Independent Contractor.** It is understood and agreed that Anthem is engaged to perform services under this Amendment as an independent contractor. Anthem shall use its best efforts to implement such written instructions, if any, as to policy and procedures which may be given by Employer to it, provided, however, that such instructions are consistent and compatible with the description of services to be performed by Anthem and do not violate or contradict any laws or regulations, including but not limited to ERISA.

5. **Controlled Group Or Affiliated Service Group.** Employer is responsible for determining whether Employer is part of a "controlled group" or "affiliated service group," as such terms are defined under the Code, and shall promptly notify Anthem if Employer is or becomes part of such a group. Anthem shall have no responsibility to verify whether or not Employer is part of such a group and shall not be liable for damages, fines, penalties or taxes, which may be imposed as a result of such status.

6. **Termination.**

- a. This Addendum may be terminated either by Employer or by Anthem at any time provided the terminating Party gives the other Party prior written notice. The written notice shall state the effective date of the termination and shall be given no less than one (1) month prior to the date of the termination.

- b. Anthem shall have no obligation to provide services for any period of time for which any fees have not been paid to Anthem by Employer. Anthem may terminate this Addendum by giving written notice thereof to Employer if Employer fails to pay the required administration fees when the invoice is due and payable as provided in the Agreement. Such termination shall be effective as of the date through which all fees have been timely paid. If this Addendum has been terminated for non-payment of fees, Anthem may, in its discretion, offer to reinstate this Addendum under terms and conditions prescribed by Anthem.
- c. This Addendum shall terminate on the date all Plans subject to the Agreement are terminated.
- d. This Addendum shall terminate on the effective date of any state's or other jurisdiction's action which prohibits activities of the parties under this Addendum.
- e. Termination of this Addendum will not terminate the rights or obligations of either Party arising out of the period during which this Addendum was in effect.