AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Core Services Agreement Amendment No. 3

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement: Gunnison County, Colorado & ELAP Services, LLC

Term Begins: January 01, 2021 **Term Ends:** **Grant Contract #:**

Summary:

ELAP is making changes to existing professional groups upon renewal for: Ambulance Claims (adding as new category), Lab, DME and Other Clams (reducing reimbursement of these claims to 100% Medicare) and 110% Medicare Codes.

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: 1/29/2021

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

Comments:
Appears legally sufficient and I see no issues. ESG

Reveiwed by: GUNCOUNTY1\egaebler Discharge Date: 1/29/2021 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 1/29/2021

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

Agenda Date: 2/2/2021

Revised April 2015

ELAP Core Services Amendment

ELAP has decided to make a few changes to existing professional groups upon renewal:

Ambulance Claims – Currently, our ambulance claims are paid at different rates within our facility vs. professional audit products (because of their current inclusion in the "Lab/DME/Other" audit category). We are creating a new professional category for Ambulance to be reimbursed at 120% of Medicare.

Lab, DME and Other Claims – As part of ongoing product monitoring, ELAP evaluated the professional product metrics and reimbursement performance and our analysis indicated that we are paying "Lab, DME and Other" category claims at reimbursement levels that are higher than the standard commercial market. Therefore, we are reducing the reimbursement of these claims to 100% of Medicare.

110% Medicare Codes – We have identified a subset of procedure codes that will be moving to a new Medicare reimbursement metric (110% Medicare). An analysis of our entire block of professional claims priced in the past year under our new parameters would have produced an additional 3% of savings off of billed charges on that claim set. Our analysis revealed that an various Evaluation and Management (E&M) codes, along with telehealth services, were being reimbursed at a higher rate than the standard commercial market.

These changes necessitate an amendment to the Core Services Agreement . Attached is an amendment to the Core Services Agreement for Gunnison County.

CORE SERVICES AGREEMENT AMENDMENT No. 3

The Core Services Agreement (the "Agreement") by and between Gunnison County, Colorado, and its health plan having its principal office at 200 E Virginia Ave., Gunnison, CO 81230 (the "Employer") and ELAP Services, LLC ("ELAP") (each a "Party" and, together, the "Parties") is hereby amended as set forth below effective as of January 1, 2021.

WHEREAS, the Parties entered into a certain Agreement dated January 1, 2019, pursuant to which the Parties agreed that ELAP would provide certain services to Employer related to Employer's sponsorship and administration of the Gunnison County, Colorado Employee Medical Benefit Plan (the "Plan"). Employer and ELAP now desire to amend the terms and conditions as follows:

1) Exhibit A, Allowable Claim Limit Guidelines, Section 2(c) is hereby removed in its entirety and replaced as follows:

c. Professional Medical Providers. The Allowable Claim Limits for professional providers shall be determined using the following:

i. For general medical and primary care claims, the Medicare allowed amount in the geographic area plus an additional 40%;

ii. For specialist medical and surgical care claims, the Medicare allowed amount in the geographic area plus an additional 55%;

iii. For anesthesiologist claims, the Medicare allowed amount in the geographic area plus an additional 100%;

iv. For ambulance and air ambulance claims, the Medicare allowed amount in the geographic area plus an additional 20%; or

v. For other non-facility claims and supplies (such as, but not limited to, Durable Medical Equipment, laboratory services and supplies, and mid-level providers, etc.), the Medicare allowed amount in the geographic area.

For purposes of determining the proper Allowable Claim Limits for professional providers in categories (i), (ii), (iii), (iv), or (v), above, the Plan Administrator shall determine the applicable category for each claim based on the taxonomy code used by the professional provider for that claim. The Plan Administrator determines in its sole discretion the type of provider for determining Allowable Claim Limits, as detailed above.

While this Plan typically pays professional providers based on the Medicare allowed amounts above, certain services may be reimbursed at 110% of the Medicare allowed amount for the

service. These services may include, but are not limited to, routine diagnostic tests, evaluation services, telehealth and services for ongoing therapy. A full list of services subject to this rule can be found here: www.planlimit.com/prof1. This list will be updated at least annually to reflect the Plan's current plan design.

2) Exhibit A, Allowable Claim Limit Guidelines, Section 2(e) ii. Pharmaceuticals is hereby removed in its entirety.

All other provisions of the Agreement not expressly amended by this Amendment shall remain in full force and effect.

By signing on behalf of **Gunnison County, Colorado,** the person signing represents and warrants that he/she has the full and complete authority necessary to bind the terms of this Amendment and Authorization as set forth herein.

On behalf of:

Gunnison County, Colorado	**ELAP Services, LLC**
By: _____	By: _____
Name: _____	Name: Trisha Leh
Title: _____	Title: SVP, Operations