

CONCILIATION AGREEMENT

Between the

U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

And

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
2401 FARAWAY DRIVE, COLUMBIA, SOUTH CAROLINA

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Blue Cross and Blue Shield of South Carolina establishment located at 2401 Faraway Drive, Columbia, South Carolina 29223 (BCBSSC - Atrium) beginning on December 18, 2016. OFCCP found that BCBSSC - Atrium failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and its respective implementing regulations at 41 CFR 60-1 and 60-3.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and BCBSSC - Atrium (collectively, the Parties) enter into this Conciliation Agreement (Agreement), which includes all of its attachments, and agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for BCBSSC - Atrium's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations described in more detail in Part III below. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if BCBSSC - Atrium violates any provision of this Agreement, as set forth in Part II, Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review BCBSSC - Atrium's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. BCBSSC - Atrium will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves BCBSSC - Atrium of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended (Section 503), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (VEVRAA), their implementing regulations, and other applicable equal employment opportunity laws.

4. BCBSSC - Atrium and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246.
5. BCBSSC - Atrium agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
6. BCBSSC - Atrium and OFCCP understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the Parties. This Agreement contains all of the terms binding the Parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by the Parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
8. This Agreement becomes effective on the day it is signed by OFCCP's Regional Director for the Midwest Region (Effective Date).
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after BCBSSC - Atrium submits its final progress report required in Part VIII below, unless OFCCP notifies BCBSSC - Atrium in writing before the expiration date that BCBSSC - Atrium has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that BCBSSC - Atrium has met all of its obligations under the Agreement.
11. If BCBSSC - Atrium violates this Agreement:
 - a. The procedures at 41 CFR. 60-1.34 will govern:
 - i. OFCCP will send BCBSSC - Atrium a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. BCBSSC - Atrium shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If BCBSSC - Atrium is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.

- iv. In the event of a breach of this Agreement by BCBSSC - Atrium, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.
- b. BCBSSC - Atrium may be subject to the sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief for violating this Agreement.
12. This Agreement does not constitute an admission by BCBSSC - Atrium of any violation of or noncompliance with the Executive Order, Section 503, or VEVRAA and their implementing regulations at 41 CFR Chapter 60, nor has there been an adjudication on the merits regarding any such violation.
13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
14. The Parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
15. Each party shall bear its own fees and expenses with respect to this matter.
16. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
17. All references to "days" in this Agreement, and in the Timeline included as Attachment E are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

III. Alleged Discrimination Violation

VIOLATION: OFCCP alleges, and BCBSSC - Atrium denies, that BCBSSC - Atrium violated the nondiscrimination requirements of the equal opportunity clause of E.O. 11246, Section 202, and 41 CFR 60-1.4(a)(1). OFCCP found a statistically significant disparity, not otherwise explained, in hiring into the Student Entry Level Training Program (Student-ELTP) position on the basis of race. OFCCP's analysis of BCBSSC - Atrium's hiring and selection procedures revealed that during the period September 1, 2015 through August 31, 2016 (hereinafter "review period"), Black, Hispanic, Asian, and Two or More Race applicants were discriminatorily rejected for the Student-ELTP position due, in part, to a pre-employment assessment.

IV. Financial Remedy

BCBSSC – Atrium is committed to equal employment opportunity and has a robust history of supporting the communities it serves. BCBSSC supports diversity efforts with South Carolina's Historically Black Colleges and Universities (HBCUs), including providing

internship opportunities and tuition scholarships. In continuation of this commitment, BCBSSC - Atrium and OFCCP agree to the following:

1. Settlement Fund

- a. **Settlement Fund.** The settlement fund is a negotiated amount that represents estimated back pay and accrued interest. BCBSSC - Atrium's share of taxes on the portion representing back pay (such as federal, state, and/or local taxes and Federal Income Contributions Act (FICA)) is not part of the Settlement Fund.
- b. **Specific Settlement Fund Amounts.** The total Settlement Fund amount is Two Hundred Twenty Six Thousand Four Hundred Eight-Four Dollars and Eighty-Two Cents (\$226,484.82) and includes \$221,805.84 in back pay and \$4,678.98 in interest to resolve the specific violation set forth above.

2. Allocation

- a. **Total Amount to be Allocated.** The back pay and interest amounts of the Settlement Fund will be distributed among the Eligible Applicants as explained in this Part. Distributed amounts will include appropriate deductions for each individual's share of payroll deductions required by law on the portion representing back pay only, such as federal (FICA and Federal Unemployment Tax Act (FUTA)), state or local taxes.
- b. **Affected Applicants Eligible to Receive Payments.** The Settlement Fund will be distributed to all Affected Applicants (identified in Attachment A) who timely and fully respond to the Notice Process as explained below, and whose eligibility is verified (hereinafter, Eligible Applicants). These individuals will be listed on the Final List of Eligible Applicants (Final List). The process of determining the Final List is explained below under Notice Process. All Eligible Applicants are entitled to a pro rata share of the monetary settlement regardless of whether they are currently interested in employment with BCBSSC - Atrium.
- c. **Payments to Eligible Applicants.** OFCCP will provide BCBSSC - Atrium with the payment amount for each Eligible Applicant on the Final List by the date set forth in the Timeline. BCBSSC - Atrium shall issue checks or make electronic payments to each Eligible Applicant in the stated amount by the date set forth on the Timeline. (OFCCP shall not be listed as the payor on distribution checks.) OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth in the Timeline. Any check that remains uncashed 180 days after the initial date the check was mailed to the Eligible Applicant will be void. With respect to any funds that remain undistributed after 180 days from the date the checks were mailed, BCBSSC - Atrium will make a second distribution to all Eligible Applicants who cashed their first check if the amount of the uncashed funds divided equally would result in a payment of \$50.00 or more to each of the located Eligible Applicants.
- d. **Tax Payments, Forms and Reporting.** BCBSSC - Atrium shall mail to each Eligible Applicant an IRS Form W-2 for the portion of the payment representing

back pay and an IRS Form 1099 for the portion of the payment representing interest. These IRS forms will be provided to the Eligible Applicants either at the time of payment, electronically or with the settlement checks, or at the end of the year. No Eligible Class Member will be required to complete a W-4 or W-9 in order to receive a payment under this settlement.

3. Notice Process

- a. **OFCCP and BCBSSC - Atrium Obligations under the Notice Process.** The Notice Process set forth in this Agreement is intended to provide Affected Applicants a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, BCBSSC - Atrium and OFCCP will regularly meet and confer in person, by phone/video platform, and/or by email to determine how best to carry out the Notice Process and to decide whether any activity, deadline, or document should be modified. OFCCP and BCBSSC - Atrium will not unreasonably withhold consent to reasonable modifications proposed by either party.
- b. **Notice Documents.** BCBSSC - Atrium will distribute Notice Documents to Affected Applicants identified in Attachment A consistent with the sample Notice Documents contained in Attachments B-D. The Notice Documents include a Notice, Information Verification and Employment Interest Form, and Release of Claims. The Notice Documents will make clear the information about the settlement being provided by or on behalf of the U.S. Department of Labor. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the Parties will meet and confer on any reasonable modifications of the Notice Documents or additions to the materials distributed by BCBSSC - Atrium, if proposed by either party.
- c. **Timeline.** Attachment E sets forth the agreed Timeline for Notice and for the Parties' other obligations under this Agreement. The Parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Applicants.** OFCCP shall provide BCBSSC - Atrium with best available contact information in its possession or within its authority to obtain for the Affected Applicants by the date set forth in the Timeline.
- e. **Distribution of Mail Notice to Affected Applicants.** BCBSSC - Atrium shall provide initial notice by regular first-class mail. BCBSSC - Atrium shall send copies of all of the Notice Documents as defined above, including a postage-paid return envelope, by first class mail to the best available mailing address for each Affected Applicant (or his/her next of kin or legal representative in the event he/she is deceased), by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, BCBSSC - Atrium will re-mail the Notice Documents within five (5) days of receipt to the forwarding address.

Based on the response to the initial mail notice, the Parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mailing and to ensure that the second round of mail notice maximizes the potential response rate. In accordance with the Timeline, BCBSSC - Atrium will provide OFCCP, in Microsoft Excel, with a list of all Affected Applicants for both the initial and second mailing that includes the following: First Name, Last Name, Address Mailed to, City, Zip Code, Social Security number (if known), delivered or undeliverable, and whether timely response was made. A second mail notice will be sent to Affected Applicants with valid addresses who fail to respond to the first mail notice, unless the Parties agree otherwise.

If an Affected Applicant responds to either the first or second mailing and submits an incomplete response (including, but not limited to, one where a Social Security number is not provided), BCBSSC - Atrium will notify OFCCP by the following Tuesday of each week after receiving the incomplete response, and OFCCP will follow up with that individual to attempt to obtain the missing information. BCBSSC - Atrium will provide this notification to OFCCP by emailing Assistant District Director Laila Turner at (b) (6), (b) (7)(E). In that email, BCBSSC - Atrium will specify the deficiencies and attach an electronic copy of the incomplete paperwork.

- f. **Distribution of Notice by Other Means.** BCBSSC - Atrium shall work with OFCCP to develop a recommended plan for notice by other means in addition to first class mail, including, as appropriate, use of email and telephone contact, distribution of information on websites, paid newspaper, web, radio or other advertisement, social media, or in-person community meetings. These other means will be designed to maximize the ability of Affected Applicants to understand their rights and obligations under this Agreement and act upon them. OFCCP will also conduct independent efforts to communicate with Affected Applicants about this Agreement through official U.S. Department of Labor channels and in partnership with community-based organizations.
- g. **Notice Deadline.** The final deadline for any Affected Applicant to respond to the notice is set forth in the Timeline. The Parties will display this deadline prominently on all materials they distribute in paper or online form regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
- h. **Technical Assistance.** The Parties will timely respond to any inquiries from Affected Applicants using information consistent with this Agreement and the Notice Documents and will document all inquiries and the result. OFCCP will provide contact information for individuals to contact OFCCP regarding this Agreement. The Parties will prominently display this contact information on all materials they distribute in paper or online form regarding this Agreement. BCBSSC - Atrium will provide OFCCP contact information to any Affected Applicant with questions or concerns.
- i. **Exchange of Information Regarding Affected Applicants.** BCBSSC - Atrium and OFCCP will timely exchange information regarding Affected Applicants,

including updated contact information and the results of any technical assistance provided by OFCCP.

- j. **Final List of Eligible Applicants.** The Final List will include all Eligible Applicants, as defined in Part IV(2)(b) of this Agreement. The Parties will establish the Final List by the date set forth in the Timeline. The Parties will meet and confer on any outstanding issues or questions regarding the Final List. Either party may identify potential Eligible Applicants who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility but will make every effort to negotiate in good faith to resolve any dispute about the Final List. BCBSSC - Atrium will provide to OFCCP any information necessary to determine the Final List.
- k. **Documentation of Payments.** As part of the progress report, BCBSSC - Atrium shall provide OFCCP with copies of cancelled checks or electronic documentation of all payments to Eligible Applicants, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, BCBSSC - Atrium will provide similar documentation for the second distribution.
- l. **BCBSSC - Atrium's Expenses.** BCBSSC - Atrium shall pay all expenses associated with carrying out its duties pursuant to this Part from funds separate and apart from the amount designated in this Agreement for the Settlement.

V. Additional Individual Relief - Job Opportunities

1. **Description of Job Opportunities.** As vacancies occur in the Student-ELTP position, BCBSSC - Atrium shall make bona fide job offers to Eligible Applicants who 1) express an interest in employment in the Student-ELTP position, 2) are not currently employed by BCBSSC, and 3) who meet BCBSSC-Atrium's stated job requirements until five (5) applicants are hired in the Student-ELTP position or the list of Eligible Applicants is exhausted, whichever occurs first.

Eligible Applicants must meet the following job requirements in order to be provided a conditional job offer: (1) complete and submit an updated employment application, (2) be age 18 or over, (3) be eligible to work in the United States, (4) hold a Bachelor's degree in Computer Science or other job-related field, or hold an Associate's degree in Computer Science or other job-related field and have at least two years' of job related IT experience; (5) have Microsoft Office skills; (6) meet any other qualifications that are required for the Student -ELTP position, including drug testing and criminal background screening; and (7) agree to accept wages, work hours, overtime, and shift requirements according to BCBSSC- Atrium's needs and assignments. No relocation assistance will be offered.

2. All Eligible Applicants hired will receive retroactive tenure credit (based on time employed with BCBSSC) using the date of their original application as the hire date for the purposes of paid time off accrual and layoffs, to the extent BCBSSC - Atrium otherwise uses tenure credits (based on time employed with BCBSSC) in layoffs.

Until five (5) Eligible Applicants are hired, these Eligible Applicants will have priority over all other candidates for hire into Student-ELTP position. As vacancies occur in these positions, BCBSSC - Atrium shall contact the Eligible Applicants by email or U.S. Mail with a written job offer in the order in which they submitted their Information Verification & Employment Interest Form and Release of Claims Form or, if the Forms were received on the same day, in the order of their original application date with BCBSSC - Atrium. If multiple fully-executed and completed Information Verification & Employment Interest Form and Release Forms are received on the same date, the earliest original application date of the Eligible Applicant will determine the order of employment consideration.

The report-to-work date for Eligible Applicants hired pursuant to this Agreement shall be no later than fourteen (14) days after the date the written job offer is accepted. The Eligible Applicant must report to work on the day designated or provide BCBSSC - Atrium notice of good cause for their absence on or before that date. If good cause is provided, the Eligible Applicant must report to work within five (5) days of the original designated start date. Otherwise, BCBSSC - Atrium may withdraw the job offer and shall be under no obligation to hire the Eligible Applicant under this Agreement, but remains obligated to hire Eligible Applicants until five (5) Eligible Applicants are hired into the Student- ELTP position or the list of Eligible Applicants is exhausted, whichever comes first.

The parties agree that BCBSSC – Atrium’s hiring needs vary and are largely dictated by its customers and that this Agreement does not obligate BCBSSC – Atrium to hire when it has no business need to hire. BCBSSC will make every reasonable effort to prioritize the hiring of Eligible Class Members over all other candidates for Student - ELTP positions.

BCBSSC - Atrium shall pay Eligible Applicants hired under this provision at least the current entry level wage for the Student-ELTP position, and provide all regular and on-the-job training currently provided to employees in that position. Once hired, Eligible Applicants will be subject to the same probationary period, attendance, performance standards, job-bidding requirements, and any other applicable waiting periods as other similarly-situated employees in the Student – ELTP position.

3. **Reporting.** BCBSSC - Atrium shall document the job offers and hires, including job offers made, reasons for rejection, and Eligible Applicants hired and terminated during the monitoring period, as set forth in Part VIII, OFCCP Monitoring Period, below.

VI. Modifications to Employment Practices and Other Non-Monetary Relief

BCBSSC - Atrium shall ensure that all applicants are afforded equal employment opportunities. Before the conclusion of the compliance evaluation, BCBSSC - Atrium represented that it has ceased using the selection procedures which negatively affected the hiring of Black, Hispanic, Asian, and Two or More Race applicants into the Student-ELTP position. BCBSSC - Atrium shall implement the corrective actions detailed below.

Revised Hiring Process

- a. Eliminate Discriminatory Selection Procedures: BCBSSC - Atrium shall comply with all OFCCP regulations concerning selection procedures, including 41 CFR Part 60-3. BCBSSC - Atrium will not use any selection procedure that has adverse impact, as defined in 41 CFR 60-3.4D, on applicants of a particular race unless BCBSSC - Atrium properly validates the procedure pursuant to these regulations.
- b. Training: Within 60 days of the Effective Date of this Agreement, BCBSSC - Atrium shall provide initial training, and design a system of ongoing training, for managers and all staff involved in any step of the hiring process for the Student-ELTP position. The training shall focus on equal opportunity and fairness in hiring. BCBSSC - Atrium shall maintain training materials and a list of employees who attended the training.
- c. Monitoring: BCBSSC - Atrium shall monitor selection rates at each step of its selection process for Student-ELTP position. Where it is determined that a selection procedure has an adverse impact, as defined in 41 CFR 60-3.4D, on the hiring of applicants of a particular race, BCBSSC - Atrium will eliminate the procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures ("UGESP") codified at 41 CFR 60-3. BCBSSC - Atrium shall maintain and make available to OFCCP records concerning the impact of the selection process for Student- ELTP positions at the BCBSSC - Atrium establishment. These records must include the number of persons who applied and who were hired by race, and the selection procedures utilized. This information will be maintained until the expiration of this Agreement or as long as required by the regulations, whichever is later.

VII. Technical Violations and Remedies

1. Violation: During the period of September 1, 2015 through August 31, 2016, BCBSSC - Atrium failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist, as required by 41 CFR 60-2.17(b). Specifically, BCBSSC - Atrium's hiring activity showed adverse impact in the Student-ELTP position during the review period and BCBSSC failed to conduct in-depth analyses of the cause of the adverse impact.

Remedy: BCBSSC - Atrium shall perform in-depth analyses of its total employment process to determine whether and when impediments to equal employment opportunity exist as required by 41 C.F.R 60-2.17(b). Specifically, BCBSSC - Atrium shall evaluate the individual components of the selection process if the total selection process for a job results in adverse impact. BCBSSC - Atrium shall make this evaluation in accordance with the requirements of 41 CFR 60-3.4(c).

2. Violation: During the period of September 1, 2015 through August 31, 2016, BCBSSC - Atrium used a selection procedure that had an adverse impact on Black, Asian, Hispanic, and Two or More Race applicants for the Student-ELTP position. Specifically, BCBSSC - Atrium used Analytical Reasoning and Mathematical Reasoning assessments which led to adverse impact in the selection process against Black, Asian,

Hispanic, and Two or More Race applicants for the Student-ELTP positions. BCBSSC - Atrium failed to identify and implement a suitable alternative selection procedure which has been demonstrated to have a lesser impact as required by 41 CFR 603.3B.

Remedy: During the course of the compliance evaluation, BCBSSC - Atrium represented that it had ceased use of the Analytical Reasoning and Mathematical Reasoning assessments. If BCBSSC - Atrium identifies a step in its selection procedure that has an adverse impact on a particular race, it will explore suitable alternative procedures in accordance with the requirements of 41 CFR 60-3.4B.

3. Violation: During the period of September 1, 2015 through August 31, 2016, BCBSSC - Atrium failed to evaluate the individual components of the selection process for adverse impact as required by 41 CFR 60-3.4C. Specifically, BCBSSC - Atrium's hiring activity showed adverse impact in the Student-ELTP position during the review period and BCBSSC - Atrium failed to sufficiently evaluate the cause of the adverse impact.

Remedy: BCBSSC - Atrium shall evaluate the individual components of the selection process if the total selection process for a job results in adverse impact. BCBSSC - Atrium shall make this evaluation in accordance with the requirements of 41 CFR 60-3.4C.

4. Violation: During the period of September 1, 2015 through August 31, 2016, BCBSSC - Atrium failed to maintain and have available for each job information on adverse impact of the selection procedure for that job and, where it is determined a selection procedure has an adverse impact, evidence of validity. Specifically, validation reports were not made available for the Analytical Reasoning and Mathematical Reasoning assessments administered to applicants for the Student – ELTP position during the period of September 1, 2015 through August 31, 2016, in violation of 41 CFR 60-3.15A(3).

Remedy: BCBSSC - Atrium shall maintain and have available for each job information on adverse impact of the selection procedure for that job and, where it is determined a selection procedure has an adverse impact, BCBSSC - Atrium shall provide evidence of validity of the selection procedure pursuant to the regulations.

VIII. OFCCP Monitoring Period

1. **Recordkeeping.** BCBSSC - Atrium agrees to retain all records relevant to the violations cited in Part III above and the reports submitted in compliance with Part VIII, Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. BCBSSC - Atrium will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **BCBSSC - Atrium Reports**
 - a. **Schedule and Instructions.** BCBSSC - Atrium agrees to furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:

- i. Progress Report 1 will be due 13 months after the Effective Date of the Agreement and will cover the timeframe from the Effective Date of this Agreement through 12 months after the Effective Date.
- ii. Progress Report 2 will be due 12 months after the first progress report covering the period of the 13th month through the 24th month.

BCBSSC - Atrium shall submit reports to Assistant District Director Laila E. Turner, OFCCP, 211 West Fort Street, Suite 1320, Detroit, Michigan 48226 or to (b) (6), (b) (7)(E) BCBSSC - Atrium and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent, any of the reports BCBSSC - Atrium provides in accordance with this Agreement are customarily kept private or closely-held, and BCBSSC - Atrium believes they should remain confidential in the event of a Freedom of Information Act (FOIA) request, BCBSSC - Atrium will provide such reports to OFCCP marked as "Confidential." In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents to the extent permitted by law.

- b. **Reports on Job Offers.** In each Progress Report, BCBSSC - Atrium will report on all job offers and hires regarding the Student – ELTP position made to date pursuant to the Agreement until all of the job opportunities for the reviewed establishment are filled or the list of Eligible Applicants expressing interest in the position is exhausted. This includes:
 - i. Documentation of all job offers made to Eligible Applicants, including the names of individuals offered jobs, the date of their application, the date of the offer, the date the offer was accepted or rejected, and the starting pay.
 - ii. Documentation of Eligible Applicants who expressed interest in job offers but who did not successfully complete the application process, including the names of these individuals, the date of their application, if any, and the reason BCBSSC - Atrium determined they did not successfully complete the application process. This includes individuals who did not receive job offers because all available positions were filled.
 - iii. Documentation of Eligible Applicants who were hired and terminated during the life of this Agreement and the reason for the termination.
 - iv. Documentation of the number of available positions remaining to be filled and the number of Eligible Applicants still on the list.
 - v. Documentation of the start dates for Eligible Applicants who were hired.
 - vi. If BCBSSC - Atrium has not filled all of the positions specified in this Agreement by the Progress Report date, BCBSSC - Atrium must provide OFCCP with documentation explaining the reason(s) this action is not complete and the good faith efforts being taken and planned for the next reporting period to complete it.

- vii. If BCBSSC - Atrium fails to meet its hiring obligations under this Agreement by the close of the Monitoring Period, OFCCP reserves its rights under Part II, Paragraphs 10 and 11 of this Agreement, to extend the monitoring period or to pursue enforcement remedies.
- c. **Affirmative Action Programs.** BCBSSC - Atrium shall submit its current year E.O. 11246 AAP narratives with the first and second Progress Reports.
- d. **Reports on Modifications to Personnel Practices.** BCBSSC - Atrium shall report on all modifications of personnel practices and provide documentation of its compliance with the remedy provisions of this Agreement. If any of the relevant documents such as job postings or policies have not been modified since being provided during a prior reporting period, a statement to that effect is sufficient. The reports must include:
 - i. No later than 90 days from the Effective Date, BCBSSC - Atrium will submit a copy of its revised applicant and hiring processes, as stated in Part VI.
 - ii. No later than 90 days from the Effective Date, BCBSSC - Atrium will submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, tracking applicants, or placing new hires for Student-ELTP positions at BCBSSC - Atrium have been trained on the hiring process. The documentation will include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed in the training, and the name and job title of each person who conducted the training, as stated in Part VI.
 - iii. Within the prescribed timeframes, BCBSSC - Atrium will submit all documents and information referenced in Parts IV – VIII.
- e. **Reports on Hiring Activity and Analysis.** In each Progress Report, BCBSSC - Atrium will report on all activity in the Student-ELTP position. This includes:
 - i. The total number of applicants and hires into the Student-ELTP position, and the breakdown by race of applicants and hires during the reporting period.
 - ii. The total number of terminations in the Student-ELTP position, and the breakdown by race and whether the termination was voluntary or involuntary.
 - iii. For the Student-ELTP position, the result of BCBSSC - Atrium's analysis as to whether its total selection process has adverse impact, as defined in 41 CFR 60-3.4, on those groups set forth in 41 CFR 60-3.4B. (For purposes of the adverse impact analysis, BCBSSC - Atrium must not include hires made of Eligible Applicants pursuant to this Agreement in that analysis).
 - iv. For each case in which the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D, the results of BCBSSC - Atrium's evaluation of the individual components of the selection process for adverse impact.

- v. The actions taken by BCBSSC - Atrium upon determining that any component of the selection process has an adverse impact on members of groups set forth in Part III above.
 - vi. The in-depth analyses performed by BCBSSC - Atrium pursuant to items iii. and iv. of this sub-part e. above.
3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts BCBSSC - Atrium's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify BCBSSC - Atrium in writing within sixty (60) days of the date of the final progress report that BCBSSC - Atrium has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies BCBSSC - Atrium within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines BCBSSC - Atrium has met all of its obligations under the Agreement.

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IX. SIGNATURES

The person signing this Agreement on behalf of BCBSSC personally warrants that he is fully authorized to do so, that BCBSSC has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on BCBSSC. This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Blue Cross and Blue Shield of South Carolina, 2401 Faraway Drive, Columbia, South Carolina 29223.

(b) (6), (b) (7)(C)

David Cote
Vice President Human Resources
Columbia, South Carolina

DATE: 7-15-21

(b) (6), (b) (7)(C)

Carmen Navarro
Midwest Regional Director
Chicago, Illinois

DATE: July 19, 2021

Attachments:

- A. List of Affected Class Members
- B. Notice to Affected Class Members
- C. Information Verification and Employment Interest Form
- D. Release of Claims under E.O. 11246, As Amended
- E. Timeline of Important Dates

Attachment A

Requisition ID	Applicant ID	Applicant Name	Date Applied	Race
10208BR	(b) (6), (b) (7)(C)		09/04/2015	T
10208BR			09/04/2015	B
10208BR			09/05/2015	B
10208BR			09/06/2015	B
10208BR			09/07/2015	B
10208BR			09/08/2015	B
10208BR			09/08/2015	A
10208BR			09/09/2015	B
10208BR			09/09/2015	B
10208BR			09/09/2015	B
10208BR			09/09/2015	B
10208BR			09/10/2015	B
10208BR			09/10/2015	B
10208BR			09/10/2015	B
10208BR			09/15/2015	A
10208BR			09/16/2015	H
10208BR			09/16/2015	H
10208BR			09/16/2015	A
10208BR			09/16/2015	H
10208BR			09/16/2015	B
10208BR			09/16/2015	B
10208BR			09/22/2015	B
10208BR			09/23/2015	A
10208BR			09/23/2015	B
10208BR			09/23/2015	B
10208BR			09/23/2015	B
10208BR			09/23/2015	B
10208BR			09/24/2015	A
10208BR			09/24/2015	B
10208BR			09/24/2015	B
10208BR			09/24/2015	B
10208BR			09/25/2015	B
10208BR			09/25/2015	B
10208BR			09/26/2015	B
10208BR			09/27/2015	H
10208BR			09/30/2015	T
10208BR			09/30/2015	B
10208BR			10/01/2015	B
10208BR			10/01/2015	B
10208BR			10/02/2015	A
10208BR			10/12/2015	B
10208BR			10/14/2015	B
10208BR			10/19/2015	B
10208BR			10/19/2015	B
10208BR			10/23/2015	B
10208BR			10/25/2015	T
10208BR			10/26/2015	B

10208BR	(b) (6), (b) (7)(C)	10/28/2015	H
10208BR		11/03/2015	B
10208BR		11/04/2015	B
10208BR		11/06/2015	B
10208BR		11/06/2015	B
10208BR		12/01/2015	A
10208BR		12/01/2015	B
10208BR		12/13/2015	B
10208BR		12/13/2015	B
10208BR		12/16/2015	B
10208BR		12/17/2015	B
10208BR		12/21/2015	H
10208BR		12/24/2015	B
10208BR		12/29/2015	B
10208BR		12/30/2015	B
10208BR		01/01/2016	B
10208BR		01/05/2016	B
10208BR		01/12/2016	A
10208BR		01/13/2016	B
10208BR		01/16/2016	B
10208BR		01/25/2016	A
10208BR		01/25/2016	A
10208BR		01/28/2016	B
10208BR		02/02/2016	T
10208BR		02/11/2016	A
10208BR		02/12/2016	B
10208BR		02/15/2016	B
10208BR		02/17/2016	B
10208BR		02/23/2016	B
10208BR		02/23/2016	H
10208BR		02/23/2016	H
10208BR		02/23/2016	T
10208BR		02/24/2016	B
10208BR		02/24/2016	H
10208BR		02/25/2016	B
10208BR		02/25/2016	T
10208BR		02/29/2016	B
10208BR		02/29/2016	B
10208BR		03/01/2016	T
10208BR		03/02/2016	B
10208BR		03/03/2016	B
10208BR		03/03/2016	B
10208BR		03/03/2016	B
10208BR		03/05/2016	B
10208BR		03/07/2016	B
10208BR		03/07/2016	B
10208BR		03/08/2016	B

10208BR	(b) (6), (b) (7)(C)	03/09/2016	B
10208BR		03/09/2016	H
10208BR		03/12/2016	T
10208BR		03/13/2016	B
10208BR		03/14/2016	B
10208BR		03/14/2016	B
10208BR		03/15/2016	B
10208BR		03/16/2016	B
10208BR		03/16/2016	B
10208BR		03/17/2016	B
10208BR		03/17/2016	B
10208BR		03/18/2016	B
10208BR		03/18/2016	B
10208BR		03/22/2016	B
10208BR		03/24/2016	T
10208BR		03/25/2016	T
10208BR		03/28/2016	B
10208BR		03/28/2016	B
10208BR		03/30/2016	B
10208BR		03/30/2016	B
10208BR		03/31/2016	B
10208BR		03/31/2016	T
10208BR		04/01/2016	B
10208BR		04/04/2016	B

ATTACHMENT B

NOTICE TO AFFECTED CLASS

Dear Class Member:

Blue Cross and Blue Shield of South Carolina - Atrium, (BCBSSC – Atrium) and the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) have entered into a Conciliation Agreement (Agreement) to remedy alleged violations of Executive Order 11246 (E.O. 11246), as amended, that OFCCP found during a compliance review of BCBSSC - Atrium's 2401 Faraway Drive, Columbia, South Carolina 29223 facility.

OFCCP's analysis of BCBSSC - Atrium's hiring process and selection procedures revealed that during the period of September 1, 2015 through August 31, 2016 (review period), Black, Hispanic, Asian, and Two or More Race applicants were discriminatorily rejected for the Student Entry Level Training Program (Student-ELTP) position due, in part, to a pre-employment assessment. OFCCP found that there was a disparity in the hiring of Student-ELTP positions based on race. BCBSSC – Atrium denies this allegation. OFCCP and BCBSSC - Atrium entered into the Agreement to resolve the matter without resorting to further legal proceedings.

You have been identified as an individual who applied for a Student-ELTP position during that time period but was not hired.

As part of this Agreement, you are eligible to receive a payment of at least \$ [], less lawful payroll deductions. Under the terms of this Agreement it may take up to [number] months from the date of this letter before you receive your distribution. In order to be eligible for a payment, you must complete, sign, and return the enclosed Information Verification and Employment Interest Form and Release of Claims Form. The form(s) should be mailed as soon as possible to the address below. **In order for you to be eligible to participate in the settlement, your completed documents must be received by [insert date by which class members must respond].**

[Name]
[Position]
[Contractor]
[Address]

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Employment Interest Form and Release of Claims Form.

In addition to the monetary distribution, BCBSSC - Atrium will be making job offers for the Student-ELTP position to a limited number of individuals receiving this notification. It is not certain that you will receive a job offer. If you are still interested in employment with BCBSSC - Atrium, please check the appropriate box on the enclosed Information Verification

and Employment Interest Form. Those receiving this notice will be considered for the Student-ELTP position in the order that BCBSSC - Atrium receives the Information Verification and Employment Interest Form expressing an interest in employment. All individuals hired pursuant to this Agreement will be provided with retroactive tenure credit (based on time employed with BCBSSC) for purposes of paid time off accrual and layoffs, to the extent BCBSSC – Atrium otherwise uses tenure credits (based on time employed with BCBSSC) in layoffs. If you have any questions you may call [] at BCBSSC - Atrium at [phone number], or OFCCP Assistant District Director (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C). Your call will be returned as soon as possible.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO BCBSSC - ATRIUM BY [insert date by which class members must respond], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.

Sincerely,

[Name]

Enclosures

Information Verification and Employment Interest Form
Release of Claims Form

ATTACHMENT C

INFORMATION VERIFICATION AND EMPLOYMENT INTEREST FORM

You must complete this form in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement (Agreement) between Blue Cross Blue Shield of South Carolina (BCBSSC - Atrium) and the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP). Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Numbers.: Home _____ Cell _____ Work _____

Email: _____

Notify BCBSSC - Atrium at the address below if your address, email address or phone number changes within the next twelve (12) months.

Your Social Security Number (to be used for tax purposes only): _____ - _____ - _____

Please indicate below whether you are currently interested in employment in the Student-Entry Level Training Program (Student-ELTP) position. If you complete, sign, and return this Information Verification and Employment Interest Form, you remain eligible for the monetary payment whether or not you are interested in employment at this time.

☐ Yes, I am interested in employment with BCBSSC - Atrium in the above position. I understand that I must meet the following job requirements in order to be considered for a conditional job offer: (1) not be currently employed by BCBSSC; (2) complete and submit an updated employment application; (3) be age 18 or over; (4) be eligible to work in the United States; (5) hold a Bachelor's degree in Computer Science or other job-related field or hold an Associate's degree in Computer Science or other job-related field and have at least two years' of job related IT experience; (6) have Microsoft Office skills; (7) meet any other qualifications that are required for the Student -ELTP position, including drug testing and criminal background screening; and (8) agree to accept wages, work hours, overtime, and shift requirements according to BCBSSC- Atrium's needs and assignments. No relocation assistance will be offered.

☐ No, I am not interested in employment with BCBSSC - Atrium in the above position.

**IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS
TO THE ADDRESS BELOW BY *[DATE CLASS MEMBERS MUST RESPOND]*, YOU
WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR BE ELIGIBLE FOR A JOB
OFFER.**

[Name]
[Address]

I, (print name) _____, certify the above is true and correct.

Signature

Date

ATTACHMENT D

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246, AS AMENDED

This Release of Claims (Release) under Executive Order 11246, as amended, is a legal document. This document states that in return for Blue Cross Blue Shield of South Carolina (BCBSSC - Atrium) paying you money, you agree that you will not file any lawsuit against BCBSSC - Atrium for allegedly violating Executive Order 11246, as amended, in connection with its selection procedures for applicants to the Student Entry Level Training Program (Student-ELTP) position. It also says that BCBSSC - Atrium does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money or the opportunity for a job.

In consideration of the payment of at least \$[] (less deductions required by law) by BCBSSC - Atrium to me, which I agree is acceptable, I, (print name) _____, agree to the following:

I.

I hereby waive, release and forever discharge BCBSSC - Atrium, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have had which relate to my non-selection for employment in a Student-ELTP position on the basis of my race at any time through the effective date of this Release. By signing this agreement, I agree that I have been made whole for any claim that could have been brought Executive Order 11246, as amended, relating to my non-selection with BCBSSC - Atrium through the Effective Date of this Release.

II.

I understand that BCBSSC - Atrium does not admit that it treated me unlawfully or unfairly in any way and that BCBSSC - Atrium entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on December 18, 2016. I further agree that the payment of the aforesaid sum by BCBSSC - Atrium to me is not to be construed as an admission of any liability by BCBSSC - Atrium.

III.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors and seek legal advice. I further declare that I have decided of my own free will to sign this Release.

IV.

I understand that if I do not sign this Release and return it to the contact listed on the enclosed Notice to Affected Class Members by the deadline listed on the Notice, I will not be entitled to receive any payment (less deductions required by law) from BCBSSC – Atrium or the opportunity for a job offer.

IN WITNESS WHEREOF, I have signed this document on this ____ day of _____, 2021.

Printed Name

Signature