



## COMMISSIONERS COURT COMMUNICATION

AGENDA DATE: 12/19/2011

CONSENT OR REGULAR: Consent

CONTRACT REFERENCE NO  
(IF APPLICABLE): \_\_\_\_\_

**SUBJECT:** Approve and authorize the County Judge to sign the proposed Third Amendment to the Health Plan Services Agreement with HealthSCOPE Benefits. The Amendment, (KK-11-013) has been reviewed by the County Attorney's Office and approved by the Risk Pool Board during their meeting on December 8, 2011.

**BACKGROUND/DISCUSSION OF TOPIC:** The County of El Paso entered into an agreement with HealthSCOPE Benefits in 2008 to provide Third Party Administration Services (TPA) to El Paso County. Approval of this amendment will renew the agreement between the County of El Paso and HealthSCOPE from January 1, 2012 to December 31, 2012 which is the third of four 1-year renewal options. Additional changes described in the Amendment include:

- 1) The authority of the TPA to collect and remit premiums on behalf of the County for Stop Loss Insurance with HCC Life Insurance Company.
- 2) Language identifying the TPA as providing Administrative Services for the County's Flexible Spending Account and Transit Benefits.
- 3) Language regarding the termination of the Employee Health Clinic services previously provided by the TPA.
- 4) An amendment to the Employee Assistance Program which makes it more consistent with County policy.
- 5) New "List of Charges" which changes the ASO fee to \$20 per employee per month (pepm), identifies a 22% recovery fee for out-of-network claims, establishes a \$1.55 charge pepm on non-Plan Participants for the Employee Assistance Program, removes the \$6 pepm fee for services of an Employee Health Clinic, and it removes sections that did not apply to the current contract.

**FISCAL IMPACT:** Will depend on the number of enrollees, however, the base monthly per employee administrative fee is \$4 less than what the original contract included for this year and is \$.50 less per non-member per month for the employee assistance program than the current fee.

**RECOMMENDATION:** Staff is recommending for the Commissioners Court to approve this Third Amendment to the Health Plan Services Agreement.

SUBMITTED BY:	Betsy C. Keller, SPHR Director of Human Resources		
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**THIRD AMENDMENT TO  
HEALTH PLAN SERVICES AGREEMENT  
(THIRD PARTY ADMINISTRATOR)**

This Third Amendment is made to the Health Plan Services Agreement (Third Party Administrator) ("Agreement") previously executed by and between and **the County of El Paso** ("Client") and Access Administrators, Inc. D/B/A Foresight TPA on December 18, 2008, amended on December 21, 2009, by and between the Client and **HealthSCOPE Benefits, Inc.**, a Delaware corporation ("Contractor"), and amended again on August 9, 2010. .

WHEREAS, Client awarded RFP 10-083, Section 125/132 Plan Administration Services to Contractor;

WHEREAS, as of May 31, 2011, at Client's request, Contractor ceased to provided an employee clinic to Client;

WHEREAS, pursuant to Section 10.17 of the Agreement, Client and Contractor desire to amend and modify the Agreement to reflect these changes and others as set forth below, so that the Agreement, as amended and modified, is acceptable to both parties;

NOW, THEREFORE, in consideration of the promises and of the mutual covenants herein, the parties agree that the Agreement shall be and is hereby amended and modified as follows, effective January 1, 2011, or as otherwise noted, regardless of the date of execution.

**1. ARTICLE I, SECTION 1.12 "DOCUMENTATION" IS AMENDED TO ADD THE FOLLOWING.**

Client's RFP 10-082 RFP - Medical Stop Loss Insurance for the County of El Paso for Calendar Year 2011 and Contractor's Response to it;

Client's RFP 10-083, Section 125/132 Plan Administration Services for Calendar Year 2011 and Contractor's Response to it; and

Client's Notice to Contractor regarding the termination of the employee clinic services provided by Contractor;

The above -referenced RFP's and Contractor's responses are attached hereto and incorporated herein by reference as though fully set forth.

**2. ARTICLE II, SECTION 2.1 PRIMARY TERM IS AMENDMED AS FOLLOWS:.**

The parties agree to extend the term of the agreement for the period of January 1, 2012 to December 31, 2012.

**3. EXHIBIT C: SERVICES OF THE AGREEMENT IS AMENDED TO ADD SECTION 1. (AA); 1(BB); 1(CC); 1(DD); AND 1(EF); AS FOLLOWS:**

1(bb) Contractor shall provide out-of-network claims management, direct negotiation and enhanced negotiation;

1(cc) Contractor shall provide fraud management program/enhanced recoveries;

1(dd) Contractor shall provide credit balance recovery/medical bill review;

**4. EXHIBIT C: SERVICES OF THE AGREEMENT SECTION 2 IS AMENDED AS FOLLOWS:**

Section 2(q), as amended by the First Amendment to the Agreement, is deleted in its entirety effective January 1, 2012 and replaced with the following text:

2(q) It will provide Client's Employee Assistance Program as set forth the attached Third Amendment Addendum 3.

Section 2(t) is amended to read as follows:

2(t). It will provide an On-Site Clinic and Clinic Management, providing services for primary care as well as preventive health care measures and wellness promotion, as further described in Addendum "2", Clinic, attached hereto and incorporated herein. This provision shall be ineffective as of June 1, 2011, and Addendum "2" Clinic shall be ineffective and deleted as of June 1, 2011.

**5. EXHIBIT C: SERVICES OF THE AGREEMENT IS AMENDED TO ADD SECTION 3) AS FOLLOWS:**

3) **Stop Loss.** Client and its Plan have selected HCC Life Insurance Company as their reinsurance carrier and have agreed to pay carrier a premium for reinsurance coverage provided to them by the carrier; Contractor will collect the carrier's premiums from Client and/or the Plan and remit the premiums to the carrier. Contractor is not an affiliate of the identified reinsurance carrier, is not limited by any agreement with the identified reinsurance carrier, and serves strictly as intermediary between Client, the Plan, and the carrier in collecting and remitting the premiums to the carrier and collecting and remitting the authorized payments to the broker.

Contractor shall provide tracking and claims filing services with Client's stop loss insurance carrier and provide such stop loss carrier with information reasonably required by the carrier to project liability, make coverage determinations, and issue payment of claims under such coverage; Contractor assumes no responsibility or liability for the non-payment or delays in payment of such claims by any insurance carrier for any reason.

a. If applicable and upon request of Client, Contractor shall provide claims filing services with Client's stop loss insurance carrier in an effort to obtain advance funding of specific and/or aggregate claims.

b. Client shall provide Contractor prior to services being provided accurate enrollment and eligibility information regarding all Participants; thereafter, Client will promptly update this information by means agreed to by the parties, notifying Contractor of any and all changes in Participant status, including the addition of new Participants, termination or layoff, changes in dependent status or any other changes that may affect the eligibility of a Participant. Client shall be liable for benefits covered under the Plan incurred prior to Contractor processing any enrollment or eligibility change. Client acknowledges delays in promptly providing accurate enrollment and eligibility information may affect, among other things, reimbursement under Client's stop loss insurance policy, if applicable.

c. Client shall agree that Contractor is not liable for the non-payment or delays in payment of claims by any insurance carrier, including, but not limited to, Client's stop loss insurance carrier (if applicable), for any reason.

d. Client shall acknowledge that, if applicable to Client, the use of specific advance funding through a stop loss insurance carrier may, due to delays in claims payments to healthcare providers awaiting funding from the stop loss insurance carrier, result in the loss of PPO discounts; Client agrees it is responsible for any resulting additional claims payments due to healthcare providers.

**6. EXHIBIT C: SERVICES OF THE AGREEMENT IS AMENDED TO ADD SECTION 4) AS FOLLOWS:**

4) **Flexible Spending Account Administration Services**

**Section 1.** Contractor will perform the following third-party administration services in accordance with the terms of the Plan, subject to review and direction by the Client:

a. Provide Client with account management.  
b. Using ordinary care, reasonable diligence, and its standard policies and procedures, review flexible spending account claims incurred by Participants and received by Contractor during the term of this Agreement, and determine the benefits payable, if any, on the claim according to the terms of the flexible spending account Plan's master plan document; in performance of these duties, Contractor shall be entitled to:

- i. Rely on any instructions, communication, information and/or data in its possession reasonably believed by it to be genuine and presented by the proper party or parties, including, but not limited to, Participant eligibility and enrollment information provided by Client;
- ii. Receive necessary information from Client, Participants, healthcare providers, and any other source in good order and within a reasonable period of time necessary for sorting, processing, inputting and posting of data received;
- iii. Arrange to have a medical review conducted, at Client's expense, if necessary to determine benefits payable under the flexible spending account Plan; and
- iv. Deviate at Contractor's discretion from its standard policies and procedures at the request of Client subject to Client agreeing to pay any additional fees requested by Contractor associated with such deviation.
- c. Make disbursements from the account established by or on behalf of the flexible spending account Plan for the payment of claims, benefits, expenses, and administrative fees under the flexible spending account Plan subject to Client providing sufficient funding.
- d. Provide an explanation of benefits (EOB) to Participants, including an explanation for a denial or reduction of any portion of a claim, information required to perfect a claim, and the flexible spending account Plan's review and appeal procedures.
- e. Maintain a process for receipt of a Participant's appeal of a claim determination such that the appeal is provided to Client for a final decision in accordance with the flexible spending account Plan and ERISA or other applicable law.
- f. Respond during normal business hours to routine questions from Participants regarding benefits under the flexible spending account Plan, eligibility for benefits under the flexible spending account Plan, and claim status; however, in no event shall Contractor be liable to reimburse the Participant or any other third party for inadvertent coverage and/or eligibility inaccuracies.
- g. Provide a supply of its standard proof of claim form.
- h. Prepare, draft or amend the Plan Document or Summary Plan Description (the written description of the benefits to be provided by the flexible spending account Plan, the terms and conditions under which the flexible spending account Plan shall be operated and the standards and rules governing the payment of benefits under the flexible spending account Plan) as requested or required by Client based on information provided by Client. However, it is expressly understood that documents prepared by Contractor shall be reviewed, changed and approved by Client. Regardless of whether Client chooses to secure approval of this/these document(s) by legal counsel, Client shall be solely responsible for any liability as a result of their use. Contractor shall provide such document(s) in a mutually agreed upon format. Client will review such document(s) upon receipt from Contractor and promptly notify Contractor of any required changes.
- i. Prepare on at least a monthly basis standard claims activity reports; Contractor and Client may agree at any time change or eliminate any report or change the frequency in which certain reports are prepared.
- j. Retain adequate records reflecting claims for benefits, enrollment, and payment for benefits related to the flexible spending account Plan for a period of seven (7) years from the date of receipt in a manner standard within flexible spending account administration industry; Client will assume the expense of handling and shipping any claim documentation requested by Client.
- k. Maintain appropriate records regarding claims submitted and corresponding payments for the period required by applicable law, and provide data that may be requested or required by Client for regulatory, audit, and/or other business purposes, including furnishing Client upon request data necessary for Client to prepare its own 5500 forms; additional compensation shall be negotiated between the parties where required reporting or disclosure would require Contractor to incur additional expenses to collect required information.
- l. If in good faith a claim is paid in excess of the amount that should have been paid under the terms of the flexible spending account Plan or an erroneous payment was otherwise made (an "Overpayment") and subject to the savings generating services described herein, use its standard recovery services to attempt to recover such Overpayment; Contractor will not be required to initiate court proceedings to recover an Overpayment or to reimburse Client for an un-recovered Overpayment; Client shall not be relieved of its duty to provide sufficient funds to Contractor or to make other payments as required under this Agreement as the result of an Overpayment; payment of attorneys' fees and related legal expenses incurred in attempting to recover an Overpayment, if any, shall be the responsibility of Client.
- m. Upon request of Client and for an additional fee agreed to by the parties, provide other special, non-standard reports, items and services such as:

- i. Custom benefit checks;
- ii. Access to a flexible spending account debit card through Contractor's preferred vendor;
- iii. Custom claim, explanation of benefits, accounting, proof of claim or enrollment forms;
- iv. Reconciling the banking account(s) described below; and
- v. Printing and/or mailing of forms and/or employee educational materials.

**Section 2.** Client agrees to perform the following services:

a. Provide Contractor prior to services being provided accurate enrollment and eligibility information regarding all Participants; thereafter, Client will promptly update this information by means agreed to by the parties, notifying Contractor of any and all changes in Participant status, including the addition of new Participants, termination or layoff, changes in dependent status or any other changes that may affect the eligibility of a Participant; Client shall be liable for benefits covered under the flexible spending account Plan prior to Contractor processing any enrollment or eligibility change.

b. As provided by Contractor, deliver to Participants all flexible spending account Plan information, summary of material modifications, and any other information required by the Department of Labor or any other federal or state governing agency.

c. Not amend the flexible spending account Plan's summary plan document to change benefits under the flexible spending account Plan except upon the anniversary date of this Agreement, unless otherwise acknowledged in advance by Contractor; Contractor reserves the right to adjust its administrative fees following any such amendment; programming of any benefit changes shall be done at an additional fee agreed upon by the parties.

d. Notify Contractor regarding its final determination of any disputed, questionable or appealed claims, claims requiring interpretation of the Plan Document and/or Summary Plan Document, and disputes regarding an individual's eligibility under the flexible spending account Plan.

e. Provide Contractor, in a timely manner, with certain reports and information which are complete and accurate in a form and manner specified by Contractor; such information may include, but may not be limited to: (i) certification that a Participant is eligible for benefits under the flexible spending account Plan; (ii) a description and identification of the types of benefits to which a Participant is entitled; and (iii) date of a Participant's eligibility.

f. Be solely responsible for funding the payment of benefits, expenses, and administrative fees under the flexible spending account Plan, either through:

- i. Collection of premiums or contributions from Participants;
- ii. Payment from its general assets or contributions to a trust, if applicable, the assets of which are used to pay benefits; or
- iii. A combination thereof.

Contractor shall notify Client of the dollar amount necessary to satisfy the flexible spending account Plan's expense obligations, and Client shall remit to Contractor within two (2) business days from a trust account and/or Client's general assets the amount necessary to satisfy this obligation.

Nothing in this Agreement shall require Contractor to advance funds for the payment of benefits under the flexible spending account Plan nor shall Contractor have a duty or responsibility to process any claim if funds are not provided by Client in an amount sufficient to pay for claims and expenses payable under the terms of the flexible spending account Plan. In the event Client fails to satisfy its funding obligation as provided in this Agreement or does not authorize Contractor to release checks for pended claims in a timely fashion, Contractor may suspend all processing of claims and preparation and release of benefit checks until Client remits sufficient funds to pay such benefits or otherwise authorizes release of checks. If Client fails to remit to Contractor the amount necessary to satisfy Client's funding obligation or fails to authorize release of checks for pended claims within ten (10) days of its receipt of notice from Contractor of the flexible spending account Plan's expense obligations, Contractor may notify Participants and affected healthcare providers in writing of such failure and may forward all inquiries regarding the flexible spending account Plan to Client.

Client authorizes Contractor to make disbursements from the account established for the payment of benefits, expenses, and administrative fees incurred under the flexible spending account Plan, including Contractor's administrative fees to which it is entitled under this Agreement.

Client acknowledges that in the event the flexible spending account Plan is discontinued or canceled, or in the event of termination of this Agreement, Client is responsible for funding payment of all claims incurred and

adjudicated prior to the date of such discontinuance, cancellation or termination.

g. Notify Contractor of any inquiries it receives regarding the activities undertaken by Contractor and will assist Contractor in any reasonable manner with regard to Contractor's obligations under this Agreement.

h. Within ninety (90) days of receipt of a list from Contractor of adjudicated claims, notify Contractor in writing of any disagreement with Contractor's disposition of an adjudicated claim and request an adjustment of such claim. Until Client notifies Contractor of any errors or objections, Contractor will be entitled to rely on the information contained in the lists of adjudicated claims. If Client does not notify Contractor of any errors or objections within the thirty (30) day period, the information contained in the lists of adjudicated claims will be deemed accurate, complete and acceptable to Client.

i. Assist Contractor as reasonably necessary in Contractor's efforts to recover any Overpayments.

j. Provide Contractor with executed copies of the trust instrument (if applicable), Plan Document and Summary Plan Description.

k. Retain adequate records reflecting to claims for benefits, enrollment, and payment for benefits related to the flexible spending account Plan for a period of seven (7) years from the date of receipt.

l. Notify Contractor in writing of any change in the flexible spending account Plan benefits within a reasonable time prior to the effective date of such change. In the event any such change requires Contractor to re-process any claims, it may be done only at an additional fee agreed upon by the parties. Furthermore, in the event the minimum advance notice is not provided, programming of such changes may be done at an additional fee agreed upon by the parties.

m. Cause each Participant to authorize the release of medical records and information to Contractor as necessary for it to perform its duties and obligations under this Agreement.

n. Provide Contractor at least once per quarter with payroll information as is necessary for Contractor to carry out its duties and obligations in providing flexible spending account claims administration services.

o. Agree that the no provision of the Performance Guarantees set forth in Exhibit D of the Agreement shall apply to the service entitled "Flexible Spending Account Administration Services" added by this Amendment or otherwise be binding on Contractor.

## **7. EXHIBIT C: SERVICES OF THE AGREEMENT IS AMENDED TO ADD SECTION 5) AS FOLLOWS.**

### **5) Transit Benefit Administration Services**

**Section 1.** Contractor will perform the following third-party administration services in accordance with the terms of the Plan, subject to review and direction by the Client:

a. Provide Client with account management.

b. Using ordinary care, reasonable diligence, and its standard policies and procedures, review transit benefit claims incurred by Participants and received by Contractor during the term of this Agreement, and determine the benefits payable, if any, on the claim according to the terms of the transit benefit Plan's master plan document; in performance of these duties, Contractor shall be entitled to:

i. Rely on any instructions, communication, information and/or data in its possession reasonably believed by it to be genuine and presented by the proper party or parties, including, but not limited to, Participant eligibility and enrollment information provided by Client;

ii. Receive necessary information from Client, Participants, and any other source in good order and within a reasonable period of time necessary for sorting, processing, inputting and posting of data received;

iii. Deviate at Contractor's discretion from its standard policies and procedures at the request of Client subject to Client agreeing to pay any additional fees requested by Contractor associated with such deviation.

c. Make disbursements from the account established by or on behalf of the transit benefit Plan for the payment of claims, benefits, and expenses under the transit benefit Plan [the "Transit Benefit Funding Account", as more specifically defined in Section 3.0(a) herein below], subject to Client providing sufficient funding.

d. Provide an explanation of benefits (EOB) to Participants, including an explanation for a denial or reduction of any portion of a claim, information required to perfect a claim, and the transit benefit Plan's review and appeal procedures.

e. Maintain a process for receipt of a Participant's appeal of a claim determination such that the appeal is provided to Client for a final decision in accordance with the transit benefit Plan and ERISA or other applicable law.

f. Respond during normal business hours to routine questions from Participants regarding benefits under the transit benefit Plan, eligibility for benefits under the transit benefit Plan, and claim status; however, in no event shall Contractor be liable to reimburse the Participant or any other third party for inadvertent coverage and/or eligibility inaccuracies.

g. Provide a supply of its standard proof of claim form.

h. Prepare, draft or amend the Plan Document or Summary Plan Description (the written description of the benefits to be provided by the flexible spending account Plan, the terms and conditions under which the transit benefit Plan shall be operated and the standards and rules governing the payment of benefits under the transit benefit Plan) as requested or required by Client based on information provided by Client. However, it is expressly understood that documents prepared by Contractor shall be reviewed, changed and approved by Client. Regardless of whether Client chooses to secure approval of this/these document(s) by legal counsel, Client shall be solely responsible for any liability as a result of their use. Contractor shall provide such document(s) in a mutually agreed upon format. Client will review such document(s) upon receipt from Contractor and promptly notify Contractor of any required changes. .

i. Prepare on at least a monthly basis standard claims activity reports; Contractor and Client may agree at any time to change or eliminate any report or change the frequency in which certain reports are prepared.

j. Retain adequate records reflecting claims for benefits, enrollment, and payment for benefits related to the transit benefit Plan for a period of seven (7) years from the date of receipt in a manner standard within transit benefit administration industry; Client will assume the expense of handling and shipping any claim documentation requested by Client.

k. Maintain appropriate records regarding claims submitted and corresponding payments for the period required by applicable law, and provide data that may be requested or required by Client for regulatory, audit, and/or other business purposes, including furnishing Client upon request data necessary for Client to prepare its own 5500 forms; additional compensation shall be negotiated between the parties where required reporting or disclosure would require Contractor to incur additional expenses to collect required information.

l. If in good faith a claim is paid in excess of the amount that should have been paid under the terms of the transit benefit Plan or an erroneous payment was otherwise made (an "Overpayment") and subject to the savings generating services described herein, use its standard recovery services to attempt to recover such Overpayment; Contractor will not be required to initiate court proceedings to recover an Overpayment.

m. Upon request of Client and for an additional fee agreed to by the parties, Contractor will provide other special, non-standard reports, items and services such as:

- i. Custom benefit checks;
- ii. Custom claim, explanation of benefits, accounting, proof of claim or enrollment forms;
- iii. Reconciling the banking account(s) described below; and
- iv. Printing and/or mailing of forms and/or employee educational materials.

**Section 2.** Client agrees to perform the following services:

a. Provide Contractor prior to services being provided accurate enrollment and eligibility information regarding all Participants; thereafter, Client will promptly update this information by means agreed to by the parties, notifying Contractor of any and all changes in Participant status, including the addition of new Participants, termination or layoff, changes in dependent status or any other changes that may affect the eligibility of a Participant; Client shall be liable for benefits covered under the transit benefit Plan prior to Contractor processing any enrollment or eligibility change.

b. as provided by Contractor deliver to Participants all transit benefit Plan information, summary of material modifications, and any other information required by the Department of Labor or any other federal or state governing agency.

c. Notify Contractor regarding its final determination of any disputed, questionable or appealed claims, claims requiring interpretation of the Plan Document and/or Summary Plan Document, and disputes regarding an individual's eligibility under the transit benefit Plan.

d. Provide Contractor, in a timely manner, with certain reports and information which are complete and accurate in a form and manner specified by Contractor; such information may include, but may not be limited to: (i) certification that a Participant is eligible for benefits under the transit benefit Plan; (ii) a description and identification of the types of benefits to which a Participant is entitled; and (iii) date of a Participant's eligibility.

e. Be solely responsible for funding the payment of benefits, expenses, and administrative fees under the transit benefit Plan, either through:

- i. Collection of premiums or contributions from Participants;
- ii. Payment from its general assets or contributions to a trust, if applicable, the assets of which are used to pay benefits; or
- iii. A combination thereof.

Contractor shall notify Client of the dollar amount necessary to satisfy the transit benefit Plan's expense obligations, and Client shall remit to Contractor within two (2) business days from a trust account and/or Client's general assets the amount necessary to satisfy this obligation.

Nothing in this Agreement shall require Contractor to advance funds for the payment of benefits under the transit benefit Plan nor shall Contractor have a duty or responsibility to process any claim if funds are not provided by Client in an amount sufficient to pay for claims and expenses payable under the terms of the transit benefit Plan. In the event Client fails to satisfy its funding obligation as provided in this Agreement or does not authorize Contractor to release checks for pended claims in a timely fashion, Contractor may suspend all processing of claims and preparation and release of benefit checks until Client remits sufficient funds to pay such benefits or otherwise authorizes release of checks. If Client fails to remit to Contractor the amount necessary to satisfy Client's funding obligation or fails to authorize release of checks for pended claims within ten (10) days of its receipt of notice from Contractor of transit benefit Plan's expense obligations, Contractor may notify Participants and affected healthcare providers in writing of such failure and may forward all inquiries regarding the transit benefit Plan to Client.

Client authorizes Contractor to make disbursements from the Transit Benefit Funding Account [as defined herein below in Section 3.0(a)] for claims and benefits payments and miscellaneous expenses.

Client acknowledges that in the event the transit benefit Plan is discontinued or canceled, or in the event of termination of this Agreement, Client is responsible for funding payment of all claims incurred and adjudicated prior to the date of such discontinuance, cancellation or termination.

f. Notify Contractor of any inquiries it receives regarding the activities undertaken by Contractor and will assist Contractor in any reasonable manner with regard to Contractor's obligations under this Agreement.

g. Within thirty (30) days of receipt of a list from Contractor of adjudicated claims, notify Contractor in writing of any disagreement with Contractor's disposition of an adjudicated claim and request an adjustment of such claim. Until Client notifies Contractor of any errors or objections, Contractor will be entitled to rely on the information contained in the lists of adjudicated claims. If Client does not notify Contractor of any errors or objections within the thirty (30) day period, the information contained in the lists of adjudicated claims will be deemed accurate, complete and acceptable to Client.

h. Assist Contractor as reasonably necessary in Contractor's efforts to recover any Overpayments.

i. Provide Contractor with executed copies of the trust instrument (if applicable), Plan Document and Summary Plan Description.

j. Retain adequate records reflecting to claims for benefits, enrollment, and payment for benefits related to the transit benefit Plan for a period of seven (7) years from the date of receipt.

k. Notify Contractor in writing of any change in the transit benefit Plan benefits within a reasonable time. In the event any such change requires Contractor to re-process any claims, it will be done only at an additional fee agreed upon by the parties. Furthermore, in the event the minimum advance notice is not provided, programming of such changes may be done at an additional fee agreed upon by the parties.

l. Cause each Participant to authorize the release of sales records and information to Contractor as necessary for it to perform its duties and obligations under this Agreement.

m. Provide Contractor at least once per quarter with payroll information as is necessary for Contractor to carry out its duties and obligations in providing transit benefit claims administration services.



n. Agree that the no provision of the Performance Guarantees set forth in Exhibit D of the Agreement shall apply to the service entitled "Transit Benefit Administration Services" added by this Amendment or otherwise be binding on Contractor.

**8. ADDENDUM 1 OF THE AGREEMENT IS AMENDED AS FOLLOWS.**

Addendum 1: List of Charges is deleted in its entirety and replaced with the attached Third Amendment Addendum 1: List of Charges.

**9. A NEW ADDENDUM, THIRD AMENDMENT ADDENDUM 3, EMPLOYEE ASSISTANCE PROGRAM IS ADDED TO THE AGREEMENT AS INCORPORATED BY REFERENCE PURSUANT TO SECTION 2(q).**

Any terms of the Agreement, inconsistent with the terms set forth above shall be of no further force and effect. All other terms of the Agreement will remain in full force and effect.

**IN WITNESS THEREOF**, the parties hereto have caused this Amendment to be executed by their respective officers duly authorized to do so.

**HEALTHSCOPE BENEFITS, INC.**

**THE COUNTY OF EL PASO**

By:\_\_\_\_\_

By:\_\_\_\_\_

Mary Catherine Person

Veronica Escobar

President

County Judge

Date:\_\_\_\_\_

Date:\_\_\_\_\_

**THIRD AMENDMENT ADDENDUM 1**  
**LIST OF CHARGES**

The following services and fees are effective January 1, 2011 through December 31, 2013, unless otherwise indicated below:

**FEES TO BE PAID BY CLIENT**

<b>FEES (PEPM*, unless otherwise indicated below)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
ASO fee	\$24.00	\$20.00	\$20.00
Network Access fee	Inclusive	Inclusive	Inclusive
On Site Customer Service Representative	Inclusive	Inclusive	Inclusive
Provider directories	Inclusive	Inclusive	Inclusive
COBRA Administration	Inclusive	Inclusive	Inclusive
HIPAA Administration	Inclusive	Inclusive	Inclusive
Utilization Review / Utilization Management	Inclusive	Inclusive	Inclusive
On Site Clinic**	Inclusive	N/A	N/A
Run-Out claims processing fees if contract is terminated	\$18.00	\$18.00	\$18.00
Out-of-network Claims Management Negotiation and Enhanced Negotiation	22% of recovery	22% of recovery	22% of recovery
Fraud Management Program/Recovery	25% of recovery	25% of recovery	25% of recovery
Credit Balance Recovery/Bill Review	30% savings	30% savings	30% savings
Employee Assistance Program/PP**	Inclusive	Inclusive	Inclusive
Employee Assistance Program/nonPP	\$1.55	\$1.55	\$1.55

**FEES TO BE PAID BY PLAN PARTICIPANT**

Health Savings Account *	\$1.50	\$1.50	\$1.50
Premium Only†	\$0.13	\$0.13	\$0.13
Parking Conversion†	\$0.13	\$0.13	\$0.13
Parking Reimbursement Only†	\$0.13	\$0.13	\$0.13
Health FSA Only†	\$1.38	\$1.38	\$1.38
Health FSA & Premium Only†	\$1.48	\$1.48	\$1.48
Health FSA Account & Parking Conversion†	\$1.48	\$1.48	\$1.48
Health FSA Account & Parking Reimbursement†	\$1.48	\$1.48	\$1.48
Health FSA, Premium Only & Parking Conversion†	\$1.57	\$1.57	\$1.57
Health FSA, Premium Only & Parking Reimbursement†	\$1.57	\$1.57	\$1.57
Dependent Care FSA Only†	\$1.15	\$1.15	\$1.15
Dependent Care FSA & Premium Only†	\$1.27	\$1.27	\$1.27

\*Per employee, per month

\*\* Plan Participant

†Biweekly fee. Subject to a maximum of \$1.57 per employee.

**Legal Fees**

Client will reimburse reasonable and necessary attorney's fees incurred by Contractor in defense of claims brought by Plan Participants based upon payment or denial of Plan benefits.

**Stop Loss**

Client and its Plan have selected HCC Life Insurance Company as their reinsurance carrier and have agreed to pay carrier a premium for reinsurance coverage provided to them by the carrier; Contractor will collect the carrier's premiums from Client and/or the Plan and remit the premiums to the carrier. The premiums to the reinsurance carrier and the commissions to the broker are not included in the above-referenced fee guarantee. Contractor is not an affiliate of the identified reinsurance carrier, is not limited by any agreement with the identified reinsurance carrier, and serves strictly as intermediary between Client, the Plan, and the carrier in collecting and remitting the premiums to the carrier and collecting and remitting the authorized payments to the broker.

**ADDENDUM #3**  
**EMPLOYEE ASSISTANCE PROGRAM**

Client wishes to provide access to an employee assistance program (“EAP”) for all of its employees and for employee dependants. Contractor agrees to provide, or arrange for the provision of, EAP covered Services to County Employees and/or their Dependents in accordance with the terms of this agreement.

**DEFINITIONS:** All terms not defined herein shall be as defined in the Agreement, as amended, or in Client’s 2012 Summary Plan Description

*Employee:* Any individual employed by the County of El Paso in either a fulltime, part time, temporary, or seasonal capacity and their Dependents.

*Dependent:* An Employee’s lawfully married or common law spouse, or an Employee’s child who is less than 26 years of age.

*Employee Assistance Program (EAP):* A comprehensive program that helps Employees resolve personal problems that may impact their work performance, conduct, health, and well-being.

*EAP Network Provider:* Behavioral health provider who is enrolled in Contractor’s network of behavioral health care providers

*Plan:* The County Health Plan

*Plan Participant:* An Employee who is enrolled in the El Paso County Health Plan.

**I. Participation in the Employee Assistance Program**

- A. Voluntary Contact Employees and/or their dependents may call EAP directly without having to notify the chain of command for help with a variety of issues including but not limited to:
  - 1. Marriage/family;
  - 2. Child/adolescent;
  - 3. Mood and stress;
  - 4. Drug/alcohol;
  - 5. Anger management;
  - 6. Budget/financial resources;
  - 7. Critical incidents and critical incident follow-up;
  - 8. Workplace concerns;
  - 9. Referrals to Legal resources;
  - 10. Illness or loss of a family member;
  - 11. Emotional worries; or
  - 12. Referrals to childcare resources.
- B. Supervisor Referral—A supervisor who becomes aware that an employee has problems adversely affecting job performance or behavior related to the job may initiate a Supervisor Referral to EAP.

**II. Confidentiality**

- A. EAP Network Providers shall not disclose to any third party, any medical record information regarding Employee or Dependents except where permitted or required by law, or where such disclosure is expressly approved by Employee, or as applicable, Dependent, in writing.
- B. Contractor shall comply with all federal and state laws and regulations, and all bylaws, rules, regulations and policies of Client regarding confidentiality of such information.
- C. An EAP counselor may release the following information to the County for employees who were required to contact EAP by a supervisor or manager:
  - 1. Whether or not the referred employee scheduled an appointment as required;
  - 2. Whether or not ongoing treatment is necessary for the referred employee;
  - 3. Whether or not the referred employee is compliant with EAP recommendations; or
  - 4. Whether or not the referred employee is fit for duty.

### **III. Employee Assistance Program Scope of Service**

- A. Eligibility Determination – EAP is available to Employees and their Dependents. Client will be sole determiner of eligibility for EAP services. Client will provide Contractor an updated list of eligible employees at least on a quarterly basis.
- B. Counseling Sessions - Contractor will provide, or arrange for the provision of, telephonic and face-to-face mental health counseling to Employees and/or Dependents. Coverage includes up to eight (8) sessions per Employees and/or Dependents, per problem, per year. There is no limit to the number of problems a covered person may present each year. An EAP Network Provider may provide more than eight (8) sessions per problem per year, if the EAP Network Provider determines it is necessary. Assessments for homebound Employees or Dependents are available through the EAP.
- C. Financial Responsibility of Employee. The Employee shall be personally responsible for charges for services provided to an Employee or Dependent that do not fall within the scope of EAP services; for services provided by a non-EAP Network Provider; or for outside referrals by an EAP Network Provider.
- D. Employee Communication - Contractor will provide, or arrange for the provision of, initial Employee written communication, subject to the approval of the Client, informing Employees of the services to be provided through the Employee Assistance Program (EAP).
- E. Catastrophic Events – During and/or after a catastrophic event, Client may request EAP services at various locations within the County.
- F. Educational Materials - Contractor will provide, or arrange for the provision of, marketing or educational materials with pamphlets in English and Spanish depicting services, location and other details of services through the EAP.
- G. Website - Contractor will provide, or arrange for the provision of, a website available to Employees twenty-four (24) hours a day, seven (7) days a week, except for regularly scheduled and emergency maintenance performance on the website and exigencies not within the reasonable control of the provider.
- H. Licensing/Certification - Contractor will ensure that all principals, employees, and agents performing EAP services have all licenses, and/or certifications required to perform such services. EAP Network Providers providing services under this Agreement shall at all times be qualified, professionally competent, and duly licensed in Texas. EAP Network Providers providing services under this Agreement shall, at all times during the term of this Agreement, satisfy all State and federal certifications, regulations, or licensure requirements and render services under this Agreement in compliance with all applicable statutes, regulations, standards, rules, and directives of State, federal, and other applicable governmental and regulatory bodies. Contractor agrees to give immediate written notice to Client in the case of suspension or revocation, or initiation of any proceeding that could result in any change in the status, suspension or revocation, of such licensure, certification, or registration.
- I. Individual Reports – Contractor will provide, or arrange for the provision of, individual reports for employee referrals within 24 hours of each counseling session. The individual report will include at a minimum employee name, referral date, employee contact date, appointment dates, case status, and fit for duty.
- J. Statistical Reports – Contractor will provide, or arrange for the provision of, monthly statistical reports to include demographics, number of referrals and type, number of visits and issue, survey results.

**IV. Employee Assistance Program Training**

- A. Services provided to Client by EAP will include periodic employee orientation training and educational seminars, on a schedule to be agreed to by the parties.
- B. Supervisors will receive training in:
  - 1. Program services;
  - 2. Supervisor's role and responsibilities; and
  - 3. Identification of employee behaviors that indicate the existence of employee concerns, problems and/or issues that could impact employee job performance.

**V. Compensation**

- A. Client will pay no additional charge for EAP services for Plan Participants.
- B. EAP services for Employees and dependents not covered by the County Health Plan will be at a rate as provided in Addendum 1 to this Third Amendment.

## **COUNTY LEGAL REVIEW FORM**

KK-11-013

Contract Description: Human Resources/Risk Pool Board – Third Amendment to Health Plan Services Agreement (Third Party Administrator)

### **COUNTY ATTORNEY ACTION\*\***

**\*\*Requested Amendments/Clarifications:** We assume you have submitted any questions or comments you have regarding the terms of the contract, as well as any specific provisions to which you object, or which you want to have changed.

\_\_\_ xx\_\_\_ Approved as to Form as Submitted

\_\_\_ Approved as to Form with Amendments/Modifications/Reservations Noted Below\*

\_\_\_ Not Approved

\*1) NA

This document has been given legal review by the El Paso County Attorney's Office on behalf of the County of El Paso, its officers, and employees. Said legal review should not be relied upon by any person or entity other than the County of El Paso, its officers, and employees.

**Josefina J. Brostrom**  
**Assistant County Attorney**