

**AMENDMENT NO. 5
INCORPORATED COUNTY OF LOS ALAMOS
SERVICES AGREEMENT NO. 18-704**

This **AMENDMENT NO. 5** is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association** ("Contractor" or "BCBSNM"), which is an independent corporation operating under a license from the Blue Cross and Blue Shield Plans, ("Association"), permitting BCBSNM to use the Blue Cross and Blue Shield Service Marks in the State of New Mexico, and that BCBSNM is not contracting as the agent of the Association, to be effective for all purposes, January 1, 2023.

WHEREAS, County and Contractor entered into Services Agreement No. AGR18-704 dated January 1, 2018, Amendment No. AGR18-704-A1 dated January 1, 2019, Amendment No. AGR18-704-A2 dated January 1, 2020, Amendment No. AGR18-704-A3 dated January 1, 2021 and AGR18-704-A4 dated January 1, 2022 (as amended, the "Agreement") for Medical Insurance Benefits for Los Alamos County Employees; and

WHEREAS, parts of this Agreement are up for renewal, and rate negotiations with Contractor as allowed for annually under the original terms and conditions of the Agreement; and

WHEREAS, the County Council approved this Amendment at a public meeting held on October 18, 2022; and

WHEREAS, both parties wish to renew the term of this Agreement.

NOW, THEREFORE, for good and valuable consideration, County and Contractor agree as follows:

- I. To delete **SECTION B. TERM** in its entirety and replace it with the following:

SECTION B. TERM:

1. The term of this Agreement, for Administrative Services, shall commence January 1, 2018 and shall continue through December 31, 2023, unless sooner terminated, as provided herein. At County's sole option the Agreement may be renewed for up to one (1) additional one-year period, unless sooner terminated, as provided therein.
2. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 7 of the ASA), shall commence January 1, 2018 and shall continue through December 31, 2018.
3. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 11 of the ASA), shall commence January 1, 2019

and shall continue through December 31, 2019 unless sooner terminated, as provided herein.

4. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 6 of the ASA), shall commence January 1, 2020 and shall continue through December 31, 2020.
5. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 12 of the ASA), shall commence January 1, 2021 and shall continue through December 31, 2021.
6. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 17 of the ASA), shall commence January 1, 2022 and shall continue through December 31, 2022 unless sooner terminated, as provided herein.
7. The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 22 of the ASA), shall commence January 1, 2023 and shall continue through December 31, 2023 unless sooner terminated, as provided herein. At County's sole option the Agreement may be renewed for up to one (1) additional one-year period, unless sooner terminated, as provided therein. For any subsequent renewal periods, compensation will be strictly based upon rate negotiations with Contractor and Council approval of said negotiations.

- II. To delete **SECTION C. COMPENSATION** in its entirety and replace it with the following:

SECTION C. COMPENSATION:

1. **Amount of Compensation.** County shall pay the following compensation for performance of the Services, not to include any subsequent renewal periods, as follows:
 - a. Administrative Services provided between January 1, 2018 and December 31, 2019, in the amount of FOUR HUNDRED NINE THOUSAND DOLLARS (\$409,000.00);
 - b. Administrative Services provided between January 1, 2020 and December 31, 2020, in the amount of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000.00);
 - c. Administrative Services provided between January 1, 2021 and December 31, 2021, in the amount of ONE HUNDRED TWO THOUSAND DOLLARS (\$102,000.00);
 - d. Administrative Services provided between January 1, 2022 and December 31, 2022, in the amount of SEVENTY-THREE THOUSAND DOLLARS (\$73,000.00)
 - e. Administrative Services provided between January 1, 2023 and December 31, 2023, in the amount of SIXTY-TWO THOUSAND DOLLARS (\$62,000.00)
 - f. Stop Loss Insurance coverage for January 1, 2018 through December 31, 2018, in the amount of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00);

- g. Stop Loss Insurance coverage for January 1, 2019 through December 31, 2019, in the amount of SEVEN HUNDRED TWENTY-ONE THOUSAND DOLLARS (\$721,000.00);
- h. Stop Loss Insurance coverage for January 1, 2020 through December 31, 2020, in the amount of EIGHT HUNDRED ONE THOUSAND DOLLARS (\$801,000.00);
- i. Stop Loss Insurance coverage for January 1, 2021 through December 31, 2021, in the amount of EIGHT HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$885,000.00);
- j. Stop Loss Insurance coverage for January 1, 2022 through December 31, 2022, in the amount of NINE HUNDRED EIGHTY-NINE THOUSAND DOLLARS (\$989,000.00);
- k. Stop Loss Insurance coverage for January 1, 2023 through December 31, 2023, in the amount of ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000.00),
- l. Total compensation for performance of Services between January 1, 2018 and December 31, 2023 shall not exceed SIX MILLION TWO HUNDRED TWENTY-TWO THOUSAND DOLLARS (\$6,222,000.00), which amount shall include applicable New Mexico gross receipts taxes ("NMGR").

2. **Invoices.** Contractor shall submit weekly invoices to County's Human Resources Division showing claims paid for covered employees, as well as monthly invoices for administrative services, showing amount of compensation due, amount of any NMGR, and total amount payable. Payment of undisputed amounts shall be due and payable ten (10) calendar days after County's receipt of the invoice.

- III. To delete Section 8.1 "Term" in Exhibit C, and replace it in its entirety with the following:

Term. The term of this Agreement, for Administrative Services, shall commence January 1, 2018 and shall continue through December 31, 2023, unless sooner terminated, as provided herein. At Employer's sole option the Agreement may be renewed for up to one (1) additional one-year period, unless sooner terminated, as provided herein.

The term of this Agreement, for Stop Loss Insurance Coverage, as defined in the Stop Loss Agreement (Exhibit 6 of the ASA), shall commence January 1, 2023 and shall continue through December 31, 2023 unless sooner terminated, as provided herein. At Employer's sole option the Agreement may be renewed for up to one (1) additional one-year period, unless sooner terminated, as provided therein.

- IV. To add the following Exhibits, for calendar year 2023, to be incorporated in their entirety with this Amendment and Exhibit C to AGR18-704-A2, the ASA, to reflect renewal dates, terms and rates:

- a) Exhibit "19" – Benefit Program Application ("ASO-BPA")

- b) Exhibit "20" – Pharmacy Benefit Management ("PBM") Fee Schedule Addendum to the Benefit Program Application
- c) Exhibit "21" – Defined Performance Guarantees
- d) Exhibit "22" – Application for Stop Loss Coverage
- e) Exhibit "23" – Network Discount Guarantee

Except as expressly modified by this Amendment, the terms and conditions of the Agreement remain unchanged and in effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 5 on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST

INCORPORATED COUNTY OF LOS ALAMOS

NAOMI D. MAESTAS
COUNTY CLERK

BY: _____
STEVEN LYNNE **DATE**
COUNTY MANAGER

Approved as to form:

J. ALVIN LEAPHART
COUNTY ATTORNEY

**BLUE CROSS AND BLUE SHIELD OF NEW MEXICO, A
DIVISION OF HEALTH CARE SERVICE CORPORATION,
A MUTUAL LEGAL RESERVE COMPANY, AN
INDEPENDENT LICENSEE OF THE BLUE CROSS AND
BLUE SHIELD ASSOCIATION**

BY: _____
NAME: _____ **DATE**
TITLE: _____

Benefit Program Application ("ASO BPA")

Applicable to Administrative Services Only (ASO) Group Accounts

administered by Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation,
a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association, hereinafter referred to as the "Claim
Administrator" or "BCBSNM"

Group Status: Renewing ASO Account

Employer Account Number (6-digits): 251305 Group Number(s): 251307

Section Number(s): All

Legal Employer Name: Incorporated County of Los Alamos

(Specify the Employer or the employee trust applying for coverage. Names of subsidiary or affiliated companies to be covered must also be named below. AN EMPLOYEE BENEFIT PLAN MAY NOT BE NAMED.)

ERISA Regulated Group Health Plan*: ☐ Yes ☒ No

Is your ERISA Plan Year* a period of 12 months beginning on the Effective Date of Coverage specified below? ☐ Yes
If not, please specify your ERISA Plan Year*: Beginning Date ___/___/___ End Date ___/___/___ (month/day/year)

ERISA Plan* Administrator*: _____

Plan Administrator's Address: _____

If you maintain that ERISA is not applicable to your group health plan, give legal reason for exemption:

Non-Federal Governmental Plan (Public Entity) ; if applicable, specify other: _____

Is your Non-ERISA Plan Year* a period of 12 months beginning on the Anniversary Date specified below? ☒ Yes
If not, please specify your Non-ERISA Plan Year*: Beginning Date ___/___/___ End Date ___/___/___
(month/day/year)

For more information regarding ERISA, contact your Legal Advisor.

*All as defined by ERISA and/or other applicable law/regulations

Effective Date of Coverage: (Month/day/Year) 01 / 01 / 2023

Anniversary Date: (Month/Day/Year) 01 / 01 / 2024

Retiree-Only Plan(s) Identification:

For more information regarding Retiree-only plans, contact your Legal Advisor.

Do you have one or more Retiree-only plan(s)? ☐ Yes ☒ No

If yes, please provide Benefit Agreement number, or group and section numbers of the Retiree-only plan(s):

Account Information

☒ NO CHANGES ☐ SEE ADDITIONAL PROVISIONS

Standard Industry Code (SIC): 9111

Employer Identification Number (EIN): 856000679

Address: 1000 Central Ave, Suite 230

City: Los Alamos

State: NM

ZIP: 87544

Administrative Contact: Kat Brophy

Title: Benefits & Pension Manager

Email Address: kat.brophy@lacnm.us

Phone Number: 505-662-8045

Fax Number: 505-662-8000

Wholly Owned Subsidiaries to be covered:

Affiliated Companies to be covered:

Employer Identification Number (EIN):

(Affiliated Companies must be required or permitted to be aggregated per IRS Guidelines. Employer hereby confirms that Employer, Subsidiaries and Affiliates are treated as a single employer under Internal Revenue Code Section 414(b), or (c), or (m) or (o), or under applicable law.)

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Blue Access for EmployersSM ("BAESM") Contact: Kat Brophy

(The BAE Contact is the Employee authorized by the Employer to access and maintain the Employer's account in BAE.)

Email Address: kat.brophy@lacnm.us

Phone Number: 505-662-8045

Fax Number: 505-662-8000

☒ The Employer or other company listed in this BPA is a public entity or governmental agency/contractor

Producer of Record Information

☒ NO CHANGES

☐ SEE ADDITIONAL PROVISIONS

Effective: _____

If applicable, the below-named producer(s) or agency(ies) is/are recognized as Employer's Producer of Record (POR) to act as a representative in negotiations with and to receive commissions from BCBSNM, or Claim Administrator's corporate subsidiaries, as applicable, for procuring Claim Administrator's claims administration services for the Employer's employee benefit program(s). This statement rescinds any and all previous POR appointments for the Employer. The POR is authorized to perform membership transactions on behalf of the Employer. This appointment will remain in effect until withdrawn or superseded in writing by the Employer.

Producer, Agency, or Consultant: Aon Risk Insurance Services West, Inc. Commission to be paid: ☐ Yes* ☒ No

New Mexico Producer/Consultant #: 900001881

Address: 6501 America's Parkway NE, Suite 650

City: Albuquerque

State: NM

ZIP: 87110

Phone: 505-889-6721

Fax: 847-956-0916

Email: charlene.fairchild@aon.com

Is Producer/Agency appointed with BCBSNM in New Mexico? ☒ Yes ☐ No

Commissions:

☐ PCPM \$_____ Does a Monthly Cap Apply ☐ Yes ☐ No \$_____ (If cap is annual, divide by twelve)

☐ Flat \$_____ Does a Monthly Cap Apply ☐ Yes ☐ No \$_____ (If cap is annual, divide by twelve)

☐ Percentage of Stop Loss: _____%

ADDITIONAL COMMISSIONS: _____

*The Producer or agency name(s) above to whom commissions are to be paid must exactly match the name(s) on the appointment application(s).

Schedule of Eligibility

☒ NO CHANGES

☐ SEE ADDITIONAL PROVISIONS

Employer has made the following eligibility decisions:

1. Eligible Person means:

- ☒ A full-time employee of the Employer.
- ☐ A full-time employee of the Employer who is a member of: _____ (name of union)
- ☐ A part-time employee of the Employer.
- ☐ A retiree of the Employer. Define criteria: _____
- ☐ Other: _____

Are any classes of employees to be excluded from coverage? ☐ Yes ☐ No

If yes, please identify the classes and describe the exclusion: _____

2. Employee definition:

Full-Time Employee means:

- ☒ A person who is regularly scheduled to work a minimum of 20 hours per week and who is on the permanent payroll of the Employer.
- ☐ Other: _____

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Part-Time Employee means:

- ☐ A person who is regularly scheduled to work a minimum of _____ hours per week and who is on the permanent payroll of the Employer.
- ☐ Other: _____

3. The Effective Date of termination for a person who ceases to meet the definition of Eligible Person:

- ☐ The date such person ceases to meet the definition of Eligible Person.
- ☒ The last day of the calendar month in which such person ceases to meet the definition of an Eligible Person.
- ☐ Other: _____

4. Select an effective date rule for a person who becomes an Eligible Person after the Effective Date of the Employer's health care plan (the effective date must not be later than the 91st calendar day after the date that a newly eligible person becomes eligible for coverage, unless otherwise permitted by applicable law).

- ☐ The date of employment.
- ☐ The _____ day of employment.
- ☐ The _____ day of the month following _____ month(s) of employment.
- ☐ The _____ day of the month following _____ days of employment.
- ☒ The 1st day of the month following the date of employment.
- ☐ Other: _____

Is the waiting period requirement to be waived on initial group enrollment? ☐ Yes ☐ No

Are there multiple new hire waiting periods? ☐ Yes ☐ No

If yes, please attach eligibility and contribution details for each section.

5. Domestic partners covered: ☐ Yes ☒ No

If yes, a domestic partner is eligible to enroll for coverage.

If yes, are domestic partners eligible for continuation of coverage?

☐ Yes ☐ No

If yes, are dependents of domestic partners eligible to enroll for coverage?

☐ Yes ☐ No

If yes, are dependents of domestic partners eligible for continuation of coverage? ☐ Yes ☐ No

The Employer is responsible for providing notice of possible tax implications to those Covered Employees with coverage for domestic partners.

6. Limiting Age for covered children: Twenty-six (26) years, regardless of presence or absence of a child's financial dependency, residency, student status, employment status, marital status, eligibility for other coverage, or any combination of those factors. Other: _____

7. Termination of coverage upon reaching the Limiting Age:

- ☐ The last day of coverage is the day prior to the birthday.
- ☒ The last day of coverage is the last day of the month in which the limiting age is reached.
- ☐ The last day of coverage is the last day of the billing month.
- ☐ The last day of coverage is the last day of the year (12/31) in which the limiting age is reached.
- ☐ The last day of coverage is the day prior to the Employer's Anniversary Date.

Automatically cancel dependents when they reach the day their coverage terminates? ☒ Yes ☐ No

Will coverage for a child who is medically certified as disabled and dependent on the employee terminate upon reaching the Limiting Age even if the child continues to be both disabled and dependent on the employee?

☐ Yes ☒ No

However, such coverage shall be extended in accordance with any applicable federal or state law and the Disabled Dependent provisions of this BPA. The Employer will notify BCBSNM of such requirements.

8. Disabled dependent: A disabled dependent means a dependent child who is medically certified as disabled and dependent upon the Employee or his/her spouse.

To administer medical certification of disabled dependents, you may select option (a) Standard Rules or (b) Custom Rules. BCBSNM will administer its standard process for administration of disabled dependent coverage if (a) below is selected by Employer, or at the Employer's direction memorialized below, BCBSNM will follow a customized process

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if Employer selects (b). If (b) is selected there are additional selections regarding age, proof of prior coverage, certification review, forms, and previous medical certification approvals.

(a) ☒ Disabled dependent administration will follow **Standard Rules**.

A disabled dependent is eligible to **continue** coverage beyond the limiting age, provided the disability began before the child attained the age of 26. A disabled dependent is eligible to **add** coverage beyond the limiting age, provided the disability began before the child attained the age of 26, and proof of coverage as a disabled dependent is provided. Administration of certification review is administered by BCBSNM; a disabled dependent certification form must be submitted to BCBSNM.

(b) ☐ Disabled dependent Administration will follow **Custom Rules**. Please make the following sections:

Age: Please select one option regarding age of when the disability began.

- ☐ The disability must have begun before the child attained the age of 26.
☐ All disabled dependents are covered regardless of when the disability began.

Proof of prior coverage: Please select required or not required below:

When **adding** coverage, proof of prior coverage as a disabled dependent is ☐ required ☐ not required.

Certification review: Please select one option regarding the administration of certification review.

- ☐ Certification review is administered by BCBSNM; a disabled dependent certification form must be submitted to BCBSNM.
☐ Certification review is administered by the Employer; there are no disabled dependent certification form requirements.

If certification review is administered by BCBSNM, please select one option regarding forms:

- ☐ Utilize BCBSNM disabled dependent certification forms.
☐ Utilize custom/other disabled dependent certification forms.

If Certification Review is administered by BCBSNM, please select allowed or not allowed below:

A disabled dependent approved certification from a prior insurance carrier is ☐ allowed ☐ not allowed.

A disabled dependent approved certification from a prior BCBS policy is ☐ allowed ☐ not allowed.

9. Will extension of benefits due to temporary layoff, disability or leave of absence apply?

- ☐ Yes (specify number of days below) ☒ No

Temporary Layoff: days Disability: days Leave of Absence: days

However, benefits shall be extended for the duration of an Eligible Person's leave in accordance with any applicable federal or state law. The Employer will notify BCBSNM of such requirements.

10. Enrollment:

Special Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents within thirty-one (31) days of a Special Enrollment qualifying event if he/she did not previously apply prior to his/her Eligibility Date or when otherwise eligible to do so. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date will be the effective date of the qualifying event or, in the event of Special Enrollment due to marriage or termination of previous coverage, then no later than the first day of the Plan Month following the date of receipt of the person's application of coverage.

An Eligible Person may apply for coverage within sixty (60) days of a Special Enrollment qualifying event in the case either of a loss of coverage under Medicaid or a state Children's Health Insurance program, or eligibility for group coverage where the Eligible Person is deemed qualified for group coverage assistance under a state Medicaid or CHIP premium assistance program.

Open Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when otherwise eligible to do so, during the Employer's annual Open Enrollment Period. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date

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will be a date mutually agreed to by the Claim Administrator and the Employer. Such date shall be subsequent to the Open Enrollment Period. Specify Open Enrollment Period:

Late Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when otherwise eligible to do so. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date will be a date mutually agreed to by the Claim Administrator and the Employer.

Select one of the provisions below:

- ☒ Open Enrollment – Late applicants may only apply during Open Enrollment.
☐ Late Entrant – Late applicants may apply at any time – coverage effective date is determined by the receipt date and the rules governing off-cycle enrollments.

11. * Does COBRA Auto Cancel apply? ☒ Yes ☐ No

Member's COBRA/Continuation of coverage will be automatically cancelled at the end of the member's eligibility period.

**Not recommended for accounts with automated eligibility*

CURRENT EMPLOYEE ELIGIBILITY INFORMATION

☒ **NO CHANGES** Current number of Employees enrolled 484 ☐ **SEE ADDITIONAL PROVISIONS**

Current Employee Eligibility Information only applies to new accounts. If your account is renewing, please just indicate the current number of enrolled employees (above).

Total number of Employees:

1. on payroll: _____
2. presently eligible for coverage: _____
3. serving new hire probationary period: _____
4. with other coverage (i.e., other group coverage, Medicare, Medicaid, TRICARE/Champus): _____
5. total number of individuals currently covered under COBRA: _____
6. with retiree coverage (if applicable): _____

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Lines of Business (Check all applicable services)	<input checked="" type="checkbox"/> NO CHANGES <input type="checkbox"/> See Additional Provisions
<p><u>Medical Plan Services:</u></p> <p><input type="checkbox"/> PPO: Plan Name</p> <p><input checked="" type="checkbox"/> Dual Option</p> <p style="margin-left: 40px;">Plan Name: Blue PPO 35</p> <p style="margin-left: 40px;">Plan Name: Blue PPO 45</p> <p><input type="checkbox"/> EPO</p> <p><input type="checkbox"/> POS</p> <p>Consortium Pricing (National Groups) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Other:</p> <p><u>Additional Services:</u></p> <p><input checked="" type="checkbox"/> Wellbeing Management</p> <p><input type="checkbox"/> Wellness Incentives</p> <p><input type="checkbox"/> Health Advocacy Solutions</p> <p><input type="checkbox"/> Mercer Health Advantage</p> <p><input type="checkbox"/> Custom Care Management Unit</p> <p><input type="checkbox"/> Blue DirectionsSM (Private Exchange) <i>(If selected, the Blue Directions Addendum is attached and made a part of the parties' Administrative Services Agreement.)</i></p> <p><input checked="" type="checkbox"/> Limited Fiduciary Services for Claims and Appeals</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Other</p>	<p><u>Consumer Driven Health Plan:</u></p> <p><input type="checkbox"/> BlueEdgeSM HCA Administrative Services <i>(if selected, complete separate HCA BPA)</i></p> <p><input type="checkbox"/> BlueEdgeSM HSA: (vendor: Select Vendor)</p> <p><input type="checkbox"/> FSA (vendor: Select Vendor)</p> <p><input type="checkbox"/> HRA (vendor: Select Vendor)</p> <p><u>Traditional Coverage:</u></p> <p><input type="checkbox"/> Out-of-Area (Indemnity)</p> <p><u>Prescription Drugs:</u></p> <p><input checked="" type="checkbox"/> Covered under a pharmacy benefit <i>(If selected, the PBM Fee Schedule Addendum must be attached and is part of this BPA)</i></p> <p><input type="checkbox"/> Covered under the medical benefit</p> <p><u>Pharmacy Network (Select one):</u></p> <p><input checked="" type="checkbox"/> Traditional Select Network</p> <p><input type="checkbox"/> Advantage Network</p> <p><input type="checkbox"/> Preferred Network</p> <p><input type="checkbox"/> Network on PBM Fee Schedule Addendum</p> <p>Drug List: Basic Drug List</p> <p>Other (please specify):</p> <p>PPO/HSA Preventive Drug List:</p> <p>Please specify: Select Option</p> <p>Other RX programs: Select Program</p> <p><u>Ancillary Services:</u></p> <p><input type="checkbox"/> Dental Plan Services</p> <p><input type="checkbox"/> Vision Insurance <i>(if selected, complete a separate application)</i></p> <p><input checked="" type="checkbox"/> Stop Loss <i>(if selected, complete separate Exhibit to the Stop Loss Coverage Policy)</i></p> <p><input checked="" type="checkbox"/> Life, Disability, Critical Illness or Accident Insurance <i>(if selected, complete a separate application for those coverages)</i></p> <p><input type="checkbox"/> COBRA Administrative Services <i>(if selected, complete separate COBRA Administrative Services Addendum)</i></p>

Mercer Health Advantage is offered by Mercer, an independent company, and is administered by Blue Cross and Blue Shield of New Mexico.

Custom Care Management Unit is offered by Willis Towers Watson, an independent company, and is administered by Blue Cross and Blue Shield of New Mexico.

Medical and Dental benefits and services are administered by Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association.

Life, Disability, Critical Illness, Accident and Vision products are issued by Dearborn Life Insurance Company, 701 E. 22nd St. Suite 300, Lombard, IL 60148. Blue Cross and Blue Shield of New Mexico is the trade name of Dearborn Life Insurance Company, an independent licensee of the Blue Cross and Blue Shield Association. BLUE CROSS®, BLUE SHIELD® and the Cross and Shield Symbols are registered service marks of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans.

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FEE SCHEDULE

Employer shall pay amounts Claim Administrator bills Employer for benefit claims Claim Administrator processes on Employer's behalf as well as administrative fees as set forth in this Fee Schedule.

Payment Specifications		<input checked="" type="checkbox"/> NO CHANGES <input type="checkbox"/> SEE ADDITIONAL PROVISIONS		
Employer Payment Method: <input type="checkbox"/> Online Bill Pay <input checked="" type="checkbox"/> Electronic <input type="checkbox"/> Auto Debit <input type="checkbox"/> Check				
Employer Payment Period: <input checked="" type="checkbox"/> Weekly (cannot be selected if Check is selected as payment method above) <input type="checkbox"/> Semi Monthly (cannot be selected if Check is selected as payment method above) <input type="checkbox"/> Monthly				
Claim Settlement Period: <input checked="" type="checkbox"/> Monthly Run-Off Period: Employer payments are to be made for 12 months following end of Fee Schedule Period. <i>Standard is twelve (12) months.</i>				
Fee Schedule Period: To begin on Effective Date of Coverage and continue for 12 months. If other than 12 months, please specify: months.				
Administrative Per Employee Per Month (PEPM) Charges		<input type="checkbox"/> NO CHANGES <input checked="" type="checkbox"/> SEE ADDITIONAL PROVISIONS		
	Medical			
Administrative Fee	\$63.28	\$	\$	\$
Dental	\$	\$	\$	\$
Limited Fiduciary Services	\$Included	\$	\$	\$
Advanced Payment Review	25% \$	% \$	% \$	% \$
*Medical Drug Rebate Credit	\$(2.50)	\$()	\$()	\$()
*Rebate Credit for the Prescription Drug Program	\$(50.41)	\$()	\$()	\$()
Management of the Virtual Visits Program	\$Included	\$	\$	\$
Wellbeing Management	\$Included	\$	\$	\$
Health Advocacy Solutions	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Other: Select Service Category List Service:	\$	\$	\$	\$
Other: Select Service Category List Service:	\$	\$	\$	\$
Other: Select Service Category List Service:	\$	\$	\$	\$
Miscellaneous:	\$	\$	\$	\$
Miscellaneous:	\$	\$	\$	\$
Total	\$10.37	\$	\$	\$

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

*The Rebate Credit is a per Covered Employee per month credit applied to the monthly billing statement. The Employer and Claim Administrator have agreed to the Rebate Credit and Employer agrees that it and its group health plan have no right to, or legal interest in, any portion of the rebates, either under the pharmacy benefit or the medical benefit, actually provided by the Pharmacy Benefit Manager ("PBM") or a pharmaceutical manufacturer to Claim Administrator and consents to Claim Administrator's retention of all such rebates. The Rebate Credit will be provided from Claim Administrator's own assets and may or may not equal the entire amount of rebates actually provided to Claim Administrator by the PBM or expected to be provided. Rebate Credits shall not continue after termination of the Prescription Drug Program. Employer agrees that any Rebate Credit provision in the governing Administrative Services Agreement to the contrary is hereby superseded.

Administrative Line Item Charges		Frequency	Amount
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____		\$ _____
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____		_____ %
Total:			\$ _____

Other Service and/or Program Fee(s)	<input checked="" type="checkbox"/> NO CHANGES	<input type="checkbox"/> SEE ADDITIONAL PROVISIONS
NSA Fees In connection with the claims, items, and services that are subject to the No Surprises Act ("NSA") and disputed by a Provider, Employer agrees to pay Claim Administrator the following fees: <ul style="list-style-type: none"> Fifty dollars (\$50) for each claim that is the subject of informal negotiation with a Provider (this fee will be charged in the event the Provider, in its sole discretion, determines that it will not accept the initial payment amount); and An additional seventy-five dollars (\$75) per claim for each independent dispute resolution process ("IDR") where Claim Administrator represents Plan (this fee will be charged in the event the Provider, in its sole discretion, determines that it will initiate IDR after the informal negotiation period); and All costs imposed by the IDR entity or any state, federal or local government entity in connection with an IDR. 		
External Review Coordination: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes , coordination fee: \$700 for each external review requested by a Covered Person that the Claim Administrator coordinates for the Employer in relation to the Employer's Plan. Employer elects for external reviews to be performed under the Affordable Care Act external review process. If no , provide name and address of administrator(s) of external review coordination and indicate if administering medical claims and/or pharmacy claims: Administrator: Medical claims: <input type="checkbox"/> Pharmacy claims: <input type="checkbox"/> Name: _____ Mailing Address: _____ Administrator: Medical claims: <input type="checkbox"/> Pharmacy claims: <input type="checkbox"/> Name: _____ Mailing Address: _____		

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

Advanced Payment Review (APR): ☒ Yes ☐ No

APR is a suite of payment integrity offerings. Refer to the Matrix. If Employer elects APR, indicate APR Savings Program or PEPM below:

☒ APR Savings Program

☐ PEPM

For APR capabilities other than Reimbursement Services: If Employer elects APR Savings Program, Claim Administrator will invoice the percentage indicated in the Fee Schedule of any savings amounts identified by Claim Administrator or third-party vendor.

Reimbursement Services: ☒ Yes ☐ No If yes, Claim Administrator will retain twenty-five percent (25%) of any recovered amounts made on third-party liability claims other than recovery amounts received as a result of or associated with any Workers' Compensation Law.

FlexAccess™: ☐ Yes ☒ No

Claim Administrator will assess a program fee equal to 20% of the total shared savings. Total shared savings is calculated as follows:

The difference between Employer responsibility without the FlexAccess Program and Employer responsibility with the FlexAccess Program. The Employer responsibility with the FlexAccess Program is the cost of the drug minus: (1) the manufacturer copay assistance dollars that are allocated to the cost of the drug and (2) the member's cost share for the member enrolled in the program. The Employer responsibility without the FlexAccess Program is the cost of the drug minus the member cost share if the member was not enrolled in the program.

Third-Party Law Firms Provisions (other than Reimbursement Services):

Employer will pay no more than 35% of any recovered amount made by Claim Administrator's third-party law firm or up to 35% of any recovered amount will be deducted from the amount distributed according to established allocation processes.

Alternative Compensation Arrangements: Employer acknowledges and agrees that Claim Administrator has Alternative Compensation Arrangements with contracted Providers, including but not limited to Accountable Care Organizations and other Value Based Programs. Further information concerning Employer's payment for Covered Services under such Arrangements is described in the Administrative Services Agreement between the Claim Administrator and the Employer.

Virtual Visits Program: ☒ Yes ☐ No

If yes, Covered Persons would be able to obtain certain Covered Services remotely via interactive video and/or interactive audio/video (where available) capability from Virtual Visits powered by MDLIVE.

MDLIVE® is a separate company that operates and administers Virtual Visits for persons with coverage through Blue Cross and Blue Shield of New Mexico. MDLIVE is solely responsible for its operations and for those of its contracted providers. MDLIVE® and the MDLIVE logo are registered trademarks of MDLIVE, Inc., and may not be used without permission.

Termination Administrative Charge

The Termination Administrative Charge applicable to the Run-Off Period shall be equal to the sum of the amounts obtained by multiplying the total number of Covered Employees by category (*per Covered Employee per individual or family composite*) during the three (3) months immediately preceding the date of termination by the appropriate factor shown below. In the event of a partial termination, the Termination Administrative Charge shall be the sum of the amount obtained by multiplying three (3) times the total number of terminated Covered Employees by the appropriate factors shown below.

Service	Medical			
Medical Run-off Administration Charge	\$23.52	\$_____	\$_____	\$_____
Dental Run-off Administration Charge	\$_____	\$_____	\$_____	\$_____
Miscellaneous	\$_____	\$_____	\$_____	\$_____
Miscellaneous	\$_____	\$_____	\$_____	\$_____
Total:	\$23.52	\$_____	\$_____	\$_____

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

1. Summary of Benefits & Coverage:**a. Will Claim Administrator create Summary of Benefits and Coverage (SBC)?**☒ Yes. Please answer question b. The SBC Addendum is attached.☐ No. If No, then skip question b and refer to the Administrative Services Agreement for further information.**b. Will Claim Administrator distribute the (SBC) to Covered Persons?**☒ No. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Administrative Services Agreement) and provide SBC to Employer in electronic format. Employer will then distribute SBC to Covered Persons (or hire a third party to distribute) as required by law.☐ Yes. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Administrative Services Agreement) and distribute SBC to plan participants and beneficiaries via regular hardcopy mail or electronically. Distribution Fee for hardcopy mail is one dollar and fifty cents (\$1.50) per package.**2. Massachusetts Health Care Reform Act:**

Does the Employer direct Claim Administrator to provide written statements of creditable coverage to its Covered Employees who reside, or have enrolled dependents who reside, in Massachusetts and file electronic reports to the Massachusetts Department of Revenue in a manner consistent with the requirements under the Massachusetts Health Care Reform Act? ☒ Yes ☐ No

If no: The Employer acknowledges it will provide written statements and electronic reporting to the Massachusetts Department of Revenue if required by the Massachusetts Health Care Reform Act.

3. Alternative Care Management Program (applicable to the purchased medical management program):☒ Yes ☐ No

The undersigned representative authorizes provision of alternative benefits for services rendered to Covered Persons for Utilization Management, Case Management, including but not limited to Behavioral Health, and other health care management programs.

4. Prior Authorization (applicable to the purchased medical management program): Employer acknowledges and agrees to utilize Claim Administrator's standard list of services and supplies for which Prior Authorization (also called pre-notification or preauthorization) is required.**5. Essential Health Benefits ("EHB") Election:****Employer elects EHBs based on the following:****1. ☒ EHBs based on a Claim Administrator state benchmark:**☐ Illinois ☐ Montana ☒ New Mexico ☐ Oklahoma ☐ Texas**2. ☐ EHBs based on benchmark of a state other than IL, MT, NM, OK and TX**

If so, indicate the state's benchmark that Employer elects: ____

3. ☐ Other EHB, as determined by Employer

In the absence of an affirmative selection by Employer of its EHBs, then Employer is deemed to have elected the EHBs based on the New Mexico benchmark plan.

6. This ASO BPA is binding on both parties and is incorporated into and made a part of the Administrative Services Agreement between the parties with both such documents to be referred to collectively as the "Administrative Services Agreement" unless specified otherwise.**7. Producer/Consultant Compensation:**

The Employer acknowledges that if its POR acts on its behalf for purposes of purchasing services in connection with the Employer's Plan under the Administrative Services Agreement to which this ASO BPA is attached, the

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

Claim Administrator may pay the Employer's POR a commission and/or other compensation in connection with such services under the Administrative Services Agreement. If the Employer desires additional information regarding commissions and/or other compensation paid to the POR by the Claim Administrator in connection with services under the Administrative Services Agreement, the Employer should contact its POR.

Additional Provisions: 1. Claim Payments are settled within 10 days.

2. BlueCard Program/Network Access fees are the lesser of us to 10% of the discount or \$2000 per claim.

3. The medical admin fee is capped at \$63.28 for 2022.

4. Administrative services includes performance guarantees for services and discounts. The PG Exhibit, Network Discount Exhibit and PG Addendum are part of this BPA.

5. BCBSNM will provide a one-time wellness credit of \$35,000 for the twelve-month period beginning on the Contract Effective Date, to be used to cover costs and expenses associated with implementation and/or operation of a wellness program.

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

Signature

Maureen Sergel

Sales Representative

NM 505-816-2251

District Phone & FAX Numbers

Charlene Fairchild

Producer Representative

Aon Risk Insurance Services West. Inc

Producer Firm

6501 America's Parkway NE Suite 650

Albuquerque, NM 87110

Producer Address

505-889-6721 847-956-0916

Producer Phone & FAX Numbers

charlene.fairchild@aon.com

Producer Email Address

95-3252415

Tax I.D. No.

Signature of Authorized Purchaser

Print Name

Title

Date

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

PROXY

The undersigned hereby appoints the Board of Directors of Health Care Service Corporation, a Mutual Legal Reserve Company, or any successor thereof ("HCSC"), with full power of substitution, and such persons as the Board of Directors may designate by resolution, as the undersigned's proxy to act on behalf of the undersigned at all meetings of members of HCSC (and at all meetings of members of any successor of HCSC) and any adjournments thereof, with full power to vote on behalf of the undersigned on all matters that may come before any such meeting and any adjournment thereof. The annual meeting of members is scheduled to be held each year in the HCSC corporate headquarters on the last Tuesday of October at 12:30 p.m. Special meetings of members may be called pursuant to notice provided to the member not less than thirty (30) nor more than sixty (60) days prior to such meetings. This proxy shall remain in effect until either revoked in writing by the undersigned at least twenty (20) days prior to any meeting of members or by attending and voting in person at any annual or special meeting of members.

From time to time, HCSC pays indemnification or advances expenses to its directors, officers, employees or agents consistent with HCSC's bylaws then in force and as otherwise required by applicable law.

Group No.: 251305 By: _____

Print Signer's Name Here
➡ _____
Signature and Title

Group Name: Incorporated County of Los Alamos

Address: 1000 Central Avenue, Suite 230

City: Los Alamos State: NM ZIP: 87544

Dated this _____ day of _____
Month Year

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

AGR18-704-A5 Exhibit “20” – Pharmacy Benefit Management (“PBM”) Fee Schedule Addendum to the Benefit Program Application

PBM Fee Schedule Addendum to the Benefit Program Application

Employer Name: County of Los Alamos	
Term: 01/01/2023-12/31/2023	Employees: 486
Guaranteed Traditional Aggregate Pricing Arrangement D¹*	
Traditional Select Network and Basic Drug List	
RETAIL	
Brand	Generic
AWP minus	AWP minus
19.05%	82.15%
DISPENSING FEE	
Brand	Generic
\$0.80	\$0.80
MAIL	
Brand	Generic
AWP minus	AWP minus
22.95%	82.60%
DISPENSING FEE:	\$0.00
EXTENDED SUPPLY NETWORK (“ESN”) (If Applicable)	
Brand	Generic
AWP minus	AWP minus
22.20%	85.05%
DISPENSING FEE:	\$0.00
Aggregate Specialty Discount	
Pricing based on Employer's use of the Prime Specialty network	AWP minus: 19.70%
DISPENSING FEE:	\$0.00
Rebate Credits to Employer:	
PEPM Rebate Credits to Employer:	\$50.41
Employer Administration Fees:	
PBM Administration Fees PEPM:	\$0.00

Additional Provisions:

¹ Employer will be billed for retail brand and retail generic prescriptions, mail brand and mail generic prescriptions, ESN brand and ESN generic, and Specialty pharmacy claims (excluding compound prescriptions) based on the lesser of (a) U&C or (b) PBM's adjudication rate schedule(s) that is/are intended to achieve, on an aggregate calendar-year basis, the AWP discounts and Dispensing Fees shown above for all of Claim Administrator's group customers that have purchased the above specific pricing arrangement (“Groups with the Pricing Arrangement”) and use the above Network (the “Employer's Contract Rates”).

For purposes of setting Employer's Contract Rates and calculating whether the AWP discounts and Dispensing Fees have been achieved:

- Brand drugs are defined as all drugs that have a Medi-Span multisource code field equal to “M”, “N”, or “O”.
- Generic drugs are defined as all drugs available in sufficient supply that have a Medi-Span multisource code field equal to “Y”.

Employer acknowledges and agrees that Employer's Contract Rates may vary based on market influences and as necessary to achieve the AWP discounts and Dispensing Fees shown above, on an aggregate calendar year basis, for Groups with the Pricing Arrangement that use the above Network. However, such variation for Brand products in each of the Retail, Mail, and ESN categories (on an aggregate annual basis) may only vary by +/-3% from the applicable AWP discount shown above.

Employer will be billed the above Dispensing Fee (such Fee may be included in the amount billed to Employer) unless the Employer is billed based on the U&C price. If the Employer is billed based on the U&C price, then the Dispensing Fee is included in such U&C price.

Employer will be billed for Compound Drug claims based on the applicable discounted rate in the Network Contract.

Employer will be billed for Foreign Claims based on an amount equal to the amount billed by the pharmacy.

Employer will be billed for out-of-network claims based on the pricing set forth in the Administrative Services Agreement and/or PBM Exhibit, as applicable.

If the AWP discounts and Dispensing Fees shown above are not achieved for a particular calendar year, for Groups with the Pricing Arrangement that use the above Network, then Employer will be credited, no later than 180 days after the end of each calendar year during the Term, an amount calculated as follows:

- First, the total aggregate shortfall dollar amount for the calendar year for Groups with the Pricing Arrangement that use the above Network will be calculated by comparing the actual performance of each of the above categories (Retail, Mail, ESN, and Specialty) with the corresponding AWP discounts and Dispensing Fees shown above for each category. The amount of any performance in any category that exceeds the above AWP discounts and Dispensing Fees will be used to offset any and all shortfall(s) in any or all categories. The above aggregate shortfall, if any, is then divided by total claims for Groups with the Pricing Arrangement that use the above Network, and did not terminate their Addendum prior to their anniversary date, for the calendar year (“Per Claim Amount”). Then the Per Claim Amount will be multiplied by Employer's total claims for that calendar year to calculate the reconciliation credit. However, if Employer terminates this Addendum prior to its anniversary date and the above Guaranteed Traditional Aggregate Pricing Arrangement is not achieved, then Employer will not be eligible to receive such credit.
- For purposes of determining if a shortfall exists, claims billed to Employer based on the U&C price will be considered to have \$0.00 Dispensing Fees.
- Compound Drug claims, Foreign Claims, reversed claims, long term care (LTC) home infusion pharmacy, veterans affairs pharmacy, Indian/tribal/urban pharmacy, 340B, Medicare/Medicaid, member submitted, coordination of benefits (COB), subrogation, paper, invalid, usual and customary (U&C) claims and out-of-network claims are excluded from the calculation of whether the AWP discounts and Dispensing Fees shown.
- Non-specialty discount and dispensing fees also exclude specialty (as defined by the BCBS specialty drug pricing file).
- If the AWP discounts and Dispensing Fees shown above are exceeded for Groups with the Pricing Arrangement that use the above Network, then Employer will not receive any credit, and there will not be a year-end settlement.

AGR18-704-A5 Exhibit “20” – Pharmacy Benefit Management (“PBM”) Fee Schedule Addendum to the Benefit Program Application

- Under the Guaranteed Traditional Aggregate Pricing Arrangement any particular group customer’s experience relative to the pricing guarantees will not determine its eligibility for a credit. Group customer’s eligibility for a credit is determined based on the aggregate experience of all group customers that have purchased the Pricing Arrangement and use the above Network. As such, an individual group customer may have experience that does not meet, or exceeds, the AWP discounts and Dispensing Fees shown above. In addition, when there is a reconciliation credit, it is allocated in a manner described above and not based on any particular group’s experience (other than number of claims).

PBM uses Medi-Span as the pricing source to establish AWP, for purposes of calculating whether the above AWP discounts have been achieved.

Members’ cost share is the applicable copayment, deductible, and/or coinsurance, which coinsurance is calculated based on the Employer’s Contract Rate or the applicable out-of-network pricing. Zero balance logic is not employed.

AWP discounts are based on the actual NDC-11 dispensed.

AWP discounts do not include savings from drug utilization review or other clinical or medical management programs.

The above Guaranteed Traditional Aggregate Pricing Arrangement, Rebate Credits and Administrative Fees may be subject to change if the Employer’s claims include 340B pricing.

In addition to the rights of the parties under the PBM Exhibit, if changes occur within the pharmacy benefit management marketplace which lead to a significant deviation from the current economic environment, both parties agree to engage in good faith negotiations to amend this Addendum to make impact on both parties commercially reasonably economically neutral. If the parties cannot agree on the terms of the amendment, either party shall be allowed to (a) proceed to dispute resolution, as set forth in the Administrative Services Agreement or (b) terminate this Addendum with 90 days’ prior written notice to the other party. Failure to reach agreement on the amendment shall not be a breach of contract.

The above Guaranteed Traditional Aggregate Pricing Arrangement, Rebate Credits and Administrative Fees are based on the Network and Drug List shown above.

Unless otherwise specified in this Addendum, capitalized terms used in this Addendum shall have the meanings set forth in the Administrative Services Agreement or the PBM Exhibit, as applicable.

* Employer Payments to Claim Administrator for Covered Services provided by Network Participants are calculated based on the pricing terms set forth in this Addendum which shall remain in effect for the term of this Addendum to the extent described in the Administrative Services Agreement. Such pricing may or may not equal the amounts actually paid to the Network Participants or received from drug manufacturers (e.g., rebates), or the amounts paid or received between Claim Administrator and the PBM. As a result, the PBM or Claim Administrator may realize positive margin on prescriptions filled at retail, mail order, ESN or specialty pharmacies or prescription drug rebates. Employer acknowledges that it has negotiated for the specific traditional pricing terms set forth in this Addendum, and that it and its group health plan have no right to, or legal interest in, any portion of any positive margin retained by Claim Administrator or PBM and consents to Claim Administrator’s and PBM’s retention of all such amounts.

Signature of Authorized Purchaser

Print Name

Title

Date

ADDENDUM PG
PERFORMANCE GUARANTEES

The Performance Guarantees described herein shall apply to the Administrative Services Agreement (the "Agreement") to which this Addendum is attached and have the same force and effect as the Agreement's most current Fee Schedule, unless amended, replaced, or terminated by the parties to the Agreement in writing.

All obligations, definitions, terms, conditions, promises, agreements, and language in the Agreement and its most current Fee Schedule apply equally to the obligations, terms, conditions, promises, agreements, and language in this Addendum PG and its most current Exhibit-PG.

SECTION I
TIMING

- A. The period for which the Claim Administrator's performance will be measured and for which Employer may receive a refund is referred to as the Settlement Period and is indicated on the most current Exhibit-PG.
- B. The measurement of Performance Guarantees will begin on the date indicated on the most current Exhibit-PG provided all of the requirements listed below are completed. The requirements are as follows:
 - 1. Benefit information and claims administrative procedures have been provided by Employer to the Claim Administrator,
 - 2. All accumulation totals, if applicable, have been received from the prior carrier and have been loaded onto the Claim Administrator's claims processing system,
 - 3. Accurate and complete membership information has been received and loaded onto the Claim Administrator's claims processing system, and
 - 4. Transfer Payment procedures have been established in accordance with the Agreement.

SECTION II
DETERMINATION

- A. The Claim Administrator agrees to guarantee performance levels as indicated on the most current Exhibit-PG. In the event that the Claim Administrator's level of performance is determined to be less than any of the standards described in the most current Exhibit-PG during a Settlement Period for which the Claim Administrator's performance shall be evaluated for any reason, except any disaster or epidemic which substantially disrupts the Claim Administrator's normal business operation, the Claim Administrator will be responsible for reimbursing Employer a portion of the Administrative Charge.
- B. The Claim Administrator will measure Performance Guarantees and report the measurement results to Employer, and any refund amounts due in accordance with this

AGR18-704-A5 Exhibit “21” – Defined Performance Guarantees

Addendum PG within 120 days following the close of all measurement periods necessary to finalize Performance Guarantee results for the Settlement Period.

- C. The Claim Administrator will not be obligated to measure Performance Guarantees and will not be obligated to refund Employer based thereon until the Administrative Services Agreement (including the most current Exhibit-PG) has been executed and is on file with the Claim Administrator by the close of the applicable Settlement Period.
- D. The Claim Administrator will not be obligated to measure Performance Guarantees and will not be obligated to refund Employer based thereon for any portion of the Settlement Period in which the Employer:
 - 1. Fails to provide the Claim Administrator with Timely changes in enrollment or membership information or any other reports or information as may be necessary for the Claim Administrator to perform its administrative duties, including but not limited to identification or certification of claimants eligible for benefits, dates of eligibility, number of employees and dependents covered under the Plan; or
 - 2. Fails to pay Administrative Charges in accordance with the terms of the Agreement or comply with all established Transfer Payment procedures.
- E. The Claim Administrator will not be obligated to measure any Performance Guarantee impacted by changes requested in writing by Employer during the time period required to modify the Claim Administrator’s system and to complete all other tasks necessary to achieve the same qualitative standard of execution that existed before the change was requested. All changes or amendments to the Plan must be submitted to the Claim Administrator in accordance with the Agreement.
- F. If for any reason there is a significant change in the benefit structure or the administrative procedures of the benefit coverage administered by the Claim Administrator, Medicare payment systems, or if the enrollment of the Plan’s benefit coverage administered by the Claim Administrator varies in number of enrolled Covered Employees as indicated in the most current Exhibit-PG attached to and made a part of this Addendum during any Settlement Period, the Claim Administrator reserves the right to re-evaluate and renegotiate the level of performance and/or the Administrative Charges at risk in this Addendum PG and the attached Exhibit-PG.
- G. If for any reason the Agreement is terminated prior to the end of any Settlement Period, the Performance Guarantees will not be measured and Employer will not receive any refund, based on that part of the Settlement Period in which the Administrative Services Agreement was in effect.
- H. If (i) changes to the formula, methodology or manner in which a third-party benchmark (such as AWP) is calculated or reported take effect, or (ii) such third party ceases to publish such benchmark, then the performance guarantees and/or standards based on such benchmark in this Agreement, if any, shall be re-evaluated and adjusted or converted to an alternative benchmark by Claim Administrator or its designee at the time of such change to return the parties to their respective economic positions with respect to such guarantees and/or standards as they existed under the Agreement immediately prior to such change.

BlueCross BlueShield of New Mexico

APPLICATION AND POLICY SCHEDULE FOR STOP LOSS COVERAGE

Employer Group Name: Incorporated County of Los Alamos
Employer Group Address: 1000 Central Avenue, Suite 230
City: Los Alamos **State of Situs:** NM **Zip Code:** 87544
Account Number: 251305
Employer Group Number(s): 251307
Original Effective Date of Stop Loss Policy: 01/01/1999
Current Policy Effective Date: 01/01/2023
Current Policy Period These specifications are for the Policy Period commencing on 01/01/2023 and ending on 12/31/2023.

The specifications below shall become effective on the first date of the Policy Period specified above and shall continue in full force and effect until the earliest of the following dates: (1) The last day of the Policy Period; (2) The date the Policy terminates; or (3) The date this Application is superseded in whole or in part by a later executed Application.

A. Covered Employees:

Number of Single Coverage Units: 198
 Number of Family Coverage Units: 295

B. Individual Stop Loss Coverage:

1. New Coverage ☐ Renewal of Existing Coverage ☒

2. Stop Loss coverage during the Current Policy Period

☐ **Choose an item**

Coverage for Claims incurred from _____ to _____ and Claims paid from _____ to _____.

For new coverage only, if a run-in contract as explained in the policy e.g. (24/12, 18/12, or 15/12 coverage period) is purchased, claims paid by the Employer Group's prior claim administrator will be settled at the time of the annual stop loss settlement and must be reported by the Employer Group to the Company (Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) by the end of the Employer Group's Current Policy Period or stop loss coverage for these run-in claims will be forfeited.

☒ (Paid Renewal Only) Claim Administrators Claims: Claims incurred on or after the Original Effective Date of Policy and paid during the Policy Period.

3. Covered Expenses includes:

- ☒ Medical Claims:
- ☒ Prescription Drug Claims with: Prime _____
- ☐ For **Hospital Employer Groups only**: Excludes _____ % of Home Hospital Medical claims
- ☐ Other (for example Dental/Vision): _____.

4. Individual Stop Loss Provisions

a. Individual Stop Loss Deductible: \$155,000
Applies per Covered Person for the Employer Group's Current Policy Period.

b. Aggregating Specific Deductible (if applicable): \$_____

c. Lasered Individuals with Individual Stop Loss Deductible (if applicable):
Individual identifier, alternate Individual Stop Loss Deductible:

d. Lasered Individuals excluded from Stop Loss Coverage (if applicable):
Individual identifier:

e. If a run-in contract (24/12, 18/12, or 15/12 coverage period) is purchased, per Item 2. above, run-in claims are covered with a maximum liability of: \$_____ per Covered Person.

5. Terminal Liability Option (TLO) (does not apply to Employer Groups with 12/15, 12/18, or 12/24 contracts):
☐ Yes ☒ No

The following applies if the answer to item above is "Yes" (Terminal Liability Option):

Must be elected at Policy inception or renewal. Premium cost is calculated by taking the average enrollment for the last two months multiplied by three times pre-termination Individual Stop Loss rate(s). Premium is due at the time of termination, payable by lump sum within 10 days of receipt of bill. Claims will accumulate and be combined under one Individual Stop Loss Deductible specified in item B.4.a above for the Current Policy Period and Terminal Period. The Settlement for the Final Accounting Period will be described in the section of the Policy entitled SETTLEMENTS.

6. Individual Stop Loss Premium
Monthly Individual Stop Loss Premium shall be equal to the amounts obtained by multiplying the number of Covered Employees for a particular Month by:

\$_____ Composite; or
\$186.23 for each Single Coverage Unit
\$186.23 for each Family Coverage Unit

- C. **Aggregate Stop Loss Coverage:** Yes ☒ No ☐
If yes, complete Items 1. through 5. Below:

1. New Coverage ☐ Renewal of Existing Coverage ☒

2. Stop Loss Coverage during the current Policy Period

☐ **Choose an item**
Coverage for Claims incurred from _____ to _____ and Claims paid from _____ to _____.

For new coverage only, if a run-in contract as explained in the policy e.g. (24/12, 18/12, or 15/12 coverage period) is purchased, claims paid by the Employer Group's prior claim administrator will be settled at the time of the annual stop loss settlement and must be reported by the Employer Group to the Company (Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) by the end of the Employer Group's Current Policy Period or stop loss coverage for these run-in claims will be forfeited.

☒ (Paid Renewal Only) Claim Administrators Claims: Claims incurred on or after the Original Effective Date of Policy and paid during the Policy Period.

3. Covered Expenses:

- ☒ Medical Claims
☒ Prescription Drug Claims with: Prime _____
☐ For **Hospital Employer Groups only**: Excludes _____% of Home Hospital Medical claims
☐ Other (for example Dental/Vision): _____

4. Aggregate Claim Liability

- a. Attachment Factor 125% of the Average Claim Value
b. Aggregate Claim Factors:

Group Number:	251307			
Composite; or	\$ _____	\$ _____	\$ _____	\$ _____
For each Single Coverage Unit	\$1,457.69	\$ _____	\$ _____	\$ _____
For each Family Coverage Unit	\$1,457.69	\$ _____	\$ _____	\$ _____

- c. Minimum Aggregate Point of Attachment: \$7,761,311.00

- 5. Terminal Liability Option (TLO) (does not apply to Employer Groups with 12/15, 12/18, or 12/24 contracts):**
☐ Yes ☒ No

The following applies if the answer to item above is "Yes" (Terminal Liability Option):

Must be elected at Policy inception or renewal. Premium cost is calculated by taking the average enrollment for the last two months multiplied by three times pre-termination Aggregate Stop Loss rate(s). Premium is due at the time of termination, payable by lump sum within 10 days of receipt of bill.

The Final Settlement Point of Attachment shall equal the sum of the Employer's Aggregate Claim Liability amount for the Policy Period plus 15% of the Aggregate Claim Factor multiplied by 12, and then multiplied by the average enrollment for the last two (2) months immediately preceding termination. Furthermore, for the Final Settlement Period, the Minimum Aggregate Point of Attachment shall be the Minimum Aggregate Point of Attachment in item C.4.c. above increased by 15%. The Settlement for the Final Accounting Period will be described in the section of the Policy entitled SETTLEMENTS.

6. Aggregate Stop Loss Premium:

- ☒ Monthly Premium
Monthly Aggregate Stop Loss Premium shall be equal to the amounts obtained by multiplying the number of Covered Employees for a particular Month by:
\$ _____ Composite; or
\$2.57 for each Single Coverage Unit
\$2.57 for each Family Coverage Unit

- ☐ Annual Premium (Due on the first day of the Current Policy Period): \$ _____

D. Additional Provisions (if elected):

1. Retirees Covered (select if included):
Pre-65: ☐ or Post-65: ☐
2. Reserved
3. Monthly Aggregate Accommodation: ☐ Yes ☐ No
4. Additional information: _____

Fraud Notice: Any person who knowingly, with intent to injure, defraud or deceive any insurance company submits an application containing any false, incomplete, or misleading information, is guilty of a felony and is subject under state law to prosecution and punishment, including fines and/or imprisonment. Submission of false information in connection with this application may also constitute a crime under federal laws. All appropriate legal remedies will be pursued in the event of insurance fraud, including prosecuting under Federal Mail Fraud, Federal Wire Fraud, and/ or the Federal Racketeer Influenced and Corrupt Organizations Act Statutes. Any false statements made herein may be reported to state and federal tax and regulatory authorities as is appropriate.

The undersigned person represents that they are authorized and responsible for purchasing Stop Loss Coverage on behalf of the Employer Group. It is understood that the actual terms and conditions of coverage are those contained in this Application and the Stop Loss Coverage Policy into which this Application shall be incorporated at the time of acceptance by Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company ("HCSC"). Upon acceptance, HCSC shall issue a Stop Loss Coverage Policy to the Employer Group. Upon acceptance of this Application and issuance of the Stop Loss Coverage Policy, the Employer Group shall be referred to as the "Employer Group".

Maureen Sergel

Sales Representative

Signature of Authorized Purchaser

Title of Authorized Purchaser

Date

**County of Los Alamos**

January 1, 2023 - December 31, 2023

Network Discount Guarantee**Medical Claims Only****Guaranteed Discount Percentage: 42.10%**

Actual Discounts		Reimbursement
39.10%	or Higher	0.0%
38.10%	to	39.09%
37.10%	to	38.09%
37.09%	or Lower	20.0%

BCBS does not exclude any large claims from the guarantee.**Administration Fee At Risk: \$56.26****Conditions/Caveats**

1. The formula for the Overall Network Discount Percentage calculation is as follows:

(Eligible/Covered Claims less Allowed Claims equals the Provider Savings. The Provider Savings divided by the Eligible/Covered Claims equals the Overall Network Discount %).

2. Both In-Network and Out-of-Network claims are included in the Overall Network Discount Percentage calculation.

3. Network Discount Guarantee applies only to eligible employees and non-Medicare retirees who enroll in the proposed BCBS benefit plans.

4. BCBS will exclude all claims the Employer authorizes to be paid on an exception basis, Medicare claims, Prescription Drug claims, and claims not covered/processed by BCBS.

5. BCBS reserves the right to re-evaluate and re-establish the Guaranteed Discount Percentage if participation changes by +/- 10.0%, and/or the distribution of enrolled employees between geographic areas, the single/family mix, or age/gender composition of the group changes significantly.

6. BCBS reserves the right to void this Network Discount Guarantee if there are less than 444 employees enrolled in the plan.

7. BCBS reserves the right to re-evaluate and re-establish the Guaranteed Discount Percentage if a narrow or high performance network is elected or removed.

8. Administrative Fee at Risk will be finalized upon sale of the Network Discount Guarantee. Administrative Fee at Risk is the Medical Administration fee only. It does not include any additional elected services such as Fiduciary, WBM, HAS, etc.

9. Any reimbursement paid will be dollar for dollar up to the maximum amount at risk for each tier.

***Amount at Risk is based on current enrollment of 493 HCSC Primary employees. Actual amount at risk is subject to change based on final enrollment of employees who select BCBS coverage.**

Blue Cross and Blue Shield of NM, a Division of Health Care Service Corporation, a Mutual
Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association

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