

## **NORTH CAROLINA STATE HEALTH PLAN NETWORK**

### **PARTICIPATION AGREEMENT**

THIS NORTH CAROLINA STATE HEALTH PLAN NETWORK PARTICIPATION AGREEMENT (the "Agreement") is between Blue Cross and Blue Shield of North Carolina (herein referred to as "we" "us" and "our"), an independent licensee of the Blue Cross and Blue Shield Association, and the undersigned provider of health services as identified on Page 28 of this Agreement (herein referred to as "you" and "your") (the parties collectively referred to in this Agreement are the "parties").

WHEREAS, the North Carolina State Health Plan for Teachers and State Employees ("State Health Plan") operates for the benefit of eligible employees, eligible retired employees, and certain of their eligible dependents; and

WHEREAS, the State Health Plan seeks to facilitate the delivery of quality health care services through transparent pricing thereby driving affordability to Plan Members; and

WHEREAS, we contract directly with the State Health Plan to provide, arrange for, or administer the provision of Covered Services to State Health Plan Members; and

WHEREAS, we contract directly or indirectly with certain health care providers, intermediaries and provider organizations to provide, arrange for, or administer the delivery of such Covered Services to State Health Plan Members; and

WHEREAS, you provide certain specified Covered Services at the sites listed in the Site of Service Exhibit and wish to make those Covered Services available to State Health Plan Members; and

WHEREAS, you have agreed to participate in the North Carolina State Health Plan Network under the terms described in this Agreement; and

WHEREAS, this Agreement is separate and distinct from any agreement between the parties for services provided pursuant to benefit plans other than the State Health Plan, including but not limited to our commercial health plans, the other self-funded health plans that we administer, and the Medicare Advantage Plans that we sponsor, and shall not supersede or replace any such other agreements except to the extent expressly stated herein; and

WHEREAS, each party desires to enter into this Agreement to govern the terms of their relationship solely with respect to State Health Plan Members.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

## 1. GENERAL DEFINITIONS.

The following are general definitions of technical insurance, managed care, or other terms which apply to this Agreement and will be construed consistent with definitions included in the applicable evidence of coverage. Terms not specifically defined in this Agreement may be defined as set forth in our Policies and Procedures, Benefit Plan materials, or other written materials, as applicable.

1.1. “Affiliate” means any of our direct or indirect subsidiaries or the direct or indirect subsidiaries of our ultimate corporate parent company.

1.2. “Application” means the application materials required for submission to Blue Cross and Blue Shield of North Carolina to be considered for credentialing and acceptance for participation in its Provider Network(s), as may be changed from time to time.

1.3. “Blue Cross and Blue Shield of North Carolina,” “we,” “us,” and “our” means, as applicable, any one or more of the following: (i) Blue Cross and Blue Shield of North Carolina; or (ii) any corporate parent, subsidiary, or affiliate of Blue Cross and Blue Shield of North Carolina and/or a joint venturer or other entity contracted with Blue Cross and Blue Shield of North Carolina that has been added to this Agreement by Written Notice to you from Blue Cross and Blue Shield of North Carolina.

1.4. “Blues Plan” means any health insurance company that (a) has been licensed by the Blue Cross Blue Shield Association to use the Blue Cross and/or Blue Shield marks and (b) is not Blue Cross Blue Shield of North Carolina.

1.5. “Benefit Plan” means the particular set of health benefits and services approved by the State Health Plan Board of Trustees in accordance with N.C.G.S. 135-48.22(1) and provided as set forth in an applicable evidence of coverage, that is issued to a State Health Plan Member that describes the terms, conditions, limitations, exclusions, benefits, rights and obligations relating to the State Health Plan Member’s health benefits and services, including services made available through our participation in the BlueCard/InterPlan program, BCBS Association National Quality Program, or other program coordinated with Blue Cross and Blue Shield of North Carolina. The evidence of coverage may be issued by the State Health Plan, us, an Affiliate, or other entities designated by us via notice to you, and may be administered by any of these parties. The only Benefit Plans subject to this Agreement are the self-funded plans offered by the State Health Plan.

1.6. “Coinsurance” means the percentage or other calculation of the amount otherwise due to you under this Agreement that is indicated in the Benefit Plan and is due and payable by the State Health Plan Member, if any.

1.7. “Copayment” means the fixed dollar amount indicated in the Benefit Plan that a State Health Plan Member may be required to pay toward the cost of a Covered Service.

1.8. “Covered Services” means the benefits and services, goods, equipment and supplies specified in the Benefit Plan to which State Health Plan Members are entitled in accordance with the terms and conditions thereof. Nothing in this Agreement shall obligate the State Health Plan to expand these Covered Services or provide coverage for other Health Care Services absent approval by the Board of Trustees pursuant to N.C.G.S. §§ 135-48.22 and 135-48.30.

1.9. “Deductible” means the amount indicated in the Benefit Plan that the State Health Plan Member may be required to pay for Covered Services before benefit payments begin for all or part of the remaining Covered Services.

1.10. “Electronic Communications” means electronic communication through email, provider website, facsimile, or within our Policies and Procedures of any notice, other than that requiring Written Notice hereunder.

1.11. “Emergency” or “Emergency Medical Condition” means a medical condition manifesting itself by acute symptoms of sufficient severity, including, but not limited to, severe pain, or by acute symptoms developing from a chronic medical condition that would lead a prudent layperson, possessing an average knowledge of health and medicine, to reasonably expect the absence of immediate medical attention to result in any of the following:

- Placing the health of an individual, or with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy;
- Serious impairment to bodily functions;
- Serious dysfunction of any bodily organ or part.

1.12. “Emergency Services” means health care items and services furnished or required to screen for or treat an Emergency Medical Condition until the condition is stabilized, including prehospital care and ancillary services routinely available in the emergency department.

1.13. “Fee Schedule” means a list of the maximum per unit allowed amounts established for Covered Services that you provide to State Health Plan Members and which is subject to change based upon the terms of this Agreement.

1.14. “Grievance” means a written complaint submitted by a State Health Plan Member about any of the following:

- Our decisions, Policies and Procedures, or actions related to availability, delivery, or quality of health care services;
- Claims payment or handling, or payment for services;
- The contractual relationship between us and a State Health Plan Member; or
- The outcome of an appeal of a noncertification under N.C.G.S. § 58-50-61, or successor thereto.

1.15. “Grievance and Appeals Process” means the formal process described in the Benefit Plan and/or in the Provider Manual for the submission of Grievances or requesting review of denials of coverage or utilization review decisions. This process provides for expedited review, which may be requested over the phone, in cases where the State Health Plan Member’s health would be detrimentally affected by a delay of care pending the standard review process.

1.16. “Health Care Services” means services provided for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease.

1.17. “Medically Necessary” or “Medical Necessity” means those Covered Services or supplies, described in N.C.G.S. § 58-3-200(b), that are:

- Provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease; and, except as allowed under N.C.G.S. § 58-3-255, not for experimental, investigational, or cosmetic purposes;
- Necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms;
- Within generally accepted standards of medical care in the community;
- Not solely for the convenience of the State Health Plan Member, the State Health Plan Member’s family, or a provider.

1.18. “Member” as used in this Agreement means a State Health Plan member who is eligible for coverage and/or benefits and is properly enrolled in a Benefit Plan pursuant to Article 3B of Chapter 135 of the North Carolina General Statutes.

1.19. “Network Participation Agreement” means an agreement between Blue Cross Blue Shield of North Carolina and a health care provider to provide health care items or services to Members.

1.20. “Non-Participating Provider” means those Practitioners and institutional health care providers that have not entered into a contract with us to participate in the North Carolina State Health Plan Network.

1.21. “North Carolina State Health Plan Network” consists of those Practitioners and institutional health care providers that have entered into agreements with us to provide health care services to State Health Plan Members enrolled in self-funded plans offered by the State Health Plan.

1.22. “Overpayment” means any duplicate payment, or other payment made to you by Blue Cross and Blue Shield of North Carolina and/or a State Health Plan Member for Covered Services rendered to a State Health Plan Member in excess of the benefits payable according to the State Health Plan Member’s Benefit Plan and/or this Agreement.

1.23. “Participating Provider” means a Practitioner or institutional health care provider who has entered a contract with us to participate in the North Carolina State Health Plan Network.

1.24. “Policies and Procedures” mean those rules, regulations, programs, policies and procedures adopted by us or our designee(s), as referenced in **Section 2.3.1** of this Agreement.

1.25. “PPO” means a preferred provider organization and may be referred to as such in the Provider Manual.

1.26. “Practitioner” means any practitioner of health care services who is duly licensed to administer such services by the state in which Covered Services are performed, subject to any licensure or regulatory limitation as to location, manner, or scope of practice.

1.27. “Practitioner Roster Exhibit” means the exhibit attached hereto that lists the individual Practitioners that may provide services to State Health Plan Members under this Agreement. In the event that

you have an existing Network Participation Agreement with us at the time that you sign this Agreement, we will use your existing Practitioner Roster Exhibit as the Practitioner Roster Exhibit for this Agreement.

1.28. “Provider Manual” means the Blue Book Provider Manual, a reference guide containing our Policies and Procedures, billing guidelines, and reference materials, as provided by us and revised from time to time in accordance with the terms hereof.

1.29. “Provider Network(s)” consists of those Practitioners and institutional health care providers that have entered into agreements with us to provide health care services to individuals whose health insurance benefits are offered or administered by us in accordance with such individual’s benefit plan.

1.30. “Site of Service Exhibit” means the exhibit attached hereto that lists the sites in which services may be provided to State Health Plan Members under this Agreement. In the event that you have an existing a Network Participation Agreement with Blue Cross and Blue Shield of North Carolina at the time that you sign this Agreement, we will use your existing Site of Service Exhibit as the Site of Service Exhibit for this Agreement.

1.31. “State Health Plan” is the North Carolina State Health Plan for Teachers and State Employees.

1.32. “Written Notice” means a notice that must be given in writing and delivered to the Notice Contact. Unless otherwise agreed by the parties, Written Notices must be given by (a) depositing for delivery with the United States Postal Services, first-class, postage prepaid mail; (b) depositing for delivery with the United States Postal Services, certified or registered mail, with return receipt requested; (c) depositing for delivery with a commercial courier service; or (d) hand delivery.

1.33. Additional Definitions. Additional terms may be defined in the Exhibits attached hereto.

## **2. YOUR SERVICES AND OBLIGATIONS**

### **2.1. State Health Plan Member Services.**

2.1.1. Services to be Provided. You agree to render Medically Necessary Covered Services to State Health Plan Members according to our Policies and Procedures and according to the terms of this Agreement. You further agree to render services in accordance with the requirements of any certificate of need issued to you and that we will not be obligated to pay you for services rendered which are not in conformance with applicable certificate of need requirements. The fact that a Practitioner may prescribe, order, or approve a service or supply does not, of itself, make it a Covered Service or Medically Necessary. Nothing herein will be construed to require you to provide Covered Services which you do not provide to the general public.

2.1.2. Services Rendered by Other Providers. You agree that when the need arises for a State Health Plan Member to receive other professional services, hospital, or other institutional services, or supplies, outside of the scope of services that you provide, you will assist with the referral, admission and/or transfer of the State Health Plan Member locally within the North Carolina State Health Plan Network, when reasonably possible and consistent with good medical care. In the event that you refer a State Health Plan Member outside of the North Carolina State Health Plan Network to a Non-Participating Provider for any reason, you agree to first inform the State Health Plan Member that the State Health Plan may not reimburse the full amount of a provider's charge, unless the provider's charge is less than the allowed amount that would otherwise be paid to the Non-Participating Provider; and, as a result, the State Health Plan Member may be subject to higher out-of-pocket payments by using a Non-Participating Provider. You acknowledge that repeated referrals to Non-Participating Providers without reasonable cause may subject you to sanctions, as outlined in the Provider Manual and **Section 5.2** of this agreement. You further agree that you will not limit, restrict, or prohibit a Practitioner by contract or otherwise from exercising their independent medical judgment and referring State Health Plan Members to any participating provider in the North Carolina State Health Plan Network that the Practitioner chooses and deems to be in the best interest of the Plan Member when balancing quality, affordability, and the medical needs of the State Health Plan Member. Nothing contained herein will be construed to require us to cover services provided by a given specialty or in a given setting when a lower level of care is deemed appropriate by us.

2.1.2.1. You agree to fully disclose to the State Health Plan Member and to us any and all financial interest you may have in any entity to which you refer, admit, or transfer the State Health Plan Member for Covered Services.

2.1.3. Excluded Services. You acknowledge that we may have exclusive agreements in place with certain providers (including through separate networks via one or more intermediary agreements) for specific types of Covered Services. Any such exclusive arrangements will be indicated in the Provider Manual given by us to you pursuant to **Section 3.2.5** of this Agreement or, if you are affected by such exclusive arrangements, otherwise by notification from us. You agree to assist with the transfer of State Health Plan Members to such exclusive providers when medically appropriate, and your obligation to provide Covered Services to State Health Plan Members, and your rights to receive in-network compensation for such Covered Services, will not extend to such services.

2.1.4. Responsibility for Services Rendered.

2.1.4.1. State Health Plan Member Relationship. The parties acknowledge and agree that this Agreement is not intended nor is construed to interfere with the patient relationship between you and a State Health Plan Member. The parties acknowledge and agree that you will have sole professional and ethical responsibility for services provided by you to State Health Plan Members under this Agreement. No provision contained in this Agreement nor any of our Policies and Procedures or benefit determinations will override your professional or ethical responsibility or interfere with your ability to provide information or assistance to your patients. You further agree to provide Covered Services to State Health Plan Members so as to provide health or medical care in conformity with accepted and prevailing practices and standards.

2.1.4.2. Open Communication Regarding Treatment. We acknowledge your right to openly communicate with State Health Plan Members regarding treatment options available to them, including discharge planning and any right to appeal any adverse coverage decision, regardless of Benefit Plan limitations or exclusions.

2.1.4.3. Non-Discrimination. You agree not to discriminate against State Health Plan Members on the basis of race, color, ethnicity, national origin, sexual orientation, gender, sex, age, religion, marital status, citizenship, disability, health status, health insurance coverage, mental health status, source of payment, veteran status, or any other basis deemed unlawful under federal, state, or local law.

2.1.4.4. Quality Concerns and Grievance and Appeals Process. You agree to notify us of any case that would result in medical care being provided or denied to a State Health Plan Member that you believe to be inappropriate and contrary to accepted professional or ethical standards of medical practice as a result of our administrative or utilization management processes, the availability of the North Carolina State Health Plan Network, or our benefit determinations. You agree to cooperate with and assist State Health Plan Members, and other Practitioners if applicable, in our Grievance and Appeals Process.

2.1.4.5. Equipment, Goods and Supplies. You agree that all equipment, goods and supplies used in carrying out your duties under this Agreement will at all times remain properly serviced and maintained.

2.1.5. Accessibility Standards. You agree to comply with the accessibility standards to arrange for call coverage or other back-up to provide service, as stated in the applicable Site of Service Exhibit attached hereto.

## 2.2. Licensure, Accreditation and Insurance.

### 2.2.1. Licensure and Certification

2.2.1.1. Application. You represent and warrant that you have completed our Application, unless we have otherwise waived the Application requirement, and all of the information in it is true and correct to the best of your knowledge. Your completed Application, if required by us, is incorporated herein by reference as if fully set forth.

2.2.1.2. Licensure. You hereby represent that you are presently licensed accordingly, as specified in the Site of Service Exhibit, under North Carolina and any other applicable law

2.2.1.3. Certifications and Accreditations. You hereby represent that you have, and will maintain in good standing, certifications and accreditations as may be required by law or us, as specified in the Site of Service Exhibit

2.2.1.4. DEA Number. You hereby represent and warrant that you and/or your Practitioners presently have valid Drug Enforcement Administration Number as appropriate for your scope of practice.

2.2.1.5. Qualified Workers. You hereby represent that all employees, agents, and independent contractors engaged or hired by you are qualified and if applicable, duly licensed.

2.2.1.6. Exclusion or Debarment.

2.2.1.6.1. You hereby represent that you, including but not limited to, any of your employees, agents, Practitioners, assigns or subcontractors, have not been excluded or debarred, (i) by the Secretary of Health and Human Services from participation in any federal health care program pursuant to Section 1128 of the Social Security Act, or successor law or any other applicable law, or (ii) by any other federal or state agency possessing authority to debar individuals or entities from being government contractors, and that you, including but not limited to, any of your employees, agents, assigns or subcontractors, are not, to your knowledge, under investigation for any such exclusion or debarment. You represent that you, including but not limited to, any of your employees, agents, Practitioners, assigns or subcontractors, are not named on the United States Department of the Treasury's Specially Designated Nationals or Blocked Persons list. In the event that you, including but not limited to, any of your employees, agents, Practitioners, assigns or subcontractors, are excluded or debarred by a federal or state agency or listed on the Specially Designated Nationals or Blocked Persons list, we may terminate this Agreement or that Practitioner's participation under this Agreement effective immediately upon Written Notice to you.

2.2.1.6.2. You hereby represent that you, including but not limited to your employees, agents, Practitioners, assigns or subcontractors, are not ineligible to contract with the State of North Carolina pursuant to N.C.G.S. § 147-86.82 as (a) a company identified as engaging in investment activities in Iran, as determined by appearing on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58 or (b) a company identified as engaged in a boycott of Israel as determined by appearing on the List of restricted companies created by the State Treasurer pursuant to N.C.G.S. § 147-86.81. If you, including but not limited to any of your employees, agents, Practitioners, assigns or subcontractors, are or become ineligible to contract with the State of North Carolina by reason of (a) or (b) above, this Agreement shall be void *ab initio*.

2.2.1.6.3. You may not subcontract or employ any person or entity excluded or debarred from government contracting.

2.2.1.6.4. You agree to refund us, and as applicable, State Health Plan Members, any applicable state or federal funds we or State Health Plan Members have paid you pursuant to this Agreement after you, including but not limited to any of your applicable employees, agents, Practitioners, assigns or subcontractors have been excluded or debarred or otherwise prohibited from receiving state or federal funds.

2.2.2. Credential Verification Program.

2.2.2.1. Maintenance of License. You agree to maintain, and submit to us upon request, evidence of licensure, accreditation, registration, certification, and all other credentials sufficient to meet all applicable federal and state laws and regulations and our credential verification program requirements.

2.2.2.2. Compliance with Credential Verification Program You agree to comply with our credential verification program and to assist in the credentialing and recredentialing process. You further agree that we may review any and all records and documents which bear upon your credentials, whether in your possession or in the possession of other individuals or organizations.

2.2.3. Insurance. You, at your sole cost and expense, agree to procure and maintain such policies of general liability, professional liability and other insurance as is necessary to insure you and any of your employees or agents against any claim or claims for damages arising by reason of personal injuries or death in connection with the performance of services provided by you, the use of your property and facilities, and the activities performed by you in connection with this Agreement. Each of such policies will meet or exceed the limits that were stated in Blue Cross and Blue Shield of North Carolina's credentialing criteria as of your most recent credentialing by us. You must provide copies of such policies or documentation of self-insurance to us upon request.

2.2.4. Notice of Changes. You agree to provide us Written Notice of subsequent changes in status of any information relating to your credentials, licenses, privileges, and certifications of the Practitioners performing services hereunder, or other information as noted in the Site of Service Exhibit, as well as changes in professional liability or other insurance as soon as possible but no later than ten (10) business days of your discovery of any such changes.

2.2.5. Other Required Notices. You agree to provide us prompt, but in no event, unless otherwise indicated below, less than thirty (30) days, Written Notice of the occurrence of any of the following:

2.2.5.1. Any change in your Notice Contact or alternative Notice Contact, including but not limited to, your billing or payment addresses;

2.2.5.2. In the event of a change in your physical location, a change in your name, or a transfer, conveyance, or other change in control and/or ownership (hereinafter "transfer"), you agree to give us not less than thirty (30) days prior Written Notice of such transfer, such notice to include the effective date of the transfer and a detailed explanation of the circumstances surrounding and reasons for the transfer;

2.2.5.3. Legal or governmental action against you, including such action against any of your Practitioners, employees, agents, assigns or subcontractors, including, but not limited to, an action for professional negligence or one involving an alleged violation of law or against any license or certificate required pursuant to **Section 2.2.1**, which, if successful, would, in your reasonable opinion, materially impair your ability to carry out the duties and obligations assumed under this Agreement;

2.2.5.4. Your insolvency or pendency of bankruptcy;

2.2.5.5. Any other problem or situation that would in your reasonable opinion, materially impair your ability to carry out the duties and obligations assumed under this Agreement.

2.2.5.6. Any changes to your Practitioners' DEA numbers or hospital privileges pursuant to **Sections 2.2.1.3. and 2.2.1.4.**

2.2.5.7. Any change in or new assignment of a National Provider Identifier. You further agree to provide such National Provider Identifier to us at any time upon our written request.

2.2.5.8. Exclusion or debarment as set out in **Section 2.2.1.6** or the initiation of any such action that might reasonably lead to such federal or state exclusion or debarment. Such notice shall be provided to us no later than two (2) business days after you learn of the exclusion or debarment or initiation of actions that might reasonably lead to exclusion or debarment, or ten (10) calendar days after the publication of the relevant government exclusion or debarment list, whichever occurs first.

2.2.6. Your Third Party Contact Information. You agree to give us the name and contact information, including the name or title of the primary contact, the phone number, mailing address, physical location and applicable electronic mail address, of any third party that conducts claims filing, medical billing, management, or consultation for the purposes of this Agreement. You further agree to promptly notify us, but in no event no later than thirty (30) business days, following any change in any information provided to us pursuant to this **Section 2.2.6.**

### 2.3. Policies and Procedures, and Applicable Law.

2.3.1. Your Compliance with Our Programs, Policies, and Procedures. You agree to participate in and comply with all of our Policies and Procedures, as may be enacted and revised by us from time to time with no fewer than sixty (60) days' prior notice, unless state or federal laws or regulations require a change within a shorter time period, including, but not limited to, utilization review and management programs, credential verification programs, provider accessibility standards or policies, quality improvement and management programs, the Grievance and Appeals Process, provider sanction policies, referral policies, billing policies, claims submission policies, reimbursement policies, coordination of benefit and third party liability policies, excess payments and underpayments policies, billing and refund policies, retroactive adjustment policies, pre-admission certification policies, admission certification policies, length of stay assignment programs, concurrent review programs, prior approval programs, procedure code auditing programs, and administrative requirements. Different Policies and Procedures may apply with respect to different Benefit Plans as described in the Provider Manual. In addition, differing Policies and Procedures may be adopted and applied by an Affiliate or by another Blue Cross and/or Blue Shield plan, or through the Blue Cross and Blue Shield Association, as applicable based on the State Health Plan Member's status. The Policies and Procedures applicable to a given Covered Service shall be those referenced in the Provider Manual in effect as of the date of service. The most recently dated Provider Manual that has been provided to you will be considered the most current, even if we have not updated the Provider Manual following the stated end date.

2.3.1.1. Policies and Procedures will be provided to you by hard copy, CD, or other electronic format or by posting the Policies and Procedures on our Website.

2.3.1.2. Policies and Procedures are intended to supplement this Agreement and are not intended to conflict with or override any term of this Agreement. In the event of a conflict between this Agreement and our Policies and Procedures, this Agreement shall govern.

2.3.1.3. Non-Compliance. If you fail to comply with this Agreement or our Policies and Procedures referenced in this Agreement as you are required to do by this **Section 2.3.**, we may pursue any contractual right of redress including but not limited to recovery, offset, imposition of sanctions pursuant to our provider sanctions policy, practitioner suspension, service exclusion, and termination of contract, and we reserve all legal rights of redress in law or equity.

2.3.2. Your Compliance with Applicable Law and Industry Standards. You represent that you have established procedures to comply with applicable laws and regulations of state, federal and other agencies having jurisdiction over you, as well as industry standards in North Carolina. You agree not to commit fraud or abuse.

#### 2.4. Directory and Marketing Materials.

2.4.1. Directories and Marketing Materials. You hereby authorize us to include information about you, including but not limited to, your name, address, and other biographical information submitted to us by you in our provider directories, benefit plan materials, and other information that is made available to State Health Plan Members and others, as well as the directories of other Blue Cross and/or Blue Shield Plans and the Blue Cross and Blue Shield Association. You further agree to provide us information upon request that we determine, at our discretion, will be included in the directories. However, you will be included only in provider directories for the Benefit Plans in which you participate. You agree that we may provide pertinent information about you in marketing and information materials made available to State Health Plan Members and others. Such information may include, among other things, summary information, description of available services, and information regarding cost and quality. You may review and provide comments regarding any such materials solely created and made available by us that reference you prior to those materials being made available to State Health Plan Members and others provided, however, information gathered through third parties, surveys, public comment tools, member claims, or our Agreement with you will not be provided for your review in advance as determined in our reasonable discretion. Any materials of any nature whatsoever developed by you or on your behalf which make reference to us will be first submitted in writing by notice to us for our prior written approval, not to be unreasonably withheld, except, however, you may list your participation under this Agreement by strictly following the brand regulation guidelines described in the Provider Manual. You agree not to use the name of the State of North Carolina, Department of State Treasurer, the State Health Plan, or the North Carolina State Health Plan Network as part of any commercial advertising or marketing products or services.

2.4.2. Information about You. You may send Written Notice to us of an inaccuracy of information that is derived from data supplied by you or from applicable agreements between us that is posted on our Web site or contained in printed materials prepared by us. If we do not dispute that there is an inaccuracy, we shall take steps reasonably necessary to update the website within fifteen (15) business days after receipt of your notice and to revise written materials before the next edition of such materials being printed, to the extent there is sufficient time to make such revisions before the next printing, to reflect any corrections necessary to make the information accurate unless we dispute that there is an inaccuracy. If we dispute that there is an inaccuracy, we will so notify you within the same time periods specified in this **Section 2.4.2.**, including the basis on which we dispute that there is an inaccuracy.

### **3. OUR SERVICES AND OBLIGATIONS.**

3.1. Certificate of Authority. We represent that we have maintained and continue to maintain appropriate licensure and authorization necessary to operate as a health insurer or health maintenance organization, as applicable, under the North Carolina General Statutes. We represent that we have established procedures to comply with applicable laws and regulations of state, federal, and other agencies having jurisdiction over us, including any that may have jurisdiction when we serve as a third party administrator for self-funded clients.

#### 3.2. Administrative Services.

3.2.1. Marketing and Administration. We agree to perform or to have performed on our behalf, certain marketing, enrollment, administrative, accounting and other functions we may deem necessary to the administration of the Benefit Plans and the performance of this Agreement. We agree to make best efforts to furnish identification cards to State Health Plan Members prior to the State Health Plan Member's effective date and to educate State Health Plan Members on our Policies and Procedures through State Health Plan Member handbooks and toll-free telephone access to a State Health Plan Member services department.

3.2.2. Provider Directories. For the Benefit Plans in which you participate, we agree to list you in our applicable provider directories that are made available to State Health Plan Members as long as you meet our credentialing requirements and provide the necessary information. However, should either party issue Written Notice of termination, our obligation to list you in the applicable provider directories will not apply during such termination notice period. Providing false information or failing to provide information necessary for inclusion in our provider directories is grounds for termination with cause in accordance with **Section 5.2.1.**

3.2.3. State Health Plan Member Eligibility Verification. We agree to provide a means that allows you to verify State Health Plan Member eligibility before rendering services, based on current information held by us. Such verification may be subject to retroactive adjustments pursuant to **Section 4.6.**

3.2.4. State Health Plan Member Relationship. The parties agree that we are responsible for making judgments and decisions concerning whether certain services or supplies are Medically Necessary under the applicable medical policies and Covered Services under the Benefit Plan and the extent to which payment may or may not be made thereunder.

3.2.5. Provider Manual. We agree to provide you with access to a Provider Manual, containing current information concerning benefit exclusions and Policies and Procedures, in accordance with

**Section 2.3.** We agree to update such information as changes in requirements are made, consistent with the notice provisions stated in **Section 2.3.**

3.2.6. Reporting. We agree to provide the appropriate reporting necessary for you to complete any program, quality, or other obligations as set forth herein and mutually agreed by the parties. To the extent your compensation is related to efficiency criteria, we agree to provide performance feedback reports or information to you.

3.2.7. Insurance. We, at our sole cost and expense, agree to procure and maintain such policies of general liability and other insurance as are necessary to insure us and our employees against any claim or claims for damages arising by reason of personal injuries or death occasioned directly or indirectly in connection with the use of any property and facilities provided by us and the activities performed by us in connection with this Agreement. Such policies will be made available to you for your examination at our corporate office during normal business hours.

3.2.8. Payors. Because we are not responsible under the terms of our agreement with the State Health Plan for funding the payments for Covered Services provided to State Health Plan Members, we will not be required to advance or fund such payments notwithstanding any provision of this Agreement to the contrary. As a governmental entity, the State Health Plan is obligated by law to fund such payments and is acting as a payor rather than an employer.

3.2.9. Credentialing and Recredentialing. We agree to assess and verify all credentialing Applications and recredentialing information and to notify the applicant of our decision within sixty (60) days of receipt of all required information.

#### **4. PAYMENT TO YOU.**

4.1. Payment. For Covered Services provided to State Health Plan Members during the term of this Agreement at the sites of service listed in the Site of Service Exhibit you will be paid in accordance with the attached Reimbursement Exhibit(s), and as otherwise set forth in this Agreement. We agree to pay and you agree to accept as payment in full for Covered Services delivered to State Health Plan Members during the term of this Agreement the amount specified in the attached Reimbursement Exhibit(s), in effect on the date the service or supply is rendered, and as otherwise set forth in this Agreement, except to the extent that we are required to assign payment to the Division of Medical Assistance of the Department of Health and Human Services pursuant to N.C.G.S. 108A-55.4, or successor thereto. We represent that we have established procedures to comply with the provisions of N.C.G.S. 58-3-227 and 58-50-270 through 58-50-285 or successor law, which describes our obligations to provide information regarding fees, and descriptions of our claim submission and reimbursement policies.

4.1.2. Sites of Service. All sites of service subject to the terms of this Agreement are listed on the Site of Service Exhibit. You agree to provide us with Written Notice thirty (30) days in advance of your proposed additions and deletions to the sites of service listed herein.

4.1.3. Electronic Funds Transfer. All payments by us under this Agreement shall be made by electronic funds transfer (EFT) except as otherwise stated in this Agreement. You are required to provide us with the information required to make payment by EFT as a condition of participation in the North Carolina State Health Plan Network. If erroneous transfer(s) occur because of your incorrect submission of

EFT information, we will be deemed to have made payment to you and you shall be responsible for any recovery of erroneously directed funds; if the transfer fails, any prompt payment timeframes will not begin until we receive correct EFT information.

4.2. Billing.

4.2.1. Time for Claims Submission. To be eligible for payment, claims must be received by us by the later of one hundred and eighty (180) days from the date of service or 180 days from the date of discharge from a facility, unless (i) such longer period of time is set forth in the Provider Manual or (ii) we have agreed in writing to waive this provision due to circumstances that limited your ability to submit a claim within such time period, including but not limited to delays caused by coordination of benefits.

4.2.2. Electronic Submission. You agree to submit all claims to us electronically unless we specifically request a paper claim.

4.2.3. Electronic explanation of payment. You agree to access explanations of payment from us through the use of electronic media and electronic communications. You acknowledge that, for your records, you are able to view and retain explanations of payment by printing and/or downloading and saving them in the manner you deem appropriate.

4.3. Processing of Claims. We agree to make reasonable efforts to process all claims for benefits for services and/or supplies provided to State Health Plan Members submitted by you, within thirty (30) days of our receipt of all necessary information. Except for retroactive adjustments to eligibility records pursuant to **Section 4.6**, we agree that we will not retroactively deny payment of properly submitted claims that have been pre-authorized through our utilization management processes, so long as our authorization was not based on a material misrepresentation knowingly provided by you, a State Health Plan Member, or other provider. Further, we represent that we have established billing, claim submission, and claim processing procedures to comply with the provisions of N.C.G.S. § 58-3-225, entitled "Prompt Claim Payments Under Health Benefit Plans." You acknowledge and agree not to hold claims for processing by us at a later date unless specifically directed to do so by us.

4.4. Deductibles, Coinsurance and Copayments. You agree to collect from State Health Plan Members applicable Deductibles, Coinsurance, and Copayments, and you agree that our payment in accordance with **Section 4.1** may be reduced by such amounts. The maximum amount of a State Health Plan Member's Copayment will be the lesser of the amount specified in the State Health Plan Member's Benefit Plan or the amount to which you are otherwise entitled pursuant to this Agreement. You agree not to waive any portion of a State Health Plan Member's applicable Deductible, Coinsurance or Copayment that may be required pursuant to the State Health Plan Member's Benefit Plan, unless (a) you have undertaken reasonable collection efforts and are unable to collect the Deductible, Coinsurance, or Copayment or (b) you have determined that the particular State Health Plan Member is indigent. Any such amounts waived by you contrary to this **Section 4.4** will be deducted from the amount you are otherwise entitled to pursuant to this Agreement.

4.5. Hold Harmless.

4.5.1. Payment in Full. You agree to accept the amounts due in accordance with the attached Reimbursement Exhibit(s), including applicable Deductibles, Coinsurance and Copayments, as

payment in full for Medically Necessary Covered Services provided to State Health Plan Members of the Benefit Plans corresponding to the Reimbursement Exhibit(s). The amounts due may differ based on the specific product as a result of different benefit designs and claims adjudication methodologies. In no event, including but not limited to our non-payment or insolvency or breach of this Agreement, will you seek payment from a State Health Plan Member or third party for Medically Necessary Covered Services provided to State Health Plan Members, including but not limited to subrogation and workers' compensation, except as otherwise provided in this **Section 4.5**.

4.5.2. Timeliness of Claim Submission. You agree not to bill, charge, seek compensation or remuneration or reimbursement, or collect from the State Health Plan Member or us any amount for services or supplies provided to a State Health Plan Member for which a claim was not submitted to us in accordance with **Section 4.2.1**.

4.5.3. State Health Plan Member Contributions and Third Party Liability. This **Section 4.5** will not prohibit the collection of any Deductible, Copayment, or Coinsurance in accordance with **Section 4.4**. In addition, this **Section 4.5** will not prohibit the billing and collection of amounts payable by third party carriers when such parties are responsible for paying for Covered Services in accordance with our coordination of benefits and third party liability policies.

4.5.4. Survival. You further agree that the provisions of this **Section 4.5** will survive termination of this Agreement regardless of the causes giving rise to such termination, will be construed to be for the State Health Plan Members' benefit, and will supersede any oral or written contrary agreement now existing or hereafter entered into between you and a State Health Plan Member or persons acting on behalf of a State Health Plan Member.

4.5.5. Non-Covered Services. You agree not to bill, charge, or seek compensation, remuneration, or reimbursement from any State Health Plan Member, us, or any third party for health care services and/or supplies provided to State Health Plan Members which are determined by us not to be Covered Services, Medically Necessary, or are not payable due to your failure to follow our applicable Policies and Procedures, except as provided in **Section 4.5.6**.

4.5.6. State Health Plan Member's Written Authorization Required. Notwithstanding the provisions of **Section 4.5.5**, you may seek compensation from the State Health Plan Member for non-Medically Necessary Services or other non-Covered Services only if you obtain the written authorization of the State Health Plan Member prior to rendering the services. Such authorization must reference the specific services and/or supplies to be provided, contain the State Health Plan Member's acknowledgment that such services and/or supplies may not be covered by his or her Benefit Plan, and indicate the State Health Plan Member's agreement to pay for such services and/or supplies apart from his or her Benefit Plan. You further agree to provide us with a copy of any and all such written authorizations upon request. Notwithstanding this **Section 4.5.6**, you may not seek compensation for services that are not payable due to your failure to follow our applicable Policies and Procedures or for services for which you have been reimbursed pursuant to this Agreement. You further agree that such authorization shall be given regarding a particular service at issue in the specific treatment of a State Health Plan Member, and not as a matter of general or standard procedures in all cases.

4.6. Retroactive Eligibility Adjustments. You agree to accept and abide by retroactive adjustments made by us to our State Health Plan Member eligibility records and associated adjustments to

your reimbursement. We agree to use best efforts to make retroactive adjustments within ninety (90) days after the date the claim was processed. You agree that if Medically Necessary Covered Services were provided to a State Health Plan Member during any retroactive adjustment period for which that State Health Plan Member is added as an eligible State Health Plan Member, you will reimburse the State Health Plan Member for any payments made by the State Health Plan Member for such services and/or supplies within forty-five (45) days of receiving the retroactive adjustment, except for any applicable Deductibles, Coinsurance, and/or Copayments. Further, you agree to reimburse any payments made by us for any services provided to ineligible members within forty-five (45) days of receiving the retroactive adjustment.

4.7. Coordination of Benefits and Third Party Liability. Notwithstanding any provision of this Agreement to the contrary, you agree that payment to you for Covered Services (i) for which we determine that you have other than primary liability based upon the coordination of benefits provision of the State Health Plan Member's applicable State Health Plan Member's Health Benefit Plan or (ii) for which we have partial liability; shall not be made by us of any amount which when added to all third party benefit payments would exceed the amount you are otherwise entitled to receive as payment under this Agreement or the applicable State Health Plan Member's Benefit Plan, or which you are otherwise required to accept as payment in full. You agree neither to bill nor attempt to collect any additional amounts from us or the State Health Plan Member, except for any remaining Deductible, Coinsurance, and/or Copayment amounts due according to the applicable State Health Plan Member's Benefit Plan. You agree that payment by us in accordance with this Agreement shall fully discharge us, the State Health Plan Member, and all third parties from any and all liability for your charges, including, but not limited to, subrogation and workers' compensation, except for any charges for Deductible, Coinsurance, and/or Copayment amounts due and owing by the State Health Plan Member. You agree not to attempt to collect any additional monies from us, the State Health Plan Member, or any third party for services rendered, including, but not limited to, subrogation and workers' compensation, except for any charges for Deductible, Coinsurance, and/or Copayment amounts due and owing by the State Health Plan Member. Notwithstanding anything to the contrary in this Agreement, you may pursue coordination of benefits as allowed by law from any third party payor that is secondary to us.

4.8. Payments and Overpayments.

4.8.1. Government Payer. You acknowledge and agree that the State Health Plan is a government payer and all claim payments made under this contract are paid using funds of the State of North Carolina.

4.8.2. State Health Plan Member Overpayment. You agree that you will implement policies, procedures, and/or processes to identify any Overpayments made to you by State Health Plan Members, and that you will remit any such Overpayment to the State Health Plan Member within sixty (60) days once identified.

4.9. Identity Verification. You agree that, in order to guard against improper use of State Health Plan benefits and with the exception of Emergency Services, you will make a reasonable attempt to verify that the identity of the individual seeking service from you matches the identity of the State Health Plan Member described on the State Health Plan identification card before providing Covered Services. When a State Health Plan Member requires Emergency Services, you agree to make a reasonable attempt to verify the identity of the State Health Plan Member as soon as practicable.

4.10. 42 C.F.R. Part 2 Compliance. If you (a) qualify as a substance use disorder “program” as defined in 42 C.F.R. § 2.11, (b) receive, store, process, have access to, maintain, or otherwise deal with “patient identifying information” or “records” as defined in 42 C.F.R. § 2.11, and (c) are “federally assisted” as defined in 42 C.F.R. § 2.11, you acknowledge and agree that you are fully bound by and will fully comply with the federal regulations governing Confidentiality of Substance Use Disorder Patient Records, 42 C.F.R. Part 2, with respect to such information and records, including but not limited to the provisions related to use, disclosure, and re-disclosure thereof.

4.11. HIE Compliance. You agree to fully comply with the Statewide Health Information Exchange Act set forth in Article 29B of Chapter 90 of the North Carolina General Statutes. In the event that we reject, return, or otherwise decline to pay or process any claim submitted under this Agreement as a result of non-compliance with the Statewide Health Information Exchange Act, you agree that you will not seek payment from the State Health Plan Member.

## **5. TERM AND TERMINATION.**

5.1. Effective Date and Term. This Agreement will become binding when fully executed and will, along with the applicable Reimbursement Exhibit(s), have an effective date of January 1, 2021 for an initial term of one year subject to the termination rights contained herein. Thereafter, this Agreement will automatically renew for successive one-year renewal terms unless amended or terminated as hereinafter provided. For the sake of clarity and to avoid confusion, this Agreement will govern the provision of services to State Health Plan Members beginning on January 1, 2021. Prior to that date, the terms of this Agreement shall not apply to or govern the reimbursement for any services that you provide to State Health Plan Members.

### **5.2. Termination.**

5.2.1. Termination With Cause. This Agreement may be terminated at any time by either party, with cause, upon providing Written Notice of intent to terminate due to material breach of this Agreement and allowing the breaching party no fewer than thirty (30) days to cure. If at the end of such 30-day period the breach has not been cured, the non-breaching party may terminate immediately or, in the non-breaching party’s discretion, such later time upon Written Notice to the breaching party.

5.2.2. Termination Without Requirement of Cause. This Agreement may be terminated by us without requirement of cause upon no fewer than ninety (90) days’ prior Written Notice to you. After an initial term of one (1) year from the effective date, this Agreement may be terminated by you, without requirement of cause, upon no fewer than one hundred and eighty (180) days’ prior Written Notice to us.

5.2.3. Other Termination Provisions. Notwithstanding any other terms of this Agreement, this Agreement may be terminated immediately by us at our sole option and discretion upon any of the following occurrences:

5.2.3.1. failure to notify us pursuant to this Agreement, when such failure to notice may materially disadvantage us or State Health Plan Members;

5.2.3.2. failure to comply with our credential verification program;

5.2.3.3. failure to notify us of Debarment or Exclusion;

5.2.3.4. material changes in your ownership or control, including dissolution or other cessation of your business or professional functions, insolvency, bankruptcy, or a change in your physical location;

5.2.3.5. the existence of any problem or situation that would, in our sole discretion impair your ability to carry out the duties and obligations assumed under this Agreement;

5.2.3.6. your failure to comply with applicable laws and industry standards as set forth in **Section 2.3.2.**;

5.2.3.7. the existence of any problem or situation that would, in our sole discretion, adversely impact State Health Plan Members;

5.2.4. Termination Due to Alteration of Healthcare Insurance. Notwithstanding any other terms of this agreement, we may terminate this Agreement by providing at least thirty (30) days prior Written Notice of termination if, in connection with any state or federal legislation, regulation, or court order, the State Health Plan alters the nature of products it offers or the manner in which the State Health Plan conducts business.

5.3. Your Obligations After Termination or Our Insolvency.

5.3.1. Continuing Care. You agree that upon termination of this Agreement or our insolvency, you will remain obligated to continue to provide medical care pursuant to applicable state and federal statutes and consistent with requirements in the Provider Manual to State Health Plan Members that are receiving ongoing care until we can arrange for the State Health Plan Member to select another provider or ninety (90) days from the date of termination, whichever occurs first. You further agree that upon termination of this Agreement or our insolvency, you will be obligated to continue inpatient care until the State Health Plan Member is ready for discharge. In the event of our insolvency, you will be obligated to continue to provide Covered Services for the period for which the State Health Plan Member's premium has been paid. You agree to continue to be obligated to the terms of this Agreement for any such continuing care required under this **Section 5.3.1.** If a given State Health Plan Member falls into more than one of the above categories such that a conflict is created as to the length of time that you are required to provide care, the longer time period shall apply.

5.3.2. Transfer of Duties and Records. You agree that upon termination of this Agreement or our insolvency, you will cooperate in the orderly transfer of administrative duties and medical records to the State Health Plan Member's new provider after obtaining the State Health Plan Member's authorization, and will be responsible for the cost of transferring medical records or copies thereof.

5.3.3. Survival. The provisions of this **Section 5.3** will survive termination of this Agreement.

5.4. Dormancy. In the event you become contracted into the North Carolina State Health Plan Network through a third party after the effective date of this Agreement, this Agreement will automatically enter a state of dormancy for the applicable Benefit Plan(s). Unless otherwise terminated by either party, this Agreement may then be reactivated if we provide no fewer than ninety (90) days advance Written Notice.

## **6. GENERAL PROVISIONS**

### 6.1. Records.

6.1.1. Maintenance and Audit. You agree to maintain legible, complete, timely, accurate, and professionally adequate and appropriate medical and other health records relating to services and/or supplies provided to State Health Plan Members in accordance with our Policies and Procedures, accepted industry standards, and as may be required by law. You agree to maintain medical records on the same basis as for all other patients, and to make such information available to us and other North Carolina State Health Plan Network providers when necessary for the treatment and evaluation of State Health Plan Members or as otherwise required by our Policies and Procedures or determined by us, as permitted by law or the terms and conditions governing the State Health Plan Member's Benefit Plan. You agree that we or our designated representative have the right upon thirty (30) days prior Written Notice, to inspect and audit at reasonable times your medical and financial records relating to services and/or supplies provided to State Health Plan Members and the administration of this Agreement. You agree that all data submitted to us on State Health Plan Members shall be accurate, complete, and truthful, and to provide us with records necessary to confirm the accuracy, completeness, and truthfulness of such data. You further agree there will be no charge or other administrative fee to us, our designated representative, or the State Health Plan Member related to our performance of any audit or your duplication and submission of copies of such records reasonably requested in the performance of such audits. Such right of audit may be for the purpose of complying with requests of the North Carolina Department of Insurance, verifying services provided, verifying contract compliance, or such other lawful purposes as we may require or as are provided for in our Policies and Procedures. Notwithstanding the above, no prior written notice shall be required when we inspect and audit based on suspected fraud or abuse.

6.1.2. Access to Records. You agree to release medical records at no charge to us, and upon request you agree to release medical records to the North Carolina Department of Insurance in conjunction with its regulation of us. We warrant that we have the contractual right with State Health Plan Members to obtain any and all patient information from you for the purpose of making benefit determinations. You agree to obtain any additional State Health Plan Member authorization you determine to be needed for you to release medical records to us. In addition, during and after the term hereof, the North Carolina State Auditor shall have access to persons and records related to this Agreement to verify accounts and data affecting fees or performance under this Agreement.

6.1.3. Patient Confidentiality. Both parties agree to maintain the confidentiality of State Health Plan Member records and personal information and to use State Health Plan Member information only in connection with lawful purposes. Both parties agree that they cannot use or disclose State Health Plan Member records and personal information in any way that is not explicitly authorized by this Agreement or by applicable law. Both parties further agree to comply with the privacy and security obligations set forth by any applicable state or federal law, including (as applicable), but not limited to those set forth in North Carolina's Insurance Information and Privacy Protection Act (Article 39, Chapter 58 of the North Carolina General Statutes), the Gramm-Leach-Bliley Act, and the privacy and security provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any regulations promulgated thereunder. In the event of a conflict between or among any applicable laws or regulations described in this **Section 6.1.3.** in which you cannot perform so that all relevant legal authorities are given effect, you shall notify us and we will confer in good faith to reach mutual agreement about which law will govern the performance under this Agreement. To the extent that the privacy and/or security requirements of applicable law conflict with the provisions of this Agreement, the requirements of the applicable law shall prevail.

6.1.4. Access to Electronic Medical Records. You agree to provide us reasonable access to electronic medical records subject to any data use agreement between the parties and in compliance with applicable state and federal laws.

6.1.5. Survival. The provisions of this **Section 6.1** will survive termination of this Agreement.

6.2. Notices.

6.2.1. Method of Delivery and Date of Receipt. Notices given under this Agreement may be given by one or more of the following methods and will be deemed received by the receiving party as follows: (i) five business days following the date the notice is placed, first-class postage prepaid, in the United States Postal Services; (ii) on the date the notice is hand delivered; (iii) for certified or registered mail, the date on the return receipt; or (iv) for commercial courier service, the date of delivery. Nothing in this Agreement prohibits the use of an electronic medium for a communication other than a Proposed Change to a Fee Schedule, as defined in **Section 6.6.4.**, if agreed to by the parties. Notice given pursuant to an electronic medium is deemed received by the receiving party on the date the notice is transmitted or made available electronically.

6.2.2. Notice Contact. “Notice Contact” means the name or title and address of the person designated on the signature page, below, to whom all correspondence, including proposed amendments and other notices, pertaining to the contractual relationship between the parties shall be provided. Each party to this Agreement shall designate its Notice Contact and shall include the name or title and address of the person to whom the notice shall be sent.

6.2.2.1. Nothing in this Agreement prohibits the parties from mutually agreeing to alternative Notice Contacts.

6.2.2.2. A party may change its Notice Contact or alternative Notice Contact by providing Written Notice to the other party at the Notice Contact or an alternative Notice Contact designated by the other party for this purpose, or as mutually agreed by both parties. A party shall provide Written Notice to the other party’s Notice Contact of a change in its Notice Contact no later than thirty (30) days after such change.

6.2.3. Electronic Notices. The parties mutually agree that they may use an electronic medium for communication when this Agreement does not require Written Notice. Other than notices requiring Written Notice, you accept Electronic Communications provided by us as reasonable and proper notice, for the purpose of any and all laws, rules, and regulations, and agree that such electronic form fully satisfies any requirement that such communications be provided to you in writing or in a form that you may keep.

6.3. Independent Relationship.

6.3.1. Independent Contractors. The parties agree that both are independent legal entities engaged in the operation of their own respective businesses. In the performance of the obligations of this Agreement, each party will be at all times acting and performing as an independent contractor with respect to the other party, and no party will have or exercise any control or direction over the method by which the other party will perform such work or render or perform such services and functions. Neither party is, nor is to be considered the agent or employee of the other party for any purposes whatsoever. You further represent and warrant that you are not an intermediary as may be determined by the North Carolina Department of Insurance.

6.3.2. Association Relationship. You hereby expressly acknowledge your understanding that this Agreement constitutes a contract between the parties, that Blue Cross and Blue Shield of North Carolina is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield plans, (the “Association”) permitting us to use the Blue Cross and/or Blue Shield service marks in the State of North Carolina, and that Blue Cross and Blue Shield of North Carolina is not contracting as the agent of the Association. You further acknowledge and agree that you have not entered into this Agreement based upon representations by any person other than us and that no person, entity, or organization other than us will be held accountable or liable to you for any of our obligations to you created under this Agreement. This paragraph will not create any additional obligations whatsoever on our part other than those obligations created under other provisions of this Agreement.

6.3.3. Rights of Third Parties. This Agreement is a contract between the parties and will not be construed, interpreted, or deemed to confer any rights whatsoever to any third party or parties.

6.4. Assignment and Novation.

6.4.1. Assignment, Delegation, or Transfer by You. No assignment, delegation or transfer of the rights, duties, or obligations of this Agreement, or any part of it, will be made by you without our prior written consent, such written consent to be requested by Written Notice no fewer than ninety (90) days' prior to the proposed assignment, delegation, or transfer.

6.4.2. Assignment or Delegation by Us. Except as specifically provided elsewhere in this Agreement, no assignment of the rights, duties, or obligations of this Agreement, or any part of it, may be made by us without your prior written consent; provided, however, that we may assign this Agreement, in whole or in part, to an Affiliate, including but not limited to our subsidiaries; another Blue Cross and/or Blue Shield Plan or corporate affiliate thereof; or other successor in interest in connection with a merger, sale, or transfer of substantially all of our assets or in connection with a reorganization. We will give you no fewer than ninety (90) days' prior Written Notice of the delegation or transfer of any of our duties or obligations under this Agreement.

6.4.3. Novation to State Health Plan. You agree that we shall have the unqualified right, which may be exercised in our sole and absolute discretion, to novate this Agreement, along with all of our rights and obligations hereunder, to the State Health Plan on or after January 1, 2022. We will give you no fewer than ninety (90) days' prior Written Notice of any such novation that specifies the effective date of the novation and, with such notice, we will provide you with a revised form of this Agreement that (a) replaces all references to Blue Cross and Blue Shield of North Carolina with references to the State Health Plan and/or its Third Party Administrator, (b) otherwise eliminates any and all reference to the "Blue Cross" and/or "Blue Shield" marks, and (c) removes and/or modifies any provisions that are not applicable to the State Health Plan. You agree that this Agreement will be deemed amended – without the need for any further action by any party – as of the effective date of the novation to encompass such changes to this Agreement and that such amendment shall be a condition precedent to the effectiveness of such novation.

6.5. Informal Resolution. The parties agree to meet and confer in good faith to resolve any problems or disputes that may arise under this Agreement.

6.5.1. Contacting Us. In the event that a dispute under this Agreement cannot be addressed to your satisfaction by our customer services department, you should contact our Network Management department.

6.6. Entire Agreement and Amendments.

6.6.1. Entire Agreement. This Agreement, together with the attached Exhibits, Provider Manual, and documents incorporated by reference, constitutes the entire Agreement between the parties with respect to the provision of services to State Health Plan Members. Except as otherwise expressly provided in this Agreement, any prior agreements between Blue Cross and Blue Shield of North Carolina and you (or portions thereof), promises, negotiations, or representations, either oral or written, relating to the provision of services to State Health Plan Members covered under this Agreement shall have no further force and effect beginning on January 1, 2021, but only with respect to the provision of services to State Health

Plan Members. In other words, neither this Agreement, this **Section 6.6.1**, nor any other provision in this Agreement will have any effect on any other agreement between the Parties that relates to the provision of services to individuals or entities whose insurance coverage is provided by an entity other than the State Health Plan. This Agreement will only supersede any such agreement to the extent that such agreement would otherwise address the provision of services to State Health Plan Members by you.

6.6.2. Counterparts. This Agreement may be executed in any number of counterparts, and by each of the undersigned on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts put together shall constitute but one and the same Agreement.

6.6.3. Amendments. This Agreement may be amended by written mutual agreement of the parties, or as follows:

6.6.3.1. Changes in Law. In the event that we determine that federal and/or state law or regulation or applicable accrediting organization requires amendments to this Agreement, we agree to provide you no fewer than sixty (60) days' prior Written Notice of such amendments and upon expiration of such sixty (60) day period, this Agreement will be automatically amended to include the amendments set forth in our Written Notice.

6.6.3.2. Benefit Plans. The Benefit Plans subject to this Agreement are those the self-funded plans offered by the State Health Plan. Additional specified benefit plans or products offered by the State Health Plan may be added to or excluded from this Agreement by us by providing no fewer than sixty (60) days' prior Written Notice to you. If you object to such notice you may, within thirty (30) days of such notice, give us ninety (90) days' prior Written Notice of termination of this Agreement. If you object, we will either at our discretion (i) withdraw our proposed change in which case your Written Notice of termination will have no force or effect; or (ii) accept your Written Notice of termination and not apply the proposed change to you during the termination notice period.

6.6.3.3. All Other Terms. We may amend any terms of this Agreement, other than changes to the Fee Schedules addressed in **Section 6.6.4.**, by providing no fewer than sixty (60) days' prior Written Notice to you. If you object to such notice you may, within thirty (30) days of such notice, give us ninety (90) days' prior Written Notice of termination of this Agreement. If you object, we will either at our discretion (i) withdraw our proposed change in which case your Written Notice of termination will have no force or effect; or (ii) accept your Written Notice of termination and not apply the proposed change to you during the termination notice period.

6.6.4. Changes in Fee Schedules.

6.6.4.1. We shall give Written Notice to your Notice Contact pursuant to N.C.G.S. §§ 58-50-270 through 58-50-285 or successor thereto of a proposed change to the terms of this Agreement, including terms incorporated by reference, that modifies the Fee Schedule and that is not a change required by federal or State law, rule, regulation, administrative hearing, or court order ("Proposed Change to a Fee Schedule"). The Proposed Change to a Fee Schedule shall be dated, labeled "Amendment," signed by us, and include an effective date for the Proposed Change to a Fee Schedule. The effective date shall be at least sixty (60) days from the date of receipt of the Proposed Change to a Fee Schedule, or greater if otherwise required by this Agreement.

6.6.4.2. We shall give you at least sixty (60) days from the date of receipt of the Proposed Change to a Fee Schedule to object to the Proposed Change. If you do not object to us by Written Notice within sixty (60) days from the date of the receipt of the Proposed Change to a Fee Schedule, the Proposed Change to a Fee Schedule shall be effective upon the effective date specified in the Proposed Change to a Fee Schedule unless we give Written Notice to you that we will not implement the Proposed Change to a Fee Schedule as to you. If you object to the Proposed Change to a Fee Schedule, then the Proposed Change to a Fee Schedule is not effective and, notwithstanding any other provisions of this Agreement, we shall be entitled to terminate this Agreement upon sixty (60) days Written Notice to you.

6.6.4.3. The parties may negotiate contract terms that provide for mutual consent to a Proposed Change to a Fee Schedule, a process for reaching mutual consent, or alternative Notice Contacts.

6.7. Governing Law and Forum. This Agreement shall, in all instances and under all circumstances, be governed by, and construed in accordance with, the laws of the State of North Carolina, excluding its choice of law and/or conflicts of law provisions. The parties hereby consent and agree that the venue for any legal action under or relating to this Agreement shall be an appropriate venue in North Carolina. Notwithstanding the aforementioned, you consent to change of venue in accordance with N.C.G.S. § 1-83, to Wake County, North Carolina, at our sole election. You agree that any dispute arising out of this agreement with an amount in controversy of at least one million dollars (\$1,000,000) may be designated at our sole election as a mandatory complex business case pursuant to N.C.G.S. § 7A-45.4(a)(9) and you hereby consent to jurisdiction of said dispute in the North Carolina Business Court. Notwithstanding any other language or provision of this Agreement, nothing herein is intended nor shall be interpreted as a waiver of any right or remedy, or claim or defense based on the principle of sovereign immunity or other State or federal constitutional provision or principle, available to the Plan, as a political subdivision of the State of North Carolina, under applicable law.

6.8. Waiver and Severability.

6.8.1. Waiver. The waiver of either party of a breach or violation of any provision of this Agreement will not be construed to be a waiver of any subsequent breach thereof.

6.8.2. Severability. In the event any provision of this Agreement conflicts with or is rendered invalid or unenforceable by the laws under which this Agreement is to be construed, or if any other provision is held invalid by a court with jurisdiction over the parties to this Agreement, such provision will be deleted from this Agreement and this Agreement will be construed to give effect to the remaining provisions of it.

6.9. Transparency of this Agreement and Confidentiality of Other Proprietary Information.

6.9.1. General. You acknowledge and agree that this Agreement, including any associated Reimbursement Exhibit(s), are not confidential, proprietary, or otherwise subject to the North Carolina Trade Secret Protection Act, Article 24 of Chapter 66 of the North Carolina General Statutes. This Agreement and its associated Reimbursement Exhibit(s) shall be a public record under the North Carolina Public Records Act, Chapter 132 of the North Carolina General Statutes.

6.9.2. Other Blue Cross and Blue Shield of North Carolina Information. Notwithstanding **Section 6.9.1** and with the exception of this Agreement and its associated Reimbursement Exhibit(s), you agree that: (i) any documents, information, or data from the Blue Cross and Blue Shield Association or other Blues Plan, (ii) any of our programs, policies, or data, and (iii) our trade secret information shall be and remain confidential. (Collectively, Subsections (i) through (iii) above are referred to as the “Confidential Information.”) You will not disclose the Confidential Information to any third party without our prior written consent, except for your attorney(s), agent(s), and consultant(s) (“Approved Third Parties”), subject to the restrictions in **Section 6.9.3**, unless such disclosure is required by law, including ERISA, for licensure or for compliance with any accreditation requirements. Your consultants, attorneys, and agents may only use the Confidential Information on your behalf for the purposes and obligations set forth in this Agreement. You agree not to solicit or accept Confidential Information pertaining to any providers that are not a party to this Agreement.

6.9.3. Trade Secret Information. You agree that the Confidential Information includes our proprietary and trade secret information, as defined under Article 24, Chapter 66 of the North Carolina General Statutes (“Trade Secret Information”), and that release of our Trade Secret Information to any third party other than Approved Third Parties is not permissible and may constitute violation of applicable laws. Our Trade Secret Information includes information which we identify as Trade Secret Information or that a third party would reasonably consider to be a Trade Secret.

6.9.4. Disclosure to Approved Third Parties. You may not disclose Confidential Information to any Approved Third Party until such party has first executed an agreement with you with terms at least as stringent as those in this Agreement, to keep confidential all Confidential Information that you disclose to them. Upon request, you agree to provide copies of your Approved Third Party agreement(s) to us.

6.9.5. Survival. The provisions of this **Section 6.9** shall survive termination of this Agreement.

6.10. Headings. The headings of sections contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

6.11. Exclusive Contract. This Agreement is not exclusive and either party may freely contract and enter into other similar arrangements with other persons, firms, or entities. Nothing contained herein will be interpreted to restrict either party from participating in any health care delivery system or program. Nothing in this Agreement will guarantee you any minimum or specific number of State Health Plan Members.

6.12. Force Majeure. Neither party shall be required to meet an obligation under this Agreement where the inability to meet such obligation is the result of any act of God, governmental act, act of terrorism, war, fire, flood, earthquake or other natural disaster, explosion or civil commotion (“Force Majeure”). The performance of a party’s obligations under this Agreement, to the extent affected by the delay, shall be

suspended for the period during which the cause or the party's substantial inability to perform arising from the cause persists. If the performance of any obligation under this Agreement is excused or delayed by Force Majeure and that obligation is a condition precedent for the performance of an obligation by the other party, performance of the obligation by the second party shall be excused or delayed to the same extent as the performance of the obligation by the first party.

6.13. Construction. Notwithstanding that one Party may have prepared the initial draft of this Agreement or played the greater role in preparation of subsequent drafts of this Agreement, each Party agrees that it has negotiated at arm's length and had the opportunity for its legal counsel to review and revise this Agreement. Accordingly, both Parties shall be deemed the drafter of this Agreement and this Agreement shall be construed as though jointly prepared by the Parties, without favor to either Party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or of any amendments, attachments, schedules, exhibits, or any other documents incorporated into this Agreement.

<p>Mailed Notices to us will be addressed as follows:</p> <p>Blue Cross and Blue Shield of North Carolina</p> <p>P.O. Box 2291</p> <p>Durham, NC 27702</p> <p>Attn: Vice President, Network Management</p>	<p>Mailed Notices and Electronic notice, if sent by e-mail, to you will be addressed using the notice contact information that appears on the following signature page.</p>
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**PROVIDER SIGNATURE PAGE**

IN WITNESS WHEREOF, the undersigned party has caused its duly authorized representative to sign and acknowledge its agreement to the terms of the North Carolina State Health Plan Network Participation Agreement, which will become effective in accordance with the foregoing terms. You further agree that your submission of this signature page to Blue Cross NC also constitutes written notice to Blue Cross NC of updated notice address under provider's separate contract with Blue Cross NC for commercial (under 65) lines of business.

<p>Provider Legal Name:</p> <p>By (Signature):</p> <p>Print Name:</p> <p>Title:</p> <p>Date:</p>	<p>Federal Tax Identification Number(s) (TIN):</p> <p>Type 2 Outbound (Payment) National Provider Identifier(s) (NPI):</p>
<p>Contract Contact Name:</p> <p>Contractual Notice Address:</p> <p>Notice Email Address:</p> <p>Notice Contact Phone Number:</p>	

**NORTH CAROLINA STATE HEALTH PLAN  
NETWORK PARTICIPATION AGREEMENT**

**BLUE CROSS NC SIGNATURE PAGE**

IN WITNESS WHEREOF, the undersigned party has caused its duly authorized representative to sign and acknowledge its agreement to the terms of the North Carolina State Health Plan Network Participation Agreement, which is effective in accordance with the foregoing terms.

<b>Blue Cross and Blue Shield of North Carolina</b>
By:
Print Name:
Title:
Date:





## **LIST OF EXHIBITS**

Site of Service Exhibit  
Practitioner Roster Exhibit  
Reimbursement Exhibit (Fee Schedule)