



City Clerk Document No. _____

City Council Meeting Date: November 7, 2024

**AMENDMENT TO CITY OF CHANDLER AGREEMENT
GROUP MEDICAL AND PHARMACY PROGRAM ADMINISTRATION
CITY OF CHANDLER AGREEMENT NO. HR2-948-4453**

THIS AMENDMENT NO. 1 (Amendment No. 1) is made and entered into by and between the City of Chandler, an Arizona municipal corporation (City), and Blue Cross Blue Shield of Arizona, an Arizona non-profit corporation and an independent licensee of the Blue Cross Blue Shield Association (Contractor), (City and Contractor may individually be referred to as Party and collectively referred to as Parties) and made _____, 2024 (Effective Date).

RECITALS

WHEREAS, the Parties entered into an agreement for group medical and pharmacy program administration (Agreement); and

WHEREAS, the term of the Agreement was January 1, 2023, through December 31, 2024, with the option of up to three two-year extensions; and

WHEREAS, the Parties wish to exercise the first option through this Amendment to extend the Agreement for two years.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

1. The recitals are accurate and are incorporated and made a part of the Agreement by this reference.
2. Section III, Period of Service, is amended to extend the term of the Agreement for the two-year period beginning January 1, 2025, through December 31, 2026.
3. Exhibit F of the Agreement is replaced by the Administrative Services Agreement Amendment (ASA Amendment) effective January 1, 2025, through December 31, 2025, and associated documents which are attached as Exhibit 1 and made a part of this Amendment No. 1.

4. Section IV, Payment of Compensation and Fees, is amended to state: Contractor's compensation and fees as more fully described in Exhibit B of the Agreement and Exhibit 1 of this Amendment 1 for performance of the services approved and accepted by the City under this Agreement must not exceed \$2,190,000 per year for the fixed cost of administrative and stop loss fees for the term of this Amendment No. 1.
5. All other terms and conditions of the Agreement remain unchanged and in full force and effect. If a conflict or ambiguity arises between this Amendment No. 1 and the Agreement, the terms and conditions in this Amendment No. 1 prevail and control.

IN WITNESS WHEREOF, the Parties have entered into this Amendment on the Effective Date.

FOR THE CITY

By: _____

Its: Mayor

FOR THE CONTRACTOR

By: Michael Groeger

Its: Vice President, Commercial Sales

APPROVED AS TO FORM:

By: _____
City Attorney *REL*

ATTEST:

By: _____
City Clerk