

**Sidebar Agreement**  
**Between the**  
**Randolph Township Board of Education**  
**And the**

**Randolph Township Administrators' Association**

Whereas, the Randolph Township Board of Education ("Board") and the Randolph Township Administrators' Association ("Association") are signatories to a collective negotiations agreement ("Agreement") for the period of July 1, 2018 through June 30, 2022; and

Whereas, as a result of certain extraordinary out-of-network claims during the 2019-2020 school year, Horizon has indicated that the premiums will increase by twenty-nine percent (29%) for the 2020-2021 school year; and

Whereas, this large increase in premiums will have a deleterious impact on the Board's 2020-2021 budget and concomitantly on the Association members' contributions to his/her healthcare coverage during the 2020-2021 school year; and

Whereas, to reduce the Horizon premium increase to twenty-one percent (21%) for the 2020-2021 school year, the Board and Association agree to the establishment of a Board reimbursement fund for out-of-network claims while maintaining "equal to or better than coverage" as set forth in the parties' Agreement;

Now therefore be it resolved that the Board and Association agree to the following:

1. Effective July 1, 2020 or as soon as practicable, all out-of-network claims for the following plans will be paid at one-hundred and eighty percent (180%) Centers of Medicare & Medicaid Services ("CMS"): Horizon POS Design 8; Horizon Design 4 and Horizon MyWay Direct Access HSA/Rx plans; and
2. Simultaneous with the change set forth in Paragraph 1 above, the Board and its Insurance Broker will establish a HIPAA-compliant reimbursement fund, which shall be fully-funded by the Board and operated by the Medical Cost Advocate ("MCA") for all balance billed out-of-network claims for the following plans: Horizon POS Design 8; Horizon Design 4 and Horizon MyWay Direct Access HSA/Rx plans;
3. The MCA will contact the out-of-network provider for each out-of-network claim, that a member receives a balance bill, and attempt to negotiate the out-of-network claim for those out-of-network providers who do not accept the payment for services provided at the one-hundred and eighty percent (180%) CMS rate, and if the out-of-network provider will accept a negotiated rate above the one-hundred and eighty percent (180%) CMS rate, the MCA is authorized to make payment out of the reimbursement fund to the out-of-network provider;

4. If the out-of-network provider will not accept a negotiated rate above the one-hundred and eighty percent (180%) CMS rate, the MCA is authorized to make payment out of the reimbursement fund to the out-of-network provider at the 90<sup>th</sup> percentile FAIR Health rate, which is the current reimbursement level for out-of-network claims under the following plans: Horizon POS Design 8; Horizon Design 4 and Horizon MyWay Direct Access HSA/Rx plans; and


5. The HIPAA-compliant reimbursement fund, which is fully-funded by the Board and operated by the MCA will be maintain “equal to or better than coverage” as set forth in the parties’ Agreement for all Association members that choose to utilize out-of-network providers; and

6. Members will scan and submit via email to a dedicated email address any balance bill received and the carrier explanation of benefits (EOB) to Arthur J. Gallagher (the district’s insurance broker). This submission may include protected health information and will not be shared with the Randolph School District. The financial negotiation with the provider will be completed within 30 days of receipt. If after 30 days, additional time is needed, a partial payment will be made by the MCA to the provider so negotiations can be continued and members will not be sent to collection. If the financial negotiations are not successful, the provider will be paid at the 90<sup>th</sup> percentile FAIR Health rate, which is the current reimbursement level for out-of-network claims under the following plans: Horizon POS Design 8; Horizon Design 4 and Horizon MyWay Direct Access HSA/Rx plans; and

7. Should the District change insurance carriers, the parties agree that the reimbursement for out-of-network claims is the 90<sup>th</sup> percentile FAIR Health rate and not the one-hundred and eighty percent (180%) CMS rate for purposes of “equal to or better than” coverage.

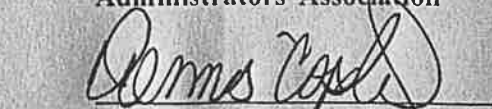
8. This Sidebar Agreement shall sunset and become inoperative as of June 20, 2021 or when a successor collective negotiations agreement is ratified for the period of July 1, 2022 and thereafter, whichever is later.

**Randolph Township Board of Education**

  
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Joseph Faranetta, Board President

Dated:

**Randolph Township  
Administrators’ Association**

  
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Dr. Dennis Copeland, RTAA President

Dated: