

Walton County Department Agenda Request

Department Name: Human Resources

Department Head or Representative: Melissia Rusk

Meeting Date Request: January 9, 2024

Has this topic been discussed at past meetings?

If so, when?

Topic: Anthem BCBS Stop Loss Policy

Wording for Agenda: Anthem BCBS Stop Loss Policy

This Request: Informational Purposes Only Needs Action by Commissioners

What action are you seeking from the Commissioners? Approval for Chairman to sign current Anthem BCBS Stop Loss Policy.

Department Comments/Recommendation: Schedule A was reviewed by MSI Benefits. The premiums and coverage limits are consistent with the signed renewal.

Is additional documentation attached?

Is review of this request or accompanying documentation by the County Attorney required? Yes

If so, has a copy of the documentation been forwarded to the County Attorney? Yes

Date forwarded to the County Attorney: November 20, 2023

Has the County Attorney review been completed? Yes

If this request involves the expenditure of County funds, please answer the following:

Approved in current budget?

Budget information attached?

Comments:

Purchasing Department Comments:

County Attorney Comments:

Chairman's Comments:



STOP LOSS POLICY

This policy is entered into by and between Board of Commissioners of Walton County, Georgia ("Employer") and Anthem Life Insurance Company ("Anthem") for the purpose of establishing stop loss coverage and is effective as of 07/01/2023 upon the terms and conditions herein ("Policy").

If there are any inconsistencies between this Policy and any prior stop loss agreements or the Administrative Services Agreement between Anthem and Employer, the terms and conditions of this Policy shall control.

In consideration of the promises and the mutual covenants contained in this Policy, Anthem and Employer (the "Party" or "Parties" as appropriate) agree as follows:

ARTICLE 1 DEFINITIONS

For purposes of this Policy and any amendments, attachments, or schedules to this Policy, the following words and terms have the following meanings unless the context or use clearly indicates another meaning or intent. If a term is not defined, the term shall have the same meaning as defined in the Administrative Services Agreement between the Parties.

AGGREGATE STOP LOSS LIMIT. The threshold total dollar amount of Paid Claims for which Employer is financially responsible. Anthem is financially responsible for Paid Claims in excess of the Aggregate Stop Loss Limit according to the terms of this Policy. Anthem's financial responsibility terminates if and when the Aggregate Stop Loss Maximum is reached.

AGGREGATE STOP LOSS MAXIMUM. The total dollar amount of Paid Claims beyond which Paid Claims again become the financial responsibility of Employer and are not the financial responsibility of Anthem.

AGGREGATING SPECIFIC STOP LOSS LIMIT. The total dollar amount of Paid Claims that must be met in addition to the Specific Stop Loss Limit. Paid Claims in excess of the Specific Stop Loss Limit for a Subscriber or Member as indicated in Section 4(A) of Schedule A are added together until the cumulative total equals the Aggregating Specific Stop Loss Limit. Anthem is financially responsible for Paid Claims in excess of the Aggregating Specific Stop Loss Limit according to the terms of this Policy.

DOMESTIC CLAIMS. Paid Claims for a service or supply provided by Employer or Employer's health system as the medical provider.

ELIGIBLE CLAIM DATE PERIOD. The dates during which Claims for benefits provided under the terms of the Plan must be Incurred and paid in order to be covered by this Policy.

INCURRED. The date on which a supply is obtained or a service is rendered to a Member.

INVOICE DUE DATE. The date of the invoice provided to Employer indicating when payment is due.

LINES OF COVERAGE. The benefit plan(s) administered by Anthem and provided in Schedule A.

MINIMUM AGGREGATE STOP LOSS LIMIT. Notwithstanding the calculation of the Aggregate Stop Loss Limit, there is an amount identified in Section 5(B) of Schedule A as the Minimum Aggregate Stop Loss Limit. When the calculation of the Aggregate Stop Loss Limit results in a lower amount than the Minimum Aggregate Stop Loss Limit, the Minimum Aggregate Stop Loss Limit shall be the Aggregate Stop Loss Limit.

PAID CLAIM. A Claim for Covered Services rendered or supplies provided to a Member under the terms of the Plan, provided such Claim has been received, adjudicated, and paid by Anthem. Paid Claim shall have the same meaning as contained in the Administrative Services Agreement between the Parties, unless excluded as indicated in Sections 4(E) and 5(D) of Schedule A.

POLICY PERIOD. The period of time indicated in Section 1 of Schedule A.

REIMBURSEMENT FACTOR. The percentage of Paid Claims covered under the stop loss coverage once the Specific Stop Loss Limit or the Aggregate Stop Loss Limit is reached.

Anthem Life Insurance Company

ANTHEM is a registered trademark of Anthem Insurance Companies, Inc.

SPECIFIC STOP LOSS LIMIT. The threshold total dollar amount of Paid Claims for which Employer is financially responsible with respect to a Subscriber or Member as indicated in Section 4(A) of Schedule A. Subject to the terms of this Policy, Anthem is financially responsible for Paid Claims in excess of the Specific Stop Loss Limit.

ARTICLE 2 SPECIFIC STOP LOSS COVERAGE

2.1 Anthem shall reimburse Employer when the total amount of Paid Claims pertaining to Subscribers or Members and Lines of Coverage provided in Sections 4(A) and 4(B) of Schedule A exceeds the Specific Stop Loss Limit and the Aggregating Specific Limit provided in Section 4(C) of Schedule A.

Anthem's reimbursement under this Article 2 shall begin with the invoice on which the Aggregating Specific Stop Loss Limit is exceeded.

2.2 Employer shall remain responsible for amounts in excess of the Specific Stop Loss Limit until the Aggregating Specific Stop Loss Limit has been met. In addition, no Paid Claim amount in excess of the Specific Stop Loss Limit shall be applied towards the attainment of the Aggregate Stop Loss Limit.

2.3 Certain Paid Claims may be excluded from the specific stop loss coverage provided in this Policy. These exclusions are provided in Section 4(E) of Schedule A as applicable.

2.4 For any reimbursement owed or made under this Article 2, Anthem shall be permitted to recoup or offset an amount equal to any prescription drug rebates received by Employer that are attributable to Eligible Claims Expenses of a Member whose Eligible Claims Expenses have met the Specific Stop Loss Limit, even if such rebates are received by Employer after the end of the Policy Period. The recoupment or offset shall be limited to the amount of the reimbursement that was made or would otherwise be made by Anthem absent the rebates. Employer shall provide documentation reasonably requested by Anthem as part of its Proof of Loss and within one year after payment under this Article 2 that demonstrates the value and the claims upon which any prescription drug rebates were received.

To the extent permitted by the Employer's PBM, Employer agrees to assign to Anthem its right to receive rebates from PBM that are attributable to Eligible Claims Expenses for Members whose Eligible Claims Expenses have met the Specific Stop Loss Limit, up to the limits set forth in the previous paragraph. Any payments of rebates pursuant to this assignment will continue to be credited to the amount of rebates paid by PBM to Employer pursuant to the administrative services agreement between PBM and Employer ("PBM ASA") and will be included in the calculation of any rebate guarantees offered to Employer under their PBM ASA.

ARTICLE 3 AGGREGATE STOP LOSS COVERAGE

3.1 The Aggregate Stop Loss Limit is the sum of the amounts derived by multiplying the applicable aggregate stop loss amount by the actual number of Subscribers or Members, provided in Section 5(B) of Schedule A, for all months in the Policy Period. In no event shall the Aggregate Stop Loss Limit fall below the Minimum Aggregate Stop Loss Limit during a Policy Period or a partial Policy Period.

3.2 When the total amount of Paid Claims for all Subscribers or Members and the Lines of Coverage indicated in Sections 5(A) and 5(B) of Schedule A exceeds the Aggregate Stop Loss Limit, Anthem shall reimburse Employer for such excess. Anthem's reimbursement will be equal to the Reimbursement Factor indicated in Section 5(b) of Schedule A multiplied by the amount of Paid Claims that exceeds the Aggregate Stop Loss Limit. Anthem's reimbursement under this Article 3 shall occur no later than 60 days following the end of the Eligible Claim Date Period. All Lines of Coverage that are subject to aggregate stop loss coverage shall be combined for purposes of calculating amounts owed under this Policy. However, Anthem's reimbursement to Employer under this Article 3 shall be limited to the Aggregate Stop Loss Maximum less the greater of the Aggregate Stop Loss Limit or the Minimum Aggregate Stop Loss Limit for the Policy Period.

3.3 Certain Paid Claims may be excluded from the aggregate stop loss coverage provided in this Policy. These exclusions are provided in Section 5(D) of Schedule A as applicable.

3.4 Certain Paid Claims may be excluded from the specific stop loss coverage provided in this Policy. These exclusions are provided in Section 4(E) of Schedule A as applicable.

**ARTICLE 4
LIMITATIONS ON COVERAGE**

- 4.1 Unless otherwise noted in Schedule A, Paid Claims for Members are covered under the term of the Eligible Claim Date Period of this Policy.
- 4.2 Claims that are covered by another contract shall not count toward the attainment of the stop loss limit(s) under this Policy. In addition, Paid Claims that are covered under the term of an Eligible Claim Date Period will not count toward attainment of any stop loss limit(s) under a subsequent Policy Period.
- 4.3 Under the Administrative Services Agreement, Employer may request Anthem to process and pay Claims that were denied by Anthem or take other actions with respect to the Plan that are not specifically provided in the Benefits Booklet. In such cases, payments shall not count toward the stop loss accumulators under this Policy unless otherwise agreed to in writing by Anthem.
- 4.4 If a Member does not enroll when first eligible or during a special enrollment period, the Member shall be considered a "Late Enrollee" as defined in the Benefits Booklet. Paid Claims for a Late Enrollee shall not apply towards the stop loss limits under this Policy unless Anthem first provides Employer with written approval and the effective date of coverage under this Policy. Anthem has the right to allow or deny stop loss coverage under this Policy for a Late Enrollee. Anthem shall not cover under this Policy any Late Enrollee not disclosed by Employer to Anthem.
- 4.5 A Claim incurred during the Eligible Claim Date Period but not paid until after the expiration of the Eligible Claim Date Period is not eligible for coverage under this Policy Period.

**ARTICLE 5
SETTLEMENT**

- 5.1 Within 60 days after the end of each Eligible Claim Date Period, Anthem shall furnish Employer with a settlement calculation and any additional data which, in Anthem's opinion, is needed to explain to Employer the settlement calculation. Anthem has the right to offset any amounts it owes to Employer under this Policy by any amount Employer owes under the Administrative Services Agreement, this Policy, or any other agreement with Anthem.
- 5.2 If, based on the settlement calculation for a Policy Period, Anthem must pay Employer an amount due under the terms of this Policy, Anthem shall pay Employer with the invoice that includes the settlement calculation.

If, based on the settlement calculation Employer must pay Anthem an amount under the terms of this Policy, then Employer shall pay Anthem no later than 60 days following receipt of the invoice.

**ARTICLE 6
STOP LOSS PREMIUM RATES**

The premium rates for the specific stop loss coverage provided in this Policy are indicated in Section 4(D) of Schedule A. The premium rates for the aggregate stop loss coverage provided in this Policy are indicated in Section 5(C) of Schedule A. Employer shall pay Anthem such amounts by the Invoice Due Date.

**ARTICLE 7
LATE PAYMENT PENALTY**

If Employer fails to timely pay any amount due to Anthem under this Policy, Employer shall pay a late payment penalty for each day the payment is late. The late payment penalty shall be calculated at the rate of 12% simple interest per annum (365 days), and shall be included on a subsequent invoice and payable by the Invoice Due Date. If applicable, Employer agrees to reimburse Anthem for any expenses charged to Anthem by a financial institution, Provider or Vendor due to Employer's failure to maintain sufficient funds in a designated bank account. Any acceptance by Anthem of late payments shall not be deemed a waiver of its rights to terminate this Policy for any future failure of Employer to make timely payments.

**ARTICLE 8
CHANGES IN TERMS OR CONDITIONS**

8.1 If Anthem offers to renew this Policy at the end of a Policy Period, then Anthem shall provide Employer with the terms and conditions of the proposed renewal in writing within the time period provided in Section 1 of Schedule A. Employer shall notify Anthem in writing of its selection from the renewal options by indicating its selection and signing Anthem's designated renewal form. If Anthem does not receive a signed acceptance of the renewal from Employer prior to the start of the next Policy Period, Employer's payment of the amounts provided in the renewal shall constitute Employer's acceptance of the terms. Anthem shall provide a revised Schedule A that will become part of this Policy without the necessity of securing Employer's signature.

8.2 Policy Changes

Anthem reserves the right to make changes to this Policy, to Schedule A, or other applicable Schedules at a time other than the start of a Policy Period upon the occurrence of one or more of the following events:

(1) a change to the Plan benefits initiated by Employer that results in a substantial change in the services as determined by Anthem; (2) a change in ownership (including but not limited to a merger, consolidation, or transfer of all or substantially all of Employer's assets); (3) a change in the total number of Members resulting in either an increase or decrease of 10% or more of the number of Members enrolled for coverage on the date the stop loss premium was last modified; (4) a change in Employer contribution; (5) a change in the nature of Employer's business resulting in a change in its designated Standard Industrial Classification ("SIC") code; or (6) a change in applicable law affecting this Policy or any of the Plan Documents.

Anthem shall provide Employer with at least 90 days' notice of changes and such change will be effective as of the date of any occurrence listed above. If such change is unacceptable to Employer, either Party shall have the right to terminate this Policy by giving written notice of termination to the other Party within 30 days of the change. If Employer accepts the proposed change, Anthem shall provide a revised Schedule A that will then become part of this Policy without the necessity of securing Employer's signature on the Schedule A.

8.3 Signature Requirements

No modification or change in any provision of this Policy, including but not limited to, changes at renewal, shall be effective unless and until approved in writing by an authorized representative of Anthem and evidenced by an amendment or new Schedule attached to this Policy.

8.4 Any payments made under this Policy shall only be for the benefit of Employer. Anthem has no obligation or liability under this Policy to provide benefits to Subscribers or Members. No Subscriber or Member shall have the right to any of the proceeds of any stop loss insurance obtained by Employer pursuant to this Policy.

**ARTICLE 9
SUBROGATION AND OTHER RECOVERIES**

Any subrogation or other recovery received by the Plan will not be used to satisfy any of the stop loss limits under this Policy. Anthem will first be repaid any amounts it has reimbursed under this Policy or under a previous stop loss agreement between the Parties. Any remaining recovery amounts shall be credited or paid to Employer as described in the Administrative Services Agreement.

**ARTICLE 10
TERMINATION**

- 10.1 This Policy automatically terminates as follows:
- 10.1.1 At the end of each Policy Period unless the Policy is renewed pursuant to Article 8 of this Policy.
 - 10.1.2 Upon the termination of the Administrative Services Agreement.
 - 10.1.3 At the end of the month in which fewer than 100 Subscribers are covered under the Plan.
 - 10.1.4 If Employer changes to a third party administrator other than Anthem for the Claims that are subject to this Policy.

Upon termination of this Policy, the Parties shall remain liable for all payments due under this Policy.

- 10.2 Employer may terminate this Policy at any time other than at the end of a Policy Period by giving Anthem 30 days written notice of its intent to terminate.
- 10.3 Notwithstanding any other provision of this Article 10, this Policy automatically terminates, without further notice or action, if Employer fails to pay any premium amounts due under this Policy within 7 days of the date of Anthem's notice to Employer of a delinquent amount owed. Such termination shall be effective as of the last period for which full payment was made. Any acceptance of a delinquent payment by Anthem shall not be deemed a waiver of this provision for termination of this Policy. Delivery of payment to Anthem or Anthem's receipt and negotiation of a tendered payment through its automatic deposit procedures shall not be deemed acceptance or a waiver of such termination. If this Policy is terminated due to nonpayment of premium, Claims Run-out coverage, if any, will not apply.
- 10.4 Notwithstanding any other provision of this Policy, if Employer engages in fraudulent conduct or misrepresentation, Anthem may rescind, cancel, or terminate this Policy, effective on the date of the fraudulent conduct or misrepresentation regardless of the date Anthem discovered such conduct. Employer shall be liable to Anthem for any and all payments made, as well as losses or damages sustained by Anthem arising as a result of such Employer conduct.
- 10.5 In the event that this Policy terminates or is terminated prior to the end of a Policy Period, the stop loss limits under this Policy shall not be prorated, and Anthem shall not reimburse Employer for any Paid Claims unless the Specific Stop Loss Limit and/or the Aggregate Stop Loss Limit or the Minimum Aggregate Stop Loss Limit, if greater, have been met. Only amounts accumulated towards any stop loss limits under this Policy through the date of termination will be used in the determination of whether such limits have been met. Anthem shall have no obligation to refund to Employer any stop loss premiums paid by Employer under this Policy.
- If, based on the settlement calculation, Anthem must pay Employer an amount due under the terms of this Policy, Anthem shall pay Employer with the invoice that includes the settlement calculation.
- If, based on the settlement calculation Employer must pay Anthem an amount under the terms of this Policy, then Employer shall pay Anthem no later than 30 days following receipt of the invoice.

**ARTICLE 11
NOTICES**

- 11.1 Notices under this Policy shall be deemed sufficient when made in writing as follows: to Employer, by first class mail, personal delivery, electronic mail or overnight delivery with confirmation capability, to its principal office shown upon the records of Anthem; to Anthem, by first class mail, personal delivery, electronic mail or overnight delivery with confirmation capability, to the designated Anthem sales representative.
- 11.2 A notice or demand shall be deemed to have been given as of the date of deposit in the United States mail with postage prepaid or, in the case of delivery other than by mail, on the date of actual delivery at the appropriate address.

**ARTICLE 12
GENERAL PROVISIONS**

- 12.1 No failure or delay by either Party to exercise any right or to enforce any obligation herein and no course of dealing between Employer and Anthem shall operate as a waiver of such right or obligation or be construed as or constitute a waiver of the right to enforce or insist upon compliance with such right or obligation in the future. Any single or partial exercise of any right or failure to enforce any obligation shall not preclude any other or further exercise or the right to exercise any other right or enforce any other obligation.
- 12.2 Unless it has first obtained the written consent of an officer of the other Party, neither Party may assign this Policy to any other person. Notwithstanding the foregoing, Anthem may, with advance written notice to Employer, assign or otherwise transfer its rights and obligations hereunder, in whole or in part, to: (i) any affiliate of Anthem; or (ii) any entity surviving a transaction involving the merger, acquisition, consolidation, or reorganization of Anthem, or in which all or substantially all of Anthem's assets are sold. Additionally, Employer may, with advance written notice to Anthem, assign, delegate, or otherwise transfer its rights and obligations hereunder, in whole, to (i) any affiliate of Employer; or (ii) any entity surviving a transaction involving the merger, acquisition, consolidation or reorganization of Employer, or in which all or substantially all of Employer's assets are sold, provided that such affiliate or other assignee presents, in Anthem's opinion, an equivalent or better financial status and credit risk. Either Party is required to provide advance written notice under this provision only to the extent permissible under applicable law and the reasonable terms of the agreement(s) governing such merger, acquisition, consolidation, reorganization, or asset sale. If advance written notice is not allowed, notice shall be provided as soon as practicable. Upon receipt of notice of an assignment of this Policy, the other Party may terminate this Policy by providing the assigning Party with 30 days advance written notice of termination. Any assignee of rights or benefits under this Policy shall be subject to all of the terms and provisions of this Policy. Either Party may subcontract any of its duties under this Policy without the prior written consent of other Party; however, the Party subcontracting the services shall remain responsible for fulfilling its obligations under this Policy.
- 12.3 The payment of amounts under this Policy will not include any taxes which might be paid or payable by Employer; or any tax liability, interest, penalty, or assessment imposed by any regulatory or taxing authority or any state or federal health insurance exchange, uninsured pool or any other similar state or federal program. Employer agrees to reimburse Anthem for any tax liability, assessment, fee or other amount paid or payable by Employer that is assessed against Anthem on the basis of the stop loss coverage provided to Employer, including any amounts related to the assessment by the Federal government under the Patient Protection and Affordable Care Act and its amendments ("PPACA") and shall reimburse Anthem for the amount of any such tax liability incurred by Anthem and allocated to Employer as the result of such tax assessment. Such reimbursement shall be due and payable to Anthem by the Invoice Due Date.
- 12.4 No action by either Party alleging a breach of this Policy may be commenced after the expiration of 3 years from the date on which the claim arose.
- 12.5 Employer on behalf of itself and its participants, hereby expressly acknowledges its understanding that this Policy constitutes a contract solely between Employer and Anthem, that Anthem is an independent corporation operating under a license with the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, permitting Anthem to use the Blue Cross and Blue Shield Service Marks in the State of Georgia and that Employer further acknowledges and agrees that it has not entered into this Policy based upon representations by any person other than Anthem and that no person, entity, or organization other than Anthem shall be held accountable or liable to it for any of Anthem's obligations to Employer created under this Policy. This paragraph shall not create any additional obligations whatsoever on the part of Anthem other than those obligations created under other provisions of this Policy.

- 12.6 If there is a conflict between the terms and conditions of this Policy and the Administrative Services Agreement between the Parties, the terms and conditions of this Policy shall prevail.
- 12.7 Anthem agrees that it will not terminate this Policy during an Eligible Claim Date Period due to adverse claim experience of Member(s).
- 12.8 Paid Claims administered by a third party shall not apply to the stop loss coverage under this Policy except as described in the Schedule for Claims Administered by Third Party Administrator.

**ARTICLE 13
ENTIRE AGREEMENT**

- 13.1 The following documents will constitute the entire description of stop loss coverage between the Parties: this Policy, including any applications, amendments and Schedules thereto.
- 13.2 This Policy supersedes any and all prior agreements between the Parties, whether written or oral, and other documents, if any, addressing the subject matter contained in this Policy.
- 13.3 If any provision of this Policy is held to be invalid, illegal or unenforceable in any respect under applicable law, order, judgment or settlement, such provision shall be excluded from the Policy and the balance of this Policy shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

**ARTICLE 14
INTENTIONALLY OMITTED**

IN WITNESS WHEREOF, the parties hereto have caused this Policy to be executed in duplicate by affixing the signatures of duly authorized officers.

Board of Commissioners of Walton County, Georgia

Anthem Life Insurance Company

By: _____
 Title: _____
 Date: _____

By: _____
 Title: _____
 Date: _____

SCHEDULE A
to the
STOP LOSS POLICY
with
BOARD OF COMMISSIONERS OF WALTON COUNTY, GEORGIA

Section 1. Term

The Policy Period shall be from 07/01/2023 through 06/30/2024. For purposes of this Policy Period, this Schedule shall supplement and amend the Stop Loss Policy between the Parties.

Anthem shall provide an offer to renew this Policy at least 90 days prior to the end of a Policy Period.

Jurisdiction of this Policy shall be in the state of Georgia.

Section 2. Eligible Claim Date Period

Claims under the Plan shall be covered by the Stop Loss Policy when Incurred and paid as follows:

Incurred from July 01, 2022 through June 30, 2024 and

Paid from July 01, 2023 through June 30, 2024

The Eligible Claim Date Period applies only to a full Policy Period.

Section 3. Member Classification Excluded from Stop Loss Coverage

Not Applicable

Section 4. Specific Stop Loss Coverage

A. Application of Specific Stop Loss Coverage

Amounts accumulated toward the Specific Stop Loss Limit shall be calculated as follows:

Per Member

B. Lines of Coverage

The specific stop loss coverage shall apply to the following benefits under the Plan:

Medical with Prescription Drug

C. Specific Stop Loss Coverage Limits

Specific Stop Loss Limit

one hundred seventy five thousand dollars (\$175,000.00)

Aggregating Specific Stop Loss Limit

seventy five thousand dollars (\$75,000.00)

D. Premium Rates

The per Subscriber Premium Rates for the specific stop loss coverage shall be the following:

Medical with Prescription Drug

| | | |
|-----------|----------|------|
| Composite | \$202.50 | /mo. |
|-----------|----------|------|

E. Paid Claims

For purposes of specific stop loss coverage, Paid Claims shall exclude the following:

- Dental
- Vision
- Short Term Disability
- Capitated Fees
- Comprehensive Health Solutions Program Fees
- All Claim Surcharges
- Any surcharge listed in the invoice as "Other Charges and Credits"
- Funds representing Employer allocation to Consumer Directed Health Plan accounts

Section 5. Aggregate Stop Loss Coverage

A. Lines of Coverage

The aggregate stop loss coverage shall apply to the following benefits under the Plan.

Medical with Prescription Drug

B. Aggregate Stop Loss Coverage Limits

Aggregate Stop Loss Amount. The aggregate stop loss amount used to determine the Aggregate Stop Loss Limit shall be calculated with the following:

Per Subscriber

Medical with Prescription Drug

| | | |
|-----------|-----------|------|
| Composite | \$1860.39 | /mo. |
|-----------|-----------|------|

Minimum Aggregate Stop Loss Limit

eleven million six hundred thirty three thousand three hundred ninety one dollars (\$11,633,391.00)

Aggregate Stop Loss Maximum

one million dollars (\$1,000,000.00)

Reimbursement Factor for Aggregate Stop Loss Coverage

The Reimbursement Factor shall be the following:

of Paid Claims in excess of the Stop Loss Limit

C. Premium Rates

The per Subscriber Premium Rates for the aggregate stop loss coverage shall be the following:

Medical with Prescription Drug

| | | |
|-----------|--------|------|
| Composite | \$4.99 | /mo. |
|-----------|--------|------|

D. Paid Claims

For purposes of aggregate stop loss coverage, Paid Claims shall exclude the following:

- Dental
- Vision
- Short Term Disability
- Capitated Fees
- Comprehensive Health Solutions Program Fees
- All Claim Surcharges
- Funds representing Employer allocation to Consumer Directed Health Plan accounts

Section 6. Payment

ACH or Wire Transfer Reimbursement. Employer shall deposit the amount due in a designated Anthem bank account by the Invoice Due Date. The deposit shall be made in accordance with any policies and regulations of the bank necessary to assure that the deposit is credited to Anthem's account no later than the next business day.

Section 7. Premium Credit

Anthem shall credit premium for each retroactive deletion up to a maximum of 60 days.

Section 8. Maximums

Not Applicable

Section 9. Other Fees and Charges

Not Applicable

IN WITNESS WHEREOF, this Policy has been executed by Anthem by its duly authorized officer.

Board of Commissioners of Walton County, Georgia

Anthem Life Insurance Company

By:

By:

Title:

Title:

Date:

Date:

**CLAIMS ADMINISTERED BY THIRD PARTY ADMINISTRATOR
SCHEDULE
to the
STOP LOSS POLICY
with
Board of Commissioners of Walton County, Georgia**

This Schedule to the Stop Loss Policy is effective 07/01/2023. This Schedule describes the stop loss coverage applicable to Claims administered by a Business Associate other than Anthem and shall supplement and amend the Stop Loss Policy between the Parties. If there are any inconsistencies between this Schedule and the Administrative Services Agreement between Employer and Anthem or the Administrative Services Agreement between Employer and its Business Associates, the terms and conditions of this Schedule shall control. Additionally, if there are any inconsistencies between the terms of the Policy and this Schedule, the terms of this Schedule shall control. All remaining terms of the Policy and other Schedules shall apply to this Schedule.

**SECTION 1
DEFINITIONS**

The following definitions shall supplement the Agreement between the Parties.

BUSINESS ASSOCIATE. A person or entity, other than a member of the workforce of a Covered Entity, who performs functions or activities on behalf of, or provides certain services to, a Covered Entity that may involve access by the Business Associate to protected health information.

CLAIM. Written or electronic notice of a request for reimbursement of any health care service or supply on a form acceptable to TPA.

COVERED SERVICE. Any health care service or supply rendered to a Subscriber or Member for which benefits are eligible for reimbursement pursuant to the terms of the Plan Documents.

ELIGIBLE CLAIMS EXPENSE. Benefits incurred by a Member or Subscriber that are payable under the Plan Documents and that are not excluded under this Policy.

GROUP HEALTH PLAN OR PLAN. An employee welfare benefit plan (as defined in Section 3(1) of ERISA) established by Employer, in effect as of the Policy Period, as described in the Plan Documents, as they may be amended from time to time.

INVESTIGATIONAL. A procedure, treatment, supply, device, equipment, facility, or drug that: (1) does not have final approval from the appropriate government regulatory body; (2) does not have the credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community which permits reasonable conclusions concerning the effect of the procedure, treatment, supply, device, equipment, facility or drug on health outcomes; (3) has not been proven to improve the net health outcome; (4) has not been determined to be as beneficial as any established alternative; or (5) has not shown improvement outside the investigational settings.

MEMBER. The individuals, including the Subscriber and his/her dependents, as defined in the Plan Documents, who have satisfied the Plan eligibility requirements, applied for coverage, and have been enrolled for Plan benefits.

MEDICALLY NECESSARY. A procedure, treatment, supply, device, equipment, facility, or drug that a medical practitioner, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury or disease or its symptoms, and that are: (1) in accordance with generally accepted standards of medical practice; (2) clinically appropriate in terms of type, frequency, extent, site, and duration and considered effective for the illness, injury or disease; (3) not primarily for the convenience of the patient, physician or other health care provider; (4) not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that covered individual's illness, injury or disease.

OFF LABEL DRUG USE. The use of a drug for a purpose other than for what it was approved for by the Food and Drug Administration.

PAID CLAIM. A Claim for Covered Services rendered or supplies provided to a Member under the Plan Documents, provided such Claim has been received, adjudicated, and paid by a Business Associate identified in this Schedule.

PHARMACY BENEFITS MANAGER OR PBM: A Business Associate that manages pharmacy benefits on behalf of Employer.

PLAN DOCUMENTS. The legal instruments that set forth the terms of the Plan, and which may include the Summary Plan Description (SPD) as defined under ERISA if applicable. In the event of any conflict between this Policy and any Plan Documents, including the Benefits Booklet, the terms of this Policy shall control. In the event of a conflict between the Benefits Booklet and any Plan Documents, the Benefits Booklet shall control.

PRESCRIPTION DRUGS. Insulin and those drugs and drug compounds that are included in the U.S. Pharmacopoeia and that are required to be dispensed pursuant to a prescription or that are otherwise included on the Plan's formulary (e.g., certain over-the-counter drugs).

PROOF OF LOSS. Information and records Employer must submit to Anthem before Anthem provides stop loss coverage.

SHOCK LOSS CLAIM. Injuries, diseases, diagnoses or high-cost drugs that are reasonably likely to result in a significant claim expense or disability, including claims that include diagnoses or drugs identified under the Catastrophic Diagnoses List or High Cost Drug List, each are available upon request.

SUBSCRIBER. An employee, union member, retiree, or other eligible person (other than a dependent) who is enrolled in the Plan and meets the eligibility criteria described in the Plan and who is not excluded under Section 3 of Schedule A.

THIRD PARTY ADMINISTRATOR OR TPA. The entity or entities selected by Employer, and identified under this Policy, to perform administrative services for the Plan including but not limited to the processing of claims.

TRANSPLANT. A procedure or series of procedures by which an organ or tissue is either: (1) removed from the body of one person and implanted in the body of a Member; or (2) removed from and replaced in the Member's body.

SECTION 2 REPORTS

Employer shall provide to Anthem no later than the 3rd day of each month the following report(s) containing following information:

- i. Summary of all Eligible Claim Expenses processed and paid by the TPA during the month;
- ii. Summary of all Eligible Claim Expenses pending;
- iii. Summary of Members and Covered Entities covered by the Plan during the month;
- iv. Summary of Members whose Eligible Claim Expenses that are equal to or exceed 50% of the Specific Stop Loss Limit, as well as a report showing the corresponding Eligible Claim Expenses;
- v. Detailed Member claim data for all Paid Claims exceeding the Specific Stop Loss Limit including but not limited to drug name, type, and cost information,
- vi. other pertinent information requested by Anthem.

Anthem reserves the right to modify the report list in this Section 2 and shall promptly provide Employer reasonable notice of any modifications. In the event that Employer fails to provide to Anthem the requested reports as required in this Section 2, Anthem may elect to make changes to this Schedule or other Schedules to this Policy with 30 days' notice to Employer.

SECTION 3 PROOF OF LOSS

3.1 Anthem's reimbursement under this Schedule shall occur in accordance with Article 5 or Article 10 of this Policy. Stop loss coverage shall not be payable under this Policy until Employer or its agent submits, in a format acceptable to Anthem, a Proof of Loss that meets the requirements of this Section no later than 60 days after the end of the Eligible Claim Date Period. A Proof of Loss must contain the following information:

- a) For a specific stop loss claim:
 - (1) Completed specific claim form which shall include but not limited to Incurred date, paid date, employer cost, member cost;
 - (2) Eligibility listing which identifies hire date, effective date, termination date (if applicable), and coverage type;
 - (3) Member's Name, date of birth and gender
 - (4) Documentation that demonstrates that Claims were paid in accordance with the Plan Documents.
 - (5) Other Documentation reasonably requested by Anthem.
 - (6) Anthem may request the information described in subparagraphs (1)-(6) twelve (12) months following the last month of the applicable Eligible Claim Date Period.
- b) For an aggregate stop loss claim:
 - (1) Completed aggregate claim form which shall include but not limited to aggregate report that provides a summary of the monthly claims, enrollment, and maximum claim liability;
 - (2) Eligibility listing which identifies birth date, hire date, effective date, termination date (if applicable), and coverage type;
 - (3) Member's Name, date of birth and gender
 - (4) A listing of Paid Claims made as an exception to the benefits and not covered under this Policy;
 - (5) Documentation that demonstrates that Claims were paid in accordance with the Plan Documents.
 - (6) Other documentation reasonably requested by Anthem.
 - (7) Anthem may request the information described in subparagraphs (1)-(7) twelve (12) months following the last month of the applicable Eligible Claim Date Period.
- c) Anthem may, in its discretion, elect not to provide stop loss coverage under this Policy if Employer fails to provide Proof of Loss in the manner described in this Section 3.
- d) Employer shall inform Anthem about any adjustments to any specific or aggregate stop loss claims previously submitted to Anthem, and to reimburse Anthem for any overpayments.

**SECTION 4
GENERAL TERMS AND CONDITIONS**

- 4.1 Clerical errors will not expand Anthem's obligations under this Schedule. A clerical error is a mistake in performing an administrative task but does not include Employer's intentional failure to comply with the Plan or the terms and conditions of this Schedule.
- 4.2 Bankruptcy or insolvency of Employer or the TPA will not impose any obligations upon Anthem other than those obligations set forth in this Schedule.
- 4.3 Employer shall authorize Business Associate(s) to disclose to Anthem any information Anthem requests related to stop loss coverage provided under this Schedule. The failure of Business Associate(s) to disclose requested information does not waive Employer's obligations under this Schedule.
- 4.4 Employer may appeal Anthem's denial of payment of a Claim under this Schedule no later than 60 days after Anthem's decision.
- 4.5 Employer will provide Anthem with prompt notice of any event that might result in a lawsuit related to stop loss coverage under this Schedule.
- 4.6 No action by either Party alleging a breach of this Policy with regard to Claims may be commenced after the expiration of 3 years from the date on which the claim arose.
- 4.7 Employer shall defend, indemnify, and hold harmless Anthem and its affiliates and their respective directors, officers, and employees (the "Indemnities") from and against all claims, demands, losses, liabilities, expenses and damages that the Indemnities may suffer or incur (other than liability arising from Anthem's gross negligence or willful misconduct), as a result of: (1) any negligence, error, or omission by any Business Associate or Employer; (2) Employer's breach of fiduciary responsibilities with regard to the Plan; or; (3) Employer's failure to comply with local, state or federal law, or its obligations under this Policy. This indemnification shall survive termination of this Policy.
- 4.8 Anthem has the right to terminate this Schedule if Employer changes its Business Associate(s) without Anthem's consent or makes any changes to Plan Documents without providing at least 60 days' advance notice to Anthem Life Insurance Company.
- 4.9 Proprietary and Confidential information submitted by Employer relating to a Business Associate shall be used only for purpose of administering stop loss coverage.
- 4.10 .
- 4.11 If Anthem is not the TPA, Eligible Claims Expenses that are subject to reference based pricing shall be reimbursed at the amount Anthem would have paid if Anthem were processing Claims as the TPA.

**SECTION 5
EXCLUSIONS**

Notwithstanding any other provision in this Schedule, the following Paid Claims shall be excluded from stop loss coverage:

- (1) Paid Claims that do not strictly comply with the terms and conditions of the Plan unless otherwise approved in writing by Anthem;
- (2) Expenses for any services provided by a third party vendor of Employer including but not limited to Employer's TPA or Medical Management Vendor, or any other type of consultant;
- (3) Paid Claims related to Members of an entity not listed under Section 1 of Schedule A;

- (4) Paid Claims for services prescribed, ordered, or received from the immediate family of a Member, including spouse, child, brother, sister, parent, or in-law or self;
- (5) Paid Claims related to, or arising out of any claim or lawsuit, including pre-trial investigation, discovery and other litigation costs and expenses, any compensatory or punitive damages, as well as penalties or fines assessed against Employer;
- (6) Expenses for occupational accidents or illnesses to the extent that the Member is covered or is required to be covered under Worker's Compensation or other applicable law whether or not such policy is actually in force;
- (7) Paid Claims that are considered not Medically Necessary or Investigational under the terms of this Policy;
- (8) Paid Claims for services directly or indirectly resulting from disease or injury resulting from a war, declared or not, or any military duty or any release of nuclear energy;
- (9) Paid Claims for non-emergency treatment of chronic illnesses received outside the United States performed without authorization by the TPA or its designees;
- (10) Paid Claims for services when Employer fails to provide Anthem information required under this Schedule; and
- (11) Paid Claims related to Transplant and bariatric services that are not performed by a Network Provider. For purposes of this exclusion, a Network Provider does not include any providers with whom Employer has entered into a single-case agreement, unless Employer has received Anthem's prior written approval.
- (12) Paid Claims for any Covered Service which: a) Allows Employer or the plan administrator to approve Alternative Care or alternative treatment; or, b) Allows Employer or the plan administrator to alter, modify, or waive Plan provisions or limitations, or c) Grants any person discretion to approve coverage for an uncovered service; unless the service or procedure satisfies the criteria for Alternative Care.
- (13) Paid Claims where an adjudication to pay is reversed and/or checks or drafts are returned to the payor unpaid for any reason.
- (14) Paid Claims for persons who are ineligible to participate under the strict terms of the Plan Documents, including but not limited to individuals who are not Actively at Work, as well as any Paid Claims for individuals where eligibility requirements have been otherwise waived or amended by the Plan.
- (15) Prescription claims for Off Label Drug Use that is not otherwise covered under this Policy.
- (16) Paid Claim in excess of the maximum reimbursement provided for under the Plan Documents.

Any amounts that are subject to the exclusions contained in this Section 5 shall not be applied towards the attainment of the stop loss limit(s) set forth in this Policy.

**SECTION 6
RIGHT TO AUDIT**

Anthem has the right to inspect and audit any and all of Employer's and Business Associate's documents relating to any Claims submitted to Anthem. Such documentation shall include, but is not limited to, Claims, case management, utilization management records, Member eligibility, audit records (including audits of TPA and TPA's providers and vendors), as well as other information requested by Anthem. Anthem also has the right to review and audit records related to subrogation and other recoveries. Anthem reserves the right to retain a third party, at its expense, to assist with an audit.

Employer shall make Claims information available including but not limited to payment information available to Anthem for inspection, whether such records are maintained by Employer or the TPA. Anthem will treat all records and information obtained pursuant to this Article as confidential. Such books and records will be maintained for a period of not less than 3 years following termination of the Policy.

Anthem shall not be liable for the fulfillment of any obligation under this Schedule if Anthem does not receive information from Employer requested pursuant to this Section.

Board of Commissioners of Walton County, Georgia

Anthem Life Insurance Company

By:

By:

Title:

Title:

Date:

Date:
