



North Carolina Medical Society Employee Benefit Plan

EMPLOYER HEALTH APPLICATION/CHANGE FORM HRA ADDENDUM

Statement of Understanding and Authorization:

_____ (hereinafter the “Employer”) is making available to its employees a Health Reimbursement Account (hereinafter the “HRA”) under Code Section 105. The HRA is not part of the North Carolina Medical Society Employee Benefit Plan (hereinafter the “NCMS Plan”). The HRA is administered by a third party administrator (hereinafter the “HRA Administrator”), and the contract between the Employer and the HRA Administrator (hereinafter referred to as the “HRA Contract”) is provided to the Employer by the HRA Administrator.

In addition to and on behalf of the HRA Administrator, Blue Cross and Blue Shield of North Carolina (hereinafter “BCBSNC”) may print and mail information pertaining to the HRA to the Employer’s employees, who are subscribers to the NCMS Plan. BCBSNC also provides initial information regarding the HRA, and collects enrollment information from the Employer and/or the NCMS Plan. All of the above services are provided by BCBSNC solely as a convenience to the Employer, as a means of streamlining the transaction. The provision of these services is in no way intended to indicate or imply that the NCMS Plan is responsible for the administration of the HRA, or for any other risks, duties, or legal or contractual obligations related to the HRA.

Employer acknowledges and agrees to the following:

- The HRA Contract is solely between the HRA Administrator and Employer.
- The NCMS Plan is not a party to the HRA Contract.
- The NCMS Plan and HRA Administrator are separate, unaffiliated legal entities.
- The NCMS Plan will have no responsibility for the administration of the HRA.
- The NCMS Plan will be held harmless from any and all liability relating to the administration and/or tax implications of the HRA.
- The Employer is solely responsible for funding of the HRA accounts.
- The Employer is solely responsible for determining the appropriate contribution levels and appropriate tax treatment of its contributions towards the subscribers’ HRA. Improper contributions to the HRA can result in incorrect tax reporting by the Employer and the subscriber. The NCMS Plan offers no tax advice and assumes no liability with respect to incorrect contributions to the HRA by the Employer, regardless of whether the NCMS Plan is informed in advance by the Employer regarding such contributions. The Employer should seek appropriate advice from a qualified tax advisor.

- The Employer's tender of this HRA Addendum as required by the HRA Administrator in no way binds the HRA Administrator to contract with the Employer. The contract issued by the HRA Administrator shall set out the terms of agreement between the parties, and this HRA Addendum shall be incorporated therein by reference.

By signing below, I understand that this HRA Addendum constitutes an offer which shall constitute a binding contract upon acceptance by the HRA Administrator, and certify my authority to make such an offer on the behalf of the Employer.

Authorized Signature (for the Employer): _____ Date: _____

Print Name: _____ Title: _____