



APPLICATION FOR QUALIFICATION AS THE FIRST DISTRICT HEALTH INSURANCE TRUST

Applicant Entity Name: _____

Mailing Address: _____

The applicant hereby seeks qualification of a district health insurance trust (hereinafter "Trust") that was created on _____ by (check one):
[MM/DD/YYYY]

a multidistrict agreement pursuant to and in compliance with § 20-3-363, MCA

OR

an interlocal cooperative agreement among the participating school districts pursuant to and in compliance with the provisions of Title 20, chapter 9, part 7

(hereinafter, "the Trust agreement").

The applicant indicates, by checking the following boxes, that the following requirements have been met:

The entire, executed Trust agreement is attached to this application.

The terms of the Trust agreement include the state auditor or the auditor's designee as an ex officio nonvoting member of the trust's governing board.

Updated 1/2025



- The Trust agreement represents a binding contractual agreement among at least 150 districts employing a minimum of 12,000 employees to participate in and obtain health insurance for its employees through the trust. The calculation of these thresholds include only the number of employees that are contracted to participate in and obtain health insurance through the trust by each participating district; and school districts and their employees with current renewal cycles other than a school fiscal year provided that the districts and employees are purchasing insurance through the trust not later than the earlier of the day after the date of the expiration of their previous policy or January 1 in the first year of the trust's operation.
- The Trust agreement equally allocates the shared risk of assessments among all members of the trust;
- The Trust determined the plan design, contribution rates, and a contribution tier structure in consultation with the following certified actuary:

[Name and Contact of Actuary]. *If more space is needed, please use the attached addendum.*

- The Trust has adopted a required limit on administrative costs of not more than 12% of total costs in the formative documents of the trust. Alternatively, the Trust may make the commitment in this application, which will legally bind the trust in its future operations.

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*

- The Trust maintains full control over claims data for medical and pharmacy benefits and makes the data available to member districts on request in compliance with the Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d, et seq.;

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*



The Trust provides, either directly or through a third-party administrator, estimates of costs for employees' anticipated medical treatments and procedures and estimates of required cost sharing by members;

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*

The Trust has formed as an agreement between school districts undertaken to separately or jointly indemnify one another by way of a pooling, joint retention, deductible, or self-insurance plan as described in and subject to section 33-1-102(9), MCA;

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*

The Trust prohibits any preexisting health benefits trust or district from imposing its liabilities on the trust that were incurred prior to joining the trust.

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*

The Trust adopts contribution rates as recommended by its contracted actuary sufficient to pay all claims and maintain plan reserves at or above minimum levels of risk-based capital recommended by its actuary.

[Explanation and Reference to attached Documentation]. *If more space is needed, please use the attached addendum.*

The Trust will prepare and submit to the state auditor a report of its financials in a form, at a frequency, and containing information as may be required by the state auditor.



ATTESTATION: The Applicant, through its authorized representative, certifies that the contents of this application and all attachments are true and complete and that to the best of the applicants knowledge this application conforms with all applicable provisions of law.

Signature of Officer or Representative: _____

Printed Name: _____ Title: _____

Date: _____



**ADDENDUM TO APPLICATION FOR QUALIFICATION AS
THE FIRST DISTRICT HEALTH INSURANCE TRUST**