

**AMENDMENT NO. 2
INCORPORATED COUNTY OF LOS ALAMOS
SERVICES AGREEMENT NO. 24-67**

This **AMENDMENT NO. 2** ("Amendment") 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 Association, an association of independent Blue Cross and Blue Shield Plans, (the "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, collectively (the "Parties"), to be effective for all purposes February 4, 2026 ("Effective Date").

WHEREAS, County and Contractor entered into Services Agreement No. AGR24-67 dated January 1, 2025, and Amendment No. 1 dated January 1, 2026 (collectively the "Agreement") for Medical Insurance Benefits for Los Alamos County Employees; and

WHEREAS, Parties negotiated in good faith and agreed upon the Individual and Aggregate Stop Loss Premiums ("Premiums") that were to be included in the Agreement; and

WHEREAS, due to an administrative error, the amounts of the Premium Rates were erroneously entered into Exhibit B of the Agreement; and

WHEREAS, Contractor applied the Premiums throughout 2025 in accordance with the erroneously entered Premium Rates shown in the final executed Agreement instead of at the negotiated Premium rates; and

WHEREAS, upon discovery of this error, both Parties wish to amend the Agreement to reflect the correct Premiums originally negotiated and agreed upon for 2025; and

WHEREAS, an audit is currently underway to determine any overcharges or undercharges due to either party; and

WHEREAS, County Council approved this Amendment at a public meeting held on February 3, 2026; and

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

- I. **Correction of Premium Rates.** The individual Stop Loss Premium Rate and Aggregate Stop Loss Premium Rate set forth in the original Agreement are hereby amended and replaced with the corrected rates as follows to be effective as of January 1, 2025, and shall apply to all applicable premium calculations from that date to December 31, 2025:
 - a) Individual Stop Loss Premium Rate: \$220.17
 - b) Aggregate Stop Loss Premium Rate: \$2.36

- II. **Audit and Reconciliation.** Upon completion of the ongoing audit, the Parties shall reconcile any overpayments or underpayments resulting from the erroneous rates. Any identified discrepancies shall be corrected by refund, credit, or additional payment, as appropriate, within thirty (30) days of the audit's conclusion.
- III. To delete **Exhibit B – STOP LOSS APPLICATION (1/1/2025 – 12/31/2025)** in its entirety and replace it with **REVISED EXHIBIT B – STOP LOSS APPLICATION (1/1/2025 – 12/31/2025) CORRECTED VIA AGR24-67-A2**, attached hereto and made a part hereof for all purposes, and to replace all references to Exhibit B throughout the Agreement with "Revised Exhibit B (Per Amendment 2)."

Except as expressly modified by this Amendment No. 2, the terms and conditions of the Agreement remain unchanged and in effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2 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

MICHAEL D. REDONDO
COUNTY CLERK

BY: _____
ANNE W. LAURENT **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: _____
MARLENE BACA **DATE**
VICE PRESIDENT OF SALES

**Revised Exhibit B
Stop Loss Application
(1/1/2025 – 12/31/2025)
Corrected Via
AGR24-67-A2**



**BlueCross BlueShield
of New Mexico**

APPLICATION AND POLICY SCHEDULE FOR STOP LOSS COVERAGE

Employer Group Name: 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: 01/01/2018
Current Policy Effective Date: 01/01/2025
Current Policy Period These specifications are for the Policy Period commencing on 01/01/2025 and ending on 12/31/2025.

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: 246
Number of Family Coverage Units: 312

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

NM SL-APP Rev. 7.22

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

Amendment No. AGR24-67-A2
Blue Cross Blue Shield of New Mexico

a. Individual Stop Loss Deductible: \$165,000
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:

\$220.17 Composite; or
\$ _____ for each Single Coverage Unit
\$ _____ 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:

2

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

- ☒ 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	\$1,532.03	\$	\$	\$
For each Single Coverage Unit	\$	\$	\$	\$
For each Family Coverage Unit	\$	\$	\$	\$

- c. Minimum Aggregate Point of Attachment: \$9,232,596

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:
 \$2.36 Composite; or
 \$_____ for each Single Coverage Unit
 \$_____ 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".

Martha E. Jarrett
Sales Representative

Signature of Authorized Purchaser

Title of Authorized Purchaser

Date