AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Form Joinder Agreement; Group & Pension Administra

Action Requested: County Manager Signature

Parties to the Agreement: GPA & Gunnison County, Colorado

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Changes made to the Exhibit 10 of the GPA Services Agreement whereas Gunnison County has access to various health care cost management services. MPI (owners of PHCS Network of Providers). Joinder Agreement 2020 is the item requesting the County Manager's approval signature.

Fiscal Impact:

Submitted by: Cheryl Seling **Submitter's Email Address:** cseling@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:

Reviewed by: GUNCOUNTY1\kweak Discharge Date: 10/16/2020

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 10/15/20

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 10/15/2020 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 10/16/2020

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 10/20/2020

Revised April 2015

EXHIBIT 10

FORM JOINDER AGREEMENT

WHEREAS, Gunnison County is a User ("User") of Group & Pension Administrators, Inc. an MPI Client ("Client");

WHEREAS, Client has entered into a services agreement with MPI, on behalf of User for access to various health care cost management services ("Agreement"), copy annexed hereto;

WHEREAS, in order for User to receive Services under the Agreement, Client seeks to have User agree to all applicable terms and conditions of the Agreement;

THEREFORE, in consideration of the above, and of the promises herein, User agrees as follows:

A. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

B. User agrees to abide by all applicable terms and other obligations of the Agreement and any amendment thereto, as the Party financially responsible for the payment and administration of all health care claims under the Programs in order to receive access to the Services set forth in the Agreement including, but not limited to, timely payment to Network Providers and non-Network Providers and compliance with the terms of Network Provider Agreements and MPI Negotiation Agreements and DAs. User shall have a right to receive from Client copies of any executed amendments to the Agreement.

C. User agrees to pay the Fees in accordance with the terms and conditions set forth in the Employee Health & Welfare Benefit Plan Claims Administration Agreement between GPA and User. In the event that Employee Health & Welfare Benefit Plan Claims Administration Agreement is not executed or is incomplete as to Fees, User will be responsible for payment of the Fees for Services provided under this Agreement.

D. User represents and warrants that it is solvent and that during the term of this Joinder Agreement it shall maintain a reserve fund sufficient to pay all claims and MPI Fees for which User reasonably can anticipate it will become liable hereunder

E. The rights and obligations of User set forth in this Joinder Agreement shall not be assigned without the prior written consent of MPI. Any other attempt to assign this Agreement or rights or obligations hereunder shall be void.

F. In the event User breaches any obligations of the Agreement, MPI may terminate such User from accessing the Agreement upon thirty (30) days written notice.

G. Solely with respect to Client and Gunnison County only, Section A.1 of Exhibit 2 of the Agreement is hereby replaced in its entirety with the following:

<u>Primary PPO Network Services.</u>

In the event that Client is receiving the Primary PPO Network Services, Client shall utilize the Primary PPO Network as its primary Network within designated Markets and together with Users, are prohibited from providing access to multiple primary networks in the same Markets for the same Participants. For access to the Primary PPO Network, Client shall issue to Participants identification cards as further described below, and must include the following financial incentives to encourage utilization of the Primary PPO Network:

- In and out of network benefit design; and
- Payment of Covered Services rendered in connection with this Agreement at the in-network level; and at Contract Rates; and
- If a Network Provider has a contract with MPI that requires a minimum ten percent (10%) differential between (i) in-network and out-of-network benefits; or (ii) the equivalent, (i.e. a minimum ten percent (10%)

differential between the out of pocket amounts payable by a Participant for Covered Services provided by a Network Provider versus a non-Network Provider) and protests the application of a Contract Rate for any claim because the Network Provider asserts that Client's Benefit Program does not meet this financial incentive or Benefit Program design, MPI will use reasonable efforts to discuss with the applicable Network Provider the application of the Contract Rate to preserve the discount on behalf of the Client. However, if the Network Provider is still unwilling to accept the Contract Rate for the claim in question because the applicable Network Provider Agreement contained such requirements, Client agrees to reprocess the claim pursuant to the terms of the Network Provider Agreement and Client's Benefit Program.

H. This Joinder Agreement shall be effective as of August 1, 2020.

IN WITNESS HEREOF, a duly authorized representative of the User has executed this Joinder Agreement.

User:
Address_____
_____

_____
Signature

_____
Print Name and Title

Please see below response from the vendor and attached agreement between GPA & MPI.

Section A.1 of Exhibit 2, is in reference to you CSA agreement standard language (requiring the 10% differential for PHCS access). Please let me know if this explanation assists, along with the details noted below.

- *In Section G of the Joinder we added in the modified 10% differential language.*
- *Section G states that for Gunnison County only this section G will replace Section A.1 of Exhibit 2.*
- *When Gunnison utilizes the Primary PPO Network Services, Section G of the Joinder will then be applied instead of the standard terms listed in Section A.1 of Exhibit 2.*

Cheryl Seling

From: Consuelo A. Florence <Consueloa@gpatpa.com>
Sent: Wednesday, September 09, 2020 4:31 PM
To: Cheryl Seling
Cc: Frank Stichter
Subject: RE: Joinder Agreement
Attachments: 2020-08-01 Gunnison County GPA joinder Final.pdf; 2017-08-01 GROUP AND PENSION ADMINISTRATORS INC MPI INC CSA & AMEND.pdf

[EXTERNAL SENDER - USE CAUTION]

Hello, Cheryl.
I owe you an apology. I have this noted that I sent you the following.
Please see below response from the vendor and attached agreement between GPA & MPI.

Section A.1 of Exhibit 2, is in reference to you CSA agreement standard language (requiring the 10% differential for PHCS access). Please let me know if this explanation assists, along with the details noted below.

- *In Section G of the Joinder we added in the modified 10% differential language.*
- *Section G states that for Gunnison County only this section G will replace Section A.1 of Exhibit 2.*
- *When Gunnison utilizes the Primary PPO Network Services, Section G of the Joinder will then be applied instead of the standard terms listed in Section A.1 of Exhibit 2.*

Again, my sincere apologies for the delay.

Thanks,

Consuelo Aviles Florence
Legal/Compliance Support
Direct Phone: 972.744.2527
Direct Fax: 214.647.3004

From: Cheryl Seling <CSeling@gunnisoncounty.org>
Sent: Wednesday, September 9, 2020 4:45 PM
To: Consuelo A. Florence <Consueloa@gpatpa.com>
Cc: Frank Stichter <frank.stichter@strategichpc.com>
Subject: RE: Joinder Agreement

Hi Consuelo,

I hadn't heard back from you with a response to my concerns with the Joinder Agreement. Is your Legal team still working on this?

Thank you,

Cheryl

Cheryl Seling
Human Resources Manager

EXHIBIT 2
PRIMARY PPO NETWORK SERVICES

A. DESCRIPTION OF PRIMARY NETWORK SERVICES.

1. Primary PPO Network Services.

   In the event that Client is receiving the Primary PPO Network Services, Client and User shall utilize the Primary PPO Network as its primary Network within designated Markets and together with Users, are prohibited from providing access to multiple primary networks in the same Markets for the same Participants. For access to the Primary PPO Network, Client or User shall issue to Participants identification cards as further described below, and must include the following financial incentives to encourage utilization of the Primary PPO Network:

   - In and out of network benefit design; and
   - Payment of Covered Services rendered in connection with this Agreement at the in-network level; and at Contract Rates; and
   - A minimum ten percent (10%) benefit differential between in-network and out-of-network coinsurance rates to seek Covered Services from a Network Provider in the Primary PPO Network.

2. PHCS Healthy Directions Network Services. Client and User shall utilize the PHCS Healthy Directions Network Services outside the geographic area serviced by another network as a primary PPO for the relevant Program, and as otherwise described above with respect to financial incentives, and in accordance with the additional responsibilities set forth below.

B. ADDITIONAL RESPONSIBILITIES OF CLIENT. In connection with the Primary PPO Network Services purchased by Client, Client and User agree to the following:

1. Identification Cards. Client or User shall produce a standard identification card, at Client's expense, for use by its Participants enrolled in the Primary PPO Network Services. Each identification card shall contain the following information:

   - Name of Client
   - Claims Submission Address
   - User Name and Plan Number
   - Primary PPO Network Identifier (e.g., PHCS logo or name, etc.), as specified by MPI
   - Co-payment amount, if any
   - Telephone number(s) for the following: User Eligibility/Benefits Coverage, Utilization Management, and Provider Information

2. Explanation of Benefits. Client or User shall issue EOBs bearing the Primary PPO Network's tradename or logo provided by MPI and the name of Client and User, if applicable, to indicate that payment has been made at Contract Rates, any amount payable by the Program for Covered Services and any amount payable by the Participant.

3. Directories of Network Providers. Client or User shall make available to its Participants directories of Network Providers via the electronic directory maintained by MPI as described in this Agreement.

4. Grant of Authority.

   a. To access certain PHCS Network Provider Agreement(s), Client and Users hereby appoint MPI as their agent solely for the purposes of taking all actions reasonably necessary to carry out the obligations and intentions hereunder, without prior approval of Client or User, including but not limited to executing, terminating, and/or amending, said PHCS Network Provider Agreements.

   b. Client or Users may revoke the authority granted herein upon ninety (90) days prior written notice, and that upon the effective date of such notice, Client's and/or Users' access to those certain PHCS Network Providers will terminate. The Grant of Authority does not create any Client or User ownership interest in the Network or in any Network Provider Agreements.