Sierra County
Board of Supervisors’
Agenda Transmittal &
Record of Proceedings

MEETING DATE: May 7, 2019

TYPE OF AGENDA ITEM:
☒ Regular ☐ Timed
☐ Consent

DEPARTMENT: Risk
APPROVING PARTY: Van A. Maddox
PHONE NUMBER: 530-289-3286

AGENDA ITEM: Approval of memorandum of Understanding with CSAC EIA Dental Program.

SUPPORTIVE DOCUMENTS ATTACHED: ☐ Memo ☐ Resolution ☒ Agreement ☐ Other

BACKGROUND INFORMATION: At the May 17th Employee Benefits Committee meeting, implementation of the EIA Dental DHMO Program segment through Delta Dental was approved, effective January 1, 2019. It was determined that the EIA Dental Program MOU must be amended in order to include a definition of DHMO segment membership. In addition, the MOU would be reworked to be more consistent with other EIA program MOUs. Failure to approve the new MOU would result in the County withdrawing from the Program and we would need to get Dental Insurance elsewhere. The 2019 Dental Insurance renewal was a decrease in premium.

FUNDING SOURCE: BOARD BUDGET
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: $ N/A

ARE ADDITIONAL PERSONNEL REQUIRED? ☐ Yes, -- -- ☐ No

IS THIS ITEM ALLOCATED IN THE BUDGET? ☐ Yes ☐ No

IS A BUDGET TRANSFER REQUIRED? ☐ Yes ☐ No

BOARD ACTION:
☐ Approved ☐ Approved as amended ☐ Adopted
☐ Adopted as amended ☐ Denied ☐ Other
☐ No Action Taken

☐ Set public hearing For: ________________
☐ Direction to: ________________
☐ Referred to: ________________
☐ Continued to: ________________
☐ Authorization given to: ________________

Resolution 2019- _____________
Agreement 2019- _____________
Ordinance ________________
Vote:
Ayes:
Noes:
Abstain:
Absent:
☐ By Consensus

COMMENTS:

CLERK TO THE BOARD DATE
From: Kathleen Barnes <kbarnes@CSAC-EIA.org>
Sent: Thursday, April 11, 2019 11:52 AM
To: Kathleen Barnes <kbarnes@CSAC-EIA.org>
Cc: Sidney DiDomenico <sdidomenico@CSAC-EIA.org>
Subject: PLEASE SIGN AND RETURN Final Amended MOU, EIA Dental Program

Good Afternoon –

The EIA Dental MOU has been finalized and is now ready to be executed by the members of the EIA Dental Program. Please execute this final MOU by returning your original signed copy of the MOU to my attention at the address below or via scanned color copy to my email address. The previous final date of execution was July 1, 2019, but has been moved to July 14, 2019.

Any member who does not execute the amendment by July 14, 2019 may be deemed to have withdrawn from the Program at the member’s next renewal date.

If you are not the person to review this MOU, please forward to the correct individual within your agency.

If you have any questions, please let me know.

Thank you.

Kathleen Barnes
Employee Benefits Specialist
CSAC EIA
75 Iron Point Circle, Suite 200,
Folsom, CA 95630
O: 916.850.7300

www.csac-eia.org

Upcoming Trainings

Risk Management 101 - Course 4 | 4/18/19 | Merced
Risk Management 101 - Course 4 | 4/25/19 | San Diego
Medical Malpractice Risk Management Seminar | 4/24/19 | Folsom
MEMORANDUM OF UNDERSTANDING  
DENTAL PROGRAM

This Memorandum of Understanding (hereinafter “Memorandum”) is entered into by and between the CSAC Excess Insurance Authority (hereinafter “Authority”) and the participating members of the Dental Program (hereinafter “Members”) that are signatories to this Memorandum.

1. CREATION OF THE PROGRAM. There is hereby created by this Memorandum the Dental Program (hereinafter “Program”).

2. JOINT POWERS AGREEMENT. Except as otherwise provided herein, all terms used herein shall be as defined in Article 1 of the Joint Powers Agreement Creating the CSAC Excess Insurance Authority (hereinafter “Agreement”), and all other provisions of the Agreement not in conflict with this Memorandum shall be applicable.

3. PROGRAM COVERAGE SEGMENTS. The Program is formed for the purpose of establishing dental coverage under the following Program coverage segments:
   a. Self-Insured Segment
   b. Fixed-Rate Preferred Provider Organization (PPO) Pooled Segment
   c. Fully-Insured Dental Health Maintenance Organization (DHMO) Segment

4. PROGRAM COMMITTEE. The Employee Benefits Committee (hereinafter “Committee”) shall consist of nine (9) members. Except as otherwise provided herein, said Committee shall have full authority to determine all matters affecting the Program and its Members, including but not limited to, approval of new Members, premium/rate setting, addition of new Program segments and/or services, claims review, and amending the Memorandum. A majority of members of the Committee must be Members of the Program.

A majority of the members of the Committee shall constitute a quorum for the transaction of business. All actions of the Committee shall require the affirmative vote of a majority of the members of the Committee.

Except as otherwise provided herein, the Committee shall be authorized to do such acts as are reasonably necessary to further the purposes of this Memorandum and implement its provisions. The Committee may delegate any or all of this authority as deemed appropriate.

The Committee, when necessary to fulfill the purposes of this Memorandum, shall meet at the call of the Chair of the Committee as provided in Article 12 of the
Agreement and Article VI of the Bylaws of the Authority (hereinafter referred to as the “Bylaws”). Any meeting of the Committee shall be subject to the applicable provisions of Government Code §54950 et seq., commonly known as the “Brown Act.”

5. **PREMIUM.** Participating Member rates/premiums shall be established by Delta Dental of California (hereinafter “Delta Dental”) in consultation with the Program underwriters, actuaries, and the Committee. The participating Members, in accordance with the Program premium provisions of Article 14 of the Agreement, shall be assessed an annual premium for the purpose of funding the Program in which they participate. Premiums will vary based on Member segment participation, benefit plan coverage, Member employee/retiree participation, and claims experience.

6. **MEMBERSHIP.** Membership in the Program consists of participation in one or more of the following:

   a. A “Self-Insured” Member is defined as a Member who participates in the group purchase Program for administrative services only and is fully responsible for their own dental Program; and/or

   b. A “Fixed-Rate PPO” Member is defined as a Member who joins the Program and is part of the self-insured Fixed-Rate PPO pool; and/or

   c. A “Fully-Insured DHMO” Member is defined as a Member who joins the Program and is part of the fully insured DHMO pool.

7. **PROGRAM PARTICIPATION.** Adoption of this Memorandum by a Member allows for participation in the Program. Participation in the Program may be in one or more of the following segments: the Self-Insured Pool, the Fixed-Rate PPO Pool, and/or the DHMO pool. A Member shall be entitled to participate in the Program until they have withdrawn in accordance with the provisions of paragraph 16 of this Memorandum.

8. **RENEWALS.** All Program renewal rate action will be approved by the Committee with assistance from Program underwriters, actuaries, and Delta Dental. Fixed-Rate PPO Pool Members that have Legacy Premium Stabilization Funds (see paragraph 10.a.) may use those funds to offset renewal rate increases.

9. **BILLINGS AND LATE PAYMENTS.** Billing dates, payment due dates, and any late fees and/or penalties will be set by the Committee. All Members will receive separate notification of any changes in due dates and/or penalty fees at least thirty (30) days prior to the effective date of any such change.

   Notwithstanding any other provisions to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the
Committee, any Member that fails to pay an invoice when due and as billed may be given a ten (10) day written notice of cancellation.

10. **PREMIUM STABILIZATION FUNDS.** Premium Stabilization Funds as set forth apply only to Fixed-Rate PPO segment Members.

   a. Legacy Premium Stabilization Fund. Delta Dental Members who are fully insured with Delta Dental are required to have their stabilization funds (if any) transferred to the EIA upon entry into the Fixed-Rate PPO Program segment. These funds will be accounted for individually for the Member’s use. The Member may use their Legacy Premium Stabilization Funds to buy down their renewal or request a full disbursement from the Authority. If the Member leaves the Program with a fund balance remaining, those funds remain in the Program and the Member has no equity rights to those funds.

   b. Program Premium Stabilization Fund. The Program Stabilization Fund shall consist of accumulated excess reserves (in excess of the required Incurred But Not Reported (IBNR) and Claims Fluctuation Margin (CFM) requirements) generated by the Program with all years combined on a go forward basis. The Committee shall have authority to determine the use of these funds. These funds are not Member specific and they are separate from the Legacy Premium Stabilization Funds.

11. **STABILIZATION INTEREST.** Interest generated by both premium stabilization funds are available for the Committee to use for any purpose, including administrative fees, rate offsets, or claim payments.

12. **DIVIDENDS AND ASSESSMENTS (Applicable to Fixed-Rate PPO Members Only).** Should the Fixed-Rate PPO Program segment not be adequately funded for any reason, pro-rata assessments to the Members may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the approval of the Committee in accordance with the following:

   a. Any dividends or assessments shall be based upon the preceding three (3) years’ of percentage of contributions for losses for Fixed-Rate PPO Pooled Members only.

   b. Self-Insured and DHMO segments are not eligible for dividends or assessments.

13. **APPROVAL OF NEW MEMBERS – APPLICATION TO THE PROGRAM.** Any public entity wishing to become a Member of the Program shall make application to and be approved by a majority vote of the Committee in a manner prescribed by them. The Committee has developed underwriting guidelines that outline
specific criteria for accepting new Members. Program underwriting guidelines are available by request to the Authority.

14. **COVERAGE DOCUMENTS.** Coverage documents shall be issued by Delta Dental to each individual Member. Coverage shall be governed in accordance with these documents. Any changes to the benefits, as determined by the Member, are subject to Delta Dental, Committee, actuarial, and/or other consultants’ pricing requirements.

15. **CLAIMS ADMINISTRATION.** The Committee shall authorize the retention of the services of Delta Dental to provide claims services for the Program.

16. **WITHDRAWAL.** Withdrawal of a Member from the Program shall be as follows:

   a. Fixed-Rate PPO and DHMO Pool Members. After becoming a participant in the Program, a Fixed-Rate PPO and/or DHMO Pool Member may withdraw from the Program at the end of a policy year only if they provide the Authority with sixty (60) days written notice prior to the end of the policy year.

   b. Self-Insured Member. After becoming a participant in the Program, a Self-Insured Member may withdraw from the Program at the end of their specific policy year by giving the Authority sixty (60) days written notice prior to the end of their specific policy year.

17. **LIAISON WITH THE AUTHORITY.** Each Member shall maintain staff to act as a liaison with the Authority and Delta Dental and between the Member and the Authority’s and Delta Dental’s designated representative.

18. **RESOLUTION OF DISPUTES.** The Committee shall first determine any question or dispute with respect to the rights and obligations of the parties to this Memorandum; however, all final determinations shall be in accordance with Article 31 of the "Agreement."

19. **ADMINISTRATION COSTS.** The Authority shall be entitled to assess annual administration costs associated with the Program. Administrative costs for the Program shall be determined through the Authority’s budget process. The source of the funds for the Program will be administrative charges, interest earnings, or a combination of both.

20. **COMPLETE AGREEMENT.** Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the Members.
21. **SEVERABILITY.** Should any provision of this Memorandum be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

22. **AMENDMENT OF MEMORANDUM.** This Memorandum may be amended by a majority vote of the Committee upon ninety (90) days advance written notice of the proposed amendments to the Members and county counsels. Each Member shall approve of any amendment by signature on the Memorandum by a Member's designated representative, or alternate, who shall have authority to execute this Memorandum. Should a Member of the Program fail to execute any amendment to this Memorandum within the time provided by the Committee, the Member will be deemed to have withdrawn from the Program on the next annual renewal date.

23. **EFFECTIVE DATE OF AGREEMENT.** This Memorandum shall become effective on the first effective date of coverage for the Member, or upon approval by the Employee Benefits Committee of any amendment, whichever is later.

24. **EXECUTION IN COUNTERPARTS.** This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF,** the undersigned have executed the Memorandum as of the date set forth below.

Dated: 4/9/19

CSAC Excess Insurance Authority
Michael D. Fleming, Chief Executive Officer

Dated: ________________

Name (printed)

Signature

Member Entity
SUBJECT:
Memorandum of Understanding (MOU) Amendment – DHMO Coverage Option

ACTION FOR CONSIDERATION:
Approve the proposed MOU amendment to be circulated to all members and all member County Counsels for a 90-day review and comment period. Delegate authority to the Committee Chair to determine whether comments received need to be considered by the Employee Benefits Committee, and if not, the Chair may approve the amendment and authorize staff to secure MOU signatures to effect the MOU amendment, effective January 30, 2019.

BACKGROUND:
At the May 17th Employee Benefits Committee meeting, implementation of the EIA Dental DHMO Program segment through Delta Dental was approved, effective January 1, 2019. It was determined that the EIA Dental Program MOU must be amended in order to include a definition of DHMO segment membership. In addition, the MOU would be reworked to be more consistent with other EIA program MOUs.

The EIA Dental MOU has not been reviewed or amended since October 26, 2009. Given the time that has transpired, staff sought not only to include the DHMO update to the MOU, but also bring the MOU in line with EIA standards. Enclosed is a draft of the proposed MOU amendment with the following comparison to the October 26, 2009 version:

<table>
<thead>
<tr>
<th>October 26, 2009 Version</th>
<th>Current Draft</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3. Purpose</strong> – Simple definition of establishment of Program</td>
<td>Changed to Program Coverage Segments – listed segments and kept simple purpose of establishment.</td>
</tr>
<tr>
<td><strong>4. Program Committee</strong> – Outdated</td>
<td>Updated to EIA standards</td>
</tr>
<tr>
<td><strong>5. Premium</strong> – Originally addressed the initial premium expectation for establishment of the Program.</td>
<td>Updated to address member rates/premium established by Delta Dental, underwriting and actuarial.</td>
</tr>
<tr>
<td><strong>6. Membership</strong> – Outdated</td>
<td>Updated to include DHMO segment.</td>
</tr>
<tr>
<td><strong>8. Minimum Participation Level</strong></td>
<td>Addressed the minimum participation to establish the Program at inception. Removed – No longer pertains.</td>
</tr>
<tr>
<td><strong>8. Renewals</strong> – Outdated</td>
<td>Made uniform to address Committee approval of renewals.</td>
</tr>
</tbody>
</table>
An amendment of the MOU requires a 90-day review and comment period by members and their respective County Counsels. Any member who does not endorse the amendment will be deemed to have withdrawn from the Program at the next renewal date. Therefore, 100% compliance in adoption of the amendment is required.

If approved, the process will proceed as follows:

- **November 29, 2018** – approval of the MOU amendment for review and comment, and delegation of authority to the Chair for final approval after the review and comment period.
- **November 30, 2018** – Distribution to members and County Counsels.
- **December 3, 2018 to March 3, 2019** – Review and comment period.
- **March 3, 2019** – If Chair determines there are no substantive comments received, then declares the proposed amendment approved and initiates the signature and approval process.
  - If Chair determines there are substantive comments that need to be considered by the Employee Benefits Committee, then a meeting will be called for that purpose.
- **March 3, 2019 to April 30, 2019** – Members execute and return the MOU Amendment.
- **April 30, 2019** – Effective date of the MOU amendment.
- Any member not returning the executed amendment by April 30, 2019 will be considered to have given notice of withdrawal, effective on their next renewal date. Notice of withdrawal may only be rescinded by returning the executed MOU amendment prior to July 1, 2019.

**FISCAL IMPACT:** None
RECOMMENDATION:
Staff and Alliant recommend approval of the proposed MOU amendment, which has been redrafted to include the new DHMO Program segment language and also incorporate EIA standard language.

TYPE OF VOTE REQUIRED: Majority vote of the Committee (4)
MEMORANDUM OF UNDERSTANDING
DENTAL PROGRAM

This Memorandum of Understanding (hereinafter “Memorandum”) is entered into by and between the CSAC Excess Insurance Authority (hereinafter “Authority”) and the participating entities members of the Dental Program (hereinafter “Members”) that are signatories to this Memorandum.

1. **CREATION OF THE PROGRAM.** There is hereby created by this Memorandum the Dental Program (hereinafter “Program”).

2. **JOINT POWERS AGREEMENT.** Except as otherwise provided herein, all terms used herein shall be as defined in Article 1 of the Joint Powers Agreement Creating the CSAC Excess Insurance Authority (hereinafter “Agreement”), and all other provisions of the Agreement not in conflict with this Memorandum shall apply be applicable.

3. **PROGRAM PURPOSE/COVERAGE SEGMENTS.** The Program is formed for the purpose of establishing a self-insured pool dental coverage under the following Program coverage segments:
   a. Self-Insured Segment
   b. Fixed-Rate Preferred Provider Organization (PPO) Pooled Segment
   c. Fully-Insured Dental Health Maintenance Organization (DHMO) Segment
   3. and group purchase pool for administrative services related to the Program.

4. **GOVERNING PROGRAM COMMITTEE.** The EIA Employee Benefits Committee (hereinafter “Committee”) shall consist of nine (9) members. Except as otherwise provided herein, said Committee shall have full authority to determine all matters affecting the Program and its Members, including, but not limited to, approval of new Members, and premium/rate setting, addition of new Program segments and/or services, claims review and amending the Memorandum. A majority of Members of the Committee must be Members of the Program.

A majority of the members of the Committee shall constitute a quorum for the transaction of business. All actions of the Committee shall require the affirmative vote of a majority of the members of the Committee.

Except as otherwise provided herein, the Committee shall be authorized to do such acts as are reasonably necessary to further the purposes of this Memorandum and implement its provisions. The Committee may delegate any or all of this authority as it deems appropriate.

The Committee, when necessary to fulfill the purposes of this Memorandum, shall meet at the call of the Chair of the Committee as provided in Article 12 of the
Agreement and Article VI of the Bylaws of the Authority (hereinafter referred to as the “Bylaws”).

Any meeting of the Committee shall be subject to the applicable provisions of Government Code §54950 et seq., commonly known as the “Brown Act.”

5. **PREMIUM.** Initial Participating Member rates/premiums upon entry into the Program for both Pool members and Self-Insured Members shall be established by Delta Dental of California (hereinafter “Delta Dental”) in consultation with the Program underwriters, actuaries, and the Committee, actuaries and/or other consultants. The participating members, in accordance with the program premium provisions of Article 14 of the Agreement, shall be assessed an annual premium for the purpose of funding the Program in which they participate. Premiums will vary based on Member segment participation, benefit plan coverage, Member employee/retiree participation and claims experience.

6. **MEMBERSHIP.** Membership in the Program consists of participation in either of the following:

   a. A “Self-Insured” Member is defined as a Member who participates in the group purchase Program for administrative services only and is fully responsible for their own dental Program, or

   b. A “Fixed-Rate PPO” Pool Member is defined as a Member who joins the Program and is part of the self-insured Fixed-Rate PPO pooled Program, or

   c. A “Fully-Insured DHMO” Member is defined as a Member who joins the Program and is part of the fully insured DHMO pool.

7. **MINIMUM PARTICIPATION LEVEL.** The Committee shall establish a minimum participation level in order for the Program to become effective. The Memorandum shall not be binding upon any Member unless the minimum level of participation is reached to begin the Program. This Memorandum shall remain in force should the participation level subsequently fall below the minimum established by the Committee.

8. **PROGRAM PARTICIPATION.** Adoption of this Memorandum by a Member allows for participation in the Program. Participation in the Program may be in either the Self-Insured Pool, the Fixed-Rate PPO Pool and/or the DHMO pool, or the Group.
Purchase Pool. A Member shall be entitled to participate in the Program until it has withdrawn in accordance with the provisions of paragraph 16.7 of this Memorandum.

40.8. RENEWALS. All Program renewal rate action will be determined approved by the Committee with assistance from Delta Dental, Program underwriters, actuaries, and Delta Dental, actuarial or other consultants for the Pool Members. The renewal action for the Self-Insured Member will be determined by the Member in conjunction with assistance from Delta Dental, actuaries and/or other consultants. Fixed-Rate Pool Members that have Legacy Premium Stabilization Funds (see paragraph 41.10.a.) may use those funds to offset renewal rate increases.

41.9. BILLINGS AND LATE PAYMENTS. Billing dates, payment due dates, and any late fees and/or penalties will be set by the Committee. All Members will receive separate notification of any changes in due dates and/or penalty fees at least thirty (30) days prior to effective date of any such change.

Notwithstanding any other provisions to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the Committee, any Member that fails to pay an invoice when due and as billed may be given a ten (10) day written notice of cancellation.

42.10. PREMIUM STABILIZATION FUNDS. Premium Stabilization Funds as set forth apply only to Fixed-Rate PPO segment Pool Members.

a. Legacy Premium Stabilization Fund. Current Delta Dental Members who are fully insured with Delta Dental are required to have their stabilization funds (if any) transferred to the EIA upon entry into the Fixed-Rate PPO Program segment. These funds will be accounted for individually for the Member’s use. The Member may use their Legacy Premium Stabilization Funds to buy down their renewal or request a full disbursement from CSAC EIA. If the Member leaves the Program with a fund balance remaining, those funds remain in the Program and the Member has no equity rights to those funds.

b. Program Premium Stabilization Fund. The Program Stabilization Fund shall consist of accumulated excess reserves (in excess of the required Incurred But Not Reported (IBNR) and Claims Fluctuation margin Margin (CFM) requirements) generated by the Program with all years combined on a go forward basis. The Committee shall have authority to determine the use of these funds. These funds are not Member specific and they are separate from the Legacy Premium Stabilization Funds.
13.11. STABILIZATION INTEREST. Interest generated by both premium stabilization funds are available for the Committee to use for any purpose, including administrative fees, rate offsets, or claim payments.

14.12. DIVIDENDS AND ASSESSMENTS (Applicable to Fixed-Rate PPO Pool Members Only). Should the Fixed-Rate PPO Program segment not be adequately funded for any reason, pro-rata assessments to the Members may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the approval of the Committee in accordance with the following:

   a. Any dividends or assessments shall be based upon the preceding three years of percent of contribution for losses for Fixed-Rate PPO Pooled Members only.

   b. Self-Insured and DHMO Members segments shall not be eligible for dividends or assessments.

15.13. APPROVAL OF NEW MEMBERS – APPLICATION TO THE PROGRAM. Any public entity wishing to become a Member of the Program shall make application to and be approved by a majority vote of the Committee in a manner prescribed by them. The Committee shall develop specific criteria for accepting new members.

16.14. COVERAGE DOCUMENTS. Coverage documents shall be issued by Delta Dental to each individual Member. Delta Dental shall determine coverage for each Member in the Program. Coverage shall be governed in accordance with these documents. Any changes to the benefits are subject to Delta Dental, Committee, actuarial, and/or other consultants pricing requirements.

17.15. CLAIMS ADMINISTRATION. The Committee shall authorize the retention of the services of Delta Dental to provide claims services for the Program.

18.16. WITHDRAWAL. Withdrawal of a Member from the Program shall be as follows:

   a. Fixed-Rate and DHMO Pool Members. After becoming a participant in the Program a Fixed-Rate and/or DHMO Pool Member may withdraw from the Program at the end of a policy year only if they provide the AUTHORITY with sixty (60) days written notice prior to the end of the policy year.
b. Self-Insured Member. After becoming a participant in the Program, a Self-Insured Member may withdraw from the Program at the end of their specific policy year period by giving the Authority sixty (60) days written notice prior to the end of their specific policy year period.

19.17. LIASION WITH THE AUTHORITY. Each Member shall maintain staff to act as liaison with the Authority and Delta Dental and between the Member and the Authority’s and Delta Dental’s designated representative.

20.18. RESOLUTION OF DISPUTES. The Committee shall first determine any question or dispute with respect to the rights and obligations of the parties to this Memorandum, however, all final determinations shall be in accordance with Article 31 of the AGREEMENT “Agreement”.

21.19. ADMINISTRATION COSTS. The Authority shall be entitled to assess annual administration costs associated with the Program. Administrative costs for the Program shall be determined through the Authority’s budget process. The source of the funds for the Program will be administrative charges, interest earnings or a combination of both.

20. COMPLETE AGREEMENT. Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the Members.

20 SEVERABILITY. Should any provision of this Memorandum be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

21. AMENDMENT OF MEMORANDUM. This Memorandum may be amended by a majority vote of the Employee Benefits Committee, upon ninety (90) days advance written notice to the members and county counsels. Each member shall approve of any amendment by signature on the Memorandum by a and signature on the Memorandum by the Member’s designated representative, or alternate, who shall have authority to execute this Memorandum. Should a member of the Program fail to execute any amendment to this Memorandum within the time provided by the Committee, the member will be deemed to have withdrawn from the Program on the next annual renewal date.

23. EFFECTIVE DATE OF AGREEMENT. This Memorandum shall become effective on the first effective date of coverage for the Member and/or upon approval by the Employee Benefits Committee of any amendment, whichever is later, and the signing of this agreement by the Members and Chief Executive Officer of the Authority.
24. **EXECUTION IN COUNTERPARTS.** This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF,** the undersigned have executed the Memorandum as of the date set forth below.

Dated: _____________________  Name ________________________________

 Member Entity __________________________

CSAC Excess Insurance Authority  Michael D. Fleming, Chief Executive Officer