

MEMORANDUM OF UNDERSTANDING

Reimbursement of Certain Fees Under Stop Loss

Eligible Expenses will also include the following fees Incurred and Paid by the Policyholder, when approved by East Coast Underwriters, LLC:

- 1) Reasonable hourly case management fees, not to exceed \$135.00 per hour. ECU retains the right to deny reimbursement of case management fees if there is insufficient documentation to support invoice charges and for services rendered before or after (a) the claimant's effective or termination date and/or (b) outside the stop loss contract basis. It should be noted that case management fees are not covered under the aggregate for traditional stop loss contracts
- 2) Fees for (a) hospital bill audits, (b) access to non-directed provider networks and (c) negotiation of out of network bills or negotiation of additional savings for in-network bills up to a maximum of 25% of actual realized savings up to the lesser of \$20,000 or the amount not exceeding the provider payment. Negotiations by case managers are not eligible for these fees. The policyholder must demonstrate the amount savings compared against the amount the plan would have paid with the application of savings in order to determine the actual realized savings.
- 3) Fees for peer review or medical necessity review will only be considered eligible if billed on an hourly basis (or case rate with prior approval). Fees for these services will not be considered if billed as a percentage of savings.
- 4) Fees charged by the TPA (or any subsidiary of the TPA) for any of these services will be considered eligible only if the charges do not exceed the limits specified in items 1 and 2 when combined with the fees from the vendor utilized.