**OHIO PROVIDER RESOURCE ASSOCIATION**

**VSP VISION BENEFIT PROGRAM**

**Summary of Proposed Program - December 19, 2016**

**Proposed Program:**

* Program historically sponsored by Columbus Chamber of Commerce (since 1980s), but Chamber recently decided, very last minute, not to renew with VSP.
* Wells Fargo, the broker of record for the Chamber’s VSP program, contacted OPRA to determine if OPRA would be willing to sponsor the VSP program.
* According to Wells Fargo, the Chamber did literally nothing in sponsoring the benefit – all operations, communications, and the like were carried out by Wells Fargo and/or participating employers.
* Program information:
	+ Renews January 1, 2016;
	+ Fully insured by VSP;
	+ Approximately 180 participating employers, many of whom have already held annual open enrollment for this benefit;
	+ Renews every four years, subject to earlier termination rights of plan sponsor;
	+ See attached benefit overview from Wells Fargo – includes enhanced benefit without rate increase.

**Program Documents:**

* Policy Agreement between OPRA, as plan sponsor, and VSP, as insurer:
	+ Policy will reflect participating employer structure and expressly provide that insurer’s recourse is solely against employer as related to compliance, premium payments, and related issues. OPRA to be held harmless and indemnified by VSP.
	+ Policy currently under revision, but VSP has already agreed to above arrangement.
* Participation Agreement between OPRA, as plan sponsor, and participating employers:
	+ Agreement will hold employer solely responsible for compliance, participant issues, premium payments, and all aspects of program. OPRA to be held harmless and indemnified by employer.
	+ Agreement currently being drafted.
	+ In order to participate in the benefit, employer will have to execute the Agreement by a stated deadline (otherwise, participation/benefits will be terminated for non-signing employer).
* Revised Marketing Agreement between OPRA and Wells Fargo:
	+ OPRA agrees to (1) not change broker of record for program, and (2) give at least six months’ advance notice of intent not to renew Policy Agreement with VSP.
	+ Wells Fargo will recommit to current marketing dollars for OPRA going forward.
	+ Agreement currently under revision, but parties have agreed to above arrangement.

**Related Program Considerations:**

* Program would be MEWA under ERISA. However, as structured, ERISA applies only at participating employer level (not MEWA level).
	+ Not single plan at MEWA level - each employer maintains own separate plan and related compliance obligations.
	+ COBRA requirements apply at employer level, as with other ERISA requirements.
	+ Usual Form M-1 filing with DOL for MEWA not applicable due to exception to filing requirement.
* Not MEWA under state law because benefit is fully-insured.
* Participating employers would become members of OPRA without any dues obligation.
* Wells Fargo has committed to continue current role with respect to broker and day-to-day operations for the benefit.

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