

Summary of Benefits & Coverage Notice to Policyholder

The Affordable Care Act requires group health plans and/or insurance issuers to create and distribute a Summary of Benefits and Coverage (or alternate format permitted by the Affordable Care Act) (the "SBC"), to participants and beneficiaries in certain specified situations as required by Section 2715 of the Public Health Service Act (42 USC 300gg-15) and SBC regulations (45 CFR 147.200), as supplemented and amended from time to time (the "SBC Requirements"). This Notice is to inform you that effective for Policy Years for which you, as Policyholder, hold an open enrollment period on or after September 23, 2012, Blue Cross and Blue Shield of Montana (BCBSMT) will provide certain SBC services as follows. For participants and beneficiaries who join other than through an open enrollment period BCBSMT will provide the following SBC services as of the first day of your first plan year that is on or after September 23, 2012. Policyholder will promptly provide BCBSMT with such policy year date.

SBC Creation

BCBSMT will create the SBC and provide it to you, as Policyholder

SBC Review and Distribution

The Policyholder shall carefully review the SBC and if it is satisfactory, the Policyholder will distribute it to participants and beneficiaries at the time and in a manner consistent with the SBC Requirements. If not satisfactory, Policyholder will promptly notify BCBSMT.

Accordingly, your policy is being issued or renewed, as the case may be, subject to the above responsibilities and to additional SBC terms and conditions, including but not limited to:

- Policyholder is responsible for synthesizing information from its various insurers and administrative service providers it uses for its group health plan (or providing multiple partial SBCs if permitted by law).
- Nothing in the Policy relieves the Policyholder or its group health plan of their respective legal and regulatory obligations with respect to the SBC.
- BCBSMT has no responsibility for or obligations with respect to the SBCs except as specified in this Policy.
- Policyholder is responsible for furnishing to BCBSMT in a timely manner all information necessary for the timely creation and distribution of SBCs, including but not limited to names and addresses for: (i) any person currently enrolled in any plan administered or insured by BCBSMT, and (ii) any person the employer tells us is eligible or may become eligible. Policyholder's failure to furnish such information, to agree to an implementation plan or to promptly review/approve SBCs may substantially delay and/or jeopardize BCBSMT's preparation of the SBC and the Plan is relieved of its SBC obligations.
- BCBSMT's SBC operations will not be considered to be in breach of the Policy to the extent BCBSMT has worked diligently and in good faith to provide the SBC services, based on a reasonable interpretation of then-current SBC-related ACA provisions and Guidance, in a manner consistent with the SBC Requirements.
- BCBSMT may, but is not required to, monitor Policyholder's performance of its SBC obligations, audit the Policyholder with respect to the SBC, request and receive information, documents and assurances from Policyholder with respect to the SBC, provide its own SBC (or SBC corrections) to participants and beneficiaries, communicate with participants and beneficiaries regarding the SBC, respond to SBC-related inquiries from participants and beneficiaries, and/or take steps to avoid or correct potential violations of applicable laws or regulations. Policyholder will notify the Plan of any actual or potential non-compliance with the SBC Requirements.
- Policyholder will indemnify and hold BCBSMT harmless with respect to the SBC.

These changes are binding on your Policy and/or you will receive a formal Policy amendment for your files once it has been approved by the Montana Department of Insurance.