Albuquerque Bernalillo County
Water Utility Authority

Agenda Item No. 8f

Meeting Date: December 4, 2018
Staff Contact: Judy Bentley, Human Resources Manager

TITLE: C-18-42 - Contract with Presbyterian Health Plan, Inc. for Group Medical Insurance

ACTION: Recommend Approval

Summary:
The Water Authority Human Resources department is requesting approval to enter into an agreement with Presbyterian Health Plan, Inc. (Presbyterian) pursuant to the City of Albuquerque CCN number 201800907 and RFP number P2018000004, to provide medical benefits to employees through the issuance of a purchase order.

If approved by the Board, a purchase order will be issued by the Water Authority to enable the recommended medical insurance provider, Presbyterian, to provide medical benefits to employees.

By entering into this agreement, the Water Authority will be able to provide group medical insurance to Water Authority employees and their dependent The City of Albuquerque agreement may be extended for up to five additional one-year periods.

FISCAL IMPACT:
$7,200,000 excluding NM GRT for FY19, for which appropriations have already been made in the FY19 Operating Budget.

GROUP AGREEMENT

THIS GROUP AGREEMENT ("Agreement") is made and entered into this 1st day of July, 2018 by and between the City of Albuquerque, New Mexico a municipal corporation, (hereinafter referred to as the "City"), and Presbyterian Health Plan, Inc., a New Mexico corporation (hereinafter referred to as the "Contractor"), whose address is 9521 San Mateo Blvd. NE. Albuquerque, NM 87113.

RECITALS

WHEREAS, the City issued a Request for Proposals for the Human Resource Department, Insurance and Benefits Division, RFP P2018000014, dated November 17, 2017, titled "Fully Insured Group Medical Insurance", which RFP is attached hereto as **Exhibit 1,** and by this reference made a part of this Agreement; ("RFP");and

WHEREAS, the RFP provides for the provision of employee health care insurance on behalf of the City and other municipalities and governmental entities ("Other Governmental Entities"); and

WHEREAS, the Contractor submitted its proposal dated December 22, 2017, in response to RFP P2018000014, which proposal was accepted by the City, which is attached hereto as **Exhibit 2** (on DVD), and by this reference made a part of this Agreement, and

WHEREAS, the City desires to engage, on behalf of itself and the Other Governmental Entities, the Contractor to render certain services in connection therewith, and the Contractor is willing to provide such services.

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. **Scope of Services.** The Contractor shall perform the following services (hereinafter the "Services") in a satisfactory and proper manner and provide Fully Insured Medical Insurance, as provided in **Exhibit 2** and in accordance with the terms of the applicable group subscriber agreement or other evidence of coverage (the "GSA"), as provided in **Exhibit 3,** attached hereto and by this reference made a part of this Agreement.

The Contractor agrees that Other Governmental Entities included in the listing of participating Other Governmental Entities attached hereto as **Exhibit 4** and by this reference made a part of this Agreement, effective for FY19 (July 1, 2018 through June 30, 2019) shall be allowed to participate in this Agreement. City of Albuquerque Participation Guidelines attached hereto as **Exhibit 5**.

In addition to services outlined within Exhibits 1, 2, and 3, the City and participating Other Governmental Entities will continue to have exclusive use of the Mobile Health Center (MHC) to further promote clinical outreach of medical services and promotion of wellness programs and initiatives. Parameters for exclusivity will be determined in collaboration between Contractor and the City, based on goals assessed for each participating Other Governmental Entity and City site.

2. **Time of Performance**. Services of the Contractor shall commence on July 1, 2018 and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Agreement; provided, however, that in any event, all of the Services required hereunder shall be completed within one year of the commencement of this Agreement. This Agreement may be extended for up to five (5) additional one (1)-year periods upon written agreement of the parties.

3. **Compensation and Method of Payment.**

A. **Compensation**. For performing the Services specified in Section 1 hereof, the City and/or participating Other Governmental Entities agree to pay the Contractor monthly fees based on the rates listed in subsection C. of this Section 3 ("Rates") for participating employees and dependents, which amounts do not include any applicable taxes that are the responsibility of the City and/or participating Other Governmental Entities and which amounts shall constitute full and complete compensation, excluding applicable taxes that are the responsibility of the City and/or participating Other Governmental Entities, for the Contractor's Services under this Agreement, including all expenditures made and expenses incurred by the Contractor in performing such Services. Under no circumstances shall the Contractor be responsible for any new or existing taxes that are the responsibility of the City and/or participating Other Governmental Entities.

B. **Method of Payment**. The City and/or participating Other Governmental Entities understands that Contractor is offering a prepaid health insurance plan and the City and/or participating Other Governmental Entities will therefore issue an initial prepayment of one month's premium for all covered employees and dependents upon identifying the new plan year enrollment level, followed by monthly payment for actual covered employees and dependents. The final payment of the contract period will be adjusted to recover the initial prepayment. Payment of the total amount of monthly prepayments due hereunder shall be made by the City and/or participating Other Governmental Entities in advance of each month that the City and/or participating Other Governmental Entities employees and dependents are enrolled with Contractor. If payment is not received by the Payment Due Date (defined below), the City and/or participating Other Governmental Entities shall have a grace period of thirty (30) calendar days within which to make payment in full ("Grace Period"). The Contractor may, subsequent to the Grace Period, suspend its performance and represent to

providers and other third parties that the Defaulting Agency(ies) employees and dependents are "not eligible" for coverage with the Contractor. The Contractor can continue to show such Defaulting Agency(ies) employees and dependents as "not eligible" until such time as payment in full is made by Defaulting Agency(ies). The Contractor shall cover claims during such period if the premium for the suspension period has been paid in full within thirty (30) calendar days of the Grace Period. Acceptance of late or partial payments by Contractor shall not constitute a waiver of any present or future rights Contractor would otherwise have under this Agreement. The City and each participating Other Governmental Entity agrees to pay as mutually agreed, in accordance with subsection 1 (Pay As Billed) or subsection 2 (Self Billed).

1. **Pay As Billed**. The Contractor shall bill the City and/or participating Other Governmental Entities on or before the 20th calendar day of each month for the subsequent month's coverage ("Payment Bill Date"). Payment in the amount of Contractor's bill must be received in full by Contractor on or before the first day of the month of coverage ("Payment Due Date").

2. **Self Billed**. Following the initial prepayment, City and participating Other Governmental Entities will initiate payment of the aggregate prepayment fee. The aggregate prepayment fee is due on or before the first day of the month of coverage based on enrollment lists generated by the City and/or participating Other Governmental Entities on the 20th calendar day of the month prior to the month for which payment is due. The list will be financially adjusted to reflect enrollments and terminations which have occurred during the ninety (90) day period immediately preceding issuance of the lists. The lists will also be updated to reflect adjustments resulting from City and/or participating Other Governmental Entities reconciliation action.

C. Premium Rates. In consideration of the enrollment by the Contractor of eligible employees and dependents, the City and/or participating Other Governmental Entities agree to pay to Contractor the following monthly prepayment for each employee and dependent enrolled, based on the coverage selected by such employee. The Contractor and the City and/or participating Other Governmental Entities agree that prepayment for Cobra subscribers are managed by a COBRA Administrator of the City and/or participating Other Governmental Entities choice, and the City and/or participating Other Governmental Entities are responsible to ensure Contractor's receipt of payment in accordance with this section. The monthly premium payments for this Agreement only (July 1, 2018 to June 30, 2019) are as follows for each of the contract types listed herein:

(1) **FY/19 Rates***

Employee Only	$ 481.09
Employee & Spouse	$ 978.84
Single Parent	$ 772.77
Family	$1,412.64

Services also included in the above Rates:

Wellness - Members have access to Wellness programs as customized with the City. Notwithstanding any provision in the Agreement any and all information, materials, and programs developed for the City Wellness Program remain the property of Contractor and The Solutions Group, an affiliate of Contractor. Any use by the City other than to educate and/or engage employees in program offerings require the express written consent of Contractor and The Solutions Group. Upon the termination of Wellness Services under this Agreement, the City will destroy or return to Contractor all copies of such information, materials and programs in its possession.

Employee Assistance Program (EAP) – Members and their dependents living in the Member's household are eligible for up to three (3) visits per issue. EAP services are short-term, confidential counseling sessions conducted by local licensed providers and may include, mediation services, substance abuse assessments and referrals, 24-hour emergency services, support for supervisors and manager, optional counseling via Video Visits, and referrals as needed.

Gym Membership – Members and dependents (18 and up) have access to a national network and local gyms and fitness centers.

(2) Except as otherwise provided herein, the above Rates are guaranteed for the full fiscal year commencing on the effective dates reflected above. Rates are not subject to change except (i) at the request of the City to change eligibility provisions or plan design changes, which may affect risk or (ii) if the enrollment/membership changes by ten percent (10%) or more.

(3) *The Rates specified above also include the additional services, as shown in **Exhibit 6, acceptance letter from Mark A. Saiz,** attached hereto and made a part of this Agreement.

(4) The "15-day rule" will apply to new enrollments and terminations that occur during the plan year. The 15-day rule affects monthly payments as follows:

a. Enrollment. The City and/or participating Other Governmental Entities will pay a full monthly prepayment fee for covered employees and dependents who enroll on or before the 15th calendar day of the month of enrollment but will not pay a monthly prepayment fee for employees and dependents who enroll on or after the 16th calendar day of the month of enrollment.

b. Termination. The City and or participating Other Governmental Entities will not pay a monthly prepayment fee for covered employees and/or dependents who terminate coverage on or before the 15th calendar day of the month of termination but will pay a monthly prepayment fee for employees and/or dependents who terminate coverage on or after the 16th calendar day of the month of termination.

(5) On each monthly prepayment, the City and/or participating Other Governmental Entities will include adjustments for prior month new enrollments and terminations, applying the 15-day rule. The City and/or participating Other Governmental Entities, by identifying a covered employee and dependents on the payment document as terminated or by failing to list a covered employee and dependents on the payment document, authorizes the Contractor to immediately discontinue (terminate) Services to the employee and dependents pending resolution of the non-payment problem. In cases where an employee fails to notify the City Insurance Office of termination of employment or other loss of eligibility and the City has continued to issue a prepayment fee on behalf of the employee and dependents, the City will be entitled to a premium refund for the overpayment, not to exceed a ninety (90) day refund from the date of preparation and submittal of a termination form to the Contractor, provided that the City and/or participating Other Governmental Entities explicitly understand and agree that the exercise of this right shall then result in Contractor retroactively terminating coverage for the applicable employee and dependents (as of the last effective date for which premium was paid) and recoup from providers of care all claim payments and other amounts incurred on behalf of such employee and dependents after the retroactive date of termination. The City and/or participating Other Governmental Entities understand and agree that the terminated employee and dependents shall be solely responsible for the payment of all such claims. If through administrative error, the City and/or participating Other Governmental Entities continue to pay a prepayment fee for a terminated employee and dependents after submittal of termination forms to the Contractor, the City and/or its participating Other Governmental Entities will be entitled to a refund of all payments made after submittal of termination forms. The City and/or participating Other Governmental Entities will make such adjustments on the monthly prepayment report.

D. <u>Reconciliation of Payment Discrepancies</u>.

(1) **834 Electronic Full File Transmission:** A standard 834 electronic file will be transmitted to the Contractor in a mutually agreed upon format and frequency. The Contractor will load the file and report questionable discrepancies to the City and/ or participating Other Governmental Entities within three (3) business days. The City and/ or participating Other Governmental Entities will respond to the Contractor on discrepancies within three (3) business days of receipt of report. The Gym Membership option is combined with the health plan option (i.e. Active Plan or Active Plan with Gym) and is being transmitted on the 834 eligibility file as such.

(2) **The City and/or Participating Other Governmental Entities:** Monthly prepayments shall be subject to reconciliation by the Contractor. The Contractor shall compare information on the payment schedule with Contractor information to identify discrepancies in covered employees and dependents, prepayment fees, contract types or other discrepancies. Upon identifying discrepancies, the Contractor will first research its own files to account for enrollments, terminations, changes in contract types (e.g., single, couple, single parent or family) which have recently been received by the Contractor.

(3) After completing an internal accounting of discrepancies, the Contractor will transmit to the City and/or participating Other Governmental Entities a list of covered employees and dependents for whom names or status do not match. The list transmitted to the City and/or participating Other Governmental Entities for a specific week or month shall be the basis for all further reconciliation of discrepancies and financial adjustment for the week or month reconciled. The City and/or participating Other Governmental Entities will research discrepancies, make a determination as to the financial amounts identified by the Contractor, make the appropriate adjustment on the subsequent monthly payment and provide the Contractor with an explanation and supporting documentation for any disputed amounts. Adjustments for any amounts payable or refundable to either party will be made only for a sixty (60)-day period from the first day of the month reconciled or employees and dependents for whom a premium payment has not been made will be terminated back to the last day for which payment was made by the City and/or participating Other Governmental Entities and Contractor shall have the right to suspend the City and/or participating Other Governmental Entities right to self-bill. If participating Other Governmental Entities utilizing the Self-Billed options do not respond to Contractor regarding reconciliation discrepancies as described above, Contractor shall have the authorization under this Agreement to suspend such participating Other Governmental Entities right to self-bill.

E. Communication of Employees' and Dependents' Eligibility. Employees will complete, and submit to the City or participating Other Governmental Entities Insurance Office, enrollment/change forms, within thirty-one (31) calendar days of their qualifying event or during the open enrollment designated by the City or participating Other Governmental Entities. Employees

and dependent eligibility will be communicated to Contractor by mailing, faxing, or emailing the form to the Contractor, manually entering data through the Contractor's website or by sending a standard 834 electronic file.

4. **Appropriations.** Notwithstanding any other provisions in this Agreement, the terms of this Agreement are contingent upon the City Council of the City of Albuquerque making the appropriations necessary for the performance of this Agreement. If sufficient appropriations and authorizations are not made by the City Council and Mayor, for subsequent years, this Agreement, regardless of its term may, at the option of the City, be terminated at the end of the City's then current fiscal year upon written notice given by the City to the Contractor. Such event shall not constitute an event of default. All payment obligations of the City and all of its interest in this Agreement as well as all obligations of the Contractor will cease upon the date of termination. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This Section shall not apply to appropriations made for payment of amounts owing pursuant to the Agreement within the fiscal year for which the appropriations were made.

5. **Mid-Year Plan Changes.** The plan of benefits shall be guaranteed for FY19, subject to any legally required changes. Any mid-year plan changes initiated by the Contractor without prior agreement by the City, provided such changes are not legally required, shall entitle the City to allow employees and dependents affected by the plan change to an immediate mid-year switch enrollment period.

6. **Performance Guaranties.** The City and Contractor agree that the performance guaranties and associated performance penalties, as shown in **Exhibit 7**, are hereby made a part of this Agreement.

7. **Clinical Performance Measures.** The City and Contractor agree that the clinical performance measures and associated performance penalties, as shown in **Exhibit 8**, are hereby made a part of this Agreement.

8. **Changes.** The City and participating Other Governmental Entities will administer group health plan eligibility, including plan changes, based on the employer group health plan and in accordance with the Income Tax regulations under section 125 of the Internal Revenue Code. All eligibility determinations will be the express responsibility of the City and participating Other Governmental Entities. Responsibility for updating and adhering to the most recent changes made to the Internal Revenue Code will be the sole responsibility of the City and participating Other Governmental Entities.

9. **Employee and Dependent Protection.** In circumstances when it is the employee or dependent's responsibility to obtain prior approval/written referral

for covered services and it is not possible for the employee or dependent to obtain such prior approval (e.g., when a contracted operating physician calls in a specialist to assist during a surgical procedure) the employee or dependents will not be held responsible for charges that would specifically apply to the employee or dependents' failure to obtain such prior approval/written referral. In circumstances where by plan design, contracted providers are required to obtain prior authorization and referral, the employee or dependent will not be held responsible for charges for covered services beyond the applicable co-payment if such providers fail to obtain prior approval.

This provision does not apply to physicians ordering of services based on reliance on incorrect information furnished by the employee or dependent when it was not feasible for the physician to personally examine the employee or dependent. This Section shall not, under any circumstances, require the Contractor to provide or pay for any benefits or services that are not covered benefits under the plan or to services rendered by non-network providers, except for medically necessary emergency services.

10. **Balance Billing**. The Contractor shall maintain contracts with its plan providers (physicians, specialties and health care facilities) which require claims filing to be subject to payment of the co-payment by the employee or dependents and further claims payment to be handled between the Contractor and its providers. Balance billing to the employee or dependents for the difference in contracted amounts and provider's normal or billed cost or for failure by contracted providers to file timely claim forms shall not be permitted and shall be so stated in the provider's agreements with Contractor.

11. **Independent Contractor.** The Contractor shall be an independent contractor at all times in the performance of the services described in Section 1. The Contractor further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Workers' Compensation Act of the State of New Mexico, or to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.

12. **Personnel.**

A. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing all of the Services required under this Agreement. Such personnel shall not be employees of or have any contractual relationships with the City.

B. All the Services required hereunder will be performed by the Contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such Services.

13. **Indemnity.** The Contractor agrees to defend, indemnify and hold harmless the City and its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties because of any injury or damage received or sustained by any person, persons or property arising out of or resulting from the Services performed by the Contractor under this Agreement or by reason of any asserted act or omission, neglect or misconduct of the Contractor or Contractor's employees or any subcontractor or its employees. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement. Under no circumstance shall Contractor be obligated under this Agreement to indemnify the City for the City's acts or omissions or the acts or omissions of providers.

14. **Insurance.** The Contractor shall not commence any work under this Agreement until the insurance required in Part 1, Section 1.23.3 of the RFP, has been obtained and the proper certificates (or policies) have been submitted to the City. The parties acknowledge the insurance required by this paragraph may be maintained through a program of self-insurance.

15. **Discrimination Prohibited.** In performing the Services required hereunder, the Contractor shall not discriminate against any person on the basis of race, color, religion, gender, sexual preference, sexual orientation, national origin or ancestry, age, physical handicap or disability, as defined in the Americans With Disabilities Act of 1990, as currently enacted or hereafter amended.

16. **ADA Compliance.** In performing the Services required hereunder, the Contractor agrees to meet all the requirements of the Americans With Disabilities Act of 1990 (the "ADA"), which are imposed directly on the Contractor.

17. **Reports and Information.** At such times and in such forms as the City may require, there shall be furnished to the City such statements, records, reports, data and information, as the City may request pertaining to matters covered by this Agreement. Unless authorized by the City, the Contractor shall not release any information concerning the work product including any reports or other documents prepared pursuant to the Agreement until the final product is submitted to the City.

18. **Establishment and Maintenance of Records.** Records shall be maintained by the Contractor in accordance with applicable law and requirements prescribed by the City with respect to all matters covered by this Agreement. Except as otherwise authorized by the City, such records shall be maintained for a period of three (3) years after receipt of final payment under this Agreement.

19. **Audits and Inspections.**

A. Notwithstanding anything in this Agreement to the contrary, nothing herein, including specifically but not limited to Section 17 (Reports and Information), Section 18 (Establishment and Maintenance of Records), and this Section 19, shall obligate the Contractor to disclose any information in violation of any State or Federal Law, Rule or Regulation, including specifically HIPAA. For purposes of this Agreement HIPAA is defined as the Health Insurance Portability and Accountability Act of 1996, and any regulations promulgated thereunder. In the event that Contractor is required to provide any information or Services herein that requires a Business Associate Agreement because Contractor is considered a business associate pursuant to HIPAA, such information or Services shall not be provided until the applicable parties sign a Business Associate Agreement compliant with HIPAA. In addition to the foregoing, nothing in this Agreement shall obligate Contractor to disclose any information except to the extent it directly relates to the City, its employees or participating Other Government Entities.

B. With the exception of the information identified in subsection A, at any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of the Contractor's records with respect to all matters covered by this Agreement. The Contractor shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. The Contractor understands and will comply with the City's Accountability in Government Ordinance, §2-10-1 et seq. and Inspector General Ordinance, §2-17-1 et seq. R.O.A. 1994, and also agrees to provide requested information and records and appear as a witness in hearings for the City's Board of Ethics and Campaign Practices pursuant to Article XII, Section 8 of the Albuquerque City Charter.

20. Publication, Reproduction and Use of Material. Notwithstanding that material produced in whole or in part under this Agreement may be subject to copyright in the United States or in any other country, the City shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared by Contractor solely for the City under this Agreement. The City and Contractor agree that they shall work cooperatively to ensure that the City has authority to publish, disclose, distribute and otherwise use any reports, data or other materials prepared under this Agreement.

21. Compliance with Laws. In providing the Services outlined herein, the parties shall comply with all applicable laws, ordinances, and codes of the Federal, State, and local governments.

22. Changes. The City may, from time to time, request changes in the Services of the Contractor to be performed hereunder. Such changes, including

any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the City and the Contractor, shall be incorporated in written amendments to this Agreement and signed by authorized representatives of the parties.

23. Assignability. The Contractor shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment or novation), without the prior written consent of the City thereto, which consent shall not be unreasonably withheld.

24. Termination for Cause.

A. By City. If, through any cause, other than force majeure, the Contractor shall fail to fulfill in a timely and proper manner its obligation under this Agreement or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving thirty (30) calendar days' written notice to the Contractor of such termination and specifying the effective date of such termination. In such event, all finished or unfinished documents, data, and reports prepared by the Contractor under this Agreement shall, at the option of the City, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purposes of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

B. By Contractor. If, through any cause, other than force majeure, the City and/or participating Other Governmental Entities shall fail to fulfill in a timely and proper manner, its obligation under this Agreement or if the City and/or participating Other Governmental Entities shall violate any of the covenants, agreements, or stipulations of this Agreement, the Contractor shall thereupon have the right to terminate this Agreement with respect to the City and/or any participating Other Governmental Entities by giving ninety (90) calendar days' written notice to the City and/or participating Other Governmental Entities of such termination and specifying the effective date of such termination. In such event, the Contractor shall perform all Services for which just and equitable compensation has been received hereunder.

25. Termination By City without Cause. The City may terminate this Agreement at any time by giving at least thirty (30) calendar days' notice in writing to the Contractor. If the Contractor is terminated by the City as provided herein, the Contractor will be paid an amount which bears the same ratio to the total compensation as the Services actually performed bear to the total Services of the Contractor covered by this Agreement, less payments of compensation previously

made. If this Agreement is terminated due to the fault of the Contractor, the preceding section hereof relative to termination shall apply.

26. Construction and Severability. If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.

27. Enforcement. Each party agrees to pay their own costs and expenses including reasonable attorney's fees incurred by that party in exercising any of its rights or remedies in connection with the enforcement of this Agreement.

28. Ethics and Campaign Practices Board. The Contractor agrees to provide the Board of Ethics and Campaign Practices of the City of Albuquerque or its investigator (the "Board") with any records or information pertaining in any manner to this Agreement whenever such records or information are within the Contractor's custody, are germane to an investigation authorized by the Board and are requested by the Board. The Contractor further agrees to appear as a witness before the Board as required by the Board in hearings concerning ethics or campaign practices charges heard by the Board. The Contractor shall not be compensated for its time or any costs it incurs in complying with the requirements of this paragraph.

29. Open Meetings Requirements. Any nonprofit organization in the City which receives funds appropriated by the City, or which has as a member of its governing body an elected official, or appointed administrative official, as a representative of the City, is subject to the requirements of §2-5-1 *et seq.* R.O.A. 1994, Public Interest Organizations. The Contractor agrees to comply with all such requirements, if applicable.

30. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

31. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, and the laws, rules and regulations of the City of Albuquerque.

32. Notices. Any notice required or permitted in the Agreement shall be in writing, and shall be hand delivered or delivered by certified mail to the addresses set forth below:

CONTRACTOR:

Vice President Chief Sales & Marketing Officer
Presbyterian Health Plan, Inc.
9521 San Mateo Blvd. NE
Albuquerque, NM 87113

With copy to:

Amy Garcia
Senior Account Manager
Presbyterian Health Plan, Inc.
9521 San Mateo Blvd. NE
Albuquerque, NM 87113

With additional copy to:

V.P. and Associate General Counsel
Presbyterian Health Plan, Inc.
9521 San Mateo Blvd. NE
Albuquerque, NM 87113

CITY:

City of Albuquerque
Insurance and Benefits Office
Attention: Mark Saiz, HR Manager
P.O. Box 1293
Albuquerque, NM 87103

With copy to:

Mary L. Scott
Human Resource Director
City of Albuquerque
P.O. Box 1293
Albuquerque, NM 87103

33. Approval Required. This Agreement shall not become binding upon the City until approved by the highest approval authority of the City required under this Agreement.

34. Precedence. In the event of any conflict among the documents incorporated into this Agreement and the Agreement, the following order of precedence shall apply:

1. The GSA; then

2. Any Agreement amendment(s), in reverse chronological order; then
3. This Agreement itself; then
4. The Contractor's proposal response dated December 22, 2017 to the City's Request for Proposals; then
5. The City's Request for Proposals dated November 17, 2017.

Signatures are on the next page

IN WITNESS WHEREOF, the City and the Contractor have executed this Agreement as of the date first above written.

CITY OF ALBUQUERQUE

Approved By:

Sarita Nair
Chief Administrative Officer

Date: 9/27/18

Mary L. Scott, Director
Human Resources Department

Date: 9/4/18

B. Jesse Muñiz, MBA Chief Procurement Officer

Date: 9/14/18

CONTRACTOR:

By:
Brandon Fryar-President

Date: 8.31.18

Fed Tax ID No: 94-3037165

State Tax ID No: 0208451900

Exhibit 4

Entities Participating under City of Albuquerque

City of Albuquerque

Albuquerque Bernalillo County Water Authority Utility

Sandoval County

Middle Rio Grande Conservancy District

City of Belen

Southern Sandoval County Arroyo Flood Control Authority

Town of Bernalillo

Town of Cochiti Lake

Village of Corrales

Village of San Ysidro

Town of Edgewood

Town of Mountainair

Village of Cuba

Village of Tijeras

Village of Bosque Farms

Village of Los Ranchos De Albuquerque

Village of Jemez Springs

Exhibit 5

Rules and Regulations – Guidelines for Enrollment

These rules and regulations apply to employees of the City of Albuquerque and government entities that have elected to participate in the same insurance plans. There may be differences in eligibility between entities. For example, not all governing bodies of the entities have approved allowing an employee's domestic partner and his/her children to be eligible for insurance coverage. Entities also differ in the employer contribution towards insurance premiums. Please check with your employer's Benefits Office for clarification. Employees with family members working for any participating entity may not double cover any family member on the same group insurance plan.

Who is Eligible:

- Regular employees (including those on probation)
- Elected officials
- Legal spouse of an employee
- Domestic Partner of an employee*
- Children who are under age 26 AND meet at least one of the following criteria:
  - Natural child of the employee, spouse or domestic partner
  - Placed in the employee's home and in process of being adopted by the employee, spouse or domestic partner
  - Adopted by the employee, spouse or domestic partner
  - Court order that requires the employee, spouse or domestic partner provide health insurance coverage for the child
  - Court document that shows the employee, spouse or domestic partner has full, permanent custody of the child
  - Children over age 26 may **continue** participating in the group insurance plans if they are physically or mentally disabled and are not eligible for any other plan. This continuation is subject to normal enrollment guidelines and documentation approved by the insurance carrier.

* A domestic partner is defined as a person of the same or opposite sex who lives with the employee in a long-term relationship of indefinite duration and has not been married to anyone during the previous 12 months. There must be an exclusive mutual commitment similar to that of marriage, in which the partners agree to be financially responsible for each other's welfare and share financial obligations. These benefits are also available to the domestic partner's children provided that the child meets the definition of eligibility stated above. Note the criteria and required documents in the *Changing Benefit Elections* section.

Benefit Options:

Options vary by participating entity but may include:

Medical Insurance
Dental Insurance
Vision Insurance
Term Life Insurance
Auto & Home Insurance
Legal Insurance
Short Term Disability Insurance
Flexible Spending Accounts (Medical, Dependent Care, Parking/Transit)

Exhibit 5

Coverage Options

Employee Only	Employee Plus Spouse or Domestic Partner
Single Parent	Family

Changing Benefit Elections and Qualifying Life Events:

Many of the rules for enrollment and eligibility are made by the Internal Revenue Service because they allow your salary to be reduced by the premiums you pay before taxes are calculated (Internal Revenue Code Section 125.) Only medical, dental, vision and flexible spending account benefits listed on the previous page are deducted on a pre-tax basis. Other benefit options are post-tax. Important rules to know are:

Once you have made an election during your initial enrollment period of 31 days from your hire date then you are **locked into that decision until the next open enrollment. Exceptions to this are qualifying life events. Please note: Qualifying Life Events do not allow you to change your Presbyterian Gym Membership election. The only time to elect participation, or disenrollment, is during open enrollment.**

You must provide documentation of the Life Event and log into PeopleSoft Employee Self Service (ESS) to enroll within **31 days of the Life Event.** Documents should be scanned and you will be prompted to upload them during your Life Event entry in ESS. Qualifying Life Events and acceptable documents are:

- **Marriage** - Marriage certificate
- **Domestic Partnership meeting eligibility requirements** – Affidavit* and three proofs of financial interdependence
- **Termination of Domestic Partnership agreement – Affidavit of Termination of Domestic Partnership form must be complete.**
- **Divorce** – Court issued, date stamped, divorce decree (Ex-spouses are ineligible for coverage after the divorce except through COBRA. Divorce not reported timely may result in full responsibility of claims and loss of COBRA rights.)
- **Birth** – Hospital certificate/ Proof of birth is acceptable to add your dependent. Birth certificate is required upon receipt
- **Death** – Death certificate
- **Change in employment status** affecting benefits eligibility (for you or your spouse) - Letter/form from employer that is notification of the job change, coverage ending or new eligibility period of your Spouse/Domestic Partner's employer
- **Open Enrollment** – If you are adding a dependent for which you have not yet established proof of your relationship then you must do so at this time.
- **Involuntary loss of coverage** – Official notification of involuntary loss
- **Dependent child losing eligibility** - Official notification of loss
- **Dependent change of residence** that affects benefits eligibility - Documentation of the change or a letter explaining the change
- Dental Insurance Only – **dependent child between the ages of 2 and 3** may be added to a plan in which you are already enrolled – you must submit a written request

* The **Affidavit of Domestic Partnership:** is a City form and legal document in which both the employee and the domestic partner swear that they meet the following criteria:

- Both are unmarried and have been for at least 12 months

- Reside in the same residence for at least 12 months and intend to do so indefinitely
- Meet the age requirements for marriage in the state of New Mexico
- Are not related by blood to the degree prohibited in a legal marriage in the State of New Mexico
- Are financially responsible for each other's welfare and share financial obligations

In addition to the notarized affidavit, **three** of the following documents are also required.

- Joint lease/mortgage or ownership of property
- Jointly owned motor vehicle, bank or credit account (only one qualifies)
- Domestic partner named as beneficiary of the employee's life insurance
- Domestic partner named as beneficiary of the employee's retirement benefits
- Domestic partner named as primary beneficiary in the employee's will
- Domestic partner assigned as power of attorney or legal designee by the employee
- Both names on a utility bill
- Both names on an investment account

Adding a Domestic Partner can be done through Employee Self Service (ESS). The Affidavit of Domestic Partnership can be found on the City's website in the forms section of HR>Employee Benefits.

The Federal Government does not recognize domestic partners as qualified dependents and therefore the premium paid for their coverage cannot be pre-tax. In addition, the employee must pay tax on the portion of the premium paid by the city for the domestic partner and his/her covered children. Employees wanting to change benefit elections involving a domestic partner must adhere to the same rules regarding qualifying events.

Delayed Enrollment: Missing the initial enrollment period, 31-day qualifying event period or the annual open enrollment period, may result in **delayed enrollment**, a delay in notification of loss of coverage and **paying for coverage no longer provided (such as for an ex-spouse.)** Alternatively, delayed entry may result in double deductions for premiums due for backdated coverage. The effective date will depend on the event.

Name/Address Changes: It is important to keep your employer and the insurance plans informed when you experience a name and/or address change to prevent a disruption of service and receipt of important policy information. Please make updates yourself through PeopleSoft Employee Self Service. Address changes in ESS will automatically be communicated to the vendors. An employee's name change requires uploading a Social Security Card with the new name on it.

Effective Date of Coverage, Changes and/or Terminations:

New Employees – Coverage begins on your hire date which is the first day of the pay period. Pay periods begin on Saturday and are two weeks long. New Employee Orientation (NEO) is usually held on Monday following the beginning of a pay period. You have 31 days from your hire date to complete the online enrollment process and upload verification of dependent eligibility.

- **Qualifying Life Events** – Coverage begins on the first day of the pay period following your event date. Three exceptions to this are for the birth of a child, marriage and divorce. The coverage begins on the date of birth if documentation and online entry are completed within the 31-day enrollment period. Delaying the

entry of a Life Event may result in extra deductions for premiums due. Losing or gaining eligibility for Medicaid allows a 60-day enrollment period.

An ex-spouse or domestic partner is not eligible to continue participation in the insurance program, except through COBRA (see the next page). Therefore, when the divorce decree is uploaded into PeopleSoft and the Divorce Life Event is entered, the end of coverage will be back dated to the day following the court stamped date on the decree.

- **Reinstatement** – An employee who is terminated from the City and subsequently reinstated is eligible to re-enroll in benefits through ESS by selecting the Life Event "I had a Life Status Change Not Listed Above." The required document is the letter of reinstatement. The effective date of coverage will be the first day of the pay period following the reinstatement.
- **Open Enrollment-**This is a three week (or longer) period established annually (usually in May/June) that allows all benefits eligible employees to make changes to their benefit elections without having experienced a qualifying life status change. Annual premium changes also occur at this time and will automatically be updated on the 1st paycheck containing July 1st, without you having to make a new election.

Benefit changes elected during open enrollment are effective on July 1st or if you are cancelling coverage then the last day of coverage will be June 30th. It is the only time to make benefit changes without a Qualifying Life Event.

Effective 7/1/2016 Presbyterian Health Plan offers the option of a gym membership for no additional premium. The only time to elect participation, or disenrollment, is during open enrollment.

- **Termination of Coverage**

Insurance ends at the end of the pay period in which the event occurs. Exceptions to this are

- Retirees' coverage stops at the end of the month prior to the PERA retirement date
- Dependents reaching the age limit lose coverage at the end of the month after their 26th birthday
- Ex-spouses lose coverage the day after the divorce is final
- Domestic Partners lose coverage the end of the pay period in which the termination notice is signed.

Double Coverage:

Neither you, nor your spouse, domestic partner nor dependent child who works for the City, or one of our participating entities (i.e. Sandoval County), may be double covered on medical, dental, vision or voluntary term life. The only exception to this is when you or your spouse/domestic partner is retiring or terminating and the only alternative to double coverage is a gap in coverage. Double coverage can last no longer than two weeks with proper documentation.

Insurance Premium and Benefit Plan Participation Payments:

The City pays a substantial portion of medical, dental and vision premiums regardless of the coverage options you elect. Your benefit payments are deducted for coverage during the same two week period for which you are paid. Your earnings are reduced by your portion of the medical, dental and vision insurance premiums before Federal, State and FICA taxes are calculated, thereby saving you money.

Exhibit 5

Leave Without Pay/FMLA/Military Leave:

Employees are responsible for paying their Group Health Premiums regardless of receiving a paycheck. This means if your employment status is "active" and you do not receive a paycheck then you will be responsible for paying the employee AND the employer portion of your medical, dental, vision premiums, and also your current deduction(s) for other supplemental benefits in that period. You will be responsible for making payment arrangements through the Insurance and Benefits Office (contact information is provided in the back of this booklet). Payment arrangements depend on the situation and will be reviewed on an individual basis. Failure to either make payment arrangements or to make timely payments will result in cancellation of benefits back to the end of the pay period for which the premiums were paid.

NOTE: You are exempt from having to pay the employer's portion if you are on military leave or approved leave under the Family Medical Leave Act.

COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) is the federal law that allows the employer to offer continued participation in medical, dental, and/or vision group insurance coverage if your employment terminates (18 months maximum) or your covered dependent loses eligibility (36 months maximum.) The Insurance & Benefits Office monitors when dependent children are approaching the end of eligibility on the last day of the month in which they turn 26 and will automatically cancel their coverage and have the notification of COBRA options mailed to them. Domestic partners of employees are eligible to continue coverage under COBRA when their eligibility ends under the active employee plans. Electing to continue coverage must be made within 60 days of the date eligibility was lost on the active employee plans or from the notification of the loss of coverage. Therefore, continued coverage will be offered to children losing eligibility or ex-spouses of employees whenever you submit documentation of the qualifying event. However, all the months since the coverage ended must be paid in order to reinstate coverage. The cost of the coverage is 102% of the full monthly premium. You will receive written notification of your rights and responsibilities after you upload documentation into PeopleSoft when you or your dependent experience an event that qualifies. Additional information is available in the Insurance and Benefits Office and on the City's website.

CITY OF ALBUQUERQUE

Human Resources Department

Exhibit 6

March 23, 2018

Ms. Amy Garcia
Presbyterian Health Plan

Dear Ms. Garcia,

On behalf of the City of Albuquerque, and our participating entities, I am pleased to inform you that your proposal to provide group health insurance has been accepted and approved. The City has agreed to the following premiums, plan design changes, and conditions from Presbyterian Health Plan:

MONTHLY PREMIUMS

	FY/19 Rates
Employee	$ 481.09
Employee and Spouse	$ 978.84
Employee and Child(ren)	$ 772.77
Employee and Family	$ 1412.64

PLAN DESIGN CHANGES for FY 19

All benefit offerings will remain the same as FY 18 with the following exceptions:

- Deductible will increase from $100 to $175
- Emergency Room co-payment will increase from $100 to $200

We have accepted all offers and benefits identified in your counter proposal dated March 19, 2018 and have agreed to the additional offering of Presbyterian's purchasing of 3,000 Fit bits for a Mayoral Employee Health Challenge and working with Presbyterian Health Plan as a partner/sponsor for a Mayoral Community Health Program.

On behalf of our employees, we look forward to continuing our partnership with Presbyterian Health Plan.

Sincerely,

Mark Saiz, CGBA
Human Resource Manager
Insurance and Benefits

P.O. Box 1293
Albuquerque
New Mexico 87103
www.cabq.gov

Exhibit 7

ALBUQUERQUE

City of Albuquerque

Performance Guarantees - Administration of the Program

Performance Guarantees	Measurement Frequency	Dollars at Risk ($)
1) **Vendor attendance at the CITY Meetings:** Attendance by vendor representatives when requested at meetings scheduled by the Client during the contract period and implementation phase phase.	Quarterly	Presbyterian Account Manager agrees to provide representation at all meetings requested and scheduled by Client. **$250 per month penalty applies per quarter**
2) **Vendor Call (or e-mail) return timeliness** The CITY or designated consultant's calls (or e-mail) to vendor are returned within 48 business hours.	Quarterly	Presbyterian Account Manager agrees to respond to the City and designated consultant phone calls and email within 48 business hours. **$1500 penalty per year if quarterly metrics are not met.**
3) **Processing monthly eligibility updates** All updates to eligibility or enrollment records will be made within 3 business days after the information is received by the vendor. Within 5 business days a discrepancy report sent to the City	Monthly	PHP agrees to process all weekly EDI files within 5 business days of receipt, including working any discrepancy/error reports. If resolution of discrepancy is dependent on CABQ to provide information, PG does not apply. **$500 per month penalty applies per quarter.**
4) **Telephone call availability or answering speed** 95% of all calls are answered within 30 seconds Telephone service is available between 8:00AM (MST) and 6:00 PM (MST) on business days	Monthly Monthly	Presbyterian agrees to our standard metric: **80% of calls answered in 30 seconds.** We are happy to discuss additional costs that would be associated with increased performance levels. **Speed of Answer of Telephone Calls**, calculated over the complete business day, is defined as the time a caller spend on hold until a Customer Service Representative becomes available. **Method of Measurement:** The speed of answer will be measured from the time a call is queued by the automated telephone system for the next available Customer Service representative until the time the caller is connected with a Customer Service Representative. The Speed to Answer is provided by telephone reports that compute the number of seconds that callers spend on hold waiting for their call to be answered. **$500 per month penalty applies per quarter**
5) **Telephone call on hold (in queue) time** An average of less than 2 minutes on hold before a human being answers.	Monthly	Presbyterian agrees to this metric. **$500 per month penalty applies per quarter.**
6) **Telephone Abandonment Rate** An abandonment rate of less than 3% is maintained during standard business hours.	Monthly	Presbyterian agrees to our standard metric: **<4% Abandoned Calls.** We are happy to discuss additional costs that would be associated with increased performance levels. **<4% Abandoned Calls** are defined as calls, calculated over the complete business day, that reach the facility and are placed in a queue, but are not answered because the caller hangs up before a Customer Service Representative becomes available. Any calls abandoned or terminated by the caller prior to 5 seconds will not be counted as Abandoned Calls. **$500 per month penalty applies per quarter.**

Exhibit 7

Performance Guarantees	Measurement Frequency	Dollars at Risk ($)
7) **Claims Financial Accuracy** 99% of claims dollars submitted for payment will be accurately processed and paid.	Quarterly	Presbyterian agrees that 99% of claims dollars submitted for payment will be accurately processed and paid. **$500 per month penalty applies per quarter.**
8) **Turnaround Time on Claim Payment** 97% of all claims received will be completely processed (paid, denied, or pended for additional information) within 14 calendar days after they are received. 100% of claims will be processed within 30 days of receipt.	Quarterly Quarterly	Presbyterian agrees to our standard metric: **95% of clean claims turned around in 30 days** We are happy to discuss additional costs that would be associated with increased performance levels. **Claims Processing Turnaround Time** means the period beginning on the date the Claim Administrator receives a Clean Claim for processing through the date the Claim passes all system edits and benefits are approved or denied by the Claim Administrator. The performance guarantee is measured as a percent of all Clean Claims processed within 30 calendar days. **Method of Measurement:** The number of Claims processed in 30 calendar days divided by the total number of claims. **$500 per month penalty applies per quarter.**
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Exhibit 7

Performance Guarantees	Measurement Frequency	Dollars at Risk ($)
10) Timeliness and accuracy of Claim Reports Each report must be delivered no later than 20 days following the end of a quarter. Reporting to include all expenses (ie, the claims associated with the Capitated funding arrangement, Mobile Mobile clinic dollars and visits). Reporting on a paid basis and incurred basis.	Quarterly	Once awarded the bid, both parties will agree to specific reports and frequencies based on the CITY's needs. $1,000 penalty per month
11) Implementation Successful implementation is defined by key milestones. Include measureable milestones in your proposal.	Annually	Once awarded the bid, both parties will agree to an implementation schedule, and Presbyterian agrees to penalties if metrics are not met. $1500 penalty applies per year.
12) Data Exchange Receive and transmit data with vendors based on a frequency defined by the business needs of the CITY (i.e., Wellness or clinic eligibility)	Annually	Once awarded the bid, both parties will agree to specific reports and frequencies based on the CITY's needs. $1500 penalty applies per year.
Total Dollars at Risk	Total $$	$61,500

Exhibit 7

ALBUQUERQUE

City of Albuquerque

Performance Guarantees - Administration of the Program

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Exhibit 7

ALBUQUERQUE

City of Albuquerque

Performance Guarantees - Administration of the Program

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Total Dollars at Risk	**Total $5**	**$61,500**

Anti-depressant Medication Management – Acute Phase	The percentage of members 18 years of age and older who were treated with antidepressant medication, had a diagnosis of major depression and who remained on an antidepressant medication treatment. Eligible Population: Members 18 years and older diagnosed with depression AND dispensed an antidepressant medication between May	Numerator Requirements: Members who remained on anti-depressant medication for 84 days (12 weeks) during the 114 day period following the qualifying event	None
Anti-depressant Medication Management – Continuous Phase		Numerator Requirements: Members who remained on anti-depressant medication for 180 days (6 months) during the 231 day period following the qualifying event	None
Follow-up after Hospitalization for Mental Illness – 7 days	The percentage of members ages 6 years of age and older who were hospitalized for treatment of selected mental illness or intentional self-harm who had a follow-up visit with a mental health practitioner within 7 days after discharge.	TWO separate numerators are reported. • An outpatient visit, intensive outpatient visit or partial hospitalization with a mental health practitioner within 7 days after discharge. Include outpatient visits, intensive outpatient visits or partial hospitalizations that occur on the date of discharge. o Report for members age 6-17 (as of day of discharge) o Report for members age 18 and older (as of day of discharge)	Exclude discharges meeting either of the following: • Discharges followed by readmission or direct transfer to non-acute facility within 30 day follow up period, regardless of the principal diagnosis for the readmission • Discharges followed by readmission or direct transfer to an acute facility within the 30 day follow up period if the diagnosis was for a non-mental health condition.

All measurements are based on current criteria and cannot be measured against prior year's measurement criteria.
Measurement criteria is subject to change based on updated HEDIS criteria from year to year.

Non-emergent Emergency Room Visits

The [Non-emergent ER visits/1000] and the [Non-emergent ER visits paid amount] were calculated using the methodology below. For a given reporting period:
Obtain [% of non-emergent ER visits] by using the NYU ED algorithm1. NYU ED algorithm looks at each claim and uses the primary diagnosis to calculate the probability of each claim falling into one of the nine categories (injury, not preventable, primary care treatable, non-emergent, unable to classify, preventable and avoidable, alcohol, psychiatric, drugs). The probability of the claim being a non-emergent ER visit is rolled up to a group level to give a % of non-emergent ER visit.
Obtain [ER visits/1000] by defining an ER visit as claims that have ER flag = YES (ER flag using MedeAnalytics standard definition2) and Service Category = Outpatient Facility.
Obtain [Total Paid]
Multiply [% of non-emergent ER visits] by [ER visits/1000] to obtain [Non-emergent ER visits/1000].
Multiply [% of non-emergent ER visits] by [Total Paid] to obtain [Non-emergent ER visits paid amount].
Note that denied claims were not considered for this analysis.
This methodology doesn't yield a direct actionable item as it doesn't classify an ER visit as a definite non-emergent vs emergent ER visit but rather looks at the entirety of the ER visits for the group. To complement the lack of actionable items, suggestion would be for PHP to do the following and communicate the task items to CABQ:
1. Identify all ER visits with the primary diagnosis that have 100% probability of being non-emergent according to NYU ED algorithm and identify patterns such as demographics, clinical categories, member locations etc. As the % of non-emergent ER visits decreases, we can lower the threshold of the non-emergent probability that qualifies the members to be on the action list.
2. Identify high ER utilizers under the assumption that some of the utilization by high utilizers are inappropriate use of ER.

1 https://wagner.nyu.edu/faculty/billings/nyued-background
2 If Rev Code IN ('0450','0451','0452','0456','0459','0981') or Place of service=23 or Procedure code=99281-99285

Performance Measures with Financial Risk

Measure	Description	Numerator	Exclusions
Comprehensive Diabetes - A1c Screening	The percentage of members 18-75 years of age with diabetes (Type 1 and Type 2) who receive appropriate screening and have outcomes in good control Eligible Population: Members age 18-75 in the measure year with Type 1 or Type 2 diabetes	A1C Screening The most recent HbA1c level was performed during the measurement year.	History of polycystic ovaries at any point prior to the end of the measure year. A diagnosis of gestational diabetes or steroid-induced diabetes in the measure year.
Comprehensive Diabetes - Blood Sugar Not Controlled** >9.0% (Lower number = better result)		The most recent HbA1c level performed during the measurement year is >9.0 as identified by automated laboratory data or medical record review.	
Comprehensive Diabetes - Diabetic Retinal Eye Exam		An eye screening for diabetic retinal disease as identified by administrative data or medical record review. This includes diabetics who had one of the following: • A retinal or dilated eye exam by an eye care professional (optometrist or ophthalmologist) in the measurement year • A negative retinal or dilated exam (negative for retinopathy) by an eye care professional (optometrist or ophthalmologist) in the year prior to the measurement year.	
Comprehensive Diabetes - Nephropathy Screening		The member meets the measure through any ONE of the following: • Nephropathy Screening Test – urine microalbumin • Evidence of nephropathy: o Visit to a nephrologist o Documentation of a renal transplant o Documentation of medical attention for ANY of the following (no restriction on provider type): •Diabetic nephropathy • ESRD •Chronic Renal Failure (CRF) •Chronic Kidney Disease (CKD •Renal Insufficiency • Proteinuria •Albuminuria •Acute Renal Failure (ARF) • A positive macroalbumin test • Evidence of ACE Inhibitor/ARB Therapy	
Medication Management for People with Asthma	The percentage of members 5-64 years of age during the measurement year who were identified as having persistent asthma and were dispensed appropriate medications that they remained on during the treatment period. Eligible Population: Members aged 5-64 with persistent asthma	Using the initial prescription date in the year, determine if the member remains on controller medication for at least 50% of time between the initial prescription date in the measure year.	Members with a history of: •Emphysema •COPD •Obstructive ChronicBronchitis •Chronic Respiratory Conditions •Cystic Fibrosis •Acute Respiratory Failure
PPC: Timeliness of Pre-Natal Visit	Prenatal Care: The percentage of deliveries that received a prenatal care visit as a member of the organization in the first trimester or within 42 days of enrollment in the organization.	Depending on the length of time the member is enrolled with the organization PRIOR to delivery, there are various methods to meet the numerator requirement: • For members enrolled between 219 and 279 days prior to delivery, numerator compliance is met by meeting any ONE of the following (visit can be with an OB/GYN or PCP). The visit must occur in period between 176 and 279 days before delivery: o A prenatal visit with an obstetrical panel o A prenatal visit with an ultrasound of the pregnant uterus o A prenatal visit with a pregnancy-related diagnosis code o A prenatal visit with ALL of the following:	None
PPC: Timeliness of Post-Partum Visit	The percentage of deliveries that had a postpartum visit on or between 21 and 56 days after delivery. Eligible Population: Women who had a live birth delivery in the measure year		

City of Albuquerque

Clinical Reporting Measurement Criteria - July 1, 2018 - June 30, 2019

Medication Adherence for Hypertension (Renin Angiotensin System (RAS) Antagonists

Medication Adherence for HTN - definition

The percentage of beneficiaries, age 18 or older, who adhere to their prescribed RAS antagonists: ACE inhibitors, ARBs, or Direct Renin Inhibitors.

Numerator: Number of member-years of beneficiaries, age 18 or older, enrolled during the measurement period with at least 270 days on RAS antagonists

Denominator: Number of member-years of beneficiaries, age 18 or older, enrolled during the measurement period with at least two fills of any RAS antagonist.

Medications:

RAS Antagonist Hypertension Direct Renin Inhibitors

ARB Medications
- candesartan
- eprosartan
- irbesartan
- losartan
- olmesartan
- telmisartan
- valsartan
- azilsartan

ACE Inhibitors
- benazepril
- captopril
- enalapril
- fosinopril
- lisinopril
- moexipril
- perindopril
- quinapril
- ramipril
- trandolapril

ACE Inhibitor Combination Products
- amlodipine & benazepril
- benazepril & HCTZ
- captopril & HCTZ
- enalapril & HCTZ
- fosinopril & HCTZ
- lisinopril & HCTZ
- moexipril & HCTZ
- quinapril & HCTZ
- trandolaprilverapamil & HCTZ

HCTZ/ARB Combination Products
- candesartan & HCTZ
- eprosartan & HCTZ
- telmisartan & amlodipine
- irbesartan & HCTZ
- losartan & HCTZ
- amlodipine & olmesartan
- azilsartan & chlorthalidone
- olmesartan & HCTZ
- telmisartan & HCTZ
- aliskiren & valsartan
- olmesartan & amlodipine & HCTZ
- valsartan & HCTZ
- amlodipine & valsartin
- amlodipine & valsartin & HCTZ

Colorectal Cancer Screening Description

The percentage of members 50–75 years of age who had appropriate screening for colorectal cancer

Any of the following meet criteria:

- Fecal occult blood test during the measurement year.
- Flexible sigmoidoscopy during the measurement year or the four years prior to the measurement year.
- Colonoscopy during the measurement year or the nine years prior to the measurement year.
- CT colonography during the measurement year or the four years prior to the measurement year.
- FIT-DNA test during the measurement year or the two years prior to the measurement year.

Cervical Cancer Screening Description

The percentage of women 21–64 years of age who were screened for cervical cancer using either of the following criteria:

- Women 21–64 years of age who had cervical cytology performed every 3 years.
- Women 30–64 years of age who had cervical cytology/human papillomavirus (HPV) co-testing performed every 5 years.

Diabetes Measures - HEDIS Criteria

Members included in the measurement must meet HEDIS criteria. The member must have had at least one acute inpatient claim/encounter with a diagnosis of diabetes during the measurement period OR 2 separate outpatient occurrences on separate dates with a diagnosis of diabetes or dispensed a HEDIS approved diabetic medication within the same measurement period. The member must also have had continuous membership under the plan for the entire measurement period.

City of Albuquerque

Reporting Measures - Reporting Period July 1, 2018 - June 30, 2019

Measure	Description of Report	Frequency	Comments
Depression Management	Adults over 21 years of age- Identified/Outreach performed/Engaged	Quarterly	data includes PMG and Non PMG
Managing Acute Care Episodes	PHP agrees to identify high risk cases based on the PHP algorithms for identification and risk stratification. All members who agree to participate will be assigned to a care manager. Care management guidelines are based on diagnosis and treatment protocol. Cases will be reviewed by the Medical Director and Care Team and referred into the appropriate care	Quarterly	data includes PMG and Non PMG
Opioid Data Reporting	Report percent of ALL members receiving opioids from two or more prescribers and utilizing two or more pharmacies.	Quarterly	data includes PMG and Non PMG
Polypharmacy Pharmacy Reporting	Report percent of ALL members receiving 7 or more prescriptions per month.	Quarterly	data includes PMG and Non PMG
Value-Based Provider Agreements	Have the plan or provider report the number and percentage of their contracts that are covered by value-based agreements that may include but be limited to patient-centered medical homes, accountable organizations, bundled payments (must include facility charge and at least one professional component). Also include the total dollars paid under those agreements. Further, Contractor shall report the total dollars paid under such agreements. This will set the baseline and there will need to be measurable improvements for the baseline subject to a mutually agreed upon penalty structure based on a percentage of administrative and/or disease management fees.	Semi-annually	data includes PMG and Non PMG
Non-emergent ER Visits	Total emergency room visits paid with a non-emergent diagnosis.	Quarterly	data includes PMG and Non PMG
Colorectal Cancer Screening	The percentage of members who received a screening per USPSTF guidelines. Based on HEDIS results and represents entire CABQ enrolled demographic.	Quarterly	data includes PMG and Non PMG
Cervical Cancer Screening	The percentage of members who received a screening per USPSTF guidelines. Based on HEDIS results and represents entire CABQ enrolled demographic.	Quarterly	data includes PMG and Non PMG
Upper Respiratory Infection (URI) in Children	The percentage of children 3 months–18 years of age who were given a diagnosis of upper respiratory infection (URI) and were NOT dispensed an antibiotic prescription	Quarterly	data includes PMG and Non PMG
Human Papilloma Virus (HPV)	The percentage of adolescents 13 years of age who have completed the series of the human papillomavirus (HPV) vaccine by their 13th birthday	Quarterly	data includes PMG and Non PMG
Preventive Medication	The percentage of members on a Preventive Medication per ACA guidelines.	Quarterly	data includes PMG and Non PMG
Medication Therapy for Hypertension	Percentage of ALL members diagnosed with hypertension that have filled 270 days of prescribed medication and have been continuously enrolled for a minimum of 11 months. This report will exclude members who have been discontinued or switched to a different therapeutic agent and members who have terminated coverage during the reporting year.	Reported annually. Final reporting due 45 days after the reporting period.	data includes PMG and Non PMG

City of Albuquerque

HEALTH OUTCOMES OPTIMIZATION PROJECT

→Use analytical data to identify members contributing to the 5th percent of the group's total healthcare costs

→Used the Johns Hopkins ACG data identified utilization patterns and predicative analysis

→Reported semi-annually

2018-2019 Top 5% Cost Drivers	Associated Diagnosis	Number of members identified	Baseline cost per member per year	Q1 & Q2 Results	Q3 & Q4 Results	Target annualized per member per year
HYPERTENSION	Congestive Heat Failure Coronary Artery Disease Diabetes Hyperlipidemia	239	$47,749			TBD
LOWER BACK PAIN	Pain Substance Use Disorder Musculoskeletal Signs & Symptoms	175	$42,787			TBD
ANXIETY	Depression Adjustment Disorder	147	$38,373			TBD
UPPER RESPIRATORY INFECTION	Asthma COPD	209	$44,603			TBD

These learning measures will be studies for 12 months to evaluate the effectiveness and outcomes of specific programs that improve the cost, quality and outcomes of the group's major cost drivers and disease states.

Baseline costs were calculated based on data using claims dollars per member per year for 5/1/2017 through 4/30/2018 .
Top 5% membership measured and reported have continuous membership though the plan year.

City of Albuquerque

Clinical Performance - 2018 Contract Year

		Measurement Period					
		July - Sept.	Oct. -Dec.	Jan. - Mar.	April - June		
Performance Measure	**Baseline**	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**	**Goal ***	**Penalty ****
Comprehensive Diabetes - A1c Screening	74.5%					76.5%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Comprehensive Diabetes - Blood Sugar Not Controlled >9.0%** **(Lower number = better result)**	52.1%					50.1%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Comprehensive Diabetes - Diabetic Retinal Eye Exam	28.2%					30.2%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Comprehensive Diabetes - Nephropathy Screening	77.9%					79.9%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Medication Management for People with Asthma	52.4%					54.4%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
PPC: Timeliness of Pre-Natal Visit	58.9%					60.9%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
PPC: Timeliness of Post-Partum Visit	58.9%					60.9%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Anti-depressant Medication Management – Acute Phase	71.0%					72.0%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Anti-depressant Medication Management – Continuous Phase	52.7%					53.7%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000
Follow-up after Hospitalization for Mental Illness – 7 days	71%					73.0%	95% - 100% of goal = $0 85%-94% of goal = $12,500 75%-84% of goal = $25,000 74% or less of goal = $50,000

*** Goal based on percentage of members left in the measurement period per HEDIS criteria.**

**** Numbers rounded to the nearest percentage.**

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Albuquerque, New Mexico, a municipal corporation ("City"), and Water Utility Authority, a government entity, 400 Marquette NW # 5027, Albuquerque NM 87102, (hereinafter referred to as "Entity").

RECITALS

WHEREAS, the City maintains a group benefits program for eligible employees and their dependents, including medical, dental, vision, life, and other group voluntary benefits; and

WHEREAS, the services and benefits provided to City employees through the group benefits program are provided by contracted providers ("Providers"); and

WHEREAS, the Entity wishes to participate in the City's Provider agreements to offer eligible Entity employees and their dependents the same benefits available to City employees; and

WHEREAS, the City and Entity are willing to enter into a cooperative agreement to offer the City group benefits program to Entity employees.

NOW THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. **PARTICIPATION**. As provided herein, the Entity shall participate in the City group benefits program and shall be entitled to the same plan of benefits and the same monthly premium structure available to the City. In order to receive the benefits of participation, the Entity must offer to its employees only the medical, dental and vision plans contracted by the City. Competing or alternative plans are not allowed. The Entity may also elect to participate in other benefit plans the City offers its employees at the same rate but exclusivity is not required. These options include: gym membership and/or employee assistance program with the medical plan (the employer's FICA expense due to the imputed income for employees' gym enrollment is the Entity's responsibility to pay), life insurance, short term disability, long term disability, flexible spending accounts, legal insurance, and home and auto insurance, and deferred compensation.

A. **ELIGIBILITY, ENROLLMENT, AND OTHER PARTICIPATION CRITERIA.** The following are guidelines for enrollment provided by the City, which reflects eligibility, enrollment and participation criteria. These guidelines for enrollment apply to employees of all Entities electing to participate in the City group benefits program.

I. **ELIGIBILITY TO PARTICIPATE:**

a. Regular employees (including those on probation) scheduled to work twenty (20) hours, or more per week;

b. Elected officials;

c. Unclassified employees scheduled to work thirty (30) hours or more each week (excluding temporary, students, and seasonal employees scheduled to work fewer than six (6) months in a twelve (12) month period);

d. Children under age twenty-six (26) AND who meet at least one (1) of the following criteria:

i. Natural child of the employee, spouse or domestic partner;

ii. Placed in the employee's home and in process for legal adoption or guardianship by the employee, spouse or domestic partner;

iii. Adopted by the employee, spouse or domestic partner;

iv. A court order exists that requires the employee, spouse or domestic partner to provide medical insurance coverage for the child;

v. A court document exists that shows the employee, spouse or domestic partner has full, permanent custody of the child; and

vi. Children over age twenty-six (26) may **continue** participating in the group insurance plans if they are physically or mentally handicapped and are not eligible for any other plan. This continuation is subject to normal enrollment guidelines and approval by the insurance carrier.

e. Legal spouse of an employee; and

f. Domestic partner of an employee. A domestic partner is defined as a person of the same or opposite sex who lives with the employee in a long-term relationship of indefinite duration. There must be an exclusive mutual commitment similar to that of marriage, in which the partners agree to be financially responsible for each other's welfare and share financial obligations. These benefits are also available to the domestic partner's children provided that the child meets the definition of eligibility stated above in Sections 1.A.I.d.

II. **ENROLLMENT.** A permanent/probationary employee may enroll without regard to pre-existing medical conditions within thirty-one (31) days of the date on which permanent employment begins, during scheduled annual open enrollment periods, under the loss of coverage provision or under the Health Insurance Portability and Accountability Act (HIPAA) provision. In addition, newly eligible dependents may be enrolled within thirty-one (31) days of the qualifying event or open enrollment period (typically 3 weeks long). Children placed in an employee's home pending legal adoption may be added within thirty-one (31) days from date of placement; or, a dependent for which the employee is assigned permanent legal guardianship may be added within thirty-one (31) days from the date of the signed order. Newborns must be enrolled within thirty-one (31) days from the date of birth or any medical expenses related to that birth will be the responsibility of the employee. Dependent children between the age of two (2) and three (3) can be added to the employees' dental plan at any time, provided the employee is enrolled in dental at the time the child's enrollment form is submitted or electronically enrolled. An employee may enroll within thirty-one (31) days of the date the employee marries or acquires a child through birth or adoption.

III. **CHANGING BENEFIT ELECTIONS AND QUALIFYING LIFE EVENTS.** The Internal Revenue Service makes many of the rules for enrollment and eligibility because it allows the salary to be reduced by the premiums before taxes are calculated (Internal Revenue Code Section 125). Important rules to know are:

a. Once an election has been made during the initial enrollment period of thirty-one (31) days from the hire date then the election is locked until the next open enrollment; and

b. Exceptions to this are qualifying life events due to a life status change ("Life Status Change"). Qualifying Life Events do not allow employees to change their Gym Membership election unless they are enrolling in medical insurance from not being enrolled at all. The only time to elect participation, or disenrollment, is during open enrollment. Documentation must be provided for the Life Status Change and forms, or electronic submission, must be completed within thirty-one (31) days of the qualifying event. Qualifying Life Events and acceptable documents are:

i. Marriage - Marriage certificate;

ii. Domestic Partnership meeting eligibility requirements – Affidavit:

(a) The Affidavit of Domestic Partnership is a legal document in which both the employee and the domestic partner swear that they meet the following criteria:

(1) Both are unmarried and have been so during the past twelve (12) months;

(2) Reside in the same residence for at least twelve (12) months and intend to do so indefinitely;

(3) Meet the age requirements for marriage in the State of New Mexico;

(4) Are not related by blood to the degree prohibited in a legal marriage in the State of New Mexico; and

(5) Are financially responsible for each other's welfare and share financial obligations.

(b) In addition to the notarized Affidavit, three (3) proofs of financial interdependence of the following documents are also required:

(1) Joint lease/mortgage or ownership of property;

(2) Jointly owned motor vehicle, bank or credit account (only one qualifies);

(3) Domestic partner named as beneficiary of the employee's life insurance;

(4) Domestic partner named as beneficiary of the employee's retirement benefits;

(5) Domestic partner named as primary beneficiary in the employee's will;

(6) Domestic partner assigned as power of attorney or legal designee by the employee;

(7) Both names on a utility bill; or

(8) Both names on an investment account.

(c) The employee's domestic partner is not required to visit the Human Resources Office in order to receive benefits. The employee may submit the signed and notarized Affidavit of Domestic Partnership with the other required documents; and

(d) The Federal Government does not recognize domestic partners as qualified dependents and therefore the premium paid for their coverage cannot be pre-tax. In addition, the employee must pay tax on the portion of the premium paid by the Entity for the domestic partner and his/her covered children. Employees wanting to change benefit elections involving a domestic partner must adhere to the same rules regarding Qualifying Life Events:

iii. Divorce – A court issued divorce decree;

iv. Birth – A hospital certificate or state issued birth certificate;

v. Adoption - A court issued adoption certificate of adoption;

vi. Legal Guardianship - A court issued decree of legal guardianship;

vii. Death – A death certificate;

viii. Change in employment status affecting benefits eligibility (for the employee or the employee's spouse or domestic partner) - Letter/form from employer that is notification of the job change, coverage ending or new eligibility;

ix. Involuntary loss of coverage – Official notification of loss;

x. Dependent change of residence that affects benefits eligibility - notification of change; and

xi. Gaining or losing eligibility for Medicare or Medicaid by the employee or a dependent (sixty (60) day window to request the change of coverage).

c. Dependent child losing eligibility - Official notification of loss or calculation of reaching age twenty-six (26); and

d. Missing the initial enrollment period, thirty-one (31)-day qualifying event period or the annual open enrollment period may result in delayed enrollment, a delay in notification of loss of coverage and paying for coverage no longer provided (such as an ex-spouse.) Alternatively delayed enrollment may result in double deductions for premiums due for backdated coverage. The effective date will depend on the event.

2. **OPEN ENROLLMENT.** Open Enrollment is a three (3) week (or longer) period established annually (usually in May) that allows all benefits eligible employees to make changes to their benefit elections without having experienced a Life Status Change. This is the only opportunity to make changes without a Qualifying Life Event. Members are not required to make a new election, except when the City requires a positive open enrollment. A positive open enrollment means that all benefits-eligible employees must take action in order to continue to receive their elected benefits. Annual premium changes also occur at this time and the Entity is responsible for making payroll deduction adjustments to ensure the monthly premium due July 1st is accurate.

3. **WHEN COVERAGE BEGINS.**

A. For newly eligible employees, coverage begins according to the Entity's own policy, but no later than 31 days from the employee's hire date, after submission of enrollment forms to the Entity's Human Resources Office or electronic enrollment. When enrolling during an open enrollment period, coverage begins on the first (1st) day of the City's fiscal year.

B. Qualifying Life Events – Coverage begins on the first day of the pay period following the event date. Three (3) exceptions to this are for the birth of a child, marriage and divorce. The coverage begins on the date of birth if documentation and forms are completed and submitted to the Human Resources Office within the thirty-one day (31-day) enrollment period, or electronically submitted. Delaying the submission of documentation and forms may result in extra deductions for premiums due. Losing or gaining eligibility for Medicaid allows a sixty day (60-day) enrollment period. An ex-spouse or domestic partner is not eligible to continue participation in the insurance program, except through COBRA. Therefore, when the divorce decree is submitted to the Human Resources Office with the cancellation form, the end of coverage will be back dated to the day following the court stamped date on the decree or the employee's signature on the Domestic Partnership Termination form.

4. **TERMINATION OF COVERAGE.** Benefits terminate at the end of the pay period in which the Life Status Change occurs. Exceptions to this are:

A. Retirement - End of month prior to PERA retirement date;

B. Dependent reaching age limit - End of dependent's twenty-sixth (26th) birth month; and

C. Ex-Spouses - lose coverage the day after the divorce is final. Divorces not reported in a timely manner may result in disciplinary action, full responsibility of claims and loss of COBRA rights.

5. **ELIGIBILITY CHANGES.** The employee is responsible for reporting and submitting to the Entity's Human Resources Office any dependent eligibility changes. Employees will be responsible for any costs incurred by dependents after a Life Status Change has rendered either the employee or the dependent ineligible to receive benefits.

6. **HOME ADDRESS CHANGES.** The employee is responsible for submitting home address change information on the appropriate form or electronic submission to the Entity's Human Resources Office.

7. **VERIFICATION PROCEDURES.** All dependent information recorded by the insured on the enrollment form is subject to verification by the Entity.

A. Employees are required to provide a copy of a marriage certificate when enrolling a spouse and a birth certificate or other acceptable proof of legal child dependent status when enrolling dependent children.

B. Employees are required to provide an affidavit and other related documents in order to prove eligibility when enrolling a domestic partner and/or domestic partner's child(ren).

C. During the course of each City fiscal year, the City may conduct an audit to verify dependent eligibility.

D. The Entity will be required to terminate any dependent from all insurance coverage, if the employee fails to submit requested evidence of eligibility or dependent status. Employees who have falsified enrollment documents to fraudulently obtain Entity insurance coverage may be subject to disqualification from participation in the City's group benefit program. Such employees may be subject to legal or disciplinary action as may be determined by the Entity and/or the City.

8. **COBRA CONTINUATION.** The Comprehensive Omnibus Budget Reconciliation Act (COBRA) of 1985 provides for continuation of health care coverage for a covered employee and covered dependents due to a qualifying event that causes loss of coverage.

A. A qualifying event is defined as termination of employment (other than for gross misconduct) or reduction in hours of employment; covered employee's death; a divorce or legal separation of a spouse from a covered employee; a covered employee's entitlement to Medicare; or if a child no longer satisfies the plan's definition of a dependent child ("Qualifying Event").

B. COBRA continuation coverage may be available for eighteen (18) months in the event of termination or thirty-six (36) months in the event of death, divorce/legal separation,

entitlement to Medicare, or loss in dependent status. All continuation of health benefits under COBRA legislation are subject to premium payments of one hundred percent (100%) plus a two percent (2%) administrative fee. Coverage will terminate earlier than permitted by legislation if the participant becomes ineligible due to other coverage or if the participant fails to make premium payments.

C. The covered employee or dependent is required to notify the Entity's Human Resources Office of a divorce, legal separation, and/or child losing dependent status within sixty (60) days after the date of the event or notice of the event, whichever is later.

D. Responsibilities of each party are as follows:

I. **The Entity**.

a. The Entity shall be subject to all the terms and conditions of City Provider agreements for those benefits in which the Entity participates. The City, upon request, will provide the Provider agreements to the Entity. Entity agrees that all terms and conditions contained herein shall be directly enforceable by Provider against Entity;

b. The Entity shall review its group voluntary benefit programs and determine the merits of participation in the City-sponsored benefit programs, such as voluntary life, disability, deferred compensation programs and all other applicable benefit programs. Participation with Voluntary Benefit programs are subject to negotiations between Entity and the respective Provider;

c. The Entity shall administer eligibility, enrollment and participation criteria in the same manner as the City, as required by City Provider agreements, as set forth in Section 1.A. above. Service contracted individuals shall not be eligible to participate in benefits under this Agreement;

d. The Entity is responsible for verification of the eligibility status of its employees as outlined in Section 1.A. above, in a satisfactory manner as determined by the City;

e. The Entity shall make monthly premium payments directly to each Provider by the first of the month for that month's coverage. Failure to do so may result in the cancellation of this Agreement;

f. If the Entity is not paying the monthly premium as invoiced by the Provider then the Entity is responsible for sending to each Provider a roster of participating employees that includes premium details that total to the payment made to the Provider;

g. The Entity shall promote and highly encourage completion of the Personal Health Assessment throughout its entire benefits eligible member population;

h. The Entity shall collaborate to the extent possible on wellness projects that are initiated for all Entities by the Health and Wellness Coordinator in the City's Insurance and Benefits Office;

i. The Entity shall develop and maintain a premium payment and reconciliation system as required by City Provider agreements; and

j. The Entity shall administer and be responsible for working with Providers to insure the functions of enrollment and the transmission of eligibility information.

i. **Payment of Premiums (Employer).**

(a) The Entity will pay monthly premiums for all participating employees. The Entity will initiate payment of the aggregate premium to become due on or before the first (1st) day of the month of coverage based on enrollment lists generated by the Entity on the fifteenth (15th) calendar day of the month prior to the month for which payment will become due. The lists will be financially adjusted to reflect enrollments and terminations which have occurred during the thirty (30) day period immediately preceding issuance of the lists. The lists will also be adjusted to reflect adjustments resulting from employer/Provider reconciliation actions.

(b) The fifteen (15) day rule will apply to new enrollments and terminations which occur during the plan year. The fifteen (15) day rule affects payment fees as follows:

(1) Enrollment - The Entity will pay a full monthly premium for covered members who enroll on or before the fifteenth (15th) calendar day of the month of enrollment but will not pay a monthly premium for members who enroll on or after the sixteenth (16th) calendar day of the month of enrollment; and

(2) Termination - The Entity will not pay a monthly premium for covered members who terminate coverage on or before the fifteenth (15th) calendar day of the month of termination but will pay a monthly premium for members who terminate coverage on or after the sixteenth (16th) calendar day of the month of termination.

(c) If an employee fails to notify the Entity's Human Resources Office of termination of employment or other loss of eligibility and the Entity has continued to issue a premium on behalf of the employee, the Entity will be entitled to a premium refund from the Provider for the overpayment, not to exceed a ninety (90) day refund from the date of preparation and submittal of a termination form or electronic eligibility file, to the Provider. If through administrative error, the Entity continues to pay a premium for a terminated employee after submittal of termination forms to the Provider, the Entity will be entitled to a refund, from the Provider, of all payments made after submittal of termination forms. The Entity will make such adjustments on the monthly payment report.

(d) On each monthly payment, the Entity will include adjustments for prior month new enrollments and terminations, applying the fifteen (15) day rule. The Entity, by identifying a covered member on the payment document as terminated or by failing to list a covered member on the payment document, authorizes the Provider to immediately discontinue (terminate) Services to the member pending resolution of the non-payment problem.

ii. **Payment of Premiums (Employee); and**

(a) Premium payments for active employees are deducted each pay period from employee payroll checks. Except as provided herein, Federal, State and FICA taxes are deducted after the health, dental and vision payments have been deducted, reducing taxable income. These pre-tax premiums cannot be used again at year-end for employee tax purposes;

(b) Entity employees on approved inactive status, for which payroll deductions for insurance are not made, are responsible for making premium payments directly to the Entity's Human Resources Office. Such inactive status includes Worker's Compensation/disability, Family Medical Leave or any Leave Without Pay status. Failure to make premium payments will result in cancellation of insurance; and

(c) Individuals participating under COBRA will make monthly payments of one hundred two percent (102%) directly to the COBRA administrator.

iii. **Reconciliation of Payment Discrepancies.**

(a) All monthly payments shall be subject to reconciliation by the Provider. The Provider shall compare information on the payment roster with Provider information to identify discrepancies in covered members, payment fees, contract types or other discrepancies. Upon identifying discrepancies, the Provider will first research its own files to account for enrollments, terminations, changes in contract types (e.g., single, couple, single parent or family) which recently have been received by the Provider. If a roster is not provided by the Entity with the payment then the Provider will rely on its own records of enrollment and reconciliation will become the responsibility of the Entity.

(b) After completing an internal accounting of discrepancies, the Provider will transmit to the Entity a list of covered members for whom names or status do not match. The list transmitted to the Entity for a specific month shall be the basis for all further reconciliation of discrepancies and financial adjustments for the month reconciled. No subsequently discovered discrepancies shall be applied retroactively. After submittal to the Entity of a specific month's discrepancy list, additional names may not be added for adjustment purposes; however, names or amounts transmitted shall remain subject to this reconciliation process until a mutually satisfactory resolution of all identified discrepancies has been reached.

(c) Adjustments for any amounts payable or refundable to either party will be made only for a sixty (60) day period from the first (1st) day of the month reconciled.

(d) The Entity will research discrepancies, make a determination as to the financial amounts identified by the Provider, make the appropriate adjustment on the subsequent monthly payment and provide the Provider with an explanation and supporting documentation for any disputed amounts.

k. Default in Payments. In the event the Entity fails to make premium payments to a Provider within the grace period required in the Provider agreements, the Provider may suspend its performance and the Entity employees shall not be eligible for coverage until such time payment by the Entity is made in full as specified in the Provider agreements;

l. The Entity shall be responsible for sending proper notification in a timely manner of new and terminating employees to the COBRA administration Provider;

m. The Entity shall attend at least two (2) meetings scheduled by the City for all Entities and Providers;

n. The Entity will be responsible for all fees and/or taxes related to the Affordable Care Act outside of those included in the premium; and

o. The Entity shall be responsible for all costs associated with the administration of this Agreement, including payment of premiums and other miscellaneous administration costs, including but not limited to printing and mailing, incurred for Entity employees.

II. **The City.**

a. The City may conduct periodic audits of Entity eligibility, enrollment, verification, payment, reconciliation and other criteria designed to assure that the benefits program is being administered in accordance with the provisions of this Agreement and Provider agreements. The City will provide a written report of audit findings to the Entity;

b. The City shall assist the Entity (upon request) with benefits staff training, interpretation of Provider agreements and advocating on behalf of employees in administering the benefits program;

c. The City shall assist the Entity in scheduling and conducting open enrollment meetings and in otherwise providing technical benefit interpretations and explanations; and

d. The City shall negotiate an employee benefits program for eligible employees, including medical, dental, vision, life insurance, and other group voluntary benefits. The City retains the right to modify the plan of benefits or premium structure during annual contract negotiations to obtain benefits for employees.

9. **Term of Agreement**. This Agreement shall commence July 1, 2018, and shall be undertaken and completed in such sequence as to assure its expeditious completion in light of the purposes of this Agreement; provided, however, that in any event, all of the Services required hereunder shall be completed by June 30, 2019.

10. **Compensation and Method of Payment**.

A. **Compensation**. The Entity agrees to pay the City Human Resources Department an annual fee in the amount of Eighteen Thousand Six Hundred Eighty Dollars and no/100 ($18,680.00), which amount includes any applicable gross receipts taxes and which amount shall constitute full and complete compensation for the Entity's participation.

Annual Participation Fee		$500.00
Per Benefits Eligible Employee Per Year Fee	#606 Employees x $30.00	$18,180.00
		$18.680.00

This annual fee is determined by the City and may be changed. The fee is for costs associated with City work performed in providing the group benefits program participation and is not for costs incurred by the Entity in administration of the benefits program. During the first year, the fee may be prorated depending on when the participation begins.

B. **Method of Payment**. Such amount shall be payable in full by the end of the last City fiscal quarter following the effective date of this Agreement and shall include any applicable gross receipts taxes. Such amount shall be paid to the City upon receipt by the Entity of a requisition for payment.

11. **Independent Contractor**. Neither the Entity nor its employees are considered to be employees of the City for any purpose whatsoever. The Entity is considered as an independent contractor at all times. The Entity further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Workers' Compensation Act of the State of New Mexico, or to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.

12. **Liability**. Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, §41-4-1 et seq., as amended.

13. **Discrimination Prohibited**. The Entity shall not discriminate against any person on the basis of race, color, religion, gender, sexual preference, sexual orientation, national origin or ancestry, age, physical handicap, or disability.

14. **ADA Compliance**. The Entity agrees to meet all the requirements of the ADA. The Entity agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of the Entity or its agents in violation of the ADA.

15. **Reports and Information**. At such times and in such forms as the City may require, there shall be furnished to the City such statements, records, reports, data and information, as the City may request pertaining to matters covered by this Agreement. Unless otherwise authorized by the City or required by law, the Entity will not release any information concerning the work product including any reports or other documents prepared pursuant to this Agreement.

16. **Establishment and Maintenance of Records**. Records shall be maintained by the Entity in accordance with applicable law and requirements prescribed by the City with respect to all matters covered by this Agreement. Except as otherwise authorized by the City, such records shall be maintained for a period of three (3) years after receipt of final payment under this Agreement.

17. **Audits and Inspections**. At any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of the Entity's records with respect to all matters covered by this Agreement. The Entity shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. The Entity understands and will comply with the City's Accountability in Government Ordinance, §2-10-1 et seq. and the Inspector General Ordinance, §2-17-1 et seq. R.O.A. 1994, and also agrees to provide requested information and records and appear as a witness in hearings for the City's Board of Ethics and Campaign Practices pursuant to Article XII, Section 8 of the Albuquerque City Charter.

18. **Ownership, Publication, Reproduction and Use of Material.** The City is the owner of and shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement. No material produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country.

19. **Compliance With Laws**. In performing the Services required hereunder, the Entity shall comply with all applicable laws, ordinances, and codes of the Federal, State and local governments.

20. **Changes**. Any changes to this Agreement shall be mutually agreed upon by and between the City and the Entity, and shall be incorporated in written amendments to this Agreement.

21. **Assignability.** The Entity shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment or novation), without the prior written consent of the City thereto.

22. **Termination for Cause**. If, through any cause, the Entity shall fail to fulfill in a timely and proper manner its obligations under this Agreement or if the Entity shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Entity of such termination and specifying the effective date thereof at least ninety (90) days before the effective date of such termination. Such termination will not entitle the Entity to a refund of any portion of the participation fee paid to the City under this Agreement. Notwithstanding the above, the Entity shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement by the Entity.

23. **Termination for Convenience**. Either the City or the Entity may terminate this Agreement at any time by giving at least ninety (90) days notice in writing to the other party. Such termination will not entitle the Entity to a refund of any portion of the participation fee paid to the City under this Agreement.

24. **Construction and Severability**. If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.

25. **Enforcement**. The Entity agrees to pay to the City all costs and expenses including reasonable attorney's fees incurred by the City in exercising any of its rights or remedies in connection with the enforcement of this Agreement.

26. **Entire Agreement.** This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

27. **Applicable Law and Venue.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, and the laws, rules and regulations of the City of Albuquerque. The venue for actions arising out of this Agreement is Bernalillo County, New Mexico.

28. **Binding Agreement.** This Agreement shall not become binding upon the City until approved by the highest approval authority of the City required under this Agreement.

IN WITNESS WHEREOF, the City and the Entity have executed this Agreement as of the date first above written.

CITY OF ALBUQUERQUE

Approved By:

Mary L. Scott, Director
Human Resources Department

B. Jesse Muñiz, MBA
Acting Chief Procurement Officer

ENTITY: Water Utility Authority

By: _____