


AMENDMENT TO ADMINISTRATIVE SERVICES AGREEMENT

THIS AMENDMENT, entered into on December 26, 2019 is by and between Blue Cross and Blue Shield of Florida, Inc. d/b/a Florida Blue (hereinafter called "Florida Blue") and City of Gainesville (hereinafter called the "Employer" or "City"). In consideration of the mutual and reciprocal promises herein contained, the Administrative Services Agreement between Florida Blue and the Employer (hereinafter "Agreement") effective January 1, 2015 is amended as follows:


1. Section I, subsection 1.1, is hereby amended to extend the term of the Group Health Plan until December 31, 2021 unless the Agreement is terminated earlier in accordance with the terms of the Agreement.
2. Exhibit B to the Agreement is hereby amended, effective January 1, 2020. The revised Exhibit B is attached to this Amendment and replaces the Exhibit B previously attached to the Agreement.
3. Except as otherwise specifically noted in this Amendment, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representatives of the parties.

BLUE CROSS AND BLUE SHIELD
OF FLORIDA, INC. D/B/A FLORIDA
BLUE

By: 
Title: Vice President, Sales Operations
Date: 12/26/2019

CITY OF GAINESVILLE

By: 
Title: City Manager
Date: January 3, 2020

APPROVED AS TO FORM AND LEGALITY

By: 
David C. Schwartz, Asst. City Attorney II
City of Gainesville, Florida

EXHIBIT "B"
to the
ADMINISTRATIVE SERVICES AGREEMENT
between
BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC. D/B/A FLORIDA BLUE
and
CITY OF GAINESVILLE

FINANCIAL ARRANGEMENTS
Banking Arrangement

I. Effective Date.

The effective date of this Exhibit is January 1, 2020.

II. Bank Account.

The Employer agrees to establish a bank account prior to the effective date of this Agreement, in its own name, at the bank designated by the Administrator. The Employer authorizes the Administrator to write checks on the bank account in order to pay claims pursuant to this Agreement. The Employer agrees to maintain the bank account and the reserve amount as set forth below. The Employer shall be responsible for the reconciliation of its bank account, based on information and reports provided by the Administrator and the bank.

III. Special Banking Information.

- A. Name of Employer (as it is to appear on the checks) - no more than 25 characters:

C I T Y O F G A I N E S V I L L E

- B. Employer Bank Account Reference Number - 5 characters:

1 0 0 2 5

- C. Reserve Requirement: \$325,000

- D. Funding Frequency: Daily

- E. Method of Funding: ACH

IV. Administrative Fees:

- A. Administrative fees during the term of the Agreement:

\$26.44 per enrolled employee with single coverage per month from January 1, 2020 through December 31, 2020.

\$63.03 per enrolled employee with Family coverage per month from January 1, 2020 through December 31, 2020.

\$27.23 per enrolled employee with single coverage per month from January 1, 2021 through December 31, 2021.

\$64.92 per enrolled employee with Family coverage per month from January 1, 2021 through December 31, 2021.

- B. Administrative fees after the termination of the Agreement: 10% of claims paid.

- C. Access fees of up to 2.31% of Network Savings for PPO provider claims and 4.30% of Network savings for Traditional provider claims may be assessed for claims incurred in states under the BlueCard program as explained in more detail under Section 3.9 below. This access fee will not exceed two thousand dollars (\$2,000) for any one claim and will not apply in Florida, Alabama or in Consortium Plan service areas where enrolled members reside as long as enrollment continues to be equal to or greater than one thousand (1,000) contracts. On the first anniversary date after enrollment falls below one thousand (1,000) contracts, access fees will apply in those Consortium Plan service areas where enrolled members reside and Consortium fees were not previously established. Access fees will also apply in Consortium Plan service areas where no enrolled members reside. A determination of the Consortium Plan service areas that will not apply access fees for services rendered to members will be made on the basis of enrollment on each subsequent anniversary of this Agreement's effective date. Access fees will be applied on the basis of where the service was incurred, and not where the member resides.

Network Savings is defined as the total of the amounts computed by subtracting each "allowed amount" for a particular service under the terms of a participating provider's written agreement from each "billed amount" for such service. In no event shall the term "Network Savings" include duplicate charges or billed amounts for services or supplies not covered under the Employer's Plan. The term "allowed amount" means the amount received as payment in full by a participating provider, under that provider's written agreement, from both BCBSF and covered individuals under Employer's Plan for claims submitted to, and paid by BCBSF for a particular covered service, and the term "billed amount" means the amount which would be received by such provider for the same covered service utilizing that provider's charges.

V. Late Payment Penalty

- A. In accordance with Part VII of Chapter 218, Florida Statutes, all administrative fees due from the Employer and not paid within 45 days of receipt of a proper invoice from Florida Blue bear interest from 30 days after the due date at the rate of 1 percent per month on the unpaid balance. Florida Blue must invoice the Employer for any interest accrued in order to receive the interest payment. Any overdue period of less than 1 month is considered as 1 month in computing interest. Unpaid interest is compounded monthly. For the purposes of this section, the term "1 month" means a period beginning on any day of one month and ending on the same day of the following month.

VI. Expected Enrollment

- A. The administrative fees and reserve requirement referenced above are based on an expected enrollment of: 2,250.
- B. If the actual enrollment is materially different from this expected enrollment, the Administrator reserves the right to adjust the administrative fees and the reserve requirement as set forth in the Agreement. Administrative fees will be charged based on actual enrollment.