



Glenn Hegar
Comptroller of Public Accounts

You are here: [Home](#) » [Procurement](#) » [Tools](#) » [Electronic State Business Daily](#)

720-1803 Student Health Insurance (UTSHIP), Special Events Accident Insurance and Athletic Accident

Open Date: 11/06/17 02:30 PM

Agency Requisition Number: 720-1803

NOTE: You will need to download all of the following files for specifications and other required document, including a HUB subcontracting plan(if required).

Help: Right Click to and choose "save file as" or "save target as" to your computer.

- Package 1** size: 564208 (in bytes) Type: Specification Format: (ASCII Plain Text)
- Package 2** size: 102649 (in bytes) Type: Additional Specification(s) Format: (ASCII Plain Text)
- Package 3** size: 23816 (in bytes) Type: Additional Specification(s) Format: Excel for Windows 97
- Package 4** size: 286539 (in bytes) Type: Additional Specification(s) Format: Acrobat PDF Files
- Package 5** size: 960581 (in bytes) Type: Additional Specification(s) Format: Acrobat PDF Files

Agency: UNIVERSITY OF TEXAS SYSTEM (720)

Open Date: 11/06/17 02:30 PM

Agency Requisition Number: 720-1803

Previous Price Paid: N/A

Solicitation type: 21 Days or more for solicitation notice

NIGP Commodity Code(s):

Class-Item: 953 - 52

Class-Item: 958 - 61

Class-Item: 958 - 69

Contact Information:

Contact Name: Darya Vienne
Email: dvienne@utsystem.edu
Address: 504 Lavaca Street
 Ste. 810
 Austin, TX 78701
Phone: (512) 322-3710

Upload Date: 2017-10-16 14:27:32.93 Updated date: 2017-10-16 14:27:32.93

[texas.gov](#) | [Texas Records and Information Locator \(TRAIL\)](#) | [State Link Policy](#) | [Texas Homeland Security](#) | [Texas Veterans Portal](#)

Glenn Hegar, Texas Comptroller • [Home](#) • [Contact Us](#)

[Privacy and Security Policy](#) | [Accessibility Policy](#) | [Link Policy](#) | [Public Information Act](#) | [Compact with Texans](#)



REQUEST FOR PROPOSAL

RFP No. 720-1803 Student Health Insurance (UTSHIP), Special Events Accident Insurance and Athletic Accident Insurance Brokerage Services

Proposal Submittal Deadline: Tuesday, November 7th, 2017 at 2:30 PM CST

The University of Texas System
Office of Employee Benefits

Prepared By:
Darya Vienne
The University of Texas System
210 West 7th Street
Austin, Texas 78701-2982
dvienne@utsystem.edu
October 16th, 2017

REQUEST FOR PROPOSAL

TABLE OF CONTENTS

SECTION 1: INTRODUCTION 1

SECTION 2: NOTICE TO PROPOSER 3

SECTION 3: SUBMISSION OF PROPOSAL 7

SECTION 4: GENERAL TERMS AND CONDITIONS 9

SECTION 5: SPECIFICATIONS AND ADDITIONAL QUESTIONS..... 10

SECTION 6: PRICING AND DELIVERY SCHEDULE..... 27

Attachments:

- APPENDIX ONE: PROPOSAL REQUIREMENTS
- APPENDIX TWO: SAMPLE AGREEMENT
- APPENDIX THREE: CERTIFICATE OF INTERESTED PARTIES (FORM 1295)
- APPENDIX FOUR: ACCESS BY INDIVIDUALS WITH DISABILITIES
- APPENDIX FIVE: ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS
- APPENDIX SIX: SECURITY CHARACTERISTICS AND FUNCTIONALITY OF CONTRACTOR'S INFORMATION RESOURCES
- APPENDIX SEVEN: INFORMATION SECURITY THIRD-PARTY ASSESSMENT SURVEY
- APPENDIX EIGHT: FY 2016 SHC SUMMARY OF SERVICES
- APPENDIX NINE: ATHLETIC ACCIDENT INSURANCE BENEFIT SUMMARY

SECTION 1

INTRODUCTION

1.1 Description of The University of Texas System

For more than 130 years, The University of Texas System (“**UT System**” and “**University**”) has been committed to improving the lives of Texans and people all over the world through education, research and health care.

The UT System is one of the nation’s largest systems of higher education with budgeted expenses for Fiscal Year (FY) 2018 at \$18.3 billion and with 14 institutions that educate more than 217,000 students and provide patient care at UT-owned and affiliated hospitals and clinics that account for more than 6.78 million outpatient visits and 1.38 million hospital days annually. Each year, UT institutions award more than one-third of all undergraduate degrees in Texas and almost two-thirds of all health professional degrees. With more than 20,000 faculty – including Nobel laureates – and more than 70,000 health care professionals, researchers, student advisors, and support staff, the UT System is one of the largest employers in the state.

The UT System ranks third in the nation in patent applications, and because of the high caliber of scientific research conducted at UT institutions, the UT System is ranked No. 1 in Texas and third in the nation in federal research expenditures. In addition, the UT System is home to three (3) of the nation’s National Cancer Institute Cancer Centers – UT MD Anderson, UT Southwestern and UT Health Science Center-San Antonio – which must meet rigorous criteria for world-class programs in cancer research.

Chancellor William H. McRaven’s ambitious vision for the UT System includes eight “Quantum Leaps,” that address many of the most significant challenges of our time, including building the nation’s next generation of leaders through core education in leadership and ethics; leading a brain health revolution by accelerating discoveries and treatments for neurological diseases; elevating higher education’s role in national security; driving unprecedented levels of collaboration between higher and K-12 education; and increasing student access and success.

Other numerous transformational initiatives implemented over the past several years have cemented UT as a national leader in higher education, including the expansion of educational opportunities in South Texas with the opening of The University of Texas Rio Grande Valley in the fall of 2015. And UT is the only system of higher education in the nation establishing not one (1), but two (2) new medical schools in 2016 at The University of Texas at Austin and UT Rio Grande Valley.

University of Texas institutions are setting the standard for excellence in higher education and will continue do so thanks to our generous donors and the leadership of the Chancellor, the Board of Regents and UT presidents.

1.2 Background and Special Circumstances

UT System’s Office of Employee Benefits (“**OEB**”) is seeking a qualified agent / broker to provide competitive quotes and administration services for student health insurance including evacuation / repatriation, special events accident insurance and sports injury insurance for all 14 UT System Institutions in accordance with the terms, conditions and requirements set forth in this Request for Proposal. The Student Health Insurance Plan is intended to be fully insured and administered solely by the contracting carrier. However, at some point in the future, OEB may choose to move this plan to a self-funded program still to be administered by the contracting carrier (“**Contractor**”). The Student Health Insurance Plan is not affiliated with the Uniform Group Insurance Program

that is administered for the benefit of UT System Institutions' employees on behalf of the System by the Office of Employee Benefits.

OEB is considered a "Covered Entity" under Title 2 of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Public Law 104-191, 1996. As such, OEB must comply with all provisions of HIPAA and the Health Information Technology for Economic and Clinical Health Act (HITECH), 45 CFR §§ 160 and 164 (hereinafter collectively, "HIPAA") regarding all privacy and security measures relevant to the operations of the programs within OEB when operating in a capacity subject to HIPAA. Additionally, any person or entity who performs functions or activities on behalf of, or provides certain services to a covered entity that involve access to protected health information are considered business associates under HIPAA. OEB requires appropriate Business Associate Agreements with such vendors.

1.3 Objective of Request for Proposal

The University of Texas System is soliciting proposals in response to this Request for Proposal No.720-1803 (this "**RFP**"), from qualified vendors to provide insurance brokerage and administration services (the "**Services**") more specifically described in **Section 5** of this RFP.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

University will accept proposals submitted in response to this RFP until 2:30 p.m., Central Standard Time (“CST”) on Tuesday, November 7th, 2017 (the “**Submittal Deadline**”).

2.2 University Contact Person

Proposers will direct all questions or concerns regarding this RFP to the following University contact (“**University Contact**”):

Darya Vienne
Email: dvienne@utsystem.edu

University specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications delivered to (i) University Contact, or (ii) if questions relate to Historically Underutilized Businesses, to HUB Coordinator (ref. **Section 2.5** of this RFP). *University Contact must receive all questions or concerns no later than 2:30 p.m. CST on Thursday, October 26th, 2017.* University will have a reasonable amount of time to respond to questions or concerns. It is University’s intent to respond to all appropriate questions and concerns; however, University reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

The successful Proposer, if any, selected by University through this RFP will be the Proposer that submits a proposal on or before the Submittal Deadline that is the most advantageous to University. The successful Proposer is referred to as “**Contractor**.”

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) service, (2) total overall cost, and (3) project management expertise.

The evaluation of proposals and the selection of Contractor will be based on the information provided in the proposal. University may consider additional information if University determines the information is relevant.

Criteria to be considered by University in evaluating proposals and selecting Contractor, will be these factors:

2.3.1 Threshold Criteria Not Scored

- A. Ability of University to comply with laws regarding Historically Underutilized Businesses; and
- B. Ability of University to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

- A. Cost (25%);
- B. Vendor Experience (40%);
- C. Privacy and Security (8%);
- D. Data Security and Handling (3%);

- E. System Operations (2%);
- F. Continuity of Operations (1%);
- G. Governance (1%);
- H. Personnel (1%);
- I. Identity and Access Management (1%);
- J. Approach to Project Services (9%);
- K. Billing Arrangements (9%);

2.4 Key Events Schedule

| | |
|--|---|
| Issuance of RFP | October 16 th , 2017 |
| Pre-Proposal Conference (ref. Section 2.6 of this RFP) | 10 a.m. CST, October 25 th , 2017 |
| Deadline for Questions / Concerns (ref. Section 2.2 of this RFP) | 2:30 p.m. CST on Thursday, October 26 th , 2017 |
| Submittal Deadline (ref. Section 2.1 of this RFP) | 2:30 p.m. CST on Tuesday, November 7 th , 2017 |

2.5 Historically Underutilized Businesses

- 2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (each a “**HUB**”) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Contractor subcontracts any of the Services, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by University as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of the Services by Proposer is subject to review by University to ensure compliance with the HUB program.
- 2.5.2 University has reviewed this RFP in accordance with [34 TAC §20.285](#), and has determined that subcontracting opportunities are probable under this RFP.

- 2.5.3 A HUB Subcontracting Plan (“HSP”) is a required as part of, *but submitted separately from*, Proposer’s proposal. The HSP will be developed and administered in accordance with University’s Policy on Utilization of Historically Underutilized Businesses and incorporated for all purposes.

Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP. Proposers that fail to do so will be considered non-responsive to this RFP in accordance with [§2161.252, Government Code](#).

Questions regarding the HSP may be directed to:

Contact: Kyle Hayes
HUB Coordinator
Phone: 512-322-3745
Email: khayes@utsystem.edu

Contractor will not be permitted to change its HSP unless: (1) Contractor completes a new HSP, setting forth all modifications requested by Contractor, (2) Contractor provides the modified HSP to University, (3) University HUB Program Office approves the modified HSP in writing, and (4) all agreements resulting from this RFP are amended in writing to conform to the modified HSP.

- 2.5.4 Proposer must submit, **via email**, one (1) HSP in PDF format to University on Tuesday, November 7th, 2017 at 2:30 PM CST (ref. **Section 3.2** of this RFP.) to the email address below:

HSP Submittal Email: utadminHSP@utsystem.edu

Proposer must include the following information in the email submission:

Subject Line: RFP 720-1803, Student Health Insurance (UTSHIP), Special Events Accident Insurance and Athletic Accident Insurance Brokerage Services, Proposal due date: **Tuesday, November 7th, 2017 at 2:30 PM CST**, HUB Subcontracting Plan.

Body: Proposer company name and the name and contact information of the person who prepared the HSP.

Proposer must visit <https://www.utsystem.edu/offices/historically-underutilized-business/hub-forms> to download the most appropriate HUB Subcontracting Plan (HSP) / **Exhibit H** form for use with this Request for Proposal. Proposer shall select, from the four (4) Options available, the Option that is most applicable to Proposer’s subcontracting intentions. These forms are in **fillable** PDF format and must be downloaded and opened with *Adobe Acrobat/ Reader* to utilize the fillable function. If Proposer has any questions regarding which Option to use, Proposer shall contact the HUB Coordinator listed in 2.5.3.

Proposer must complete the HSP, then print, sign and scan *all pages* of the HSP Option selected **to the submittal email address noted above**. NOTE: signatures must be “wet” signatures. Digital signatures are not acceptable.

Any proposal submitted in response to this RFP that does not have a corresponding HSP meeting the above requirements may be rejected by University and returned to Proposer unopened as non-responsive due to material failure to comply with advertised specifications.

University will send an email confirmation to each Proposer upon receipt of the Proposer's HSP. Each Proposer's HSP will be evaluated for completeness and compliance prior to opening the proposal to confirm Proposer compliance with HSP rules and standards. Proposer's failure to submit one (1) completed and signed HUB Subcontracting Plan to the email address noted above may result in University's rejection of the proposal as non-responsive due to material failure to comply with advertised specifications; such a proposal may be returned to the Proposer unopened (ref. **Section 1.5 of Appendix One** to this RFP). **Note:** The requirement that Proposer provide one (1) completed and signed pdf of the HSP under this **Section 2.5.4** is separate from and does not affect Proposer's obligation to provide University with the number of copies of its proposal as specified in **Section 3.1** of this RFP.

If Proposer's submitted HSP refers to specific page(s) / Sections(s) of Proposer's proposal that explain how Proposer will perform entire contract with its own equipment, supplies, materials and/or employees, Proposer must submit copies of those pages with the HSP sent to the HSP Submittal email address noted above. Failure to do so will slow the evaluation process and may result in DISQUALIFICATION.

2.6 Pre-Proposal Conference

University will hold a pre-proposal conference at:

10 a.m., Central Time on Wednesday, October 25th, 2017

Prospective Proposers are invited to call-in:

Conference call-in number: 1(877) 226-9790

Passcode: 5994443

The pre-proposal conference will allow all Proposers an opportunity to ask University's representatives relevant questions and clarify provisions of this RFP.

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Number of Copies

- A. Proposer must submit a total of three (3) complete and identical copies of its *entire* proposal. An *original* signature by an authorized officer of Proposer must appear on the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) of at least one (1) copy of the submitted proposal. The copy of the Proposer's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal.

University does not consider electronic signatures to be valid therefore the original signature must be a "wet signature."

- B. One (1) complete electronic copy of its entire proposal in a single .pdf file on USB Flash Drive. USB Flash Drive must include a protective cover and be labeled with Proposer's name and RFP number.

In addition, Proposer must submit one (1) complete electronic copy of the proposal in a single .pdf file on separate USB Flash Drive on which all proposed pricing information, provided in response to **Section 6**, has been removed.

3.2 Submission

Proposals must be received by University on or before the Submittal Deadline (ref. **Section 2.1** of this RFP) and should be delivered to:

The University of Texas System Administration
210 West 7th Street
Austin, Texas 78701-2982
Attn: Darya Vienne

NOTE: Show the Request for Proposal number and submittal date in the lower left-hand corner of sealed bid envelope (box / container).

Proposals must be typed on letter-size (8-1/2" x 11") paper, and must be submitted in a 3-ring binder. Preprinted material should be referenced in the proposal and included as labeled attachments. Sections within a proposal should be divided by tabs for ease of reference.

3.3 Proposal Validity Period

Each proposal must state that it will remain valid for University's acceptance for a minimum of one hundred and twenty (120) days after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.4 Terms and Conditions

- 3.4.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2** of this RFP), Proposal Requirements (ref. **APPENDIX ONE**) and the Specifications and Additional Questions (ref. **Section 5** of this RFP). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to

supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

- 3.4.1.1. Specifications and Additional Questions (ref. **Section 5** of this RFP);
- 3.4.1.2. Agreement (ref. **Section 4** and **APPENDIX TWO**);
- 3.4.1.3. Proposal Requirements (ref. **APPENDIX ONE**);
- 3.4.1.4. Notice to Proposers (ref. **Section 2** of this RFP).

3.5 Submittal Checklist

Proposer is instructed to complete, sign, and return the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, then University may reject the proposal:

- 3.5.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**)
- 3.5.2 Signed and Completed Pricing and Delivery Schedule (ref. **Section 6** of this RFP)
- 3.5.3 Responses to Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**)
- 3.5.4 Signed and Completed Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**)
- 3.5.5 Responses to questions and requests for information in the Specifications and Additional Questions Section (ref. **Section 5** of this RFP)
- 3.5.6 Signed and completed originals of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** of this RFP).
- 3.5.7 Responses to questions and requests for information in **APPENDICES FOUR, FIVE, SIX** and **SEVEN**.

SECTION 4

GENERAL TERMS AND CONDITIONS

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) or, in the sole discretion of University, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit redlined **APPENDIX TWO** as part of its proposal in accordance with **Section 5.2.1** of this RFP. Proposer's exceptions will be reviewed by University and may result in disqualification of Proposer's proposal as non-responsive to this RFP. If Proposer's exceptions do not result in disqualification of Proposer's proposal, then University may consider Proposer's exceptions when University evaluates the Proposer's proposal.

SECTION 5

SPECIFICATIONS AND ADDITIONAL QUESTIONS

5.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **Section 2.3** of this RFP, the successful Proposer is referred to as the “**Contractor.**”

Contract Term: University intends to enter into an Agreement with the Contractor to perform the Services for an initial three (3) year base term, with the option to renew for three (3) additional one (1) year renewal periods, upon mutual written agreement of both parties.

Approval by the Board of Regents: No Agreement resulting from this RFP will be effective for amounts exceeding one million dollars (\$1,000,000) until approved by the Board of Regents of The University of Texas System.

Disclosure of Existing Agreement: University has an existing insurance brokerage services agreement with Academic Health Plans, which is scheduled to expire August 31st, 2018.

5.2 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer’s proposal:

- 5.2.1 If Proposer takes exception to any terms or conditions set forth in the Agreement (ref. **APPENDIX TWO**), Proposer must redline APPENDIX TWO and include **APPENDIX TWO** as part of its Proposal. If Proposer agrees with terms or conditions set forth in the **APPENDIX TWO**, Proposer will submit a written statement acknowledging it.
- 5.2.2 By signing the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**), Proposer agrees to comply with Certificate of Interested Parties laws (ref. [§2252.908, Government Code](#)) and [1 TAC §§46.1 through 46.5](#)) as implemented by the Texas Ethics Commission (“TEC”), including, among other things, providing TEC and University with information required on the form promulgated by TEC and set forth in **APPENDIX THREE**. *Proposer may learn more about these disclosure requirements, including applicable exceptions and use of the TEC electronic filing system, by reviewing [§2252.908, Government Code](#), and information on the [TEC website](#). **The Certificate of Interested Parties must only be submitted by Contractor upon delivery to University of a signed Agreement.***
- 5.2.3 In its proposal, Proposer must indicate whether it will consent to include in the Agreement the “Access by Individuals with Disabilities” language that is set forth in **APPENDIX FOUR, Access by Individuals with Disabilities**. If Proposer objects to the inclusion of the “Access by Individuals with Disabilities” language in the Agreement, Proposer must, as part of its proposal, specifically identify and describe in detail all of the reasons for Proposer’s objection. NOTE THAT A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.

5.2.4 In its proposal, Proposer must respond to each item listed in **APPENDIX FIVE, Electronic and Information Resources (EIR) Environment Specifications**. **APPENDIX FIVE** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide to University. Responses to **APPENDIX FIVE** will be incorporated into the Agreement and will be binding on Contractor.

5.2.3 In its proposal, Proposer must respond to each item listed in **APPENDIX SIX, Security Characteristics and Functionality of Contractor's Information Resources**. **APPENDIX SIX** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide to University. Responses to **APPENDIX SIX** will be incorporated into the Agreement and will be binding on Contractor.

5.3 Alternative Funding Options

UT System has not determined which financial option, *fully insured versus self-funded*, best fits UT System as a whole. However, UT System seeks and will weigh heavily the counsel of Contractor in determining the most efficient and cost effective approach for the student population moving forward (ref. **Section 1.2** of this RFP).

Proposer must have the capacity to provide the following:

- Ensure market competitive offerings;
- Achieve the best value for enrolled students and dependents;
- Present effective overall program management and administration services;
- Offer excellent customer service to enrolled students, dependents and Campus Administrators;
- Provide quality account management to enrolled students, dependents, campus administrators and UT System staff with professional, timely, and flexible resolution of issues. Contractor's account manager and assigned clinical resource lead are to be expected to be proactive, innovative, and consultative in their approach; and
- Effectively evaluate the cost of risk associated with the Plan.

5.4 Scope of Work

UT System Office of Employee Benefits is seeking a qualified agent / broker and administrator ("**Contractor**") to provide competitive quotes for student health insurance including evacuation / repatriation, special events accident insurance and sports injury insurance as well as full administration of these programs. Contractor will also provide a fully-funded dental and fully-funded vision plan on a voluntary basis to students and dependents. Contractor must propose competitive insurance arrangements offering the maximum benefit to UT System and the participating students and dependents in terms of (1) total overall cost and (2) project management expertise.

A. Contractor will provide the following services:

1. Act as an advocate on behalf of UT System.
2. Assist UT System in identifying the best options for UTSHIP.

3. Administer the programs for UT System in the best interest of UT System, UT System Institutions, and UT System Students.
4. Provide customer service to students, UT System Institutions' staff and UT System staff during regular business hours.
5. Notify UT System of any proposed changes to key personnel who will be providing services under the Agreement resulting from this RFP with UT System.
6. Notify UT System of any pending or actual material changes to Contractor's business or insurer's business with whom contractor is insuring UT System (examples: changes in financial status or changes in organization structure at local or corporate offices).
7. Identify necessary information to develop market submissions and assist UT System with collection and presentation of data.
8. Assemble and format pertinent data into quarterly reports.
9. Communicate with and secure all data required by insurance carrier, institutions, and students.
10. As requested, solicit quotes and negotiate insurance coverage terms and conditions and / or alternative arrangements including terms, services, and premiums from markets with input from UT System.
11. Present complete proposal package to include quotes and declinations, coverage options, specimen policy form(s), and broker commission received to UT System in a detailed manner.
12. Work proactively to identify emerging trends, and provide actionable information to UT System.
13. Confirm policies issued to conform to UT System specifications, federal and state laws.
14. Provide insurance binders, certificates, and policies when requested.
15. Request, implement, monitor and verify coverage changes requested by UT System.
16. Provide claims advocacy services, including but not limited to working with insurance carriers, and applicable federal and state agencies.
17. When requested by UT System, communicate information to insurance carriers, report claims to carrier or administrator and / or monitor claims activity.
18. Organize and attend meetings as requested by UT System and / or UT System Institutions.
19. Develop a comprehensive action plan for placement, design and marketing of new or renewal business including a timeline identifying major milestones, and necessary data needed to produce complete proposal packages.
20. As part of complete proposal package, create coverage comparisons requested to facilitate University review of current and proposed coverage options.

21. Prior to sending marketing submissions to UT System Institutions, provide a draft of the submission to UT System for review and approval.
22. Provide claim reports when requested.
23. Notify UT System of any new or pending legislation or regulations which could impact UT System insurance premiums or coverage. Assist UT System with analysis and implementation of legislative and regulatory requirements.
24. When requested by UT System, provide benchmarking and best practice information.
25. Payment for premiums may be paid for by UT System, UT System Institutions, and / or students.
26. Other services required in order to achieve new business or renewal objectives.

B. Additional Requirements

1. Requirements for Student Accident, Athletic Accident and Health Insurance

- a) Plan Design for UTSHIP.** For the purpose of pricing the quote, Proposer should assume the benefit structure of the current system wide student health insurance program will apply to the new program with the following enhancements (see below). However, the final schedule of benefits may remain the same or change for the program depending on costs for each of these enhancements. The benefit summaries for the current UT SHIP can be found in at the following link: <https://myahpcare.com/wp-content/uploads/2016/12/2017-18-UT-System-Brochure-r3-.pdf>

Plan Design for UT SHIP Enhancements to be considered:

1. Add medical benefit, i.e. office visit, for acne (currently only medications are covered);
2. Add coverage for generic topical prescription medications for acne;
3. Reduce deductible from \$500 to \$350;
4. Reduce Urgent Care copay from \$75 to \$35;
5. Multi-site testing for Sexually Transmitted Infections;
6. Nutrition Classes / Group Nutrition Appointments;
7. Nutritional Counseling / Dietary counseling and surveillance;
8. Medical Nutrition Therapy for: Polycystic Ovary Syndrome (“**PCOS**”), abnormal glucose, impaired glucose tolerance, diabetes mellitus, dietary calcium deficiency, obesity, abnormal weight loss, elevated blood pressure with or without diagnosis of hypertension, acid reflux, Irritable Bowel Syndrome (“**IBS**”), Crohns / Colitis, cholecystitis;
9. Continued coverage for long acting reversible contraception;
10. Include a wide variety of oral contraceptives for zero copay including monophasic one-month packs and low dose oral contraceptives;
11. Contractor should not track the number of milligrams / pills a patient receives for Valacyclovir / Valtrex;
12. Allow patients to pick-up three (3) months’ supply of medications at a time if patient is enrolled through the future three (3) months.

- b) **Plan Design for Special Events Accident Insurance and Athletic Accident Insurance.** For the purpose of pricing the quote, Proposer should assume the benefit structure of the current insurance programs will apply to the new programs. However, the final schedule of benefits may remain the same or change for the programs. Contractor will bill UT System quarterly for each of these insurance plans. Payments for both of these plans will be made by UT System and UT System will bill the UT Institutions. The benefit summaries for the programs can be found at the following link <https://myahpcare.com/wp-content/uploads/2016/12/17-18-UT-Special-Events-Brochure.pdf>. and in **APPENDIX NINE.**

A document describing the rates, deductibles, limits and benefits (“**Plan Document**”) must be ready for distribution on March 1 of each year. The actual effective date of coverage will vary based on institutional requirements but no sooner than June 1 of each year.

Beginning on or before the first Tuesday in December 2017, and for each year thereafter a contract created by or issued under this RFP is in effect, Contractor may be requested to provide UT System with at least three (3) competitive quotes meeting the student accident, athletic accident and illness insurance requirements as specified by UT System and as described herein. The rates quoted must be in accordance with the estimated quote provided by Contractor in the response to this RFP, but may be increased up to 10% based on claims history or a verifiable shift in the insurance market.

UT System shall have the right to reject any or all of quotes provided by Contractor. However, in the event that one of the quotes is acceptable, UT System shall notify Contractor on or before the first day of February. The selected insurance company shall make available student accident, athletic accident and health insurance to all UT System institutions requiring such insurance.

Contractor or carrier must perform the duties of reviewing insurance policies submitted by international students requesting a waiver to determine equivalency and compliance with university rules.

2. Enrollment

Enrollment of students in the plan is at the option of the student, except for certain students enrolled at System health science centers and certain international students. Such students are required to enroll unless they can provide proof of comparable coverage. Enrollment of visiting scholars and fellows in the coverage is optional. Enrollment of any dependent is optional. The effective date of coverage for students is the later of the first day of class or the date premium is received. The plan must provide an option that allows international students to enroll at least one (1) month prior to the first day of class.

3. Coverage Model

UT System and its Institutions endeavor to make low cost, high quality health insurance coverage available to its students and their eligible dependents on a fully-insured basis. Students at Academic Institutions (with the exception of certain international students holding non-immigrant visas) are not required, but are encouraged, to have comprehensive health insurance coverage. [Texas Education Code Section 51.952](#) authorizes UT System to require all students at medical and dental units to have health insurance or coverage. Federal regulations and Regents’ Policy require certain international students holding non-immigrant visas and living in the United States to

maintain approved comprehensive health insurance or coverage while enrolled at UT System institutions. Coverage for international students must include repatriation and medical evacuation sufficient to meet the requirements of [22 CFR § 62.14](#). The decision to elect to participate in the coverage offered by UT System to fulfill UT System's requirements for student coverage by enrolling in UT System sponsored health insurance program is made by the student. However, institutional policies may require students required by law and / or policy to have comprehensive health coverage and those who fail to provide proof of comparable coverage from another source may be enrolled in the UT System plan as a default. Neither UT System nor its institutions fund any portion of the premium for students who elect to participate in the program. **Accordingly, UT System requests proposals from brokers to contract with carriers licensed by the Texas Department of Insurance to offer insurance under a policy or certificate that can be issued to a college, school or other institution of learning covering students and to continue to make fully insured group health insurance available to its students and their eligible dependents on a voluntary basis. The proposal must provide uniform benefits to all eligible participants and the premium rates will not vary from institution to institution.**

Proposer's proposal must also include coverage to conform with Texas Department of Insurance requirements, for non-student visiting scholars and postdoctoral fellows at UT System institutions at the same level of benefits and the same premium as the coverage offered to students.

Proposer's proposal must also include a rider to provide accident coverage for special student events and a rider to provide athletic accident coverage for UT institutions.

4. Eligibility Requirements

- a) Health Institution Students (Hard Waiver) - It is a requirement that all Health Science Center and medical students are automatically enrolled in the Student Health Insurance Plan at registration unless proof of comparable coverage is furnished.
- b) International Students (Mandatory) - All international students holding non-immigrant visas are eligible and are required to purchase this Student Health Insurance Plan in order to complete registration, except for those students who certify in writing that comparable coverage is in effect under another plan as approved by The University of Texas (UT) System Board of Regents. The Board of Regents has authorized the assessment of a health insurance fee to each such international student who cannot provide evidence of continuing coverage under another approved plan. This fee will be the amount of the premium approved for the UT System Student Health Insurance Plan. Required Student Health Insurance coverage for international students includes repatriation and Medical Evacuation benefits.
- c) All Other Students (Voluntary) - All other fee paying students at an institution of the UT System who are taking credit hours, graduate students working on research / dissertation or thesis, post doctorate students, scholars, fellows and visiting scholars are eligible to enroll in this Student Health Insurance Plan.

A student must remain enrolled and paying fees through the census date, unless he or she withdraws from school due to an injury or sickness and the absence is an approved medical leave. Contractor maintains its right to investigate student status and attendance records to verify that the eligibility requirements have been met. If Contractor discovers the eligibility requirements have not been met, its only obligation is refund of premium.

- d) Enroll Eligible Dependents - Eligible students who enroll may also insure their Dependents. Dependent enrollment must take place at the initial time of student enrollment; exceptions to this rule are made for newborn or adopted children, or for dependents who become eligible for coverage as the result of a qualifying event. (See **Section 5.4.B.5 - Qualifying Events**) "Dependent" means an Insured's lawful spouse; or an Insured's child, stepchild, foster child, dependent grandchild or spouse's dependent grandchild; or a child who is adopted by the Insured or placed for adoption with the Insured, or for whom the Insured is a party in a suit for the adoption of the child; or a child whom the Insured is required to insure under a medical support order issued or enforceable by the courts. Any such child must be under age 26.

Coverage will continue for a child who is 26 or more years old, chiefly supported by the Insured and incapable of self-sustaining employment by reason of mental or physical handicap. Proof of the child's condition and dependence must be submitted to Contractor within thirty-one (31) days after the date the child ceases to qualify as a dependent, under this policy, for the reasons listed above. During the next two (2) years, Contractor may, from time to time, require proof of the continuation of such condition and dependence. After that, Contractor may require proof no more than once a year. Dependent coverage is available only if the student is also insured. Dependent coverage must take place within the exact same coverage period as the Insured's; therefore, it will expire concurrently with the Insured's policy.

A newborn child will automatically be covered for the first 31 days following the child's birth. To extend coverage for a newborn child past the 31-day period, the covered student must: 1) Enroll the child within 31 days of birth, and 2) Pay any required additional premium.

5. Qualifying Events

Eligible students and dependents who have a change in status and lose coverage under another health care plan are eligible to enroll for coverage under the policy, provided, within 31 days of the qualifying event. A change in status due to a qualifying event includes but is not limited to:

- Birth or adoption of a child;
- Loss of a spouse, whether by death, divorce, annulment or legal separation;
- If student or / and dependents are no longer covered on a family member's policy because they turned 26 years old.

Students can pay a prorated monthly rate to enroll after the enrollment period due to a qualified event if enrollment is done within thirty-one (31) days of the qualified event. The effective date will be the later of the following: the date the student and eligible dependent enrolls for coverage under the Policy and pays the required premium, or the day after the prior coverage ends.

6. Coverage Periods

The plan must offer the following coverage periods for students:

- Annual Enrollment for the Academic Year (Consecutive enrollment for both fall and spring semesters);
- Semester Enrollment (Enrollment for either fall semester or spring semester);
- Spring and Summer Enrollment (Consecutive enrollment for both spring and summer semesters);

- Summer Enrollment (Enrollment for summer-only semester);
- Gap Coverage (to cover gaps for a period of 1-31 days).

Eligibility for enrollment ends when the individual ceases to engage in the activity for which UT System Institution granted visiting scholar or fellow status or UT System no longer recognizes the individual as having visiting scholar or fellow status, whichever occurs first.

7. Extension with Insurance

Health benefits must be extended for a maximum of ninety (90) days after termination of the insurance if a covered student or dependent is hospitalized on the date the insurance terminates. This extension must apply only to expenses due to the sickness and injury which caused the disability and only if such sickness or injury was diagnosed or treated prior to termination of the insurance.

8. Conversion to Individual Insurance Policy and Medical Leave Policy

Proposer's proposal must include a conversion privilege for individuals previously covered under the plan but no longer eligible for student coverage. The benefits and provisions of the individual policy may differ from those of the student health plan and premiums will be underwritten independently of the student plan premiums.

Proposer's proposal must include a medical leave policy for non-voluntary students to stay enrolled in UTSHIP if on qualified medical leave. Domestic (Voluntary) students do not qualify for medical leave. Medical leave is only available for students enrolled in hard waiver programs such as international students or students at the health sciences campuses. A voluntary student may keep the insurance for the semester which they purchased coverage for initially but may not purchase additional coverage for the medical leave. In order to qualify for medical leave, a student must withdraw from classes due to a condition which occurs while covered by the student health insurance plan. Students must provide documentation from their doctor as well as the documented approval from their university. Students may remain on the coverage and purchase up to one additional semester following the semester for which the medical leave occurs. Once that semester is over, the students may purchase Continuation coverage.

9. Enrollment Periods

The open enrollment periods during which students may apply for coverage for themselves, and / or their spouse and / or dependents, is as follows:

School Year 2018-2019

- Fall: From 06/01/2018 through 10/01/2018
- Spring: From 11/01/2019 through 02/28/2019
- Summer: From 04/01/2019 through 06/15/2019

School Year 2019-2020

- Fall: from 06/01/2019 through 10/01/2019
- Spring: from 11/01/2019 through 02/28/2020
- Summer: from 04/01/2020 through 06/15/2020

School Year 2020-2021

- Fall: from 06/01/2020 through 10/01/2020
- Spring: from 11/01/2020 through 02/28/2021
- Summer: from 04/01/2021 through 06/15/2021

Note: Voluntary Students and / or Dependents - Students and / or dependents enrolling during the Open Enrollment Period, prior to the effective date of the plan, will be effective on the 1st day of the selected coverage period. Enrollment after the effective date of the selected coverage period, during the Open Enrollment Period, will be effective the day Contractor receives the premium.

10. Enrollment after the Applicable Enrollment Period

Eligible students will not be allowed to enroll in the plan after the applicable enrollment period unless:

- Financial aid is late arriving;
- Proof is furnished that the eligible student became ineligible for coverage under another group insurance plan during the thirty (30) days immediately preceding the date of the request for late enrollment.

In such cases, the cost must be the same as it would have been at the beginning of that period, but the effective date will be the date the student enrolls and the required payment is received by the Company.

11. Dependent Enrollment

Students who enroll for the student insurance plan may also enroll eligible dependents and make the required premium payment during the specified enrollment period or within thirty (30) calendar days after a new dependent is acquired.

Cost for the addition of dependents must be the same as it would be at the beginning of that period but the effective date must be the date of enrollment and payment of the required premium and will not be effective prior to that of the insured student or extend beyond that of the insured student.

The respondent is required to provide within five (5) days of successful enrollment in the plan, an insurance ID card which includes co-payment information and expiration date.

| Enrollments Student Category | Category | | | |
|---|---------------|------------|------------|---------------|
| | Students | Spouse | Children | Grand Total |
| International | 14,748 | 82 | 96 | 14,926 |
| UT Arlington | 4,410 | 12 | 19 | 4,441 |
| UT Austin | 2,822 | 30 | 37 | 2,889 |
| UT Dallas | 5,687 | 34 | 26 | 5,747 |
| UT El Paso | 269 | | | 269 |
| UT Permian Basin | 96 | | 4 | 100 |
| UT Rio Grande Valley | 245 | 2 | 2 | 249 |
| UT San Antonio | 950 | 4 | 5 | 959 |
| UT Tyler | 269 | | 3 | 272 |
| Medical Student | 4,612 | 125 | 141 | 4,878 |
| UT Austin Dell Medical School | 23 | 3 | 4 | 30 |
| UT HSC Houston | 1,097 | 34 | 46 | 1,177 |
| UT HSC San Antonio | 1,131 | 29 | 41 | 1,201 |
| UT MD Anderson Cancer Center | 123 | 4 | 6 | 133 |
| UT Medical Branch Galveston | 1,505 | 16 | 19 | 1,540 |
| UT Rio Grande Valley School of Medicine | 36 | 2 | | 38 |
| UT Southwestern Medical Center | 697 | 37 | 25 | 759 |
| Voluntary | 4,524 | 192 | 354 | 5,070 |
| UT Arlington | 628 | 44 | 96 | 768 |
| UT Austin | 2,058 | 70 | 81 | 2,209 |
| UT Dallas | 635 | 40 | 58 | 733 |
| UT El Paso | 574 | 7 | 21 | 602 |
| UT Permian Basin | 74 | 2 | 11 | 87 |
| UT Rio Grande Valley | 55 | 1 | 11 | 67 |
| UT San Antonio | 361 | 13 | 38 | 412 |
| UT Tyler | 139 | 15 | 38 | 192 |
| Grand Total | 23,884 | 399 | 591 | 24,874 |

Table 1. Enrollment by Institution (as of Fall 2016)

12. Plan Website

Contractor must have a website that allows students and their dependents to enroll electronically. Contractor must provide a link to the UT System's student insurance Plan within Contractor's website and the link must include on-line enrollment capabilities, a link to the prescription formulary list, summary of benefits, a link to UT System's summary plan description and a link to the network listing.

Enrolled individuals as well as student insurance coordinators at the various UT System institutions will use the links.

13. Enrollment Materials

Contractor must provide printed enrollment materials, including schedule of benefits and primary care selection forms to be sent to each component institution by approximately May 1 of each year. Insurance cards may also be provided via the web. UT System Institutions will assist with the distribution of materials to students. The cost for preparation of such materials for the term of the Contract should be accounted for in the proposed administrative fees quoted by Proposers.

Contractor is required to submit proposed marketing and other informational materials in the specified format and according to deadlines set by UT System. UT System must approve all enrollment materials prior to their distribution or use. Enrollment materials must clarify that the plan is not administered by UT System.

14. Medical Services Offered to Students through Campus Student Health Centers

Proposer should be aware that some UT System institutions offer varying levels and types
**RFP # 720-1803 Student Health Insurance (UTSHIP), Special Events Accident Insurance and
Athletic Accident Insurance Brokerage Services**

of care to students through campus student health centers. Some of UT Systems' institutions have campus health centers which provide certain services free of charge to students, regardless of whether the student has health care coverage, pursuant to a fee imposed on all students. Such services cannot be billed through the UTSHIP. Some of these student centers also offer services to eligible dependents. Other UT System institutions do not have a student health center on campus. See **APPENDIX EIGHT** for a table describing services available through some Student Health Centers.

The following services may be offered at no charge to students at some UT System Institutions that have student health centers on campus:

- Health education, including nutritional counseling, alcohol and substance abuse counseling, wellness services, sexual health services;
- Acute general medical care (primary care, minor injury treatment), including physical examinations associated with an episode of care;
- Primary care services focused on women's health;
- Administration of immunizations and injections;
- Mental health services, including assessment and psychiatric consultation for at least two (2) visits.

15. Premium Tiers

Responses must include premium rates for each of the following levels. *DO NOT PROVIDE RATES IN THIS SECTION.* Use **Section 6.1** to provide the rates:

- Student only;
- Student plus spouse;
- Student plus eligible children;
- Student plus family;
- Premium rates for the repatriation and medical evacuation coverage option.

16. Prescription Benefits

Proposer must provide an outpatient prescription benefit manager and a network of retail pharmacies in close proximity to the dominant student housing areas in the cities noted in **Table 2** below. Should Contractor contract for outside prescription benefit management, the contracted entity must be identified. If UT System health institution or student health center operates a licensed pharmacy, that pharmacy must be included in the retail network. The Plan website must contain a link to any separate prescription benefit manager's site that describes the prescription benefits available under the plan and must include a link to the formulary list, if applicable.

| THE UNIVERSITY OF TEXAS SYSTEM INSTITUTIONS | |
|---|---|
| Academic Institutions | Location in Texas |
| The University of Texas at Arlington (UTA) | Arlington |
| The University of Texas at Austin (U. T. Austin) | Austin |
| The University of Texas at Dallas (UTD) | Dallas |
| The University of Texas at El Paso (UTEP) | El Paso |
| The University of Texas of the Permian Basin (UTPB) | Odessa |
| The University of Texas at San Antonio (UTSA) | San Antonio |
| The University of Texas at Tyler (UTT) | Tyler |
| The University of Texas Rio Grande Valley (UTRGV) | Boca Chica, Brownsville, Edinburg, Harlingen, |

| | |
|---|--|
| | McAllen, Port Isabel, Rio Grande City, South Padre Island, and Weslaco |
| Health Institutions | Location in Texas |
| The University of Texas Southwestern Medical Center at Dallas (UTSWMC) | Dallas |
| The University of Texas Medical Branch at Galveston (UTMB) | Galveston |
| The University of Texas Health Science Center at Houston (UTHSC-H) | Houston |
| The University of Texas Health Science Center at San Antonio (UTHSC-SA) | San Antonio |
| The University of Texas M. D. Anderson Cancer Center (UTMDACC) | Houston |
| The University of Texas Health Science Center at Tyler (UTHSC-T) | Tyler |

Table 2. UT System's eight academic and six health institutions, abbreviations, and the location(s) of each institution in Texas.

17. Termination

Termination of coverage for non-medical reasons will be on the last day of period for which premium was paid, except that coverage will extend to midnight of the day before the first day of class for the following semester. Dependent eligibility expires concurrently with that of the insured student.

5.5 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

Vendor Experience (40%)

1. Provide references from three (3) of Proposer's higher education customers from the past five (5) years for services that are similar in scope, size, and complexity to the Services described in this RFP.

Provide the following information for each customer:

- Customer name and address;
 - Contact name with email address and phone number;
 - Time period in which work was performed;
 - Short description of work performed.
2. Has Proposer worked with University institutions in the past five (5) years? If "yes," state University Institution name, department name, department contact, and provide a brief description of work performed.
 3. Provide a brief history and description of Proposer's firm. Include the size (number of employees and revenues) and areas of specialization. Provide the same information for the local office / region that would handle the UT System account.
 4. Provide the names, location, and biographies of each individual who would be assigned to work on UT System account. Include account executives, marketing personnel,

technical representatives and others. Explain who would have overall account responsibility and how would that person be selected.

5. Describe the special expertise Proposer's firm has in providing brokerage services in the area of student health, special events accident and athletic accident insurance in higher education. Explain what special expertise does Proposer possess related specifically to international students within the same general population
6. How Proposer's services differentiate Proposer's firm from competitors?

Privacy and Security (8%)

7. In relation to the Solution and services provided Contractor may be a Covered Entity that is required to comply with all applicable provisions of the Health Insurance Portability and Accountability Act, codified at 42 USC § 1320d through d-8 (HIPAA), and any regulations, rules, and mandates pertaining to the HIPAA privacy and security rules, as well as with any applicable state medical privacy requirements. Contractor will also be required to comply with System Institutional Participant's privacy and applicable information technology security policies. If selected, the Contractor will be required to sign a Business Associate Agreement, as appropriate. Proposer must describe in detail its HIPAA privacy and security programs as well as its information security program.
8. Provide a detailed description of Proposer's HIPAA privacy and security compliance programs as these would apply to Student medical/health data. Include information on workforce training and monitoring. Describe all policies and practices implemented to ensure the privacy of all confidential information as including but not limited to protected health information as defined by the HIPAA privacy rule, or other confidential information about Institutional Participant's students. Include a link to Proposer's HIPAA policies and notice of privacy practices as well as a brief description of any HIPAA violations alleged against Proposer by consumers or the Department of Health and Human Services, including the outcomes.
9. Describe in detail Proposer's FERPA privacy and security programs as well as Proposer's information security program that would apply to students and their dependents health data. Include information on workforce training and monitoring. Describe all policies and practices implemented to ensure the privacy of all confidential information as defined in the Agreement, including but not limited to treatment records and information contained in education records under FERPA, or any other confidential information about Institutional Participant. Include a link to Proposer's FERPA policies, if applicable.

Data Security and Handling (3%)

10. Patch Management. Describe the Proposer's process for security patch management, including roles and responsibilities, policy and procedure, frequency, testing plan and system maintenance.
11. Data Separation. Describe the Proposer's implementation strategy for: 1) Segregating UT System data from other customer information; 2) How the Proposer ensures different levels of protection mechanisms and security controls based on the University of Texas System Data Classification scheme; and 3) How the Proposer integrates updated or new security controls specified by the University of Texas System.

12. Data Disposition and Removal. Explain how the Proposer reliably deletes UT System data upon request or under the terms of the contractual agreement. Describe the evidence that is available after data has been successfully deleted.
13. Encryption in Transit. Explain how strong encryption using a robust algorithm with keys of required strength are used for encryption in transmission and in processing per requirements identified in NIST 800-53v4. Explain how cryptographic keys are managed, what protection mechanisms are in place, and who has access to the keys. Describe how strong data encryption is used for web sessions and other network communication including data entry, upload and downloads. Define how encryption in transmission is used to ensure data security between applications (whether cloud or on premise) and during session state.
14. Encryption for Data at Rest. Describe how strong data encryption is applied to all data at rest and in all storage locations.

System Operations (2%)

15. Vulnerability Management. Explain the Proposer's strategy for vulnerability management including roles and responsibilities, policy and procedure, frequency, testing plan and system maintenance.
16. Virtual Machine (VM) Vulnerabilities. Define the mechanisms to protect VMs from attacks by: (1) other VMs on the same physical host, (2) the physical host itself, and (3) the network. Typical attack detection and prevention mechanisms include Virtual Firewalls, Virtual IDS/IPS, and network segmentation techniques.
17. Data Integrity (Integrity Controls). Describe the security integrity controls and techniques in place to ensure data integrity and protections from unauthorized data modification using the Plan Website.

Continuity of Operations (1%)

18. Business Continuity and Disaster Recovery Plans (BCP/DR). Make available a copy of Proposer's business continuity plan and redundancy architecture and describe how UT System's availability goals are supported. Address the availability of Proposer's Plan Website and its capabilities for data backup and disaster recovery within the organization's contingency and continuity plan to ensure the recovery and restoration of disrupted cloud services and operations, using alternate services, equipment, and locations, if required. Describe the BCP/DR testing cycle, process, and resulting evidence.
19. Identify physical locations where data will be stored.
20. Data Recovery. Define: 1) Data backup and archiving plan including on or offsite storage; and (3) Data recovery plan to ensure objectives of the Business Continuity Plan are met including Recovery Point Objectives.

Governance (1%)

21. Compliance. Provide evidence of compliance through third-party audits results and any certifications (e.g. HITRUST, ISO 27001) or audit statements (e.g., SAS 70) available. Describe Proposer's willingness to be subjected to external audits and security certifications.
22. Operating Policies. Define Evidence of service Proposer operating policies for: (2) Incident response and recovery procedures/practices, including forensic analysis capabilities; (3) Internal investigation processes with respect to illegal or inappropriate usage of IT resources, and (4) Policies for vetting of privileged users such as the Proposer's system and network administrators.
23. Data Regulations. Describe how the Proposer meets all federal and state statues and directives in which they must comply. Define the process and procedures the service Proposer invokes when UT System requests eDiscovery or data holds as required by federal or state data-related laws, regulations and investigations.

Personnel (1%)

24. Administrator Staff and Separation of Duties. Require evidence that processes are in place to compartmentalize the job responsibilities of the Proposer's administrators from the responsibilities of other staff and different administrators.
25. Training. Provide documentation regarding HIPAA and Security Awareness training that meets industry standards (e.g. NIST 800-53v4, HIPAA Rules).
26. Malicious Insiders. Provide policy, procedures, and controls to demonstrate how Proposer protects against malicious insiders.
27. Acceptable Use Policies. Describe the service Proposer's process to ensure all personnel read and understand the Proposer's acceptable use policy, and negotiate an agreement.

Identity and Access Management (1%)

28. Authentication. Provide a detailed description of how Identity and Access Management (IAM) is used for authentication in all areas and for all applications. Describe how Proposer's authentication mechanisms will integrate with UT System's mechanisms.
29. Access Controls. Describe in detail, how access controls are used to manage various types of users. including but not limited to: 1) Privileged users; 2) Administrators; 3) Standard users; 4) Non-UT System users; and 5) Service accounts.
30. IAM Management. Provide detailed information pertaining to the tools and methodologies used to manage identities, authorization, and access controls. Describe how the methodology of keeping these tools in sync and how they integrate with each other.

31. Visibility for UT System. Define how UT System will be provided visibility into the authentication and access control logs and reports showing other logging events as required per HIPAA Security and Privacy Rules.

Approach to Project Services (9%)

32. Describe the process Proposer would employ to assist UT System in identifying new and emerging exposures.
33. Explain what processes does Proposer use in evaluating insurers.
34. Describe the processes in place and those planned for communicating with the client.
35. Describe how would Proposer encourage networking among Proposer's higher education students, campus contacts and UT System Staff.
36. Describe the process Proposer would employ to assist UT System Office of Employee Benefits enhance its operation as it relates to student health insurance exposures.
37. Describe the services Proposer could offer in the following areas:
- Claims investigation and management;
 - Verification of current health insurance as required by UT System rules;
 - Regulatory compliance;
 - Statistical analyses and reporting;
 - Drafting and administering specific waiver programs;
 - Social media applications and other modern communication programs.
38. Provide sample copies of materials to be used by Contractor in administering the UTSHIP benefits.

Billing Arrangements (9%)

39. Under what conditions would Proposer's pricing methodologies and fees change from the price quoted in Section 6.1?
40. Should Proposer's master contract terminate, will Proposer agree to process run out claims for 120 days?
41. Describe what expenses are considered part of Proposer's ASO fee.
42. Does Proposer anticipate any other expense to University for developing and installing the USHIP contract?
43. UT System finds many students, primarily international students, do not understand our health care insurance system. We expect our agents/brokers to assist in the design and delivery of state-of-the-art student health insurance coupled with an education program to assure maximum benefit inures to the student. Indicate how you would approach this and present your ideas for enhancing the current program by responding to the following:
- a. Based on the information provided, what recommendations would you make to improve our existing insurance program?
 - b. Describe how you would design and deliver an education program to our students.

- c. Describe any other benefits and services that uniquely distinguish the capabilities of your firm.
- d. What approach would your firm take to ensure a timely renewal process?
- e. Describe any unique advantages which would enhance this process.

SECTION 6

PRICING AND DELIVERY SCHEDULE

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

RFP No.: 720-1803 Student Health Insurance (UTSHIP), Special Events Accident Insurance and Athletic Accident Insurance Brokerage Services

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the required pursuant to the above-referenced Request for Proposal upon the terms quoted (firm fixed price) below. The University will not accept proposals which include assumptions or exceptions to the work identified in this RFP.

6.1 General Pricing Methodology for Procuring Insurance Policies and Administering UT System's Student Insurance Programs (25%)

A. Describe Proposer's general pricing methodology for the fully funded program and services described in **Section 5.4**.

B. Describe Proposer's general pricing methodology if UT System were to move to a self-funded program.

6.2 Discounts

Describe all discounts that may be available to University, including, educational, federal, state and local discounts.

6.3 Delivery Schedule of Events and Time Periods

Indicate number of calendar days needed to commence the Services from the execution of the services agreement:

_____ Calendar Days

6.4 Payment Terms

University's standard payment terms are "net 30 days" as mandated by the *Texas Prompt Payment Act* (ref. [Chapter 2251, Government Code](#)).

Indicate below the prompt payment discount that Proposer offers:

Prompt Payment Discount: _____% _____ days / net 30 days.

[Section 51.012, Education Code](#), authorizes University to make payments through electronic funds transfer methods. Proposer agrees to accept payments from University through those methods, including the automated clearing house system ("ACH"). Proposer agrees to provide Proposer's banking information to University in writing on Proposer letterhead signed by an authorized representative of Proposer. Prior to the first payment, University will confirm Proposer's banking information. Changes to Proposer's bank information must be communicated to University in writing at least thirty (30) days before the effective date of the change and must include an [IRS Form W-9](#) signed by an authorized representative of Proposer.

University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with [§151.309, Tax Code](#), and [Title 34 TAC §3.322](#). Pursuant to [34 TAC §3.322\(c\)\(4\)](#), University is not required to provide a tax exemption certificate to establish its tax exempt status.

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX ONE
PROPOSAL REQUIREMENTS

TABLE OF CONTENTS

| | |
|---|---|
| SECTION 1: <u>GENERAL INFORMATION</u> | 1 |
| SECTION 2: <u>EXECUTION OF OFFER</u> | 4 |
| SECTION 3: <u>PROPOSER'S GENERAL QUESTIONNAIRE</u> | 7 |
| SECTION 4: <u>ADDENDA CHECKLIST</u> | 9 |

SECTION 1

GENERAL INFORMATION

1.1 Purpose

University is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by University.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the services to be performed, the detailed requirements of the services to be provided, and the conditions under which such services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of the Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Inquiries and Interpretations

University may in its sole discretion respond in writing to written inquiries concerning this RFP and mail its response as an Addendum to all parties recorded by University as having received a copy of this RFP. Only University's responses that are made by formal written Addenda will be binding on University. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by University prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**). The Addenda Checklist must be received by University prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from University is responsible for notifying University that it has received an RFP package, and should provide its name, address, telephone and facsimile (**FAX**) numbers, and email address, to University, so that if University issues Addenda to this RFP or provides written answers to questions, that information can be provided to that party.

1.3 Public Information

Proposer is hereby notified that University strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

University may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, University will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)). Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under §§[552.101](#), [552.104](#), [552.110](#), [552.113](#), and [552.131](#), *Government Code*.

1.4 Type of Agreement

Contractor, if any, will be required to enter into a contract with University in a form substantially similar to the Agreement between University and Contractor (the "**Agreement**") attached to this RFP as **APPENDIX TWO** and incorporated for all purposes.

1.5 Proposal Evaluation Process

University will select Contractor by using the competitive sealed proposal process described in this Section. Any proposals that are not submitted by the Submittal Deadline or that are not accompanied by required number of completed and signed originals of the HSP will be rejected by University as non-responsive due to material failure to comply with this RFP (ref. **Section 2.5.4** of this RFP). Upon completion of the initial review and evaluation of proposals, University may invite one or more selected Proposers to participate in oral presentations. University will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Contractor.

University may make the selection of Contractor on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, University may make the selection of Contractor on the basis of negotiation with any of the Proposers. In conducting negotiations, University will use commercially reasonable efforts to avoid disclosing the contents of competing proposals.

University may discuss and negotiate all elements of proposals submitted by Proposers within a specified competitive range. For purposes of negotiation, University may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, University may defer further action on proposals not included within the competitive range pending the selection of Contractor; provided, however, University reserves the right to include additional proposals in the competitive range if deemed to be in the best interest of University.

After the Submittal Deadline but before final selection of Contractor, University may permit Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. University will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. University is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to University overall, as determined by University.

University reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of University. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

1.6 Proposer's Acceptance of RFP Terms

Proposer (1) accepts [a] Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] Criteria for Selection (ref. **2.3** of this RFP), [c] Specifications and Additional Questions (ref. **Section 5** of this RFP), [d] terms and conditions of the Agreement (ref. **APPENDIX TWO**), and [e] all other requirements and specifications set forth in this RFP; and (2) acknowledges that some subjective judgments must be made by University during this RFP process.

1.7 Solicitation for Proposal and Proposal Preparation Costs

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and University has made no representation written or oral that one or more agreements with University will be awarded under this RFP; (2) University issues this RFP predicated on University's anticipated requirements for the Services, and University has made no representation, written or oral, that any particular scope of services will actually be required by University; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

1.8 Proposal Requirements and General Instructions

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of University.
- 1.8.3 University will not provide compensation to Proposer for any expenses incurred by the Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by University, at University's sole discretion.
- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 University makes no warranty or guarantee that an award will be made as a result of this RFP. University reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP or the Agreement when deemed to be in University's best interest. University reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to University, at University's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.
- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by University, in University's sole discretion.

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions in Specifications and Additional Questions (ref. **Section 5** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by University, in its sole discretion.

1.9.3 Pricing and Delivery Schedule

Proposer must complete and return the Pricing and Delivery Schedule (ref. **Section 6** of this RFP), as part of its proposal. In the Pricing and Delivery Schedule, the Proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

University will not recognize or accept any charges or fees to perform the Services that are not specifically stated in the Pricing and Delivery Schedule.

In the Pricing and Delivery Schedule, Proposer should describe each significant phase in the process of providing the Services to University, and the time period within which Proposer proposes to be able to complete each such phase.

1.9.4 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

1.9.5 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by University, in its sole discretion.

1.9.6 Submission

*Proposer should submit all proposal materials as instructed in **Section 3** of this RFP. RFP No. (ref. **Title Page** of this RFP) and Submittal Deadline (ref. **Section 2.1** of this RFP) should be clearly shown (1) in the Subject line of any email transmitting the proposal, and (2) in the lower left-hand corner on the top surface of any envelope or package containing the proposal. In addition, the name and the return address of the Proposer should be clearly visible in any email or on any envelope or package.*

Proposer must also submit two (2) copies of the HUB Subcontracting Plan (also called the HSP) as required by **Section 2.5** of this RFP.

University will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the HSP as required by **Section 2.5** of this RFP. University will not accept proposals submitted by telephone or FAX transmission.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to University. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without University's consent, which will be based on Proposer's written request explaining and documenting the reason for withdrawal, which is acceptable to University.

SECTION 2

EXECUTION OF OFFER

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

- 2.1 Representations and Warranties.** Proposer represents, warrants, certifies, acknowledges, and agrees as follows:
- 2.1.1 Proposer will furnish the Services to University and comply with all terms, conditions, requirements and specifications set forth in this RFP and any resulting Agreement.
 - 2.1.2 This RFP is a solicitation for a proposal and is not a contract or an offer to contract. Submission of a proposal by Proposer in response to this RFP will not create a contract between University and Proposer. University has made no representation or warranty, written or oral, that one or more contracts with University will be awarded under this RFP. Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer's preparation of a response to this RFP.
 - 2.1.3 Proposer is a reputable company that is lawfully and regularly engaged in providing the Services.
 - 2.1.4 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the Services.
 - 2.1.5 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances relating to performance of the Services.
 - 2.1.6 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate.
 - 2.1.7 Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
 - 2.1.8 Proposer will maintain any insurance coverage required by the Agreement during the entire term.
 - 2.1.9 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. University will rely on such statements, information and representations in selecting Contractor. If selected by University, Proposer will notify University immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
 - 2.1.10 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, INDEMNIFY, AND HOLD HARMLESS UNIVERSITY, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTling ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
 - 2.1.11 Pursuant to §§[2107.008](#) and [2252.903](#), *Government Code*, any payments owing to Proposer under the Agreement may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until such debt or delinquency is paid in full.
 - 2.1.12 Any terms, conditions, or documents attached to or referenced in Proposer's proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP, and (b) do not place any requirements on University that are not set forth in this RFP. Submission of a proposal is Proposer's good faith intent to enter into the Agreement with University as specified in this RFP and that Proposer's intent is not contingent upon University's acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer's proposal.
 - 2.1.13 Pursuant to Chapter 2270, *Government Code*, Proposer certifies Proposer (a) does not currently boycott Israel; and (b) will not boycott Israel during the Term of the Agreement. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
 - 2.1.14 Pursuant to Subchapter F, Chapter 2252, *Government Code*, Proposer certifies Proposer is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
- 2.2 No Benefit to Public Servants.** Proposer has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting Agreement, and Proposer may be removed from all proposer lists at University.
- 2.3 Tax Certification.** Proposer is not currently delinquent in the payment of any taxes due under [Chapter 171, Tax Code](#), or Proposer is exempt from the payment of those taxes, or Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever

is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at University's option, may result in termination of any resulting Agreement.

- 2.4 Antitrust Certification.** Neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, nor anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in [§15.01 et seq., Business and Commerce Code](#), or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
- 2.5 Authority Certification.** The individual signing this document and the documents made a part of this RFP, is authorized to sign the documents on behalf of Proposer and to bind Proposer under any resulting Agreement.
- 2.6 Child Support Certification.** Under [§231.006, Family Code](#), relating to child support, the individual or business entity named in Proposer's proposal is not ineligible to receive award of the Agreement, and any Agreements resulting from this RFP may be terminated if this certification is inaccurate.
- 2.7 Relationship Certifications.**
- No relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture, or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any member institution of University, on the other hand, other than the relationships which have been previously disclosed to University in writing.
 - Proposer has not been an employee of any member institution of University within the immediate twelve (12) months prior to the Submittal Deadline.
 - No person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. [§669.003, Government Code](#)).
 - All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before University enters into any Agreement resulting from this RFP with Proposer.
- 2.8 Compliance with Equal Employment Opportunity Laws.** Proposer is in compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.
- 2.9 Compliance with Safety Standards.** All products and services offered by Proposer to University in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law ([Public Law 91-596](#)) and the *Texas Hazard Communication Act*, [Chapter 502, Health and Safety Code](#), and all related regulations in effect or proposed as of the date of this RFP.
- 2.10 Exceptions to Certifications.** Proposer will and has disclosed, as part of its proposal, any exceptions to the information stated in this [Execution of Offer](#). All information will be subject to administrative review and approval prior to the time University makes an award or enters into any Agreement with Proposer.
- 2.11 Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act Certification.** If Proposer will sell or lease computer equipment to University under any Agreement resulting from this RFP then, pursuant to [§361.965\(c\), Health & Safety Code](#), Proposer is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in [Chapter 361, Subchapter Y, Health & Safety Code](#), and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in [30 TAC Chapter 328, §361.952\(2\), Health & Safety Code](#), states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.
- 2.12 Conflict of Interest Certification.**
- Proposer is not a debarred vendor or the principal of a debarred vendor (i.e. owner, proprietor, sole or majority shareholder, director, president, managing partner, etc.) either at the state or federal level.
 - Proposer's provision of services or other performance under any Agreement resulting from this RFP will not constitute an actual or potential conflict of interest.
 - Proposer has disclosed any personnel who are related to any current or former employees of University.
 - Proposer has not given, nor does Proposer intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to an officer or employee of University in connection with this RFP.

213 Proposer should complete the following information:

If Proposer is a Corporation, then State of Incorporation: _____

If Proposer is a Corporation, then Proposer's Corporate Charter Number: _____

RFP No.: 720-1803 Student Health Insurance (UTSHIP), Special Events Accident Insurance and Athletic Accident Insurance Brokerage Services

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER [§552.021](#) AND [552.023](#), *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER [§559.004](#), *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name / Title)

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

(Email Address)

SECTION 3

PROPOSER'S GENERAL QUESTIONNAIRE

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER §§552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER §559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Proposals must include responses to the questions contained in this Proposer's General Questionnaire. Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer will explain the reason when responding N / A or N / R.

3.1 Proposer Profile

3.1.1 Legal name of Proposer company:

Address of principal place of business:

Address of office that would be providing service under the Agreement:

Number of years in Business: _____

State of incorporation: _____

Number of Employees: _____

Annual Revenues Volume: _____

Name of Parent Corporation, if any _____

NOTE: If Proposer is a subsidiary, University prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.

3.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by University.

3.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.

3.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Proposer will explain the expected impact, both in organizational and directional terms.

3.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with University (if any).

3.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.

3.1.7 Proposer will provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts and / or to which Proposer has previously provided services (within the past five (5) years) of a type and scope similar to those required by University's RFP. Proposer will include in its customer reference list the customer's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

- 3.1.8 Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between Proposer and any employee of University? If yes, Proposer will explain.
- 3.1.9 Proposer will provide the name and Social Security Number for each person having at least 25% ownership interest in Proposer. This disclosure is mandatory pursuant to [§231.006, Family Code](#), and will be used for the purpose of determining whether an owner of Proposer with an ownership interest of at least 25% is more than 30 days delinquent in paying child support. Further disclosure of this information is governed by the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)), and other applicable law.

3.2 Approach to Project Services

- 3.2.1 Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to University from doing business with Proposer. Proposer will briefly describe its approach for each of the required services identified in **Section 5.4** Scope of Work of this RFP.
- 3.2.2 Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.
- 3.2.3 Proposer will submit a work plan with key dates and milestones. The work plan should include:
- 3.2.3.1 Identification of tasks to be performed;
 - 3.2.3.2 Time frames to perform the identified tasks;
 - 3.2.3.3 Project management methodology;
 - 3.2.3.4 Implementation strategy; and
 - 3.2.3.5 The expected time frame in which the services would be implemented.
- 3.2.4 Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in this RFP. Proposer will include samples of reports and documents if appropriate.

3.3 General Requirements

- 3.3.1 Proposer will provide summary resumes for its proposed key personnel who will be providing services under the Agreement with University, including their specific experiences with similar service projects, and number of years of employment with Proposer.
- 3.3.2 Proposer will describe any difficulties it anticipates in performing its duties under the Agreement with University and how Proposer plans to manage these difficulties. Proposer will describe the assistance it will require from University.

3.4 Service Support

Proposer will describe its service support philosophy, how it is implemented, and how Proposer measures its success in maintaining this philosophy.

3.5 Quality Assurance

Proposer will describe its quality assurance program, its quality requirements, and how they are measured.

3.6 Miscellaneous

- 3.6.1 Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to University. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.2 Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by University from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.3 Does Proposer have a contingency plan or disaster recovery plan in the event of a disaster? If so, then Proposer will provide a copy of the plan.

SECTION 4

ADDENDA CHECKLIST

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

Ref.: Student Health Insurance (UTSHIP), Special Events Accident Insurance and
Athletic Accident Insurance Brokerage Services

RFP No.: 720-1803

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

Note: If there was only one (1) Addendum, initial just the first blank after No. 1, not all five (5) blanks below.

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____ No. 5 _____

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX TWO
SAMPLE AGREEMENT
(INCLUDED AS SEPARATE ATTACHMENT)

APPENDIX THREE

**CERTIFICATE OF INTERESTED PARTIES
(Texas Ethics Commission Form 1295)**

This is a sample Texas Ethics Commission's FORM 1295 – CERTIFICATE OF INTERESTED PARTIES. If not exempt under [Section 2252.908\(c\), Government Code](#), Contractor must use the Texas Ethics Commission electronic filing web page (at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html) to complete the most current Certificate of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and University. **The Certificate of Interested Parties will be submitted only by Contractor to University with the signed Agreement.**

| CERTIFICATE OF INTERESTED PARTIES | | FORM 1295 | |
|--|--|---------------------------------------|--------------|
| Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties. | | OFFICE USE ONLY | |
| 1 Name of business entity filing form, and the city, state and country of the business entity's place of business. | | | |
| 2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed. | | | |
| 3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract. | | | |
| 4 | | Nature of Interest (check applicable) | |
| Name of Interested Party | City, State, Country (place of business) | Controlling | Intermediary |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 5 Check only if there is NO Interested Party. <input type="checkbox"/> | | | |
| 6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct. | | | |
| _____ Signature of authorized agent of contracting business entity | | | |
| AFFIX NOTARY STAMP / SEAL ABOVE | | | |
| Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office. | | | |
| _____ Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath | | | |
| ADD ADDITIONAL PAGES AS NECESSARY | | | |

APPENDIX FOUR

ACCESS BY INDIVIDUALS WITH DISABILITIES

Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements set forth in [1 TAC Chapter 213](#), and [1 TAC §206.70](#) (ref. [Subchapter M, Chapter 2054, Government Code](#).) To the extent Contractor becomes aware that EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, either (1) perform all necessary remediation to make EIRs satisfy the EIR Accessibility Warranty or (2) replace EIRs with new EIRs that satisfy the EIR Accessibility Warranty. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement.

APPENDIX FIVE

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX FIVE** will be incorporated into the Agreement.

Basic Specifications

1. If the EIR will be hosted by University, please describe the overall environment requirements for the EIR (size the requirements to support the number of concurrent users, the number of licenses and the input/output generated by the application as requested in the application requirements).
 - A. Hardware: If Proposer will provide hardware, does the hardware have multiple hard drives utilizing a redundant RAID configuration for fault tolerance? Are redundant servers included as well?
 - B. Operating System and Version:
 - C. Web Server: Is a web server required? If so, what web application is required (Apache or IIS)? What version? Are add-ins required?
 - D. Application Server:
 - E. Database:
 - F. Other Requirements: Are any other hardware or software components required?
 - G. Assumptions: List any assumptions made as part of the identification of these environment requirements.
 - H. Storage: What are the space/storage requirements of this implementation?
 - I. Users: What is the maximum number of users this configuration will support?
 - J. Clustering: How does the EIR handle clustering over multiple servers?
 - K. Virtual Server Environment: Can the EIR be run in a virtual server environment?
2. If the EIR will be hosted by Proposer, describe in detail what the hosted solution includes, and address, specifically, the following issues:
 - A. Describe the audit standards of the physical security of the facility; and
 - B. Indicate whether Proposer is willing to allow an audit by University or its representative.
3. If the user and administrative interfaces for the EIR are web-based, do the interfaces support Firefox on Mac as well as Windows and Safari on the Macintosh?
4. If the EIR requires special client software, what are the environment requirements for that client software?
5. Manpower Requirements: Who will operate and maintain the EIR? Will additional University full time employees (FTEs) be required? Will special training on the EIR be required by Proposer's technical staff? What is the estimated cost of required training.
6. Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Included Proposer's typical release schedule, recommended processes, estimated outage and plans for next version/major upgrade.

Security

1. Has the EIR been tested for application security vulnerabilities? For example, has the EIR been evaluated against the Open Web Application Security Project (**OWASP**) Top 10 list that includes flaws like cross site scripting and SQL injection? If so, please provide the scan results and specify the tool used. University will not take final delivery of the EIR if University determines there are serious vulnerabilities within the EIR.
2. Which party, Proposer or University, will be responsible for maintaining critical EIR application security updates?
3. If the EIR is hosted, indicate whether Proposer's will permit University to conduct a penetration test on University's instance of the EIR.
4. If confidential data, including HIPAA or FERPA data, is stored in the EIR, will the data be encrypted at rest and in transmittal?

Integration

1. Is the EIR authentication Security Assertion Markup Language (**SAML**) compliant? Has Proposer ever implemented the EIR with Shibboleth authentication? If not, does the EIR integrate with Active Directory? Does the EIR support TLS connections to this directory service?
2. Does the EIR rely on Active Directory for group management and authorization or does the EIR maintain a local authorization/group database?
3. What logging capabilities does the EIR have? If this is a hosted EIR solution, will University have access to implement logging with University's standard logging and monitoring tools, RSA's Envision?
4. Does the EIR have an application programming interface (**API**) that enables us to incorporate it with other applications run by the University? If so, is the API .Net based? Web Services-based? Other?
5. Will University have access to the EIR source code? If so, will the EIR license permit University to make modifications to the source code? Will University's modifications be protected in future upgrades?
6. Will Proposer place the EIR source code in escrow with an escrow agent so that if Proposer is no longer in business or Proposer has discontinued support, the EIR source code will be available to University.

Accessibility Information

Proposer must provide the following, as required by [1 TAC §213.38\(b\)](#):

1. Accessibility information for the electronic and information resources (**EIR**)¹ products or services proposed by Proposer, where applicable, through one of the following methods:
 - (A) URL to completed Voluntary Product Accessibility Templates (**VPATs**)² or equivalent reporting templates;
 - (B) accessible electronic document that addresses the same accessibility criteria in substantially the same format as VPATs or equivalent reporting templates; or
 - (C) URL to a web page which explains how to request completed VPATs, or equivalent reporting templates, for any product under contract; and
2. Credible evidence of Proposer's capability or ability to produce accessible EIR products and services. Such evidence may include, but is not limited to, Proposer's internal accessibility policy documents, contractual warranties for accessibility, accessibility testing documents, and examples of prior work results.

¹ Electronic and information resources are defined in [§2054.451, Government Code](#) and [1 TAC §213.1 \(6\)](#).

² Voluntary Product Accessibility Templates are defined in [1 TAC §213.1 \(19\)](#). For further information, see this [VPAT document](#) provided by the Information Technology Industry Council.

APPENDIX SIX

SECURITY CHARACTERISTICS AND FUNCTIONALITY OF CONTRACTOR'S INFORMATION RESOURCES

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SIX** will be incorporated into the Agreement.

"Information Resources" means any and all computer printouts, online display devices, mass storage media, and all computer-related activities involving any device capable of receiving email, browsing Web sites, or otherwise capable of receiving, storing, managing, or transmitting Data including, but not limited to, mainframes, servers, Network Infrastructure, personal computers, notebook computers, hand-held computers, personal digital assistant (PDA), pagers, distributed processing systems, network attached and computer controlled medical and laboratory equipment (i.e. embedded technology), telecommunication resources, network environments, telephones, fax machines, printers and service bureaus. Additionally, it is the procedures, equipment, facilities, software, and Data that are designed, built, operated, and maintained to create, collect, record, process, store, retrieve, display, and transmit information.

"University Records" means records or record systems that Proposer (1) creates, (2) receives from or on behalf of University, or (3) has access, and which may contain confidential information (including credit card information, social security numbers, and private health information (**PHI**) subject to Health Insurance Portability and Accountability Act (**HIPAA**) of 1996 (Public Law 104-191), or education records subject to the Family Educational Rights and Privacy Act (**FERPA**).

General Protection of University Records

1. Describe the security features incorporated into Information Resources to be provided or used by Proposer pursuant to this RFP.
2. List all products, including imbedded products that are a part of Information Resources and the corresponding owner of each product.
3. Describe any assumptions made by Proposer in its proposal regarding information security outside those already listed in the proposal.

Complete the following additional questions if the Information Resources will be hosted by Proposer:

4. Describe the monitoring procedures and tools used for monitoring the integrity and availability of all products interacting with Information Resources, including procedures and tools used to, detect security incidents and to ensure timely remediation.
5. Describe the physical access controls used to limit access to Proposer's data center and network components.
6. What procedures and best practices does Proposer follow to harden all systems that would interact with Information Resources, including any systems that would hold or process University Records, or from which University Records may be accessed?
7. What technical security measures does the Proposer take to detect and prevent unintentional, accidental and intentional corruption or loss of University Records?
8. Will the Proposer agree to a vulnerability scan by University of the web portal application that would interact with Information Resources, including any systems that would hold or process University Records, or from which University Records may be accessed? If Proposer objects, explain basis for the objection to a vulnerability scan.
9. Describe processes Proposer will use to provide University assurance that the web portal and all systems that would hold or process University Records can provide adequate security of University Records.
10. Does Proposer have a data backup and recovery plan supported by policies and procedures, in place for Information Resources? If yes, briefly describe the plan, including scope and frequency of backups, and how often the plan is updated. If no, describe what alternative methodology Proposer uses to ensure the restoration and availability of University Records.
11. Does Proposer encrypt backups of University Records? If yes, describe the methods used by Proposer to encrypt backup data. If no, what alternative safeguards does Proposer use to protect backups against unauthorized access?
12. Describe the security features incorporated into Information Resources to safeguard University Records containing confidential information.

Complete the following additional question if Information Resources will create, receive, or access University Records containing PHI subject to HIPAA:

13. Does Proposer monitor the safeguards required by the HIPAA Security Rule (45 C.F.R. § 164 subpts. A, E (2002)) and Proposer's own information security practices, to ensure continued compliance? If yes, provide a copy of or link to the Proposer's HIPAA Privacy & Security policies and describe the Proposer's monitoring activities and the frequency of those activities with regard to PHI.

Access Control

1. How will users gain access (i.e., log in) to Information Resources?
2. Do Information Resources provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how Information Resources provide that capability.
3. Do Information Resources allow for multiple security levels of access based on affiliation (e.g., staff, faculty, and student) and roles (e.g., system administrators, analysts, and information consumers), and organizational unit (e.g., college, school, or department)? If yes, describe how Information Resources provide for multiple security levels of access.
4. Do Information Resources provide the capability to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create and save reports, run reports only, etc.)? If yes, describe how Information Resources provide that capability. If no, describe what alternative functionality is provided to ensure that users have need-to-know based access to Information Resources.
5. Do Information Resources manage administrator access permissions at the virtual system level? If yes, describe how this is done.
6. Describe Proposer's password policy including password strength, password generation procedures, password storage specifications, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Complete the following additional questions if Information Resources will be hosted by Proposer:

7. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that would have access to the environment hosting University Records to ensure need-to-know-based access?
8. What procedures and best practices does Proposer have in place to ensure that user credentials are updated and terminated as required by changes in role and employment status?
9. Describe Proposer's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Use of Data

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that have access to the environment hosting all systems that would hold or process University Records, or from which University Records may be accessed, to ensure that University Records will not be accessed or used in an unauthorized manner?
2. What safeguards does Proposer have in place to segregate University Records from system data and other customer data and/or as applicable, to separate specific University data, such as HIPAA and FERPA protected data, from University Records that are not subject to such protection, to prevent accidental and unauthorized access to University Records ?
3. What safeguards does Proposer have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of University Records?
4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of University Records according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render University Records unrecoverable and prevent accidental and unauthorized access to University Records? Describe the degree to which sanitizing and disposal processes addresses University data that may be contained within backup systems. If University data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up University data.

Data Transmission

1. Do Information Resources encrypt all University Records in transit and at rest? If yes, describe how Information Resources provide that security. If no, what alternative methods are used to safeguard University Records in transit and at rest?

Complete the following additional questions if Information Resources will be hosted by Proposer:

2. How does data flow between University and Information Resources? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way Proposer will safeguard University Records.
3. Do Information Resources secure data transmission between University and Proposer? If yes, describe how Proposer provides that security. If no, what alternative safeguards are used to protect University Records in transit?

Notification of Security Incidents

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe Proposer's procedures to isolate or disable all systems that interact with Information Resources in the event a security breach is identified, including any systems that would hold or process University Records, or from which University Records may be accessed.
2. What procedures, methodology, and timetables does Proposer have in place to detect information security breaches and notify University and other customers? Include Proposer's definition of security breach.
3. Describe the procedures and methodology Proposer has in place to detect information security breaches, including unauthorized access by Proposer's and subcontractor's own employees and agents and provide required notifications in a manner that meets the requirements of the state breach notification law.

Compliance with Applicable Legal & Regulatory Requirements

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe the procedures and methodology Proposer has in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of state and federal electronic discovery rules, including how and in what format University Records are kept and what tools are available to University to access University Records.
2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process University Records, or from which University Records may be accessed) that interact with Information Resources reside within the United States of America. If no such controls, describe Proposer's processes for ensuring that data is protected in compliance with all applicable US federal and state requirements, including export control.
3. List and describe any regulatory or legal actions taken against Proposer for security or privacy violations or security breaches or incidents, including the final outcome.

APPENDIX SEVEN
INFORMATION SECURITY THIRD-PARTY ASSESSMENT SURVEY
(INCLUDED AS SEPARATE ATTACHMENT)

APPENDIX EIGHT
FY 2016 SHC SUMMARY OF SERVICES
(INCLUDED AS SEPARATE ATTACHMENT)

APPENDIX NINE
ATHLETIC ACCIDENT INSURANCE BENEFIT SUMMARY
(INCLUDED AS SEPARATE ATTACHMENT)

AGREEMENT BETWEEN UNIVERSITY AND CONTRACTOR

This Agreement between University and Contractor ("**Agreement**") is made and entered into effective as of _____ (the "**Effective Date**"), by and between The University of Texas System, an agency and institution of higher education established under the laws of the State of Texas ("**University**"), and _____, Federal Tax Identification Number _____ ("**Contractor**").

University and Contractor hereby agree as follows:

1. **Scope of Work.**

- 1.1 Contractor will perform the scope of the work (**Work**) in **Exhibit A**, Scope of Work, to the satisfaction of University and in accordance with the schedule (**Schedule**) for Work in **Exhibit B**, Schedule. Time is of the essence in connection with this Agreement. University will have no obligation to accept late performance or waive timely performance by Contractor.
- 1.2 Contractor will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local, laws, statutes, regulations and ordinances (collectively, **Applicable Laws**), for the performance of Work.

2. **The Project.**

The Work will be provided in connection with _____ and all other related, necessary and appropriate services (**Project**).

3. **Time for Commencement and Completion.**

The term (**Initial Term**) of this Agreement will begin on the Effective Date and expire on _____, 20____, or (i) the last expiration date of any policies University procures through Contractor, or (ii) the day after all claims or disputes related to all policies procured by University through Contractor are finally resolved and settled to University's satisfaction. University will have the option to renew this Agreement for four (4) additional one (1) year terms (each a **Renewal Term**). The Initial Term and each Renewal Term are collectively referred to as the **Term**.

4. **Contractor's Obligations.**

- 4.1 Contractor will perform Work in compliance with (a) all Applicable Laws, and (b) the Board of Regents of The University of Texas System [Rules and Regulations](#), the policies of [The University of Texas System](#); (collectively, **University Rules**). Contractor represents and warrants that neither Contractor nor any firm, corporation or institution represented by Contractor, or anyone acting for the firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, [Chapter 15, Texas Business and Commerce Code](#), or federal antitrust laws, or (2) has communicated directly or indirectly the content of Contractor's response to University's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process for this Agreement.
- 4.2 Contractor represents and warrants that (a) it will use its best efforts to perform Work in a good and workmanlike manner and in accordance with the highest standards of Contractor's profession or business, and (b) all Work to be performed will be of the quality that prevails among similar businesses of superior knowledge and skill engaged in providing similar services in major United States urban areas under the same or similar circumstances.

- 4.3 Contractor will call to University's attention in writing all information in any materials supplied to Contractor (by University or any other party) that Contractor regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.
- 4.4 University at all times is relying on Contractor's skill and knowledge in performing Work. Contractor represents and warrants that Work will be accurate and free from any material defects. Contractor's duties and obligations under this Agreement will not be in any way diminished by reason of any approval by University. Contractor will not be released from any liability by reason of any approval by University.
- 4.5 Contractor will, at its own cost, correct all material defects in Work as soon as practical after Contractor becomes aware of the defects. If Contractor fails to correct material defects in Work within a reasonable time, then University may correct the defective Work at Contractor's expense. This remedy is in addition to, and not in substitution for, any other remedy for defective Work that University may have at law or in equity.
- 4.6 Contractor will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance under this Agreement. Contractor will cause all persons connected with Contractor directly in charge of Work to be duly registered and licensed under all Applicable Laws. Contractor will assign to the Project a designated representative who will be responsible for administration and coordination of Work.
- 4.7 Contractor represents and warrants it is duly organized, validly existing and in good standing under the laws of the state of its organization; it is duly authorized and in good standing to conduct business in the State of Texas; it has all necessary power and has received all necessary approvals to execute and deliver this Agreement; and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.
- 4.8 Contractor represents and warrants that neither the execution and delivery of this Agreement by Contractor nor the performance of its duties and obligations under this Agreement will (a) result in the violation of any provision of its organizational documents; (b) result in the violation of any provision of any agreement by which it is bound; or (c) conflict with any order or decree of any court or other body or authority having jurisdiction.
- 4.9 Contractor represents and warrants that: (i) Work will be performed solely by Contractor, its full-time or part-time employees during the course of their employment, or independent contractors who have assigned in writing all right, title and interest in their work to Contractor (for the benefit of University); (ii) University will receive free, good and clear title to all Work Material developed under this Agreement; (iii) Work Material and the intellectual property rights protecting Work Material are free and clear of all encumbrances, including security interests, licenses, liens, charges and other restrictions; (iv) Work Material will not infringe upon or violate any patent, copyright, trade secret, trademark, service mark or other property right of any former employer, independent contractor, client or other third party; and (v) the use, reproduction, distribution, or modification of Work Material will not violate the rights of any third parties in Work Material, including trade secret, publicity, privacy, copyright, trademark, service mark and patent rights.
- 4.10 If this Agreement requires Contractor's presence on University's premises or in University's facilities, Contractor agrees to cause its employees, representatives, agents, or subcontractors to become aware of, fully informed about, and in full compliance with all applicable University Rules, including those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions.

5. Contract Amount.

- 5.1 University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on the Work in accordance with Section 151.309, *Texas Tax Code*, and Title 34 *Texas Administrative Code* ("**TAC**") Section 3.322.
- 5.2 The Contract Amount includes all applicable federal, state or local sales or use taxes payable as a result of the execution or performance of this Agreement.
- 5.3 In the event that this Agreement is terminated, then within thirty (30) days after termination, Contractor will reimburse University for all fees paid by University to Contractor that were (a) not earned by Contractor prior to termination, or (b) for goods or services that the University did not receive from Contractor prior to termination.
- 5.4 So long as Contractor has provided University with its current and accurate Federal Tax Identification Number in writing, University will pay Contractor for the performance of the Work as set forth in **Exhibit A**. Contractor understands and agrees that payments under this Agreement may be subject to the withholding requirements of Section 3402 (t) of the Internal Revenue Code.

6. Payment Terms.

- 6.1 Notwithstanding any provision of this Agreement to the contrary, University will not be obligated to make any payment (whether a Progress Payment or Final Payment) to Contractor if Contractor is in default under this Agreement.
- 6.2 The cumulative amount of all Progress Payments and the Final Payment (defined below) will not exceed the Contract Amount in **Exhibit C** and/or **Exhibit D**, Payment for Services.
- 6.3 No payment made by University will (a) be construed to be final acceptance or approval of that part of the Work to which the payment relates, or (b) relieve Contractor of any of its duties or obligations under this Agreement.
- 6.4 The acceptance of Final Payment by Contractor will constitute a waiver of all claims by Contractor except those previously made in writing and identified by Contractor as unsettled at the time of the Final Invoice for payment.
- 6.5 University will have the right to verify the details in Contractor's invoices and supporting documentation, either before or after payment, by (a) inspecting the books and records of Contractor at mutually convenient times; (b) examining any reports with respect to the Project; and (c) other reasonable action. In the event University makes any payment in advance of services, the parties agree that University is entitled to full and complete repayment of any sums unearned by Contractor. University may offset or withhold any payment under this Agreement to achieve such repayment. In the event that the Agreement is terminated, any unearned advance payment will be paid to University by Contractor within 30 days of request.
- 6.6 [Section 51.012, Texas Education Code](#), authorizes University to make payments through electronic funds transfer methods. Contractor agrees to accept payments from University through those methods, including the automated clearing house system (ACH). Contractor agrees to provide Contractor's banking information to University in writing on Contractor letterhead signed by an authorized representative of Contractor. Prior to the first payment, University will confirm Contractor's banking information. Changes to Contractor's bank information must be communicated to University in accordance with **Section 12.14** in writing

at least thirty (30) days before the effective date of the change and must include an [IRS Form W-9](#) signed by an authorized representative of Contractor.

- 6.9 Notwithstanding any other provision of this Agreement, University is entitled to a discount of ____% (Prompt Payment Discount) off of each payment that University submits within ____ days after University's receipt of Contractor's invoice for that payment.]

7. Ownership and Use of Work Material.

- 7.1 All drawings, specifications, plans, computations, sketches, data, photographs, tapes, renderings, models, publications, statements, accounts, reports, studies, and other materials prepared by Contractor or any subcontractors in connection with Work (collectively, **Work Material**), whether or not accepted or rejected by University, are the sole property of University and for its exclusive use and re-use at any time without further compensation and without any restrictions.
- 7.2 Contractor grants and assigns to University all rights and claims of whatever nature and whether now or hereafter arising in and to Work Material and will cooperate fully with University in any steps University may take to obtain or enforce patent, copyright, trademark or like protections with respect to Work Material.
- 7.3 Contractor will deliver all Work Material to University upon expiration or termination of this Agreement. University will have the right to use Work Material for the completion of Work or otherwise. University may, at all times, retain the originals of Work Material. Work Material will not be used by any person other than University on other projects unless expressly authorized by University in writing.
- 7.4 Work Material will not be used or published by Contractor or any other party unless expressly authorized by University in writing. Contractor will treat all Work Material as confidential.

8. Default and Termination

- 8.1 In the event of a material failure by a party to this Agreement to perform in accordance with its terms (**default**), the other party may terminate this Agreement upon thirty (30) days' written notice of termination setting forth the nature of the material failure; provided, that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the thirty-day (30-day) period.
- 8.2 University may, without cause, terminate this Agreement at any time upon giving fifteen (15) days' advance written notice to Contractor. Upon termination pursuant to this Section, Contractor will be entitled to payment of an amount that will compensate Contractor for Work satisfactorily performed from the time of the last payment date to the termination date in accordance with this Agreement; provided, that, Contractor has delivered all Work Material to University. Notwithstanding any provision in this Agreement to the contrary, University will not be required to pay or reimburse Contractor for any services performed or for expenses incurred by Contractor after the date of the termination notice, that could have been avoided or mitigated by Contractor.
- 8.3 Termination under **Sections 8.1** or **8.2** will not relieve Contractor from liability for any default or breach under this Agreement or any other act or omission of Contractor.

- 8.4 If Contractor fails to cure any default within thirty (30) days after receiving written notice of the default, University will be entitled (but will not be obligated) to cure the default and will have the right to offset against all amounts due to Contractor under this Agreement, any and all reasonable expenses incurred in connection with University's curative actions.
- 8.5 In the event that this Agreement is terminated, then within thirty (30) days after termination, Contractor will reimburse University for all fees paid by University to Contractor that were (a) not earned by Contractor prior to termination, or (b) for goods or services that University did not receive from Contractor prior to termination.

9. Indemnification

- 9.1 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, AND HOLD HARMLESS UNIVERSITY AND RESPECTIVE AFFILIATED ENTERPRISES, REGENTS, OFFICERS, DIRECTORS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY, **INDEMNITEES**) FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY, **CLAIMS**) BY ANY PERSON OR ENTITY, ARISING OUT OF, CAUSED BY, OR RESULTING FROM CONTRACTOR'S PERFORMANCE UNDER OR BREACH OF THIS AGREEMENT AND THAT ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT, NEGLIGENT OMISSION OR WILLFUL MISCONDUCT OF CONTRACTOR, ANYONE DIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. THE PROVISIONS OF THIS SECTION WILL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH ANY INDEMNITEE HAS BY LAW OR EQUITY. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.
- 9.2 IN ADDITION, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, AND HOLD HARMLESS INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY INTEREST ARISING BY OR OUT OF THE PERFORMANCE OF SERVICES OR THE PROVISION OF GOODS BY CONTRACTOR, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF CONTRACTOR, OF ANY ARTICLE OR MATERIAL; PROVIDED, THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, UNIVERSITY WILL PROMPTLY NOTIFY CONTRACTOR AND CONTRACTOR WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UNIVERSITY AGREES TO REASONABLY COOPERATE WITH CONTRACTOR. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

10. Relationship of the Parties.

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Contractor is an independent contractor and is not a state employee, partner, joint venturer, or agent of University. Contractor will not bind nor attempt to bind University to any agreement or contract. As an independent contractor, Contractor is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

11. Insurance.

11.1 Contractor, consistent with its status as an independent contractor will carry and will cause its subcontractors to carry, at least the following insurance, with companies authorized to do insurance business in the State of Texas or eligible surplus lines insurers operating in accordance with the [Texas Insurance Code](#), having an A.M. Best Rating of A-:VII or better, and in amounts not less than the following minimum limits of coverage:

11.1.1 Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than \$1,000,000:

| | |
|-------------------------------------|-------------|
| Employers Liability - Each Accident | \$1,000,000 |
| Employers Liability - Each Employee | \$1,000,000 |
| Employers Liability - Policy Limit | \$1,000,000 |

Workers' Compensation policy must include under Item 3.A. of the information page of the Workers' Compensation policy the state in which Work is to be performed for University.

11.1.2 Commercial General Liability Insurance with limits of not less than:

| | |
|---|-------------|
| Each Occurrence Limit | \$1,000,000 |
| Damage to Rented Premises | \$ 300,000 |
| Personal & Advertising Injury | \$1,000,000 |
| General Aggregate | \$2,000,000 |
| Products - Completed Operations Aggregate | \$2,000,000 |

The required Commercial General Liability policy will be issued on a form that insures Contractor's and subcontractor's liability for bodily injury (including death), property damage, personal, and advertising injury assumed under the terms of this Agreement.

11.1.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 single limit of liability per accident for Bodily Injury and Property Damage;

11.1.4 Professional Liability (Errors & Omissions) Insurance with limits of not less than \$5,000,000 each occurrence. Such insurance will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. Renewal policies written on a claims-made basis will maintain the same retroactive date as in effect at the inception of this Agreement. If coverage is written on a claims-made basis, Contractor agrees to purchase an Extended Reporting Period Endorsement, effective twenty-four (24) months after the expiration or cancellation of the policy. No Professional Liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.

11.2 Contractor will deliver to University:

11.2.1 Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all required insurance policies after the execution and delivery of this Agreement and prior to the performance of any Work by Contractor under this Agreement. Additional evidence of insurance will be provided verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

11.2.1.1 ***All insurance policies*** (with the exception of workers' compensation, employer's liability and professional liability) will be endorsed and name the Board of Regents of The University of Texas System and University as Additional Insureds for liability caused in whole or in part by Contractor's acts or omissions with respect to its on-going and completed operations up to the actual liability limits of the required insurance policies maintained by Contractor. Commercial General Liability Additional Insured *endorsement* including ongoing and completed operations coverage will be submitted with the Certificates of Insurance. Commercial General Liability and Business Auto Liability will be *endorsed* to provide primary and non-contributory coverage.

11.2.1.2 Contractor hereby waives all rights of subrogation against the Board of Regents of The University of Texas System and University. ***All insurance policies*** will be *endorsed* to provide a waiver of subrogation in favor of the Board of Regents of The University of Texas System and University. No policy will be canceled until after thirty (30) days' unconditional written notice to University. ***All insurance policies*** will be *endorsed* to require the insurance carrier providing coverage to send notice to University thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this **Section 11**.

11.2.1.3 Contractor will pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by University prior to the performance of any Work by Contractor under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

11.2.1.4 Certificates of Insurance and *Additional Insured Endorsements* as required by this Agreement will be mailed, faxed, or emailed to the following University contact:

Name:
Address:
Facsimile Number:
Email Address:

11.3 Contractor's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by University or. Contractor's or subcontractor's insurance will be kept in force until all Work has been fully performed and accepted by University in writing, *except* as provided in this **Section 11.3**.

11.3.1 Professional Liability Insurance coverage written on a claims-made basis requires Contractor to purchase an *Extended Reporting Period Endorsement*, effective for twenty-four (24) months after the expiration or cancellation of the policy.

12. **Miscellaneous.**

12.1 **Assignment and Subcontracting.** Except as specifically provided in **Exhibit E**, Historically Underutilized Business Subcontracting Plan, Contractor's interest in this Agreement (including Contractor's duties and obligations under this Agreement, and the fees due to Contractor under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (a) not be binding on University; and (b) be a breach of this Agreement for which Contractor will be subject to all remedial actions provided by Applicable Laws, including [Chapter 2161, Texas Government Code](#), and [34 TAC §§20.101 – 20.108](#). The benefits and burdens of this Agreement are assignable by University.

12.2 **Texas Family Code Child Support Certification.** Pursuant to [§231.006, Texas Family Code](#), Contractor certifies it is not ineligible to receive the award of or payments under this Agreement, and acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

12.3 **Tax Certification.** If Contractor is a taxable entity as defined by [Chapter 171, Texas Tax Code](#), then Contractor certifies it is not currently delinquent in the payment of any taxes due under Chapter 171, Contractor is exempt from the payment of those taxes, or Contractor is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.

12.4 **Payment of Debt or Delinquency to the State.** Pursuant to [§§2107.008](#) and [2252.903, Texas Government Code](#), Contractor agrees any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency Contractor owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until paid in full.

12.5 **Loss of Funding.** Performance by University under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (**Legislature**) and/or allocation of funds by the Board of Regents of The University of Texas System (**Board**). If Legislature fails to appropriate or allot necessary funds, or Board fails to allocate necessary funds, then University will issue written notice to Contractor and University may terminate this Agreement without further duty or obligation. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond University's control.

12.6 **Entire Agreement; Modifications.** This Agreement (including all exhibits, schedules, supplements and other attachments (collectively, **Exhibits**)) supersedes all prior agreements, written or oral, between Contractor and University and will constitute the entire Agreement and understanding between the parties with respect to its subject matter. This Agreement and each of its provisions will be binding upon the parties, and may not be waived, modified, amended or altered, except by a writing signed by University and Contractor. All Exhibits are attached to this Agreement and incorporated for all purposes.

12.7 **Force Majeure.** Neither party hereto will be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control

including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character (**force majeure occurrence**). Provided, however, in the event of a force majeure occurrence, Contractor agrees to use its best efforts to mitigate the impact of the occurrence so that University may continue to provide mission critical services during the occurrence.

- 12.8 **Captions.** The captions of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.
- 12.9 **Venue; Governing Law.** Travis County, Texas, will be the proper place of venue for suit on or in respect of this Agreement. This Agreement, all of its terms and conditions and all of the rights and obligations of its parties, will be construed, interpreted and applied in accordance with, governed by and enforced under, the laws of the State of Texas.
- 12.10 **Waivers.** No delay or omission in exercising any right accruing upon a default in performance of this Agreement will impair any right or be construed to be a waiver of any right. A waiver of any default under this Agreement will not be construed to be a waiver of any subsequent default under this Agreement.
- 12.11 **Confidentiality and Safeguarding of University Records; Press Releases; Public Information.** Under this Agreement, Contractor may (1) create, (2) receive from or on behalf of University, or (3) have access to, records or record systems (collectively, **University Records**). Among other things, University Records may contain social security numbers, credit card numbers, or data protected or made confidential or sensitive by Applicable Laws. Additional mandatory confidentiality and security compliance requirements with respect to University Records subject to the Family Educational Rights and Privacy Act, [20 United States Code \(USC\) §1232g \(FERPA\)](#), are addressed in **Section 12.30**. Additional mandatory confidentiality and security compliance requirements with respect to University Records subject to the [Health Insurance Portability and Accountability Act](#) and [45 Code of Federal Regulations \(CFR\) Part 160](#) and [subparts A and E of Part 164](#) (collectively, **HIPAA**) are addressed in **Section 12.24**. Contractor represents, warrants, and agrees that it will: (1) hold University Records in strict confidence and will not use or disclose University Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by University in writing; (2) safeguard University Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute of Standards and Technology and the Center for Internet Security, as well as the Payment Card Industry Data Security Standards) that are no less rigorous than the standards by which Contractor protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that University Records are safeguarded and the confidentiality of University Records is maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with University Rules regarding access to and use of University's computer systems, including [UTS165](#). At the request of University, Contractor agrees to provide University with a written summary of the procedures Contractor uses to safeguard and maintain the confidentiality of University Records.
- 12.11.1 **Notice of Impermissible Use.** If an impermissible use or disclosure of any University Records occurs, Contractor will provide written notice to University within one (1) business day after Contractor's discovery of that use or disclosure. Contractor will promptly provide University with all information requested by University regarding the impermissible use or disclosure.
- 12.11.2 **Return of University Records.** Contractor agrees that within thirty (30) days after the expiration or termination of this Agreement, for any reason, all

University Records created or received from or on behalf of University will be (1) returned to University, with no copies retained by Contractor; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any University Records, Contractor will provide University with written notice of Contractor's intent to destroy University Records. Within five (5) days after destruction, Contractor will confirm to University in writing the destruction of University Records.

- 12.11.3 **Disclosure.** If Contractor discloses any University Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with the same restrictions and obligations as are imposed on Contractor by this **Section 12.11.**
- 12.11.4 **Press Releases.** Except when defined as part of Work, Contractor will not make any press releases, public statements, or advertisement referring to the Project or the engagement of Contractor as an independent contractor of University in connection with the Project, or release any information relative to the Project for publication, advertisement or any other purpose without the prior written approval of University.
- 12.11.5 **Public Information.** University strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act (TPIA)*, [Chapter 552, Texas Government Code](#). In accordance with §§[552.002](#) and [2252.907](#), *Texas Government Code*, and at no additional charge to University, Contractor will make any information created or exchanged with University pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by University that is accessible by the public.
- 12.11.6 **Termination.** In addition to any other termination rights in this Agreement and any other rights at law or equity, if University reasonably determines that Contractor has breached any of the restrictions or obligations in this Section, University may immediately terminate this Agreement without notice or opportunity to cure.
- 12.11. **Duration.** The restrictions and obligations under this Section will survive expiration or termination of this Agreement for any reason.
- 12.12 **Binding Effect.** This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective permitted assigns and successors.
- 12.13 **Records.** Records of Contractor's costs, reimbursable expenses pertaining to the Project and payments will be available to University or its authorized representative during business hours and will be retained for four (4) years after final Payment or abandonment of the Project, unless University otherwise instructs Contractor in writing.
- 12.14 **Notices.** Except as otherwise provided by this Section, notices, consents, approvals, demands, requests or other communications required or permitted under this Agreement, will be in writing and sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is provided below), or email (to the extent an email address is provided below) as indicated below, and notice will be deemed given (i) if delivered by certified mailed, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is provided below) or email (to the extent an email address is provided below), when received:

If to University: _____

Fax: _____
Email: _____
Attention: _____

with copy to: _____

Fax: _____
Email: _____
Attention: _____

If to Contractor: _____

Fax: _____
Email: _____
Attention: _____

or other person or address as may be given in writing by either party to the other in accordance with this Section.

Notwithstanding any other requirements for notices given by a party under this Agreement, if Contractor intends to deliver written notice to University pursuant to [§2251.054, Texas Government Code](#), then Contractor will send that notice to University as follows:

Fax: _____
Email: _____
Attention: _____

with copy to: _____

Fax: _____
Email: _____
Attention: _____

or other person or address as may be given in writing by University to Contractor in accordance with this Section.

12.15 **Severability.** In case any provision of this Agreement will, for any reason, be held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included.

12.16 **State Auditor's Office.** Contractor understands acceptance of funds under this Agreement constitutes acceptance of authority of the Texas State Auditor's Office or any successor agency (**Auditor**), to conduct an audit or investigation in connection with those

funds (ref. §§[51.9335\(c\)](#), [73.115\(c\)](#) and [74.008\(c\)](#), *Texas Education Code*). Contractor agrees to cooperate with Auditor in the conduct of the audit or investigation, including providing all records requested. Contractor will include this provision in all contracts with permitted subcontractors.

- 12.17 **Limitation of Liability.** EXCEPT FOR UNIVERSITY'S OBLIGATION (IF ANY) TO PAY CONTRACTOR CERTAIN FEES AND EXPENSES UNIVERSITY WILL HAVE NO LIABILITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. NOTWITHSTANDING ANY DUTY OR OBLIGATION OF UNIVERSITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR, NO PRESENT OR FUTURE AFFILIATED ENTERPRISE, SUBCONTRACTOR, AGENT, OFFICER, DIRECTOR, EMPLOYEE, REPRESENTATIVE, ATTORNEY OR REGENT OF UNIVERSITY, OR THE UNIVERSITY OF TEXAS SYSTEM, OR ANYONE CLAIMING UNDER UNIVERSITY HAS OR WILL HAVE ANY PERSONAL LIABILITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT.
- 12.18 **Survival of Provisions.** No expiration or termination of this Agreement will relieve either party of any obligations under this Agreement that by their nature survive expiration or termination, including **Sections 6.7, 9, 12.5, 12.9, 12.10, 12.11, 12.13, 12.16, 12.17, 12.19 and 12.21.**
- 12.19 **Breach of Contract Claims.** To the extent that [Chapter 2260, Texas Government Code](#), as it may be amended from time to time (**Chapter 2260**), is applicable to this Agreement and is not preempted by other Applicable Laws, the dispute resolution process provided for in [Chapter 2260](#) will be used, as further described herein, by University and Contractor to attempt to resolve any claim for breach of contract made by Contractor:
- 12.19.1 Contractor's claims for breach of this Agreement that the parties cannot resolve pursuant to other provisions of this Agreement or in the ordinary course of business will be submitted to the negotiation process provided in [subchapter B](#) of Chapter 2260. To initiate the process, Contractor will submit written notice, as required by [subchapter B](#) of Chapter 2260, to University in accordance with the notice provisions in this Agreement. Contractor's notice will specifically state that the provisions of [subchapter B](#) of Chapter 2260 are being invoked, the date and nature of the event giving rise to the claim, the specific contract provision that University allegedly breached, the amount of damages Contractor seeks, and the method used to calculate the damages. Compliance by Contractor with [subchapter B](#) of Chapter 2260 is a required prerequisite to Contractor's filing of a contested case proceeding under [subchapter C](#) of Chapter 2260. The chief business officer of University, or another officer of University as may be designated from time to time by University by written notice to Contractor in accordance with the notice provisions in this Agreement, will examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve the claims.
- 12.19.2 If the parties are unable to resolve their disputes under **Section 12.19.1**, the contested case process provided in [subchapter C](#) of Chapter 2260 is Contractor's sole and exclusive process for seeking a remedy for any and all of Contractor's claims for breach of this Agreement by University.

- 12.19.3 Compliance with the contested case process provided in [subchapter C](#) of Chapter 2260 is a required prerequisite to seeking consent to sue from the Legislature under [Chapter 107, Texas Civil Practices and Remedies Code](#). The parties hereto specifically agree that (i) neither the execution of this Agreement by University nor any other conduct, action or inaction of any representative of University relating to this Agreement constitutes or is intended to constitute a waiver of University's or the state's sovereign immunity to suit and (ii) University has not waived its right to seek redress in the courts.
- 12.19.2 The submission, processing and resolution of Contractor's claim is governed by the published rules adopted by the Texas Attorney General pursuant to [Chapter 2260](#), as currently effective, thereafter enacted or subsequently amended.
- 12.19.3 University and Contractor agree that any periods provided in this Agreement for notice and cure of defaults are not waived.
- 12.20 **Undocumented Workers.** The *Immigration and Nationality Act* ([8 USC §1324a](#)) (**Immigration Act**) makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the [Form I-9 Employment Eligibility Verification Form \(I-9 Form\)](#) as the document to be used for employment eligibility verification ([8 CFR §274a](#)). Among other things, Contractor is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by Applicable Laws. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Contractor employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by Applicable Laws, University may terminate this Agreement in accordance with **Section 8**. Contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.
- 12.21 **Limitations.** THE PARTIES ARE AWARE THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS (**LIMITATIONS**) ON THE AUTHORITY OF UNIVERSITY (A STATE AGENCY) TO ENTER INTO CERTAIN TERMS AND CONDITIONS THAT MAY BE PART OF THIS AGREEMENT, INCLUDING TERMS AND CONDITIONS RELATING TO LIENS ON UNIVERSITY'S PROPERTY; DISCLAIMERS AND LIMITATIONS OF WARRANTIES; DISCLAIMERS AND LIMITATIONS OF LIABILITY FOR DAMAGES; WAIVERS, DISCLAIMERS AND LIMITATIONS OF LEGAL RIGHTS, REMEDIES, REQUIREMENTS AND PROCESSES; LIMITATIONS OF PERIODS TO BRING LEGAL ACTION; GRANTING CONTROL OF LITIGATION OR SETTLEMENT TO ANOTHER PARTY; LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES; PAYMENT OF ATTORNEYS' FEES; DISPUTE RESOLUTION; INDEMNITIES; AND CONFIDENTIALITY, AND TERMS AND CONDITIONS RELATED TO LIMITATIONS WILL NOT BE BINDING ON UNIVERSITY EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

- 12.22 **Ethics Matters; No Financial Interest.** Contractor and its employees, agents, representatives and subcontractors have read and understand [University's Conflicts of Interest Policy](#), [University's Standards of Conduct Guide](#), and applicable state ethics laws and rules at <http://utsystem.edu/offices/general-counsel/ethics>. Neither Contractor nor its employees, agents, representatives or subcontractors will assist or cause University employees to violate University's Conflicts of Interest Policy, University's Standards of Conduct Guide, or applicable state ethics laws or rules. Contractor represents and warrants that no member of the Board has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

Further, Contractor agrees to comply with [§2252.908, Texas Government Code \(Disclosure of Interested Parties Statute\)](#), and [1 TAC §§46.1 through 46.5 \(Disclosure of Interested Parties Regulations\)](#), as implemented by the Texas Ethics Commission (TEC), including, among other things, providing the TEC and University with information required on the form promulgated by TEC. Proposers may learn more about these disclosure requirements, including the use of TEC's electronic filing system, by reviewing the information on TEC's website at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html.

- 12.23 **Enforcement.** Contractor agrees and acknowledges that University is entering into this Agreement in reliance on Contractor's special and unique knowledge and abilities with respect to performing Work. Contractor's services provide a peculiar value to University. University cannot be reasonably or adequately compensated in damages for the loss of Contractor's services. Accordingly, Contractor acknowledges and agrees that a breach by Contractor of the provisions of this Agreement will cause University irreparable injury and damage. Contractor, therefore, expressly agrees that University will be entitled to injunctive and/or other equitable relief in any court of competent jurisdiction to prevent or otherwise restrain a breach of this Agreement.
- 12.24 **HIPAA Compliance.** University is a HIPAA Covered Entity and some of the information Contractor receives, maintains or creates for or on behalf of University may constitute Protected Health Information (PHI) that is subject to HIPAA. Before Contractor may receive, maintain or create any University Records subject to HIPAA, Contractor will execute the HIPAA Business Associate Agreement (BAA) in **EXHIBIT D**, HIPAA Business Associate Agreement. To the extent that the BAA conflicts with any term contained in this Agreement, the terms of the BAA will control.
- 12.25 **Access by Individuals with Disabilities. Access by Individuals with Disabilities.** Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements in [1 TAC Chapter 213](#) and [1 TAC §206.70](#) (ref. [Subchapter M, Chapter 2054, Texas Government Code](#)). To the extent Contractor becomes aware the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement.
- 12.26 **Historically Underutilized Business Subcontracting Plan.** Contractor agrees to use good faith efforts to subcontract Work in accordance with the Historically Underutilized Business Subcontracting Plan (**HSP**) (ref. **Exhibit E**). Contractor agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to

University in the format required by Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency (collectively, **TPSS**). Submission of compliance reports will be required as a condition for payment under this Agreement. If University determines that Contractor has failed to subcontract as set out in the HSP, University will notify Contractor of any deficiencies and give Contractor an opportunity to submit documentation and explain why the failure to comply with the HSP should not be attributed to a lack of good faith effort by Contractor. If University determines that Contractor failed to implement the HSP in good faith, University, in addition to any other remedies, may report nonperformance to the TPSS in accordance with [34 TAC §§20.101 through 20.108](#). University may also revoke this Agreement for breach and make a claim against Contractor.

12.26.1 **Changes to the HSP.** If at any time during the Term, Contractor desires to change the HSP, before the proposed changes become effective (a) Contractor must comply with [34 TAC §20.14](#); (b) the changes must be reviewed and approved by University; and (c) if University approves changes to the HSP, this Agreement must be amended in accordance with **Section 12.6** to replace the HSP with the revised subcontracting plan.

12.26.2 **Expansion of Work.** If University expands the scope of Work through a change order or any other amendment, University will determine if the additional Work contains probable subcontracting opportunities *not* identified in the initial solicitation for Work. If University determines additional probable subcontracting opportunities exist, Contractor will submit an amended subcontracting plan covering those opportunities. The amended subcontracting plan must comply with the provisions of [34 TAC §20.14](#) before (a) this Agreement may be amended to include the additional Work; or (b) Contractor may perform the additional Work. If Contractor subcontracts any of the additional subcontracting opportunities identified by University without prior authorization and without complying with [34 TAC §20.14](#), Contractor will be deemed to be in breach of this Agreement under **Section 8** and will be subject to any remedial actions provided by Applicable Laws, including [Chapter 2161, Texas Government Code](#), and [34 TAC §20.14](#). University may report nonperformance under this Agreement to the TPSS in accordance with [34 TAC §§20.101 through 20.108](#).

12.27 **Responsibility for Individuals Performing Work; Criminal Background Checks.** Each individual who is assigned to perform Work under this Agreement will be an employee of Contractor or an employee of a subcontractor engaged by Contractor. Contractor is responsible for the performance of all individuals performing Work under this Agreement. Prior to commencing Work, Contractor will (1) provide University with a list (**List**) of all individuals who may be assigned to perform Work on University's premises and (2) have an appropriate criminal background screening performed on all the individuals on the List. Contractor will determine on a case-by-case basis whether each individual assigned to perform Work is qualified to provide the services. Contractor will not knowingly assign any individual to provide services on University's premises who has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses. Contractor will update the List each time there is a change in the individuals assigned to perform Work on University's premises.

Prior to commencing performance of Work under this Agreement, Contractor will provide University a letter signed by an authorized representative of Contractor certifying compliance with this Section. Contractor will provide University an updated certification letter each time there is a change in the individuals on the List.

- 12.28 **Office of Inspector General Certification.** Contractor acknowledges that University is prohibited by federal regulations from allowing any employee, representative, agent or subcontractor of Contractor to work on site at University's premises or facilities if that individual is not eligible to work on federal healthcare programs including Medicare, Medicaid, or other similar federal programs. Therefore, Contractor will not assign any employee, representative, agent or subcontractor that appears on the List of Excluded Individuals issued by the United States Office of the Inspector General (**OIG**) to work on site at University's premises or facilities. Contractor will perform an OIG sanctions check quarterly on each of its employees, representatives, agents, and subcontractors during the time the employees, representatives, agents, or subcontractors are assigned to work on site at University's premises or facilities. Contractor acknowledges that University will require immediate removal of any employee, representative, agent, or subcontractor of Contractor assigned to work at University's premises or facilities if the employee, representative, agent, or subcontractor is found to be on the OIG's List of Excluded Individuals. The OIG's List of Excluded Individuals may be accessed through the following Internet website: <http://exclusions.oig.hhs.gov/>
- 12.29 **External Terms.** This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral, concerning Contractor's performance or provision of goods or services under this Agreement (**External Terms**). External Terms are null and void and will have no effect under this Agreement, even if University or its employees, contractors, or agents express assent or agreement to External Terms. External Terms include any shrinkwrap, clickwrap, browswrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that University or its employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided by Contractor.
- 12.30 **FERPA Compliance.** Some of the University Records Contractor receives, creates or maintains for or on behalf of University constitute **Education Records** (as defined by [FERPA](#)), or **Personally Identifiable Information from Education Records** (as defined by [FERPA](#)) (collectively, **FERPA Data**). Before Contractor may access, create or maintain any of University's FERPA Data, Contractor must execute **EXHIBIT F**, FERPA Confidentiality and Security Addendum. **EXHIBIT F**, FERPA Confidentiality and Security Addendum, contains terms required by University to ensure that Contractor complies with FERPA (including the requirements of [34 CFR §99.33\(a\)](#)) and University Rules related to FERPA, including (i) a description of all FERPA Data subject to this Agreement, and (ii) recognition that University retains the right to control Contractor's access, use, and disclosure of all FERPA Data. Except to the extent **Section 12.11** conflicts with **EXHIBIT F**, FERPA Confidentiality and Security Addendum, Contractor will comply with **Section 12.11** in connection with all FERPA Data. To the extent that **EXHIBIT F**, FERPA Confidentiality and Security Addendum, conflicts with any term contained in this Agreement, the terms of **EXHIBIT F**, FERPA Confidentiality and Security Addendum, will control.
- 12.31 **Contractor Certification regarding Boycotting Israel.** Pursuant to Chapter 2270, *Texas Government Code* Contractor certifies Contractor (1) does not currently boycott Israel; and (b) will not boycott Israel during the Term of this Agreement. Contractor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
- 12.32 **Contractor Certification regarding Business with Certain Countries and Organizations.** Pursuant to Subchapter F, Chapter 2252, *Texas Government*, Contractor certifies Contractor (1) is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Contractor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

University and Contractor have executed and delivered this Agreement to be effective as of the Effective Date.

UNIVERSITY:

CONTRACTOR:

THE UNIVERSITY OF TEXAS

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Attach:

EXHIBIT A – Scope of Work

EXHIBIT B – Schedule

EXHIBIT C – Payment for Services

EXHIBIT D – HIPAA Business Associate Agreement

EXHIBIT E – HUB Subcontracting Plan

EXHIBIT F – FERPA Confidentiality and Security Addendum

EXHIBIT A

SCOPE OF WORK

[Note: Provide a detailed description and break-down of all tasks Contractor is to perform and technical standards for the tasks, if appropriate.]

EXHIBIT B
SCHEDULE

EXHIBIT C

PAYMENT FOR SERVICES

EXHIBIT D

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”), effective _____ (“Effective Date”), is entered into by and between The University of Texas _____ on behalf of its _____ (“Covered Entity”) and _____, a _____ company doing business as “_____” (“Business Associate”, as more fully defined in section 1(c)) (each a “Party” and collectively the “Parties”).

RECITALS

WHEREAS, Covered Entity has entered or is entering into that certain _____ Agreement with Business Associate (“the Underlying Agreement”) by which it has engaged Business Associate to perform services;

WHEREAS, Covered Entity possesses Protected Health Information that is protected under HIPAA and the HIPAA Regulations, HITECH Act and state law, including the Medical Records Privacy Act (MRPA), and is permitted to manage such information only in accordance with HIPAA and the HIPAA Regulations, HITECH Act, and MRPA;

WHEREAS, Business Associate may receive such information from Covered Entity, or create, receive, maintain or transmit such information on behalf of Covered Entity, in order to perform certain of the services under the Underlying Agreement;

WHEREAS, the Parties desire to comply with health information privacy and security protections subsequent to the enactment of the HITECH Act, Subtitle D of the American Recovery and Reinvestment Act of 2009 which has established requirements for compliance with HIPAA. In particular, the requirements provide that: (1) Covered Entity give affected individuals notice of security breaches affecting their PHI, and Business Associate give notice to Covered Entity pursuant to the provisions below; (2) Business Associate comply with the HIPAA security regulations; and (3) additional and/or revised provisions be included in Business Associate Agreement;

WHEREAS, Under HIPAA and HITECH, Covered Entity is required to enter into protective agreements, generally known as “business associate agreements,” with certain downstream entities that will be entrusted with HIPAA-protected health information;

WHEREAS, Health information is further protected by state law, including the MRPA; and

WHEREAS, Covered Entity wishes to ensure that Business Associate will appropriately safeguard Protected Health Information.

NOW THEREFORE, Covered Entity and Business Associate agree as follows:

1. Definitions. The Parties agree that the following terms, when used in this Agreement, shall have the following meanings, provided that the terms set forth below shall be deemed to be modified to reflect any changes made to such terms from time to time as defined in HIPAA and the HIPAA Regulations and the MRPA. All capitalized terms used in this Agreement but not defined below shall have the meaning assigned to them under the HIPAA Regulations.
 - a. “Breach” shall have the meaning given such term under 45 C.F.R. § 164.402 as such regulation is revised from time to time.

- b. "Breach of System Security" means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Sensitive Personal Information maintained by a person, including data that is encrypted if the person accessing the data has the key required to decrypt the data.
- c. "Business Associate" means, with respect to a Covered Entity, a person who:
 - 1) on behalf of such Covered Entity or of an Organized Health Care Arrangement (as defined under the HIPAA Regulations) in which the Covered Entity participates, but other than in the capacity of a member of the workplace of such Covered Entity or arrangement, creates, receives, maintains, or transmits PHI for a function or activity regulated by HIPAA, HIPAA Regulations, or MRPA including claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, patient safety activities listed at 42 C.F.R. 3.20, billing, benefit management, practice management, and re-pricing; or
 - 2) provides, other than in the capacity of a member of the workforce of such Covered Entity, legal, actuarial, accounting, consulting, Data Aggregation, management, administrative, accreditation, or financial services to or for such Covered Entity, or to or for an Organized Health Care Arrangement in which the Covered Entity participates, where the provision of the service involves the disclosure of PHI from such Covered Entity or arrangement, or from another Business Associate of such Covered Entity or arrangement, to the person.
- d. "Data Aggregation" means, with respect to PHI created or received by Business Associate in its capacity as the Business Associate of Covered Entity, the combining of such PHI by Business Associate with the PHI received by Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.
- e. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- f. "HIPAA Regulations" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services, including, but not limited to, 45 C.F.R. Part 160 and 45 C.F.R. Part 164 subparts A and E ("The Privacy Rule") and the Security Standards as they may be amended from time to time, 45 C.F.R. Parts 160, 162 and 164, Subpart C ("The Security Rule").
- g. "HITECH Act" means the provisions of Division A, Title XIII of the American Recovery and Reinvestment Act of 2009, known as The Health Information Technology for Economic and Clinical Health, Act 42 U.S.C. §3000 et. seq., and implementing regulations and guidance, including the regulations implemented in 78 Fed. Reg. 5566 (January 25, 2013).
- h. "Individually Identifiable Health Information" means information that is a subset of health information, including demographic information collected from an individual, and:
 - 1) is created or received by a health care provider, health plan, employer, or health care clearinghouse; and
 - 2) relates to past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and
 - a) that identifies the individual; or

b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

i. "MRPA" means Texas Medical Records Privacy Act, as codified in Section 181 et seq. of the Texas Health and Safety Code and as implemented through regulations including the Standards Relating to the Electronic Exchange of Health Information, codified at Title 1, Section 390.1 et seq. of the Texas Administrative Code.

j. "Protected Health Information" or "PHI" means Individually Identifiable Health Information that is transmitted by electronic media; maintained in any medium described in the definition of the term electronic media in the HIPAA Regulations; or transmitted or maintained in any other form or medium. The term excludes Individually Identifiable Health Information in educational records covered by the Family Educational Right and Privacy Act, as amended, 20 U.S.C. § 1232g; records described at 20 U.S.C. § 1232g(a)(4)(B)(iv); and employment records held by a Covered Entity in its role as employer and regarding a person who has been deceased more than 50 years.

k. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system, but does not include minor incidents that occur on a routine basis, such as scans, "pings", or unsuccessful random attempts to penetrate computer networks or servers maintained by Business Associate.

l. "Sensitive Personal Information" means: (1) an individual's first name or first initial and last name in combination with any one or more of the following items, if the name and the items are not encrypted: (a) social security number; (b) driver's license number or government-issued identification number; (c) account number or credit or debit card number in combination with any required security code, access, code, or password that would permit access to an individual's financial account; or (2) PHI information that identifies an individual and relates to: (a) the physical or mental health or condition of the individual; (b) the provision of health care to the individual; or (c) payment for the provision of health care to the individual.

m. "Unsecured PHI" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified in the guidance issued under Section 13402(h)(2) of the HITECH Act on the HHS web site.

2. Permitted Uses and Disclosures.

a. **Compliance with Law.** Covered Entity and Business Associate agree to comply with HIPAA, HIPAA Regulations, the HITECH Act, and the MRPA.

b. **Performance of Services.** Except as otherwise permitted by this Agreement, Business Associate may create, receive, maintain or transmit PHI on behalf of Covered Entity only in connection with the performance of the services contracted for in the Underlying Agreement or as Required by Law (as that term is defined by 45 C.F.R. § 164.103).

c. **Proper Management and Administration.** Business Associate may use PHI it receives in its capacity as Covered Entity's Business Associate for the proper management and administration of Business Associate in connection with the performance of services in the Underlying Agreement, as permitted by this Agreement or as Required by Law (as that term is defined by 45 C.F.R. § 164.103), and to carry out the legal responsibilities of Business Associate. Business Associate may also disclose Covered Entity's PHI for such proper management and administration of Business Associate and to carry out the legal responsibilities of Business

Associate. Any such disclosure of PHI shall only be made in accordance with the terms of this Agreement, including Section 5(c) if to an agent or subcontractor of Business Associate, and only if Business Associate obtains reasonable written assurances from the person to whom the PHI is disclosed that: (1) the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and (2) Business Associate will be notified by such person of any instances of which it becomes aware in which the confidentiality of the PHI has been breached.

- d. Data Aggregation. Business Associate may use and disclose PHI received by Business Associate in its capacity as Covered Entity's business associate in order to provide Data Aggregation services relating to Covered Entity's health care operations only with Covered Entity's permission.
- e. Business Associate may use and disclose de-identified health information if written approval from the Covered Entity is obtained, and the PHI is de-identified in compliance with the HIPAA Rules.

3. Nondisclosure.

- a. As Provided in Agreement. Business Associate shall not use or further disclose Covered Entity's PHI other than as permitted or required by this Agreement or as Required by Law (as that term is defined by 45 C.F.R. § 164.103).
- b. Disclosures Required By Law. Business Associate shall not, without prior written consent of Covered Entity, disclose any PHI on the possibility that such disclosure is required by law without notifying, to the extent legally permitted, Covered Entity so that the Covered Entity shall have an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such a disclosure, Business Associate, shall, to the extent permissible by law, refrain from disclosing the PHI until Covered Entity has exhausted all alternatives for relief. Business Associate shall require reasonable assurances from persons receiving PHI in accordance with Section 2(c) that such persons will provide Covered Entity with similar notice and opportunity to object before disclosing PHI when a disclosure is required by law.
- c. Additional Restrictions. If Covered Entity notifies Business Associate that Covered Entity has agreed to be bound by additional restrictions on the uses or disclosures of Covered Entity's PHI pursuant to HIPAA or the HIPAA Regulations, Business Associate shall be bound by such additional restrictions and shall not disclose Covered Entity's PHI in violation of such additional restrictions to the extent possible consistent with Business Associate's obligations set forth in the Underlying Agreement.
- d. Restrictions Pursuant to Subject's Request. If Business Associate has knowledge that an individual who is the subject of PHI in the custody and control of Business Associate has requested restrictions on the disclosure of PHI, Business Associate must comply with the requested restriction if (a) the Covered Entity agrees to abide by the restriction; or (b) the disclosure is to a health plan for purposes of carrying out payment or health care operations and the PHI pertains solely to a health care item or service for which Covered Entity has been paid out of pocket in full. If the use or disclosure of PHI in this Agreement is based upon an Individual's specific authorization for the use or disclosure of his or her PHI, and the Individual revokes such authorization, the effective date of such authorization has expired, or such authorization is found to be defective in any manner that renders it invalid, Business Associate shall, if it has notice of such revocation, expiration, or invalidity, cease the use and disclosure of the Individual's PHI except to the extent it has relied on such use or disclosure, or if an exception under the Privacy Rule expressly applies.

- e. Remuneration. Business Associate shall not directly or indirectly receive remuneration in exchange for disclosing PHI received from or on behalf of Covered Entity except as permitted by HITECH Act § 13405, the MRP, and any implementing regulations that may be promulgated or revised from time to time.
 - f. Disclosure. Business Associate shall not use or disclose PHI in a manner that would violate Subpart E of 45 C.F.R. part 164, or MRP, if done by the Covered Entity itself except as authorized under Section 2 of this Agreement.
4. Minimum Necessary. Business Associate shall limit its uses and disclosures of, and requests for, PHI, to the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request.
5. Additional Business Associate Obligations.
- a. Safeguards. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. 164 with respect to electronic PHI to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any paper or electronic PHI it creates, receives, maintains, or transmits on behalf of Covered Entity.
 - b. To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of the obligations.
 - c. Business Associate's Agents and Subcontractors.
 - 1) Business Associate shall ensure that any agents and subcontractors to whom it provides PHI agree to only create, receive, maintain or transmit PHI on behalf of the Business Associate under the same restrictions that apply to Business Associate. Such agreement between Business Associate and subcontractor or agent must be in writing and must comply with the terms of this Agreement and the requirements outlined at 45 C.F.R. §164.504(e)(2); 45 C.F.R. §164.502(e)(1)(ii); 45 C.F.R. §164.314; and 45 C.F.R. §164.308(b)(2). Additionally, Business Associate shall ensure agent or subcontractor agree to and implement reasonable and appropriate safeguards to protect PHI.
 - 2) If Business Associate knows of a pattern of activity or practice of its subcontractor or agent that constitutes a material breach or violation of the agent or subcontractor's obligation under the contract or other arrangement, the Business Associate must take steps to cure the breach and end the violation and if such steps are not successful, must terminate the contract or arrangement if feasible. If it is not feasible to terminate the contract, Business Associate must promptly notify the Covered Entity.
 - d. Reporting. Business Associate shall, as soon as practicable but not more than five (5) business days after becoming aware of any successful security incident or use or disclosure of Covered Entity's PHI or Sensitive Personal Information in violation of this Agreement, report any such use or disclosure to Covered Entity. With the exception of law enforcement delays that satisfy the requirements under 45 C.F.R. § 164.412 or as otherwise required by applicable state law, Business Associate shall notify Covered Entity in writing without unreasonable delay and in no case later than ten (10) calendar days upon discovery of a Breach of Unsecured PHI or Breach of Security System. Such notice must include, to the extent possible, the name of each individual whose Unsecured PHI or Sensitive Personal Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such

breach. Business Associate shall also provide, to the extent possible, Covered Entity with any other available information that Covered Entity is required to include in its notification to individuals under 45 C.F.R. § 164.404(c) and Section 521.053, Texas Business & Commerce Code at the time of Business Associate's notification to Covered Entity or promptly thereafter as such information becomes available. For purposes of this Agreement, a Breach of Unsecured PHI or Breach of Security System shall be treated as discovered by Business Associate as of the first day on which such breach is known to Business Associate (including any person, other than the individual committing the breach, who is an employee, officer, or other agent of Business Associate, as determined in accordance with the federal common law of agency) or should reasonably have been known to Business Associate following the exercise of reasonable diligence.

e. Mitigation. Business Associate shall have procedures in place to mitigate, to the maximum extent practicable, any deleterious effect from any Use or Disclosure (as defined by 45 C.F.R. §160.103).

f. Sanctions. Business Associate shall apply appropriate sanctions in accordance with Business Associate's policies against any employee, subcontractor or agent who uses or discloses Covered Entity's PHI in violation of this Agreement or applicable law.

g. Covered Entity's Rights of Access and Inspection. From time to time upon reasonable notice, or upon a reasonable determination by Covered Entity that Business Associate has breached this Agreement, Covered Entity may inspect the facilities, systems, books and records of Business Associate related to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity or the safeguarding of such PHI to monitor compliance with this Agreement. Business Associate shall document and keep current such security measures and safeguards and make them available to Covered Entity for inspection upon reasonable request including summaries of any internal or external assessments Business Associate performed related to such security controls and safeguards. The fact that Covered Entity inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems and procedures does not relieve Business Associate of its responsibility to comply with this Agreement, nor does Covered Entity's (1) failure to detect or (2) detection but failure to require Business Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of Covered Entity's enforcement or termination rights under this Agreement. This Section shall survive termination of this Agreement.

h. United States Department of Health and Human Services. Business Associate shall make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary of the United States Department of Health and Human Services for purposes of determining Covered Entity's compliance with HIPAA and the HIPAA regulations, provided that Business Associate shall promptly notify Covered Entity upon receipt by Business Associate of any such request for access by the Secretary of the United States Department of Health and Human Services, and shall provide Covered Entity with a copy thereof as well as a copy of all materials disclosed pursuant thereto, unless otherwise prohibited by law.

i. Training. Business Associate shall provide such training in the privacy and security of PHI to its Workforce (as that term is defined by 45 C.F.R. § 160.103) as is required for Business Associate's compliance with HIPAA, HIPAA Regulations, HITECH, and the MRPA.

6. Obligation to Provide Access, Amendment and Accounting of PHI.

a. Access to PHI. Business Associate shall make available to Covered Entity, in the time and manner designated by the Covered Entity, such information as necessary to allow Covered Entity to meet its obligations under the HIPAA Regulations, PHI contained in a Designated

Record Set held by Business Associate as Covered Entity may require to fulfill Covered Entity's obligations to provide access to, and copies of, PHI in accordance with HIPAA and the HIPAA Regulations and MRPA. In the event that any individual requests access to PHI directly from Business Associate, Business Associate shall notify Covered Entity within five (5) business days that such request has been made.

b. Amendment of PHI. Business Associate shall make available to Covered Entity PHI contained in a Designated Record Set held by Business Associate as Covered Entity may require to fulfill Covered Entity's obligations to amend PHI in accordance with HIPAA and the HIPAA Regulations. In addition, Business Associate shall, as directed by Covered Entity, incorporate any amendments to Covered Entity's PHI into copies of such information maintained by Business Associate. In the event that any individual requests amendment of PHI directly from Business Associate, Business Associate shall forward such request to Covered Entity within five (5) business days.

c. Accounting of Disclosures of PHI.

1) Record of Disclosures. Business Associate shall maintain a record of all disclosures of PHI received from, or created or received by Business Associate on behalf of, Covered Entity, except for those disclosures identified in Section 6(c)(2) below, including the date of the disclosure, the name and, if known, the address of the recipient of the PHI, a brief description of the PHI disclosed, and the purpose of the disclosure which includes an explanation of the reason for such disclosure. Business Associate shall make this record available to Covered Entity upon Covered Entity's request. If Business Associate maintains records in electronic form, Business Associate shall account for all disclosures made during the period of three (3) years preceding the request. In the event that any individual requests an accounting of disclosures of PHI directly from Business Associate, Business Associate shall notify Covered Entity within five (5) business days that such request has been made and provide Covered Entity with a record of disclosures within ten (10) days of an individual's request. If the request from an individual comes directly to Covered Entity and Covered Entity notifies Business Associate that it requires information from Business Associate in order to respond to the individual, Business Associate shall make available to Covered Entity such information as Covered Entity may require within ten (10) days from the time of request by Covered Entity.

2) Certain Disclosures Need Not Be Recorded. The following disclosures need not be recorded:

- a) disclosures to carry out Covered Entity's treatment, payment and health care operations as defined under the HIPAA Regulations;
- b) disclosures to individuals of PHI about them as provided by the HIPAA Regulations;
- c) disclosures for Covered Entity's facility's directory, to persons involved in the individual's care, or for other notification purposes as provided by the HIPAA Regulations;
- d) disclosures for national security or intelligence purposes as provided by the HIPAA Regulations;
- e) disclosures to correctional institutions or law enforcement officials as provided by the HIPAA Regulations;

- f) disclosures that occurred prior to the later of (i) the Effective Date or (ii) the date that Covered Entity is required to comply with HIPAA and the HIPAA Regulations;
- g) disclosures pursuant to an individual's authorization in accordance with HIPAA and the HIPAA Regulations; and
- h) any other disclosures excepted from the right to an accounting by the HIPAA Regulations.

7. Material Breach, Enforcement and Termination.

a. Term. This Agreement shall become effective on the Effective Date and shall continue unless or until this Agreement terminates, the Underlying Agreement terminates, or the Business Associate has completed performance of the services in the Underlying Agreement, whichever is earlier.

b. Termination. Either Party may terminate this Agreement:

- 1) immediately if the other Party is finally convicted in a criminal proceeding for a violation of HIPAA or the HIPAA Regulations;
- 2) immediately if a final finding or stipulation that the other Party has violated any standard or requirement of HIPAA or other security or privacy laws is made in any administrative or civil proceeding in which the other Party has been joined; or completed performance of the services in the Underlying Agreement, whichever is earlier.
- 3) pursuant to Sections 7(c) or 8(b) of this Agreement.

c. Remedies. Upon a Party's knowledge of a material breach by the other Party, the non-breaching Party shall either:

- 1) provide an opportunity for the breaching Party to cure the breach and end the violation or terminate this Agreement and the Underlying Agreement if the breaching Party does not cure the breach or end the violation within ten (10) business days or a reasonable time period as agreed upon by the non-breaching party; or
- 2) immediately terminate this Agreement and the Underlying Agreement if cure is not possible.

d. Injunctions. Covered Entity and Business Associate agree that any violation of the provisions of this Agreement may cause irreparable harm to Covered Entity. Accordingly, in addition to any other remedies available to Covered Entity at law or in equity, Covered Entity shall be entitled to seek an injunction or other decree of specific performance with respect to any violation of this Agreement or explicit threat thereof, without any bond or other security being required and without the necessity of demonstrating actual damages.

e. Indemnification. This indemnification provision is enforceable against the Parties only to the extent authorized under the constitution and laws of the State of Texas. The Parties will indemnify, defend and hold harmless each other and each other's respective employees, directors, officers, subcontractors, agents or other members of its workforce, each of the foregoing hereinafter referred to as "indemnified party," against all actual and direct losses suffered by the indemnified party and all liability to third parties arising from or in connection with any breach of this Agreement or of any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under MRPA, HIPAA, the HIPAA

Regulations, and the HITECH Act by the indemnifying party or its employees, directors, officers, subcontractors, agents or other members of its workforce.

f. Breach of PHI and Breach of System Security. Business Associate will pay or reimburse Covered Entity for all costs and penalties incurred by Covered Entity in connection with any incident giving rise to a Breach of PHI and/or a Breach of System Security, including without limitation all costs related to any investigation, any notices to be given, reasonable legal fees, or other actions taken to comply with HIPAA, the HITECH Act, or any other applicable law or regulation, where (i) the PHI was in the custody or control of Business Associate when the Breach of PHI and/or Breach of System Security occurred, or (ii) the Breach of PHI and/or Breach of System Security was caused by the negligence or wrongful acts or omissions of Business Associate and its employees, directors, officers, subcontractors, agents or other members of its workforce.

8. General Provisions.

a. State Law. Nothing in this Agreement shall be construed to require Business Associate to use or disclose PHI without written authorization from an individual who is a subject of the PHI, or written authorization from any other person, where such authorization would be required under state law for such use or disclosure.

b. Amendment. Covered Entity and Business Associate agree to enter into good faith negotiations to amend this Agreement to come into compliance with changes in state and federal laws and regulations relating to the privacy, security and confidentiality of PHI. Covered Entity may terminate this Agreement upon thirty (30) days written notice in the event that Business Associate does not promptly enter into an amendment that Covered Entity, in its sole discretion, deems sufficient to ensure that Covered Entity will be able to comply with such laws and regulations.

c. No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended or shall be deemed to confer upon any person other than Covered Entity, Business Associate, and their respective successors and assigns, any rights, obligations, remedies or liabilities.

d. Ambiguities. The Parties agree that any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with applicable law protecting the privacy, security, and confidentiality of PHI, including, without limitation, MRPA, HIPAA, the HIPAA Regulations, and the HITECH Act.

e. Primacy. To the extent that any provision of this Agreement conflicts with the provision of any other agreement or understanding between the Parties, this Agreement shall control.

f. Destruction/Return of PHI. Business Associate agrees that, pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I), upon termination of this Agreement or the Underlying Agreement, for whatever reason,

- 1) It will return or destroy all PHI, if feasible, received from or created or received by it on behalf of Covered Entity that Business Associate maintains in any form, and retain no copies of such information which for purposes of this Agreement shall mean all backup tapes. Prior to doing so, Business Associate further agrees to recover any PHI in the possession of its subcontractors or agents. An authorized representative of Business Associate shall certify in writing to Covered Entity, within thirty (30) days from the date of termination or other expiration of the Underlying Agreement, that all PHI has been returned or disposed of as provided above and that Business Associate or its subcontractors or agents no longer retain any such PHI in any form.

2) If it is not feasible for Business Associate to return or destroy said PHI, Business Associate will notify the Covered Entity in writing. The notification shall include a statement that the Business Associate has determined that it is infeasible to return or destroy the PHI in its possession, and the specific reasons for such determination. Business Associate shall comply with the Security Rule and extend any and all protections, limitations and restrictions contained in this Agreement to Business Associate's use and/or disclosure of any PHI retained after the termination of this Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

3) If it is infeasible for Business Associate to obtain, from a subcontractor or agent any PHI in the possession of the subcontractor or agent, Business Associate must provide a written explanation to Covered Entity and require the subcontractors and agents to agree to comply with the Security Rule and extend any and all protections, limitations and restrictions contained in this Agreement to the subcontractors' and/or agents' use and/or disclosure of any PHI retained after the termination of this Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

g. Offshore Work. In performing the functions, activities or services for, or on behalf of Covered Entity, Business Associate shall not, and shall not permit any of its agents or subcontractors who receive Covered Entity's PHI to, transmit or make available any PHI to any entity or individual outside the United States without prior written consent of Covered Entity.

h. Integration. This Agreement embodies and constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitments and understandings pertaining to the subject matter hereof.

i. Governing Law. This Agreement is governed by, and shall be construed in accordance with, applicable federal law and the laws of the State of Texas without regard to choice of law principles.

j. Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or (other than for the delivery of fees) via facsimile to the facsimile telephone numbers listed below.

If to Covered Entity:
The applicable U.T. Institution(s)'s Privacy Officer.

With copy to:
The University of Texas System Privacy Officer
Office of Systemwide Compliance
201 West 7th Street
Austin, Texas 78701

If to Business Associate: _____

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner herein above provided.

k. Privilege. Notwithstanding any other provision in this Agreement, this Agreement shall not be deemed to be an agreement by Business Associate to disclose information that is privileged, protected, or confidential under applicable law to the extent that such privilege, protection or confidentiality (a) has not been waived or (b) is not superseded by applicable law.

l. Multiple Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. Facsimile and electronic (pdf) signatures shall be treated as if they are original signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives in the manner legally binding upon them as of the date indicated below.

BUSINESS ASSOCIATE

COVERED ENTITY
THE UNIVERSITY OF TEXAS

By: _____

(Authorized Signature)

Name: _____

(Type or Print)

Title: _____

Date: _____

By: _____

(Authorized Signature)

Name: _____

(Type or Print)

Title: _____

Date: _____

EXHIBIT E

HUB SUBCONTRACTING PLAN

EXHIBIT F

FERPA CONFIDENTIALITY AND SECURITY ADDENDUM

This FERPA Confidentiality and Security Addendum (“**Addendum**”) is made and entered into effective as of [] (the “**Effective Date**”) by and between **The University of Texas System**, a state agency and institution of higher education established under the laws of the State of Texas (“**University**”) and _____ (“**Contractor**”), (collectively, “**Parties**”). The purpose of this Addendum is to provide the terms under which Contractor is required to maintain the confidentiality and security of any and all University records subject to the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g (“**FERPA**”) which Contractor will create, receive, or maintain on behalf of University pursuant to [**Identify underlying contract to which the Addendum is attached.**] (“**Underlying Agreement**”).

1. **FERPA.** The Parties understand and agree that:

- 1.1 As part of the work (“**Work**”) that Contractor will provide pursuant to the Underlying Agreement, Contractor is expected to create, receive or maintain, records or record systems from or on behalf of University that (a) are subject to FERPA or (b) contain personally identifiable information from “Education Records” as defined by and subject to FERPA (collectively, “**FERPA Records**”) namely: directory information such as name, phone number, mailing address, year of graduation, and other general information. FERPA Records include all data in any form whatsoever, including electronic, written and machine readable form.
- 1.2 Notwithstanding any other provision of the Underlying Agreement, this Addendum or any other agreement, all FERPA Records created, received or maintained by Contractor pursuant to the Underlying Agreement will remain the sole and exclusive property of University.

2. **FERPA Compliance.** In connection with all FERPA Records that Contractor may create, receive or maintain on behalf of University pursuant to the Underlying Agreement, Contractor is designated as a University Official with a legitimate educational interest in and with respect to such FERPA Records, only to the extent to which Contractor (a) is required to create, receive or maintain FERPA Records to carry out the Underlying Agreement, and (b) understands and agrees to all of the following terms and conditions *without reservation*:

- 2.1 **Prohibition on Unauthorized Use or Disclosure of FERPA Records:** Contractor will hold University FERPA Records in strict confidence. Contractor will not use or disclose FERPA Records received from or on behalf of University, including any FERPA Records provided by a University student directly to Contractor, except as permitted or required by the Underlying Agreement or this Addendum.
- 2.2 **Maintenance of the Security of FERPA Records:** Contractor will use the administrative, technical and physical security measures, including secure encryption in the case of electronically maintained or transmitted FERPA Records, approved by University and that are at least as stringent as the requirements of UT System Information and Resource Use & Security Policy, UTS 165 at <http://www.utsystem.edu/board-of-regents/policy-library/policies/uts165->

[information-resources-use-and-security-policy](#), to preserve the confidentiality and security of all FERPA Records received from, or on behalf of University, its students or any third party pursuant to the Underlying Agreement.

- 2.3 **Reporting of Unauthorized Disclosures or Misuse of FERPA Records and Information:** Contractor, as soon as practicable after discovery, will report to University any use or disclosure of FERPA Records not authorized by this Addendum. Contractor's report will identify the following, as soon as practicable after such information is known to Contractor: (i) the nature of the unauthorized use or disclosure, (ii) the FERPA Records used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or will do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or will take to prevent future similar unauthorized use or disclosure. Contractor will provide such other information, including written reports, as reasonably requested by University. For purposes of this **Section 2.3**, an unauthorized disclosure or use includes any access or use of an "Education Record" (as defined by FERPA) by a Contractor employee or agent that the employee or agent does not require to perform Work or access by any employee or agent that does not involve the provision of Work.
- 2.4 **Right to Audit:** If University has a reasonable basis to believe that Contractor is not in compliance with the terms of this Addendum, University may audit Contractor's compliance with FERPA as Contractor's compliance relates to University's FERPA Records maintained by Contractor.
- 2.5 **Five Year Exclusion for Improper Disclosure of Education Records.** Under the federal regulations implementing FERPA, improper disclosure or redisclosure of personally identifiable information from University's "Education Records" (as defined by FERPA) by Contractor or its employees or agents may result in Contractor's complete exclusion from eligibility to contract with University for at least five (5) years.
3. **Secure Destruction of FERPA Records.** Contractor agrees that no later than 30 days after expiration or termination of the Underlying Agreement or this Addendum for any reason, or within thirty (30) days after University's written request, Contractor will halt all access, use, creation, or processing of FERPA Records and will Securely Destroy all FERPA Records, including any copies created by Contractor or any subcontractor; and Contractor will certify in writing to University that all FERPA records have been Securely Destroyed. "**Secure Destruction**," "**Securely Destroy**" and "**Securely Destroyed**" mean shredding, erasing or otherwise modifying a record so as to make it unreadable or indecipherable.
4. **Disclosure.** Contractor will restrict disclosure of FERPA Records solely to those employees, subcontractors, or agents of Contractor that have a need to access the FERPA Records in order for Contractor to perform its obligations under the Underlying Agreement or this Addendum. If Contractor discloses any FERPA Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with restrictions and obligations that align with the restrictions and obligations imposed on Contractor by the Underlying Agreement and this Addendum, including requiring each subcontractor or agent to agree to the same restrictions and obligations in writing.

5. **Termination.** This Addendum will remain in effect until the earlier of (a) expiration or termination of the Underlying Agreement, or (b) the date University terminates this Addendum by giving Contractor sixty (60) days' written notice of University's intent to terminate. **Sections 2, 3, 4, and 6** of this Addendum will survive expiration or termination of the Underlying Agreement and this Addendum.

6. **Breach.** In the event of a breach, threatened breach or intended breach of this Addendum by Contractor, University (in addition to any other rights and remedies available to University at law or in equity) will be entitled to preliminary and final injunctions, enjoining and restraining such breach, threatened breach or intended breach.

7. **Governing Law.** The validity, construction, and performance of this Addendum are governed by the laws of the State of Texas, and suit may be brought in **Travis** County, Texas to enforce the terms of this Addendum.

8. **Non-Assignment.** The rights and obligations of the Parties under this Addendum may not be sold, assigned or otherwise transferred.

AGREED TO AND SIGNED BY THE PARTIES.

The University of Texas at []

CONTRACTOR

By: _____

by: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____]

**INFORMATION SECURITY
THIRD-PARTY ASSESSMENT SURVEY**

NOTE: Please complete the survey below and return with Proposal.

Administrator Name: _____ Date: _____
 Address : _____ Website: _____
 IT Security Contact: _____ Email: _____ Phone: _____
 Location of Data Center: _____ Contact: _____ Phone: _____
 Location of Recovery Center: _____ Contact: _____ Phone: _____
 Years in Business: _____ Number of Employees: _____ Number of Customers Using the Product: _____
 UT Entity's Sponsoring Dept. **Office of Employee Benefits**

Name & Description of Service/Product: _____

Describe the Target Users for the Service/Product: _____

Technical Description (client, agent, SSL, FTP, hosted website, ASP, cloud computing, etc.): _____

Other Customer Software Required to Run the Product/Service: _____

Describe Pertinent Outsourced/Contracted Service Arrangements: (such as: support, cloud services, third-party applications, etc.) _____

Describe Security Features/Testing/External Assessments: _____

Note: Respond "yes" or "no" to the questions below. Explain Proposer's answer in the Comments column.

| A. Data Centers | Answer | Comments |
|--|--------|----------|
| 1. Has contract with third-party for data center services. If yes, specify type of service provided by data center provider: a. Managed Hosting (full responsibility for admin, mgmt, architecture, hardware and software), b. Managed Services (same as Managed Hosting but with administrator access to infrastructure and responsibility at the application level), c. Co-Location (Administrator has full responsibility of hardware but leveraging private data suites, cages, etc.) | | |
| 2. Number of years doing business with data center service provider? | | |
| B. Policies, Standards and Procedures | Answer | Comments |
| 1. Has formal written Information Security Policies. | | |
| 2. Will provide copies of the Information Security Policies. | | |
| 3. Will provide, if asked, examples of security documents, which you have indicated you maintain. | | |
| 4. Can provide supporting documentation of certifications and results of a third-party external Information Security assessment conducted within the past 2 years (SAS-70, SSAE-16, penetration test, vulnerability assessment, etc.) | | |
| 5. Maintains incident response procedures. | | |
| 6. Policy protects client information against unauthorized access; whether stored, printed, spoken, or transmitted. | | |
| 7. Policy prohibits sharing of individual accounts and passwords. | | |
| 8. Policy implements the following Information Security concepts: need to know, least privilege, and checks and balances. | | |
| 9. Receives and implements protections for security vulnerability alerts (such as CERTs). | | |
| 10. Requires system administrators to be educated and qualified. | | |
| 11. Implements AAA (Authentication, Authorization, Accounting) for all users. | | |
| 12. Performs background checks for individuals handling sensitive information. | | |
| 13. Termination or job transfer procedures immediately protect unauthorized access to information. | | |
| 14. Provides customer support with escalation procedures. | | |
| 15. Documented change control processes. | | |

| | | |
|---|---------------|-----------------|
| 16. Requires contractors, subcontractors, vendors, outsourcing ventures, or other external third-party contracts to comply with policies and customer | | |
| 17. Policy implements federal, state, and local regulatory requirements. | | |
| 18. Maintains a routine user Information Security awareness program. | | |
| 19. There is a formal routine Information Security risk management program for risk assessments and risk management. | | |
| C. Architecture | Answer | Comments |
| 1. Will provide a network architecture drawing for the customer solution, which demonstrates the defense-in-depth strategies. | | |
| 2. Implements and monitors firewall protections. | | |
| 3. Maintains routers and ACLs. | | |
| 4. Provides network redundancy. | | |
| 5. IDS/IPS technology is implemented and alerts are assessed. | | |
| 6. There is a DMZ architecture for Internet systems. | | |
| 7. Web applications that 'face' the Internet are on DMZ servers are separate from internal servers that house sensitive customer information. | | |
| 8. Maintains enterprise-wide virus/malware protection. | | |
| 9. There is an enterprise patch management system. | | |
| 10. Provides dedicated customer servers or explain how this is accomplished in a secure virtual or segmented configuration. | | |
| 11. Remote access is achieved over secure connections. | | |
| 12. Test environments both physical and logical are separated from production environments. | | |
| 13. Will provide architectural software solution data flow diagrams, which include implemented security controls. | | |
| 14. Wireless networks are encrypted, require user authentication, and there are secured/controlled access points. | | |
| D. Configurations | Answer | Comments |
| 1. All computers systems involved are kept current with security patches and have up-to-date malware protection. | | |
| 2. Encryption, with the strength of at least 256 bit, is used, required, and monitored when sensitive information is transmitted over untrusted or public connections. | | |
| 3. System banners are displayed prior to access and require the user's acknowledgment and agreement concerning: unauthorized use is prohibited, system are monitored, policies are enforced, and there is no expectation of privacy. | | |
| 4. Computers have password-protected screen savers that activate automatically to prevent unauthorized access when unattended. | | |
| 5. All unnecessary services are removed from computers. | | |
| 6. Servers run anti-intrusion software (such as tripwire, etc.). | | |
| 7. All administrator-supplied default passwords or similar "published" access codes for all installed operating systems, database management systems, network devices, application packages, and any other commercially produced IT products have been changed or disabled. | | |
| 8. Passwords have a minimum of 8 characters, expire, and have strength requirements. | | |
| 9. Passwords are never stored in clear text or are easily decipherable. | | |
| 10. All system operating systems and software are routinely checked to determine whether appropriate security settings are enabled. | | |
| 11. File and directory permissions are managed for least privilege and need-to-know accesses. | | |
| 12. Redundancy or high availability features are implemented for critical functions. | | |
| 13. All user access is authenticated with either a password, token or biometrics. | | |
| 14. All system changes are approved, tested and logged. | | |
| 15. Production data is not used for testing unless the data has been | | |
| 16. Application security follows industry best practices (such as OWASP). | | |
| 17. For system's support users, the account lockout feature is set for successive failed logon attempts. | | |
| 18. Split tunneling is prohibited when connecting to customer systems or networks. | | |
| E. Product Design | Answer | Comments |
| 1. If the product integrates with portable devices, sensitive information or information protected by law is encrypted when stored on these portable devices and requires password access. | | |

| | | |
|--|---------------|-----------------|
| 2. Access to sensitive information or information protected by law, across a public connection is encrypted with a secured connection and requires user authentication. | | |
| 3. If the product manages Protected Health Information (PHI), the product and company processes are HIPAA compliant. | | |
| 4. Management of any payment card information is compliant with the Payment Card Industry (PCI) Standards. | | |
| 5. Web applications are scanned, tested, and monitored for common application security vulnerabilities. | | |
| 6. Software, applications, and databases are kept current with the latest security patches. | | |
| 7. This product has been and can be Shibbolized. | | |
| 8. This product integrates with Active Directory or LDAP | | |
| 9. Encryption, with the strength of at least 256 bit, is available for stored data if the customer so desires. | | |
| F. Access Control | Answer | Comments |
| 1. Access is immediately removed or modified when personnel terminate, transfer, or change job functions. | | |
| 2. Achieves individual accountability by assigning unique IDs and prohibits password sharing. | | |
| 3. Critical data or systems are accessible by at least two trusted and authorized individuals. | | |
| 4. Access permissions are reviewed at least monthly for all server files, databases, programs, etc. | | |
| 5. Users only have the authority to read or modify those programs or data, which they need to perform their assigned duties. | | |
| G. Monitoring | Answer | Comments |
| 1. Access logs for all servers, sensitive databases, and sensitive files are reviewed at least monthly for anomalies. | | |
| 2. System event logging is implemented on all servers and records at a minimum who, what, and when. | | |
| 3. After normal business hours system activity and access (physical or logical) is reviewed and analyzed at least monthly. | | |
| 4. System logs are reviewed for failed logins or failed access attempts at least monthly. | | |
| 5. Dormant accounts on systems are reviewed and removed at least monthly. | | |
| 7. Network and firewall logs are reviewed at least monthly. | | |
| 8. Wireless access is reviewed at least monthly. | | |
| 9. Scanning is done routinely for rogue access points. | | |
| 10. IDS/IPS systems are actively managed and alert notifications have been implemented. | | |
| 11. Vulnerability scanning is performed routinely. | | |
| 12. Password complexity checking is done routinely. | | |
| H. Physical Security | Answer | Comments |
| 1. Access to secure areas are controlled such as: key distribution management, paper/electronic logs, or a receptionist always present when the doors are opened. | | |
| 2. Access to server rooms are controlled and follow need-to-know and least privilege concepts. | | |
| 3. Computer rooms have special safeguards in place i.e., cipher locks, restricted access, room access log. | | |
| 4. Disposal of printed confidential or sensitive information is shredded or otherwise destroyed securely. | | |
| 5. Customer information is either prohibited or encrypted (PHI, student data, SSN, etc.) on laptop computers or other portable devices. | | |
| 6. Desktops which display sensitive information are positioned to protect from unauthorized viewing. | | |
| 7. All visitors are escorted in computer rooms or server areas. | | |
| 8. Appropriate environmental controls been implemented where possible to manage the equipment risks such as: alarms, fire safety, cooling, heating, smoke detector, battery backup, etc. | | |
| 9. There are no external signs indicating the content or value of the server room or any room containing sensitive information. | | |
| 10. There are secure processes for destroying sensitive data on hard drives, tapes or removable media when it is no longer needed. | | |
| I. Contingency | Answer | Comments |
| 1. There is a written contingency plan for mission critical computing operations. | | |

| | | |
|--|---------------|-----------------|
| 2. Emergency procedures and responsibilities are documented and stored securely at multiple sites. | | |
| 3. The contingency plan is reviewed and updated at least annually. | | |
| 4. You have identified what computing services must be provided within specified critical timeframes in case of a disaster. | | |
| 5. Cross-functional dependencies been identified so as to determine how the failure in one system may negatively impact another one. | | |
| 6. You have written backup procedures and processes. | | |
| 7. You periodically test the integrity of backup media. | | |
| 8. Backup media is stored in a secure manner and access is controlled. | | |
| 9. You maintain a documented and tested disaster recovery plan. | | |
| 10. You have off-site storage and documented retrieval procedures for backups. | | |
| 11. You have rapid access to backup data. | | |
| 12. Backup media is appropriately labeled to avoid errors or data exposures. | | |
| J. BUSINESS RELATIONSHIPS | Answer | Comments |
| 1. Confidential agreements have been signed before proprietary and/or sensitive information is disclosed. | | |
| 2. Business associate contracts or agreements are in place and contain appropriate risk coverage for customer requirements. | | |
| 3. Business associates are aware of customer security policies and what is required of them. | | |
| 4. Business associates agreements document agreed transfer of customer's data when the relationship terminates. | | |
| 5. Contractual agreements will or do include the UT Entity's required information security language. | | |
| 6. By contractual agreement, the provider's outsource service arrangements and changes are made know to the customer and require preapproval when it involves management changes of the customer's data (such as: cloud services, offshoring, etc.). | | |
| 7. Contractual agreements accommodate customer requirements/restrictions concerning the physical storage location customer data and/or physical routing of sensitive information. | | |
| 8. Contractual language requires release of customer information to government agencies or other authorities must be managed by the customer. | | |
| 9. Technologies or management of customer information facilitates customer open records and records retention requirements. | | |
| 10. Technologies or management of customer information can facilitate customer requests for investigations, and if necessary, forensic analysis to include a documented chain of custody. | | |
| 11. Contracts protect customer correspondence with the provider (such as: email, voice, SMS, IM, etc.) and release requires customer approval. | | |

Table 2A below lists the characteristics of each health center. Most health centers accepted walk-ins, had a limited-service lab, and were members of American College Health Association (ACHA). Few health centers served as a medical training rotation site or had separate clinics for women’s health and sports medicine. No health centers provided overnight care or had separate athletic/sports medicine clinics.

Table 2A: Health Center Characteristics

| | Academic Institutions | | | | | | | Health Institutions | | | |
|---|-----------------------|-----------|-----|------|-------|------|-----|---------------------|----------|------|--------|
| | UTA | UT Austin | UTD | UTEP | UTRGV | UTSA | UTT | UTHSC-H | UTHSC-SA | UTMB | UTSWMC |
| Provides overnight inpatient care | | | | | | | | | | | |
| Has a separate women's health clinic | | | | | | | | | | | |
| Has a separate sports medicine clinic | | | | | | | | | | | |
| Offers after hours care | | | | | | | | | | | |
| Has a full-service lab | | | | | | | | | | | |
| Has a limited-service lab | | | | | | | | | | | |
| Has a full-service pharmacy on-site | | | | | | | | | | | |
| Has a separate athletic/sports medicine clinic | | | | | | | | | | | |
| Serves as medical training rotation site | | | | | | | | | | | |
| ACHA member | | | | | | | | | | | |
| AAAHC accredited | | | | | | | | | | | |
| JCAHO accredited | | | | | | | | | | | |
| Walk ins accepted | | | | | | | | | | | |
| Pharmacy accepts insurance | | | | | | | | | | | |
| Network provider to at least one third-party insurer | | | | | | | | | | | |
| Contracts with company to file insurance claims | | | | | | | | | | | |
| Collects out of pocket charges at the time of service | | | | | | | | | | | |
| Offers self-pay discount | | | | | | | | | | | |

Key

Institution has characteristic

Each health center offered a unique set of services and specialties. All health centers offered primary care, and most provided laboratory services and health promotion. No health centers offered dental or optometry services, and UT Austin was the only health center that indicated it provided services to faculty and staff in addition to students. While counseling services are offered at all

institutions, some student health centers have integrated counseling services while others provided services through a counseling/mental health center. Table 2B below lists the specialties and services provided at each health center.

Table 2B: Health Center Services and Specialties

| | Academic Institutions | | | | | | | Health Institutions | | | |
|--------------------------|-----------------------|-----------|-----|------|-------|------|-----|---------------------|----------|------|--------|
| | UTA | UT Austin | UTD | UTEP | UTRGV | UTSA | UTT | UTHSC-H | UTHSC-SA | UTMB | UTSWMC |
| Allergy Desensitization | | | | | | | | | | | |
| Counseling | | limited | | | | | | | | | |
| Dental | | | | | | | | | | | |
| Dermatology | | | | | | | | | | | |
| Dispensary | | | | | | | | | | | |
| Gynecology | | | | | | | | | | | |
| Health Promotion | | | | | | | | | | | |
| Laboratory | | | | | | | | | | | |
| Nutrition | | | | | | | | | | | |
| Optometry | | | | | | | | | | | |
| Orthopedics | | | | | | | | | | | |
| Pharmacy | | | | | | | | | | | |
| Physical Therapy | | | | | | | | | | | |
| Primary Care | | | | | | | | | | | |
| Psychiatry | | | | | | | | | | | |
| Radiology | | | | | | | | | | | |
| Sports Medicine | | | | | | | | | | | |
| Travel | | | | | | | | | | | |
| Urgent Care | | | | | | | | | | | |
| Occupational Health | | | | | | | | | | | |
| Treats Staff and Faculty | | limited | | | | | | | | | |

Key

Institution provides service

While all UT System students have access to counseling services, the level of integration between counseling/mental health centers and student health centers varies among institutions. UTA, UTHSC-H, and UTMB health centers were “completely” merged/integrated

POLICYHOLDER: The University of Texas System
POLICY NUMBER: 212653 (“the Policy”)
EFFECTIVE DATE: September 1, 2017
POLICY TERM: September 1, 2017 through August 31, 2018
COVERAGE PERIOD: 52 weeks from the date of a Covered Accident
PREMIUM DUE DATE: On or before the Policy Effective Date

This Policy describes the terms and conditions of coverage as issued to the Policyholder named above. The Policy is issued in the state of Texas and is governed by its laws. The Policy becomes effective at 12:00 A.M. on the Policy Effective Date at the Policyholder’s address.

Blue Cross and Blue Shield of Texas (“BCBSTX”), a Division of Health Care Service Corporation, a Mutual Legal Reserve Company (the “Insurer”) and the Policyholder have agreed to all of the terms of the Policy as stated herein.

Policyholder has confirmed to Insurer that it is an institution of higher education as defined in the Higher Education Act of 1965. This Policy does not make health insurance available other than in connection with enrollment as a Student in the Policyholder’s Institution. If Covered Persons have any questions once they have read this Policy, they can call Us at 1-855-267-0214. It is important to all of Us that Covered Persons understand the protection this coverage gives them.

Signed for Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company by:



Jeffrey R. Tikkanen
President of Retail Markets
Blue Cross and Blue Shield of Texas
1001 E Lookout Dr.
Richardson, TX 75082

BLANKET STUDENT INTERCOLLEGIATE SPORT ACCIDENT INSURANCE
PLEASE READ THIS POLICY CAREFULLY. IT PAYS BENEFITS FOR SPECIFIC LOSSES FROM
ACCIDENT ONLY. BENEFITS ARE NOT PAID FOR LOSS DUE TO SICKNESS.

**WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR
DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE
POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS
GUILTY OF A FELONY.**

A Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association

STUSATXNO100

NOTICE

Please note that Blue Cross and Blue Shield of Texas has contracts with many health care Providers that provide for Us to receive, and keep for Our own account, payments, discounts and/or allowances with respect to the bill for services the Covered Person receives from those Providers.

WARNING, LIMITED BENEFITS WILL BE PAID WHEN OUT-OF-NETWORK PROVIDERS ARE USED

The Covered Person should be aware that when the Covered Person elects to utilize the services of an Out-of-Network Provider for treatment, services, and supplies not excluded or limited by the Policy in non-emergency situations, benefit payments to such Out-of-Network Providers are not based upon the amount billed. The basis of the Covered Person's benefit payment will be determined according to the Covered Person's Policy's fee schedule, usual and customary charge (which is determined by comparing charges for similar services adjusted to the geographical area where the services are performed), or other method as defined by the Policy. **THE COVERED PERSON CAN EXPECT TO PAY MORE THAN THE COINSURANCE OR COPAYMENT AMOUNT DEFINED IN THE POLICY AFTER THE PLAN HAS PAID ITS REQUIRED PORTION.** Out-of-Network Providers may bill members for any amount up to the billed charge after the plan has paid its portion of the bill. Network Providers have agreed to accept discounted payments for services with no additional billing to the member other than applicable copayments, Coinsurance and deductible amounts. The Covered Person may obtain further information about the participating status of Providers and information on out-of-pocket maximums by calling the toll free telephone number on the Covered Person's identification card. For questions concerning Out-of-Network Providers, please call Blue Cross and Blue Shield of Texas Customer Service at 1-855-267-0214. Should the Covered Person wish to know the Allowable Amount for a particular health care service or procedure or whether a particular Provider is a Network Provider or an Out-of-Network Provider, contact the Covered Person's Provider or Blue Cross and Blue Shield of Texas. Should the Covered Person wish to know the estimated claim charge for a particular health care service or procedure, please contact the Covered Person's Provider.

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call the Blue Cross and Blue Shield of Texas' toll-free telephone number for information or to make a complaint at:

1-800-654-9390

You may also write to Blue Cross and Blue Shield of Texas at:

Blue Cross and Blue Shield of Texas
1001 E. Lookout Drive
Richardson, TX 75082

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

The Texas Department of Insurance
P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Blue Cross and Blue Shield of Texas para informacion o para someter una queja al:

1-800-654-9390

Usted tambien puede escribir a Blue Cross and Blue Shield of Texas:

Blue Cross and Blue Shield of Texas
1001 E. Lookout Drive
Richardson, TX 75082

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companies, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

El Departamento de Seguros de Texas
P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del document adjunto.

TABLE OF CONTENTS

| | Page Number |
|-----------------------------|-------------|
| Notice | 2 |
| Schedule of Benefits | 5 |
| Definitions | 6 |
| Plan Membership | |
| Eligibility for Insurance | 13 |
| Effective Date of Insurance | 14 |
| Discontinuance of Insurance | 15 |
| Covered Events | 16 |
| Description of Coverage | 17 |
| Exclusions and Limitations | 20 |
| Claim Provisions | 21 |
| Administrative Provisions | 23 |
| General Provisions | 25 |

SCHEDULE OF BENEFITS

Changes in state or federal law or regulations or interpretations thereof may change the terms and conditions of coverage.

For questions concerning Out-of-Network Providers, please call Blue Cross and Blue Shield of Texas Customer Service at 1-855-267-0214.

CLASSES OF ELIGIBLE PERSONS:

Class I: Health Institution Students (Hard Wavier) - It is a requirement that all Health Science Center and medical students are automatically enrolled in the Student Health Insurance Plan at registration unless proof of comparable coverage is furnished.

Class II: International Students (Mandatory) - All international students holding non-immigrant visas are eligible and are required to purchase this Student Health Insurance Plan in order to complete registration, except for those students who certify in writing that comparable coverage is in effect under another plan as approved by The University of Texas (UT) System Board of Regents.

The Board of Regents has authorized the assessment of a health insurance fee to each such international student who cannot provide evidence of continuing coverage under another approved plan. This fee will be the amount of the premium approved for the UT System Student Health Insurance Plan. Required Student Health Insurance coverage for international students includes repatriation and Medical Evacuation benefits.

Class III: All Other Students (Voluntary): All other fee paying students at an institution of the UT System who are taking credit hours, graduate students working on research/dissertation or thesis, post doctorate students, scholars, fellows and visiting scholars are eligible to enroll in this Student Health Insurance Plan. A person may be insured only under one class of eligible persons even though he or she may be eligible under more than one class.

ACCIDENT MEDICAL EXPENSE BENEFITS

Scope of Coverage:

Benefits will be paid at the applicable benefit rate up to the Benefit Maximum.

Benefit Maximum Per Covered Person Per Covered Accident \$90,000

| Covered Expenses | Network Provider Policy Pays | Out-of-Network Provider Policy Pays |
|--------------------------|-------------------------------------|--|
| Covered Accidents | 100% of Allowable Amount | 100% of Allowable Amount |

DEFINITIONS

Throughout this Policy, many words are used which have a specific meaning when applied to a Covered Person's accident coverage. These terms will always begin with a capital letter. When a Covered Person comes across these terms while reading this Policy, he/she can refer to these definitions because they will help them understand some of the limitations or special conditions that may apply to his/her benefits. If a term within a definition begins with a capital letter, that means that the term is also defined in these definitions. All definitions have been arranged in ALPHABETICAL ORDER. In this Policy We refer to Our Company as "Blue Cross and Blue Shield" and We refer to the institution of higher education in which a Student is enrolled and active as the "Institution."

"Accident" means a sudden, unexpected and unintended identifiable event producing at the time objective symptoms of an Injury. The Accident must occur while the Covered Person is insured under the Policy.

"Allowable Amount" means the maximum amount determined by Us to be eligible for consideration of payment for a particular service, supply or procedure.

For Hospitals, Doctors and other Providers contracting with BCBSTX in Texas or any other Blue Cross and Blue Shield Plan - The Allowable Amount is based on the terms of the Network Provider contract and the payment methodology in effect on the date of service. The payment methodology used may include diagnosis-related groups (DRG), fee schedule, package pricing, global pricing, per diems, case-rates, discounts, or other payment methodologies.

For Hospitals, Doctors and other Providers not contracting with BCBSTX in Texas or any other Blue Cross and Blue Shield Plan outside of Texas (non-contracting Allowable Amount) - The Allowable Amount will be the lesser of: (i) the Provider's billed charges, or; (ii) the BCBSTX non-contracting Allowable Amount. Except as otherwise provided in this section, the non-contracting Allowable Amount is developed from base Medicare participating reimbursements adjusted by a predetermined factor established by BCBSTX. Such factor shall be not less than 75% and will exclude any Medicare adjustment(s) which is/are based on information on the claim.

Notwithstanding the preceding sentence, the non-contracting Allowable Amount for home health care is developed from base Medicare national per visit amounts for low utilization payment adjustment, or LUPA, episodes by home health discipline type adjusted for duration and adjusted by a predetermined factor established by Us. Such factor shall be not less than 75% and shall be updated on a periodic basis.

When a Medicare reimbursement rate is not available or is unable to be determined based on the information submitted on the claim, the Allowable Amount for non-contracting Providers will represent an average contract rate in aggregate for Network Providers adjusted by a predetermined factor established by Us. Such factor shall be not less than 75% and shall be updated not less than every two years.

We will utilize the same claim processing rules and/or edits that it utilizes in processing Network Provider claims for processing claims submitted by non-contracting Providers which may also alter the Allowable Amount for a particular service. In the event We do not have any claim edits or rules, We may utilize the Medicare claim rules or edits that are used by Medicare in processing the claims. The Allowable Amount will not include any additional payments that may be permitted under the Medicare laws or regulations which are not directly attributable to a specific claim, including, but not limited to, disproportionate share and graduate medical education payments.

Any change to the Medicare reimbursement amount will be implemented by Us within ninety (90) days after the effective date that such change is implemented by the Centers for Medicaid and Medicare Services, or its successor.

The non-contracting Allowable Amount does not equate to the Provider's billed charges and Covered Persons receiving services from a non-contracting Provider will be responsible for the difference between the non-contracting Allowable Amount and the non-contracting Provider's billed charge, and this difference may be considerable. To find out the BCBSTX non-contracting Allowable Amount for a particular service, Covered Persons may call customer service at 1-855-267-0214.

Notwithstanding the above, where applicable state or federal law requires another standard for a non-contracting claim, the Allowable Amount shall be the lessor of billed charge or the amount prescribed by law.

For multiple surgeries - The Allowable Amount for all surgical procedures performed on the same patient on the same day will be the amount for the single procedure with the highest Allowable Amount plus a determined percentage of the Allowable Amount for each of the other covered procedures performed.

“Benefit Maximum” means the total amount of Covered Expenses payable under this Policy per Covered Person per Coverage Period.

“Benefit Period” means the period of time starting with the Effective Date of this Policy through the Termination Date as shown on the Face page of the Policy. The Benefit Period is as agreed to by the Policyholder and the Insurer.

“Coinsurance” means a percentage of an eligible expense that the Covered Person is required to pay towards a Covered Expense.

“Company” means Blue Cross and Blue Shield of Texas, A Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association (also referred to herein as “BCBSTX”).

“Coverage Period” means the period of time starting with the date the Covered Accident occurs through the end of the Coverage Period as shown on the Face page of the Policy. The Coverage Period is as agreed to by the Policyholder and the Insurer.

“Covered Accident” means an Accident that occurs while coverage is in force for a Covered Person and results in a loss or Injury arising from a Qualifying Intercollegiate Sport as defined and covered by this Policy for

which benefits are payable and which: a) occurs while he or she is participating in a Covered Event; or b) occurs during Covered Travel to or from the location of a Covered Event; or c) occurs during a temporary stay at the location of a Covered Event held away from the location of the Institution while the Covered Person is engaged in an activity or travel that is authorized by, organized by or directly supervised by an official representative of the Institution; or d) results from a cardiovascular accident or stroke or other similar traumatic event caused by exertion while participating in a Covered Event.

“Covered Event” means an event as described in the Covered Events section of this Policy in which a Covered Person must be engaged when a Covered Accident occurs in order for Covered Expenses to be payable under this Policy.

“Covered Expenses” means expenses actually incurred by or on behalf of a Covered Person for treatment, services and supplies not excluded or limited by the Policy. Coverage under the Policy must remain continuously in force from the date the Covered Accident occurs until the date treatment, services or supplies are received for them to be a Covered Expense. A Covered Expense is deemed to be incurred on the date such treatment, service or supply, that gave rise to the expense or the charge, was rendered or obtained.

“Covered Person” means any eligible Student who applies for coverage, and for whom the required premium is paid to Us.

“Covered Service” means a service or supply specified in this Policy for which benefits will be provided.

“Covered Travel” means team or individual travel, for purposes of representing the Institution, that is to or from the location of a Covered Event and is authorized by the Institution, provided the travel is paid for or subject to reimbursement by the Institution. Covered Travel to a Covered Event will commence upon embarkation from an authorized departure point and terminate upon arrival at the location of the Covered Event.

Covered Travel from a Covered Event will commence upon departing from the location of the Covered Event and terminate upon return to the authorized place from which such Covered Travel to the Covered Event began.

“Custodial Care” means any service primarily for personal comfort for convenience that provides general maintenance, preventive, and/or protective care without any clinical likelihood of improvement of your condition. Custodial Care Services also means those services, which do not require the technical skills, professional training and clinical assessment ability of medical and/or nursing personnel in order to be safely and effectively performed. These services can be safely provided by trained or capable non-professional personnel, are to assist with routine medical needs (e.g. simple care and dressings, administration of routine medications, etc.) and are to assist with activities of daily living (e.g. bathing, eating, dressing, etc.).

“Doctor” means a Doctor licensed to practice medicine. It also means any other practitioner of the healing arts who is licensed or certified by the state in which his or her services are rendered and acting within the scope of that license or certificate. It will not include a Covered Person or a member of the Covered Person’s Immediate Family or household.

“Emergency Care” means health care services provided in a Hospital emergency facility (emergency room), freestanding emergency medical care facility, or comparable facility to evaluate and stabilize medical conditions of a recent onset and severity, including but not limited to severe pain, that would lead a prudent layperson, possessing an average knowledge of medicine and health, to believe that the person’s condition, sickness, or Injury is of such a nature that failure to get immediate care could result in:

- placing the patient’s health in serious jeopardy;
- serious impairment of bodily functions;
- serious dysfunction of any bodily organ or part;
- serious disfigurement; or
- in the case of a pregnant woman, serious jeopardy to the health of the fetus.

“Experimental or Investigational” means the use of any treatment, procedure, facility, equipment, drug, device, or supply not accepted as *standard medical treatment* of the condition being treated or any of such items requiring Federal or other governmental agency approval not granted at the time services were provided.

Approval by a Federal agency means that the treatment, procedure, facility, equipment, drug, device, or supply has been approved for the condition being treated and, in the case of a drug, in the dosage used on the patient.

As used herein, *medical treatment* includes medical, surgical, or dental treatment.

Standard medical treatment means the services or supplies that are in general use in the medical community in the United States, and:

- have been demonstrated in peer reviewed literature to have scientifically established medical value for curing or alleviating the condition being treated;
- are appropriate for the Hospital or Facility Other Provider in which they were performed; and
- the Physician or Professional Other Provider has had the appropriate training and experience to provide the treatment or procedure.

The medical staff of BCBSTX shall determine whether any treatment, procedure, facility, equipment, drug, device, or supply is Experimental/Investigational, and will consider the guidelines and practices of Medicare, Medicaid, or other government-financed programs in making its determination.

Although a Physician or Professional Other Provider may have prescribed treatment, and the services or supplies may have been provided as the treatment of last resort, BCBSTX still may determine such services or supplies to be Experimental/Investigational within this definition. Treatment provided as part of a clinical trial or a research study is Experimental/Investigational.

“Hospital” means a short-term acute care facility which:

- Is duly licensed as a Hospital by the state in which it is located and meets the standards established for such licensing, and is either accredited by the Joint Commission on Accreditation of Healthcare Organizations or is certified as a Hospital provider under Medicare;
- Is primarily engaged in providing inpatient diagnostic and therapeutic services for the diagnosis, treatment, and care of injured and sick persons by or under the supervision of Physicians or behavioral health practitioners for compensation from its patients;

- Has organized departments of medicine and major surgery, either on its premises or in facilities available to the Hospital on a contractual prearranged basis, and maintains clinical records on all patients;
- Provides 24-hour nursing services by or under the supervision of a registered nurse;
- Has in effect a Hospital Utilization Review Plan; and

Hospital also means a licensed alcohol and drug abuse rehabilitation facility or a mental hospital. Alcohol and drug abuse rehabilitation facilities and mental hospitals are not required to provide organized facilities for major surgery on the premises on a prearranged basis.

“Hospital Confined” means a stay as a registered bed-patient in a Hospital. If a Covered Person is admitted to and discharged from a Hospital within a 24-hour period but is confined as a bed-patient during for the duration in the Hospital, the admission shall be considered a Hospital Confinement.

“Immediate Family” means a Covered Person’s parent, spouse, child, brother or sister.

“Injury” means accidental bodily harm sustained by a Covered Person that results directly and independently from all other causes from a Covered Accident. The Injury must be caused solely through external and accidental means. All injuries sustained by one person in any one Accident, including all related conditions and recurrent symptoms of these injuries, are considered a single Injury.

“Inpatient” means that a Covered Person is a registered bed patient and is treated as such in a health care facility.

“Institution” means an institution of higher education as defined in the Higher Education Act of 1965.

“Insured” means a person in a Class of Eligible Persons who enrolls for coverage and for whom the required premium is paid making insurance in effect for that person.

“Interscholastic Activities” means playing, participating and/or traveling to or from an interscholastic sport, club sport, professional, or semi-professional sport, contest or competition, including practice or conditioning for such activity.

“Medically Necessary” means those services or supplies covered under the Plan which are:

- Essential to, consistent with, and provided for the diagnosis or the direct care and treatment of the condition, sickness, disease, Injury, or bodily malfunction; and
- Provided in accordance with and are consistent with generally accepted standards of medical practice in the United States; and
- Not primarily for the convenience of the Covered Person, his or her Physician, behavioral health practitioner, the Hospital, or the other Provider; and
- The most economical supplies or levels of service that are appropriate for the safe and effective treatment of the Covered Person. When applied to hospitalization, this further means that the Covered Person requires acute care as a bed patient due to the nature of the services provided or the Covered Person’s condition, and the Covered Person cannot receive safe or adequate care as an outpatient.

The medical staff of BCBSTX shall determine whether a service or supply is Medically Necessary under the Plan and will consider the views of the state and national medical communities, the guidelines and practices of Medicare, Medicaid, or other government-financed programs, and peer reviewed literature. Although a Physician, behavioral health practitioner or professional other Provider may have prescribed treatment, such treatment may not be Medically Necessary within this definition.

“Network Provider” means a Hospital, Doctor or other Provider who has entered into an agreement with BCBSTX (and in some instances with other participating Blue Cross and/or Blue Shield Plans) to participate as a managed care Provider.

“Out-of-Network Provider” means a Hospital, Doctor or other Provider who has not entered into an agreement with BCBSTX (or other participating Blue Cross and/or Blue Shield Plan) as a managed care Provider.

“Outpatient” means that a Covered Person is receiving treatment while not an Inpatient. Services considered Outpatient, include, but are not limited to, services in an emergency room regardless of whether a Covered Person is subsequently registered as an Inpatient in a health care facility.

“Physical Medicine Services” means those modalities, procedures, tests, and measurements listed in the Physicians’ Current Procedural Terminology Manual (Procedure Codes 97010-97799), whether the service or supply is provided by a Physician or Professional Other Provider, and includes, but is not limited to, physical therapy, occupational therapy, hot or cold packs, whirlpool, diathermy, electrical stimulation, massage, ultrasound, manipulation, muscle or strength testing, and orthotics or prosthetic training.

“Physician” means a person, when acting within the scope of his license, who is a Doctor of Medicine or Doctor of Osteopathy. The terms Doctor of Medicine or Doctor of Osteopathy shall have the meaning assigned to them by the Texas Insurance Code.

“Policy” means this Policy issued by Blue Cross and Blue Shield to the Institution, any addenda, the Institution's application for this Policy, the Covered Person’s application(s) for coverage, as appropriate, along with any exhibits, appendices, addenda and/or other required information.

“Provider” means a Hospital, Doctor, other Provider, or any other person, company, or institution furnishing to a Covered Person an item of service or supply listed as Covered Expenses.

“Qualifying Intercollegiate Sport” means a sport: a.) which is not an Interscholastic Activity (as defined in this Policy); and (b.) which is administered by such Institution’s department of intercollegiate athletics; and (c.) for which benefits for Covered Accidents are provided for and payable under this Policy while Insureds are playing, participating, and/or traveling to or from an intercollegiate sport, contest or competition, including practice or conditioning for such activity.

“Student(s)” means an individual student who meets the eligibility requirements for this health coverage, as described in the eligibility requirements of this Policy.

“Surgery” means the performance of any medically recognized, non-Experimental/Investigational surgical procedure including specialized instrumentation and the correction of fractures or complete dislocations and any other procedures as reasonably approved by Blue Cross and Blue Shield.

“Usual and Customary Fee” means the fee as reasonably determined by Blue Cross and Blue Shield, which is based on the fee which the Physician who renders the particular services usually charges his patients for the same service and the fee which is within the range of usual fees other Physicians of similar training and experience in a similar geographic area charge their patients for the same service, under similar or comparable circumstances. However, if Blue Cross and Blue Shield reasonably determines that the Usual and Customary Fee for a particular service is unreasonable because of extenuating or unusual circumstances, the Usual and Customary Fee for such service shall mean the reasonable fee as reasonably determined by Blue Cross and Blue Shield but in no event shall the reasonable fee be less than the Usual and Customary Fee.

“We, Our, Us” means Blue Cross and Blue Shield of Texas or its authorized agent.

ELIGIBILITY FOR INSURANCE

Each person in one of the Class(es) of Eligible Persons shown in the Schedule of Benefits is eligible to be insured under this Policy. This includes anyone who is eligible on the Policy Effective Date, and may become eligible after the Policy Effective Date while the Policy is in force. We maintain the right to investigate student status and attendance records to verify that eligibility requirements have been met. If We discover the eligibility requirements have not been met, Our only obligation is to refund any premium paid for that person.

A person may be insured under only one class of Eligible Persons shown in the Schedule of Benefits, even though the person may be eligible under more than one Class.

EFFECTIVE DATE OF INSURANCE

Insurance for an Eligible Person who enrolls during the program's enrollment period, as established by the Institution, is effective on the latest of the following dates:

- the Policy Effective Date;
- the date We receive the completed enrollment form;
- the date the required premium is paid; or
- the date the Student enters the Eligible Class.

OPEN ENROLLMENT PERIODS

The Plan Administrator along with the Institution will designate open enrollment periods during which Students may apply for or change coverage for himself/herself.

This section "Open Enrollment Periods" is subject to change by Blue Cross and Blue Shield, and/or applicable law, as appropriate.

DISCONTINUANCE OF INSURANCE

TERMINATION DATE OF INSURANCE

An Insured's coverage will end on the earliest of the date:

- the Policy terminates;
- the Insured is no longer eligible;
- the period ends for which premium is paid; or
- the Policy Effective Date of the renewal of this Policy if a Student decides to renew coverage under this Policy, and the Policy Effective Date of the renewal of this Policy becomes effective before this Policy terminates.

REFUND OF PREMIUM

A pro-rata refund of premium will be made only in the event:

- of a Covered Person's death; or
- the Covered Person enters full-time active duty in any Armed Forces; and
- We receive proof of such active duty service.

COVERED EVENTS

For players on an athletic team:

- a Qualifying Intercollegiate Sport competition scheduled by the Institution;
- official team activities;
- conditioning*; or
- practice sessions.

For players on an athletic team, a Covered Event must be authorized by, organized by or directly supervised by an official representative of the Institution (not including any activities not directly a part of a Qualifying Intercollegiate Sport, such as camps, clinics and other events not conducted by the Institution).

For Student coaches, Student managers and Student trainers, only those activities directly associated with the covered activities of a Qualifying Intercollegiate Sport team or covered activities of Student cheerleaders and under the direct supervision of an official representative of the Institution.

For Student cheerleaders:

- activities performed as part of the cheer unit for a Qualifying Intercollegiate Sport team competition scheduled by the Institution;
- practice sessions and pep rallies both of which must be authorized by, organized by and directly supervised by a safety-certified official coach or advisor of the Institution, other than a member of the cheer unit or other undergraduate student, and in preparation for a Qualifying Intercollegiate Sport team competition.

The coach or advisor must have a current safety certification by a nationally recognized formal credentialing program for safety certification. However, the safety-certification requirement does not apply with respect to practice sessions that are held solely by dance team members or mascots. A graduate student can meet the safety-certification requirement if:

- officially designated by the Institution as the official coach or advisor; and
- the Institution has given the graduate student the authority to authorize, organize and directly supervise.

Covered Event, for Student cheerleaders, does not include any activities, camps, clinics, national competitions, fund-raisers, alumni events; unless the activity is directly associated with the activities of a Qualifying Intercollegiate Sport team or conducted by the Institution.

*To be covered, conditioning must meet three criteria. 1) It must be authorized by, organized by, or directly supervised by an official representative of the Institution. 2) It must contribute directly toward the student-athlete's ability to participate as a player in his or her particular sport. 3) And, finally, it must take place at the Institution's athletic facilities or a facility authorized by the Institution.

BENEFIT DESCRIPTION

ACCIDENT MEDICAL EXPENSE BENEFITS

We will pay the Covered Expenses as shown in the Schedule of Benefits that result directly, and from no other cause, from a Covered Accident. We will consider the Allowable Amount incurred for Medically Necessary Covered Expenses received from a Network Provider*. Benefit payments are subject to the Coinsurance and Benefit Maximum factors shown in the Schedule of Benefits as well as any other terms, conditions, limitations, or exclusions described in this Policy. Accident Medical Expense Benefits are only payable under this Policy for those Medically Necessary Covered Expenses that the Covered Person receives within the Coverage Period related to an Injury occurring during a Covered Event.**

** Initial Covered Expenses must incur within the Incurral Period as shown on the Face Page of the Policy.

Covered Expenses include:

Inpatient Expenses

- Hospital Expenses:
 - Daily room and board at semi-private room rate when Hospital Confined;
 - General nursing care provided and charged for by the Hospital;
 - Intensive care. We will make this payment in lieu of the semi-private room expenses;
 - Coordinated home care benefits following Hospital Confinement;
 - Hospital Miscellaneous Expenses: expenses incurred while Hospital Confined or as a precondition for being Hospital Confined, for services and supplies such as the cost of operating room, laboratory tests, X-ray examinations, anesthesia, drugs (excluding take home drugs) or medicines, physical therapy, therapeutic services and supplies. In computing the number of days payable under this benefit, the date of admission will be counted but not the date of discharge.
- Surgical Expense: Surgeon's fees for Inpatient Surgery.
- Preadmission Testing: when Medically Necessary, in connection with Inpatient Surgery.
- Assistant Surgeon Services: When Medically Necessary, in connection with Inpatient Surgery.
- Anesthetist Services: in connection with Inpatient Surgery.
- Doctor's Visits: when Hospital Confined. Benefits do not apply when related to Surgery.
- Staff nursing care while confined to a Hospital by a licensed registered nurse (RN), a licensed practical nurse (LPN), or a licensed vocational nurse (LVN).

Outpatient Expenses

- Day Surgery/Outpatient Surgical Expense: Surgeon's fees for Outpatient Surgery.
- Day Surgery Miscellaneous Expenses: Services related to scheduled Surgery performed in a Hospital or ambulatory surgical center, including operating room expenses, laboratory tests and diagnostic test expense, examinations, including professional fees, anesthesia; drugs or medicines; therapeutic services and supplies. Benefits will not be paid for: Surgery performed in a Hospital emergency room, Doctor's office, or clinic.
- Preadmission Testing: when Medically Necessary, in connection with Outpatient Surgery.
- Assistant Surgeon Services: when Medically Necessary, in connection with Outpatient Surgery.
- Anesthetist Services: in connection with Outpatient Surgery.
- Doctor's Visits.
- Physical Medicine Services: includes, but is not limited to physical, occupational, and manipulative therapy.
- Diagnostic X-ray and Laboratory Services: when Medically Necessary and performed by a Doctor will include diagnostic services and medical procedures performed by a Doctor, other than Doctor's visits, X-ray and lab procedures.
- Medical Emergency Expenses: only in connection with Emergency Care as defined.
- Urgent Care.

Other Expenses

- Durable Medical Equipment, Prosthetics, Braces and Appliances, and medical services: for Medically Necessary services: 1) when prescribed by a Doctor; and 2) a written prescription accompanies the claim when submitted. Replacement or repairs to braces and appliances are not covered. Durable, medical equipment is equipment that:
 - is primarily and customarily used to serve a medical purpose;
 - can withstand repeated use; and
 - generally is not useful to person in the absence of Injury.

No benefits will be paid for rental charges in excess of the purchase price.

- Ambulance Service.
- Consultant Doctor Fees: when requested and approved by the attending Doctor.
- Dental Treatment (Injury Only): when performed by a Doctor and made necessary by Injury to sound, natural teeth. If there is more than one way to treat a dental problem, We will pay based on the least expensive procedure if that procedure meets commonly accepted dental standards of the American Dental Association.
- Skilled Nursing Facility.
- Coordinated Home Health Care.
- Blood, including cost of blood, blood plasma, and blood plasma expanders, which is not replaced by or for the Covered Person.
- Oxygen and its administration provided the oxygen is actually used.
- Benefits for Prescription Drugs will only be covered for Medically Necessary Prescription Drugs for the treatment of a Covered Accident.

EXCLUSIONS AND LIMITATIONS

Except as specified in this Policy, coverage is not provided for loss or charges incurred by or resulting from:

- charges that are not Medically Necessary or in excess of the Allowable Amount;
- services that are provided, normally without charge, by the Student Health Center, infirmary or Hospital, or by any person employed by the University;
- sickness, disease, bodily or mental infirmity, bacterial or viral infection, or medical or surgical treatment thereof;
- any charges for Surgery, procedures, treatment, facilities, supplies, devices, or drugs that the Insurer determines are Experimental or Investigational;
- cosmetic procedures, except cosmetic surgery required to correct an Injury for which benefits are otherwise payable under this Policy.
- Injuries arising from Interscholastic Activities as defined in this Policy;
- any Injury suffered by an Insured arising from travel that is neither authorized by the Institution nor paid for or subject to reimbursement by the Institution;
- any Injury suffered by an Insured where the Institution required the Covered Person to sign a waiver relieving that Institution of responsibility or liability based on notification by a Doctor that the Covered Person's participation exposed the Covered Person to increased risk for that type of Injury, cardiovascular accident or stroke or other similar traumatic event incurred;
- bio-feedback procedures;
- expenses incurred for dental care or treatment of the teeth, gums or structures directly supporting the teeth, including surgical extractions of teeth. This exclusion does not apply to the repair of Injuries to sound natural teeth caused by a covered Injury;
- acupuncture;
- Custodial Care;
- long term care service;
- private duty nursing services;
- intentional self-inflicted injury, except when the injury results from a medical condition or an act of domestic violence;
- expenses incurred for Injury arising out of or in the course of a Covered Person's employment, regardless if benefits are, or could be paid or payable under any Worker's Compensation or Occupational Disease Law or Act, or similar legislation;
- war, or any act of war, whether declared or undeclared or while in service in the active or reserve Armed Forces of any country or international authority;

NON-DUPLICATION OF BENEFITS LIMITATION

If benefits are payable under more than one (1) benefit provision contained in the Policy, benefits will be payable only under the provision providing the greater benefit.

CLAIM PROVISIONS

Notice of Claim: Written (or authorized electronic or telephonic) notice of a claim under the Policy must be given to the Insurer or the Administrator within 20 days after any loss covered by the Policy occurs, or as soon thereafter as is reasonably possible. The notice should identify the Covered Person and the Policy number.

Claim Forms: Upon receipt of a written notice of claim, the Insurer or Administrator will send claim forms to the claimant within 15 days. If the forms are not furnished within 15 days, the claimant will satisfy the Proof of Loss requirements of the Policy by submitting written proof describing the occurrence, nature and extent of the loss for which claim is made.

Proofs of Loss: Written (or authorized electronic or telephonic) proof of loss must be furnished to the Insurer or its Administrator within 90 days after the date of loss. Failure to furnish proof within the time required will not invalidate nor reduce any claim if it is not reasonably possible to give proof within 90 days, provided:

- it was not reasonably possible to provide proof in that time; and
- the proof is given within one year from the date proof of loss was otherwise required. This one year limit will not apply in the absence of legal capacity.

Written proof of loss for services or supplies provided by a Network Provider must be furnished to Us by the Network Provider in strict compliance with the written contract between Us and the Network Provider. In the event such written contract does not contain a time limitation for furnishing proof of loss, the provisions above shall be applicable.

Accident Report: Written accident report must be furnished to the Insurer and will be reviewed against any proof of loss in order for benefits to be payable under the Policy.

Time for Payment of Claim: Benefits payable under the Policy will be paid immediately upon receipt of satisfactory written proof of loss and accident report.

Payment of Claims

All benefits will usually be payable to the Provider as soon as the Insurer receives due written proof of loss. Written agreements between BCBSTX and some Providers may require payment directly to them. In some cases, benefits will be payable directly to the Covered Person (for example, when the Covered Person has already paid his or her Provider). Within 15 days after receipt of the proof of loss, the Insurer will either: (a) pay the benefits due; or (b) mail the Covered Person a statement of the reasons why the claim has, in whole or in part, not been paid. Such a statement will also list any documents or information that the Insurer needs to process the claim or that part of the claim not paid. When all of the listed documents or information are received, the Insurer will have 15 work days in which to: (a) process and either pay the claim, in whole or in part, or deny it; and (b) give the Covered Person the reasons the Insurer may have for denying the claim or any part of it. If the Insurer is unable to accept or reject the claim within this 15 work day period, the Insurer will notify the Covered Person of the reason for the delay. The Insurer will have 45 additional days to accept or reject the claim.

In the event that the Insurer does not comply with its obligations under this Payment of Claims provision, the Insurer will pay the interest at a rate required by law on the proceeds or benefits due under the terms of the Policy.

All benefits are payable to the Covered Person, except that:

- If the Covered Person receives medical assistance from the State of Texas, the Insurer will pay any benefits based on his or her medical expenses to the Texas Department of Human Services, but not more than the actual cost that the Department pays for those expenses. Only the balance, if any, of such benefits will then be payable to the Covered Person.
- If the Covered Person is unable to execute a valid release, the Insurer can: (a) pay any Providers on whose charges the claim is based toward the satisfaction of those charges; or (b) pay any person or institution that has assumed custody and principal support of the Covered Person.
- If the Covered Person dies while any accrued benefits remain unpaid, the Insurer can pay any Provider on whose charges the claim is based toward the satisfaction of those charges. Then, any benefits that still remain unpaid can be paid to the Covered Person's beneficiary or estate.

The Insurer will be discharged to the extent of any such payments made in good faith.

Assignment: At the request of the Covered Person or his or her parent or guardian, medical benefits may be paid to the Provider of service. No assignment of benefits will be binding on the Insurer until a copy of the assignment has been received by the Insurer or its Administrator. The Insurer assumes no responsibility for the validity of the assignment. Any payment made in good faith will end Our liability to the extent of the payment.

Physical Examination and Autopsy: We have the right to have a Doctor of Our choice examine the Covered Person as often as is reasonably necessary. This section applies when a claim is pending or while benefits are being paid. We also have the right to request an autopsy in the case of death, unless the law forbids it. Such examinations or autopsy will be at the expense of the Insurer.

Subrogation

We may recover any benefits paid under the Policy to the extent a Covered Person is paid for the same Injury by a third party, another insurer, or the Covered Person's uninsured motorist insurance (if the Covered Person did not pay the premiums for the uninsured motorist insurance coverage). Our reimbursement may not be greater than the amount of the Covered Person's recovery. In addition, We have the right to offset future benefits payable to the Covered Person under the Policy against such recovery.

We may file a lien in a Covered Person's action against the third party and have a lien against any recovery that the Covered Person receives whether by settlement, judgment, or otherwise. We shall have a right to recovery of the full amount of benefits paid under the Policy for the Injury, and that amount shall be deducted first from any recovery made by the Covered Person. We will not be responsible for the Covered Person's attorney fees or other costs.

Right of Recovery: If We make payments with respect to benefits payable under the Policy in excess of the amount necessary, We shall have the right to recover such payments. We shall notify the person paid of such overpayment and request reimbursement. However, should We not receive such reimbursement, We shall have the right to offset such overpayment against any other benefits payable under the Policy to the extent of the overpayment.

ADMINISTRATIVE PROVISIONS

Premiums: The premiums for this Policy will be based on the rates currently in force, the plan and amount of insurance in effect.

Changes In Premium Rates: We may change the premium rates from time to time with at least 60 days advanced written notice. No change in rates will be made until 12 consecutive months after the Policy Effective Date. An increase in rates will not be made more often than once in a 12-month period. However, We reserve the right to change rates at any time if any of the following events take place.

- The terms of the Policy change.
- A division, subsidiary, affiliated organization or eligible class is added or deleted from the Policy.
- There is a change in the factors bearing on the risk assumed.
- Any federal or state law or regulation is amended to the extent it affects Our benefit obligation.

If an increase or decrease in rates takes place on a date that is not a Premium Due Date, a pro rata adjustment will apply from the date of the change to the next Premium Due Date.

Payment of Premium: The first Premium is due on the Policy Effective Date. After that, premiums will be due monthly unless We agree with the Policyholder on some other method of premium payment.

If any premium is not paid when due, the Policy will be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

Policy Grace Period: A Policy Grace Period of 31 days will be granted for the payment of the required premiums. The Policy will remain in force during the Grace Period. If the required premiums are not paid during the Policy Grace Period, insurance will end upon the expiration of the Grace Period. The Policyholder will be liable to Us for any unpaid premium for the time the Policy was in force.

Reinstatement: If this Policy terminates due to default in premium payment(s), the subsequent acceptance of such defaulted premium by Us or any duly authorized agents shall fully reinstate the Policy. For purposes of this section mere receipt and/or negotiation of a late premium payment does not constitute acceptance. Any reinstatement of the Policy shall not be deemed a waiver of either the requirement of timely premium payment or the right of termination for default in premium payment in the event of any future failure to make timely premium payments.

Currency: All premiums for and claims payable pursuant to the Policy are payable only in the currency of the United States of America.

ParPlan Provider Arrangement

A Provider who is not a Network Provider will be considered an Out-of-Network Provider. An Out-of-Network Provider may participate in a ParPlan Arrangement, which is a simple direct-payment arrangement in which the Provider agrees to:

- file all claims for the Covered Person;
- accept the Allowable Amount determination as payment for Medically Necessary services, and
- not bill the Covered Person for services over the Allowable Amount determination.

Benefits will be subject to the Out-of-Network:

- deductible, copayment(s), Coinsurance;
- limitations and exclusions; and
- maximums.

Notice of Termination of PPO Arrangement with Network Providers

If the Insurer terminates a PPO arrangement with a Network Provider, proper notice will be sent to Insureds advising them of the Insurer's termination and will make available a current listing of Network Providers. The Insurer's termination of a Network Provider, except for reasons of medical incompetence or unprofessional behavior, shall not release the Doctor from the generally recognized obligation to treat the Covered Person and to cooperate in arranging for appropriate referrals. Nor does it release the Insurer from the obligation to reimburse the Covered Person at the Network Provider rate if, at the time of the Insurer's termination of the Network Provider, the Covered person has special circumstances such as a disability, acute condition, or life-threatening illness or is past the 24th week of pregnancy and is receiving treatment in accordance with the dictates of medical practice. ("Special circumstances" means a condition such that the treating Doctor reasonably believes that discontinuing care by the treating Doctor could cause harm to the patient.) Special circumstances will be identified by the treating Doctor, who must request that the Covered Person be permitted to continue treatment under the Doctor's care and agree not to seek payment from the patient of any amounts for which the Covered Person would not be responsible if the Physician were still a Network Provider. The continuity of coverage under this provision will not be extended beyond 90 days of the effective date of the Insurer's termination of the Provider (beyond 9 months in the case of a Covered Person who has been diagnosed with a terminal illness). However, if the Covered Person, at the time of the Network Provider's termination, is past the 24th week of pregnancy, the continuity will be extended through delivery of the child, immediate post-partum care, and the follow-up checkups within the first 6 weeks of delivery.

GENERAL PROVISIONS

Entire Contract: The entire contract consists of the Policy (including any endorsements or amendments), the signed application of the Policyholder, the student enrollment form, benefit and premium notification documents, if any, and rate summary documents, if any. All statements contained in the application will be deemed representations and not warranties. No such statements will be used to void the insurance, reduce the benefits, or be used in defense of a claim for loss incurred unless it is contained in a written application.

No agent has the authority to modify or waive any part of the Policy, or to extend the time for payment of premiums, or to waive any of the Insurer's rights or requirements. No modifications of the Policy will be valid unless evidenced by an endorsement or amendment of the Policy, signed by one of the Insurer's officers and delivered to the Policyholder.

Policy Effective Date: The Policy begins on the Policy Effective Date at 12:00 AM, Standard Time at the address of the Policyholder.

Policy Termination: We may terminate this Policy by giving 31 days written (authorized electronic or telephonic) notice to the Policyholder. Either We or the Policyholder may terminate this Policy on any Premium Due Date by giving 31 day advance written (authorized electronic or telephonic) notice to the other. This Policy may be terminated at any time by mutual written or authorized electronic/telephonic consent of the Policyholder and Us.

This Policy terminates automatically on the earlier of:

- the Policy Termination Date shown in the Policy;
- the Premium Due Date if Premiums are not paid when due; or
- the Policy Effective Date of the renewal of this Policy if a Student decides to renew coverage under this Policy, and the Policy Effective Date of the renewal of this Policy becomes effective before this Policy terminates.

Termination takes effect at 11:59 PM, Standard Time at the address of the Policyholder on the date of termination.

Examination of Records and Audit: We shall be permitted to examine and audit the Policyholder's books and records at any time during the term of the Policy and within 2 years after final termination of the Policy as they relate to the premiums or subject matter of this insurance.

Clerical Error: A clerical error in record keeping will not void coverage otherwise validly in force, nor will it continue coverage otherwise validly terminated. Upon discovery of the error an equitable adjustment of premium shall be made.

Legal Actions: No action at law or in equity may be brought to recover on the Policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the Policy. No such action may be brought after the expiration of 3 years (5 years in Kansas, 6 years in South Carolina, and the applicable statute of limitations in Florida) after the time written proof of loss is required to be furnished.

Misstatement of Age: In the event the age of a Covered Person has been misstated, the premium rate for such person shall be determined according to the correct age as provided in this Policy and there shall be an equitable

adjustment of premium rate made so that We will be paid the premium rate at the true age for the Covered Person.

Conformity with State Statutes: Any provision of the Policy which, on its Effective Date, is in conflict with the statutes of the state in which it is delivered is hereby amended to conform to the minimum requirements of those statutes.

Not in Lieu of Workers' Compensation: This Policy is not a Workers' Compensation policy. It does not provide any Worker's Compensation benefit.

Information and Medical Records: All claim information, including, but not limited to, medical records, will be kept confidential and except for reasonable and necessary business use, disclosure of such confidential claim information would not be performed without the authorization of the Covered Person or as otherwise required or permitted by applicable law.

Proprietary Materials: The Policyholder acknowledges that We have developed operating manuals, certain symbols, trademarks, service marks, designs, data, processes, plans, procedures and information, all of which are proprietary information ("Business Proprietary Information"). The Policyholder shall not use or disclose to any third party Business Proprietary Information without Our prior written consent. Neither party shall use the name, symbols, trademarks or service marks of the other party or the other party's respective clients in advertising or promotional materials without prior written consent of the other party; provided, however, that We may include the Policyholder in its list of clients.

Severability: In case any one or more of the provisions contained in this Policy shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy and the Policy shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Third Party Data Release: In the event a third party has access to confidential data, third party consultants must acknowledge and agree:

To maintain the confidentiality of the confidential information and any proprietary information (for purposes of this section, collectively, "Information")

The third party consultant and/or vendor shall:

- Use the Information only for necessary business purposes.
- Maintain the Information at a specific location under its control and take reasonable steps to safeguard the Information and to prevent unauthorized disclosure of the Information to third parties, including those of its employees not directly involved in the business need.
- Advise its employees who receive the Information of the existence and terms of these provisions and of the obligations of confidentiality herein.
- Use, and require its employees to use, at least the same degree of care to protect the Information as is used with its own proprietary and confidential information.
- Not duplicate the Information furnished in written, pictorial, magnetic and/or other tangible form except for purposes of the Policy or as required by law.

Not to use the name, logo, trademark or any description of each other or any subsidiary of each other in any advertising, promotion, solicitation or otherwise without the express prior written consent of the consenting party with respect to each proposed use.

The third party consultant and/or vendor shall execute Our then-current confidentiality agreement.

The third party consultant and/or vendor shall be designated on the appropriate HIPAA documentation.

The Policyholder shall indemnify, defend and hold harmless Us and Our employees, officers, directors and agents against any and all losses, liabilities, damages, penalties and expenses, including attorneys' fees and costs, or other cost or obligation resulting from or arising out of claims, lawsuits, demands, settlements or judgments brought against Us in connection with any claim based upon Our disclosure to the third party consultant and/or vendor of any information and/or documentation regarding any Covered Person at the direction of the Policyholder or breach by the third party consultant and/or vendor of any obligation described in the Policy.

Notice of Annual Meeting: The Policyholder is hereby notified that it is a Member of Health Care Service Corporation, a Mutual Legal Reserve Company, and is entitled to vote either in person, by its designated representative or by proxy at all meetings of Members of said Company. The annual meeting is held at its principal office at 300 East Randolph Street, Chicago, Illinois each year on the last Tuesday in October at 12:30 p.m. For purposes of the aforementioned paragraph the term "Member" means the group, trust, association or other entity to which this Policy has been issued. It does not include Covered Persons under the Policy. Further, for purposes of determining the number of votes to which the Policyholder may be entitled, any reference in the Policy to "premium(s)" shall mean "charge(s)."

Service Mark Regulation: On behalf of the Policyholder and its Covered Persons, the Policyholder hereby expressly acknowledges its understanding that the Policy constitutes a contract solely between the Policyholder and Us. We are an independent corporation operating under a license with the Blue Cross and Blue Shield Association (the "Association"), an association of independent Blue Cross and Blue Shield Plans. The Association permits Us to use the Blue Cross and Blue Shield Service Mark in Our service area and We are not contracting as the agent of the Association. The Policyholder further acknowledges and agrees that it has not entered into the Policy based upon representations by any person other than persons authorized by Us and that no person, entity or organization other than the Insurer shall be held accountable or liable to the Policyholder for any of Our obligations to the Policyholder created under the Policy. This paragraph shall not create any additional obligations whatsoever on Our part, other than those created under other provisions of this Policy.

IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE TEXAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

Texas law establishes a system, administered by the Texas Life and Health Insurance Guaranty Association (the “Association”), to protect policyholders if their life or health insurance company fails to or cannot meet its contractual obligations. Only the policyholders of insurance companies which are members of the Association are eligible for this protection. However, even if a company is a member of the Association, protection is limited and policyholders must meet certain guidelines to qualify. (The law is found in the Texas Insurance Code, Chapter 463.)

BECAUSE OF STATUTORY LIMITATIONS ON POLICYHOLDER PROTECTION, IT IS POSSIBLE THAT THE ASSOCIATION MAY NOT COVER YOUR POLICY OR MAY NOT COVER YOUR POLICY IN FULL.

Eligibility for Protection by the Association

When an insurance company, which is a member of the Association, is designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

Residents of Texas at the time that their insurance company is impaired.

Residents of other states, ONLY if the following conditions are met:

- The policyholder has a policy with a company based in Texas;
- The company has never held a license in the policyholder’s state of residence;
- The policyholder’s state of residence has a similar guaranty association; and
- The policyholder is not eligible for coverage by the guaranty association of the policyholder’s state of residence.

Limits of Protection by the Association

Health Insurance:

Up to a total of \$200,000 for one or more policies for each individual covered.

THE INSURANCE COMPANY AND ITS AGENTS ARE PROHIBITED BY LAW FROM USING THE EXISTENCE OF THE ASSOCIATION FOR THE PURPOSE OF SALES, SOLICITATION, OR INDUCEMENT TO PURCHASE ANY FORM OF INSURANCE.

When you are selecting an insurance company, you should not rely on Association coverage.

| | |
|--|--|
| Texas Life and Health Insurance Guaranty Association 515 Congress Avenue, Suite 1875 Austin, Texas 78701 800-982-6362 www.txlifega.org | Texas Department of Insurance P.O. Box 149104 Austin, Texas 78714-9104 800-252-3439 |
|--|--|

EXHIBIT A. PLAN SERVICE AREA LISTING
APPLICABLE ONLY TO MANAGED HEALTH CARE BENEFIT COVERAGE
(In-Network and Out-of-Network Benefits)

| STATE | BLUE CROSS AND BLUE SHIELD PLAN | PLAN SERVICE AREA |
|----------------------|--|--|
| Alabama | Blue Cross and Blue Shield of Alabama | State-wide |
| Alaska | Blue Cross of Washington and Alaska (Premera) | State-wide |
| Arizona | Blue Cross and Blue Shield of Arizona | State-wide |
| Arkansas | Arkansas Blue Cross and Blue Shield | State-wide |
| California | Blue Shield of California Blue Cross of California | State-wide |
| Colorado | Blue Cross and Blue Shield of Colorado | State-wide |
| Connecticut | Anthem Blue Cross and Blue Shield (Connecticut) | State-wide |
| Delaware | Blue Cross and Blue Shield of Delaware | State-wide |
| District of Columbia | Care First Blue Cross and Blue Shield (DC) | State-wide (Maryland only) |
| Florida | Blue Cross and Blue Shield of Florida (BlueCard PPO Network) | State-wide |
| Georgia | Blue Cross and Blue Shield of Georgia | State-wide |
| Hawaii | Blue Cross and Blue Shield of Hawaii | State-wide |
| Idaho | Blue Cross of Idaho Regence Blue Shield of Idaho | State-wide |
| Illinois | Blue Cross and Blue Shield of Illinois | State-wide |
| Indiana | Anthem Blue Cross and Blue Shield (Indiana) | State-wide |
| Iowa | Wellmark Blue Cross and Blue Shield of Iowa | State-wide |
| Kansas | Blue Cross and Blue Shield of Kansas | State-wide, excluding Johnson and Wyandotte Counties |
| Kentucky | Anthem Blue Cross and Blue Shield (Kentucky) | State-wide |
| Louisiana | Blue Cross and Blue Shield of Louisiana (Preferred Care PPO Network) | State-wide |
| Maine | | State-wide |
| Maryland | Care First BlueCross and BlueShield (Maryland) | State-wide |
| Massachusetts | Blue Cross and Blue Shield of Massachusetts | State-wide |
| Michigan | Blue Cross and Blue Shield of Michigan | State-wide |
| Minnesota | Blue Cross and Blue Shield of Minnesota | State-wide |
| Mississippi | Blue Cross and Blue Shield of Mississippi | State-wide |
| Missouri | Blue Cross and Blue Shield of Kansas City (Preferred Care Network) Alliance Blue Cross and Blue Shield (St. Louis) | State-wide |
| Montana | Blue Cross and Blue Shield of Montana | State-wide |
| Nebraska | Blue Cross and Blue Shield of Nebraska | State-wide |
| Nevada | Blue Cross and Blue Shield of Nevada | State-wide |
| New Hampshire | Blue Cross and Blue Shield of New Hampshire | State-wide |

| | | |
|----------------|--|--|
| New Jersey | Horizon Blue Cross and Blue Shield of New Jersey | State-wide |
| New Mexico | Blue Cross and Blue Shield of New Mexico | State-wide |
| New York | Empire Blue Cross and Blue Shield Blue Cross and Blue Shield of Western New York Blue Shield of Northeastern New York Blue Cross and Blue Shield of Rochester Area Blue Cross and Blue Shield of Central New York Blue Cross and Blue Shield of Utica-Watertown | State-wide |
| North Carolina | Blue Cross and Blue Shield of North Carolina (Preferred Care Select Network) | State-wide |
| North Dakota | Blue Cross and Blue Shield of North Dakota | State-wide |
| Ohio | Anthem Blue Cross and Blue Shield (Ohio) (Community Preferred Health Plan Network) | State-wide |
| Oklahoma | Blue Cross and Blue Shield of Oklahoma | Metropolitan areas of Oklahoma City and Tulsa, Lawton, Edmond, Shawnee, Hugo, Tahlequah, Cushing, Poteau, Pryor and some other communities |
| Oregon | Regence Blue Cross and Blue Shield of Oregon | State-wide |
| Pennsylvania | Capital Blue Cross Independence Blue Cross Highmark Blue Cross and Blue Shield (Independence Blue Cross, Capital Blue Cross and Blue Cross of Northeastern Pennsylvania) Highmark Blue Cross and Blue Shield Blue Cross of Northeastern Pennsylvania | State-wide |
| Rhode Island | Blue Cross and Blue Shield of Rhode Island | State-wide |
| South Carolina | Blue Cross and Blue Shield of South Carolina | State-wide |
| South Dakota | Wellmark Blue Cross and Blue Shield of South Dakota | State-wide |
| Tennessee | Blue Cross and Blue Shield of Tennessee | State-wide |
| Texas | Blue Cross and Blue Shield of Texas | State-wide |
| Utah | Regence Blue Cross and Blue Shield of Utah | State-wide |
| Vermont | Blue Cross and Blue Shield of Vermont | State-wide |
| Virginia | Anthem Blue Cross and Blue Shield of South East | State-wide, exclusive of Amherst, Appomattox, Campbell, Culpeper counties and the city of Lynchburg |

| | | |
|---------------|--|---------------------|
| Washington | Premera Blue Cross Regence Blue Shield Northwest Washington Medical Bureau | State-wide |
| West Virginia | Mountain State Blue Cross and Blue Shield | State-wide |
| Wisconsin | Blue Cross and Blue Shield United of Wisconsin | State-wide |
| Wyoming | Blue Cross and Blue Shield of Wyoming | Laramie County Only |
| Puerto Rico | TRIPLE S and La Cruz Azul de Puerto Rico | Island-wide |

**NOTICE TO BLUE CROSS AND BLUE SHIELD OF TEXAS
CONTRACTHOLDER**

Out-of-Area Services

Blue Cross and Blue Shield of Texas (BCBSTX), a Division of Health Care Service Corporation, has a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as “Inter-Plan Programs.” Whenever a Covered Person obtains healthcare services outside of the Blue Cross and Blue Shield of Texas service area, the claims for these services may be processed through one of these Inter-Plan Programs, which includes the BlueCard Program

Typically, when accessing care outside the Blue Cross and Blue Shield of Texas service area, a Covered Person will obtain care from healthcare Providers that have a contractual agreement (i.e., are “participating Providers”) with the local Blue Cross and/or Blue Shield Licensee in that other geographic area (“Host Blue”). In some instances, a Covered Person may obtain care from Non-Participating healthcare Providers. Our payment practices in both instances are described below.

A. BlueCard® Program

Under the BlueCard® Program, when a Covered Person accesses covered healthcare services within the geographic area served by a Host Blue, Blue Cross and Blue Shield of Texas will remain responsible for fulfilling BCBSTX contractual obligations. However, the Host Blue is responsible for contracting with and generally handling all interactions with its participating healthcare Providers.

Whenever a Covered Person accesses Covered Services outside the Blue Cross and Blue Shield of Texas Service Area and the claim is processed through the BlueCard Program, the amount he/she pays for Covered Services is calculated based on the lower of:

- The billed covered charges for a Covered Person’s Covered Services; or
- The negotiated price that the Host Blue makes available to BCBSTX.

Often, this “negotiated price” will be a simple discount that reflects an actual price that the Host Blue pays to a Covered Person’s healthcare Provider. Sometimes, it is an estimated price that takes into account special arrangements with Covered Person’s healthcare Provider or Provider group that may include types of settlements, incentive payments, and/or other credits or charges. Occasionally, it may be an average price, based on a discount that results in expected average savings for similar types of healthcare Providers after taking into account the same types of transactions as with an estimated price.

Estimated pricing and average pricing, going forward, also take into account adjustments to correct for over- or underestimation of modifications of past pricing for the types of transaction modifications noted above. However, such adjustments will not affect the price BCBSTX uses for a Covered Person’s claim because they will not be applied retroactively to claims already paid.

Federal law or the laws in a small number of states may require the Host Blue to add a surcharge to a Covered Person’s calculation. If federal law or any state laws mandate other liability calculation methods, including a surcharge, We would then calculate a Covered Person’s liability for any Covered Services according to applicable law.

B. Non-Participating Healthcare Providers Outside the BCBSTX Service Area

For Non-Participating healthcare Providers outside the Blue Cross and Blue Shield of Texas Service Area, please refer to the Allowable Amount definition in the **Definitions** section of this Policy.

NOTICE OF PRIVACY PRACTICES

We keep our members' financial and health information private as required by law, accreditation standards and our own policies. This Notice explains your rights, our legal duties and our privacy practices.

Your Financial Information

We collect and use several types of financial information to carry out insurance activities. This includes information that you give us on applications or other forms, such as your name, address, age, and dependents. We keep records about your business with our affiliates, others, or us such as insurance coverage, premiums, and payment history.

We use physical, technical, and procedural methods to protect your private information. We share it only with our employees, affiliates or others who need it to provide service on your policy, to do insurance business, or for other legally allowed or required purposes.

Your Health Information

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

We collect, use and communicate information about you for health care payment and operations or when we are allowed or required by law to do so.

For Payment: We use and disclose information about you to manage your account or benefits and to pay claims for health care you receive through your plan. For example, we keep information about your premium and Deductible payments. We may also give information to a doctor's office to confirm your benefits or we may ask a hospital for details about your treatment so that we may review and pay the claim for your care.

For Health Care Operations: We use and disclose information about you for our operations. For example, we may use information about you:

- To review the quality of care and services you receive;
- To provide you case management or care coordination services, such as for asthma, diabetes, or traumatic injury; or
- For quality or accreditation reviews.

We may contact you with information about treatment options or other health-related benefits and services. For example, when you or your dependents reach a certain age, we may notify you about other products or programs for which you may become eligible, such as Medicare supplements or individual coverage. We may also send you reminders about routine medical check-ups and tests.

If you are in a group health plan, we may share certain health information with the plan sponsor or other organizations that help pay for your membership in the plan to enroll you in the plan or so the plan sponsor can manage the health plan. Plan sponsors that receive this information are required by law to have controls in place to protect it from improper uses.

To Your Family or Person Designated by You: We may disclose your medical information, with your verbal permission and in circumstances where it is impracticable to get your written permission, to a family member or other person designated by you to the extent necessary to help with your health care or with payment for your health care. We may use or disclose your name, location, and general condition or death to notify, or assist in the notification of (including identifying or locating), a person involved in your care.

Before we disclose your medical information to a person involved in your health care or payment for your health care, we will provide you with an opportunity to object to such uses or disclosures. If you are not present, or in the event of your incapacity or an emergency, we will disclose your medical information based on our professional judgment of whether the disclosure would be in your best interest.

As Allowed or Required by Law: Information about you may be shared for oversight activities required or allowed by law; for judicial or administrative proceedings; to public health authorities; for law enforcement purposes; to coroners, funeral directors or medical examiners (about decedents); for research purposes; to avert a serious threat to health or safety; for specialized government functions; for workers' compensation purposes and to respond to requests from the Secretary, US Department of Health and Human Services.

Authorization: We will get your written permission before we use or share your protected health information for any other purpose, unless otherwise stated in this notice. You may withdraw this permission at any time, in writing. We will then stop using your information for that purpose. However, if we have already used or shared your information based on your authorization, we cannot undo any actions we took before you withdrew your permission.

Your Rights

Under current federal privacy regulations, you have the right to:

- **See or get a copy of certain information that we have about you (contained in the Designated Record Set) or ask that we correct your personal information that you believe is missing or incorrect. If someone else (such as your doctor) gave us the information, we will let you know so you can ask them to correct it.**
- Ask us not to use your health information for payment or health care operations activities. We are not required to agree to these requests.
- Ask us to communicate with you about health matters using reasonable alternative means or at a different address if communications to your home address could endanger you.
- Receive a list of disclosures of your health information that we make on or after April 14, 2005, except when:
 - You have authorized the disclosure;
 - The disclosure is made for treatment, payment or health care operations; or
 - The law otherwise restricts the accounting.

Potential Impact of Other Applicable Law

The HIPAA Privacy Rule generally does not “preempt” (or override) state privacy or other applicable laws that provide individuals greater privacy protections. As a result, if any state privacy laws or other applicable federal laws provide for a stricter privacy standard, then we must follow the more strict state or federal laws.

Complaints

If you believe we have not protected your privacy, you can file a complaint with us or with the Office for Civil Rights in the US Department of Health and Human Services. We will not take action against you for filing a complaint.

Contact Information

If you want to exercise your rights under this notice or to talk with us about privacy issues or to file a complaint, please contact a Customer Service Representative at 1-855-267-0214.

Copies and Changes

You have the right to receive another copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to a paper copy.

We reserve the right to change this notice. A revised notice will apply to information we already have about you as well as any information we may receive in the future. We are required by law to comply with whatever privacy notice is currently in effect. We will communicate any changes to our notice through subscriber newsletter.