

PRELIMINARY STATEMENT OF AGREEMENT

Effective as of 1-1-2015 UMR, Inc. ("UMR") and Teachers' Retirement System of Ky. (TRS) ("Employer") agree that UMR shall provide certain third party administrative services for the Employer's self-funded retiree plan. The intent of the parties is to establish a formal Administrative Services Agreement that fully discloses each party's duties, rights and obligations, and that discloses applicable fees for services being purchased by TRS. It is understood, that a final Administrative Service Agreement (ASA) has been prepared and delivered to Employer for review. In the interim, this Preliminary Statement of Agreement will reflect the scope of services to be provided by UMR to Customer, the fees for such services and intent of both parties to begin providing services.

I. COVERED PLANS:

UMR agrees to provide certain mutually agreed upon administrative services for the following benefit plans of the Employer:

- ✓ Medical Plan

II. BASE FEES:

Effective 1/1/2018, through 12/31/2020, the anticipated base administrative fee(s) that UMR will charge TRS to process claims is listed below. All other fees including the base fee are listed in the Renewal Presentation. TRS agrees to pay UMR the applicable service fees in a timely manner so that UMR receives the payment on or before the last day of each calendar month for which services are rendered.

Medical Plan Base Fee:

Medical Base Fee	Period Covered
\$37.95	1-1-18 thru 12-31-18
\$37.95	1-1-19 thru 12-31-19
\$39.25	1-1-20 thru 12-31-20

- III. RELATIONSHIP OF PARTIES:** Both parties agree that UMR is not providing an insurance policy, and that Employer is simply purchasing administrative services from UMR. It is further understood and agreed that the relationship between UMR and Employer is that of independent contractor.
- IV. COMPLIANCE WITH HIPAA PRIVACY/SECURITY REGULATIONS:** It is understood that the Administrative Services Agreement from UMR will include a Business Associate Agreement between Employer and UMR, however in the interim, both parties agree to comply with HIPAA regulations for Covered Entities and Business Associates. The parties agree to work cooperatively to execute the Business Associate Agreement as soon as reasonably possible.
- V. TERMINATION AND DEFINITIVE AGREEMENT:** Either party may terminate this Preliminary Statement of Agreement upon written notice to the other. This Preliminary Statement of Agreement will expire ninety (90) days after its execution date by both

parties.. The parties agree to negotiate in good faith to attempt to reach a final definitive Administrative Services Agreement within the ninety (90) day period.

This Preliminary Statement of Agreement will automatically terminate in the event that Employer fails to provide sufficient funds with which to pay claims or other liabilities under the Plan(s), or a petition is filed by or with respect to the Employer under the Federal Bankruptcy Act or any state insolvency law.

Agreed to on behalf of UMR, Inc.

By: 

Date Signed: 6/26/2017

Agreed to on behalf of Teachers' Retirement of the State of Ky

By: 

Print Name: GARY L HARBIN

Title: EXECUTIVE SECRETARY

Date Signed: 6/22/17