City Clerk Document No. _____

City Council Meeting Date: September 18, 2025

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

THIS AMENDMENT NO. 2 (Amendment No. 2) 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 _____ , 2025 (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 through Amendment No. 1 exercised the first option to extend the Agreement for two years through December 31, 2026.

WHEREAS, the Parties wish to amend the Agreement to replace the 2025 Administrative Services Agreement Amendment with the Administrative Services Agreement Amendment for January 1, 2026, through December 31, 2026.

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. Exhibit F of the Agreement is replaced by the Administrative Services Agreement Amendment (ASA Amendment) effective January 1, 2026, through December 31, 2026, and associated documents which are attached as Exhibit A and made a part of this Amendment No. 2.

3. 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 A of this Amendment No. 2 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. 2.

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. 2 and the Agreement, the terms and conditions in this Amendment No. 2 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 RSL

ATTEST:

By: _____

City Clerk

EXHIBIT A
ASA AMENDMENT

Exhibit A

BlueCross BlueShield Arizona

Legal Name of Group: CITY OF CHANDLER

Effective Date: 01/01/2026 - 12/31/2026	Group Number(s): 028399	Current Date: 8/13/2025
Strategic Rel. Executive: Christie Thomas	Funding: 12/24 Incurred ASC with Medical and Pharmacy	Days Notice: 240
Underwriter: Brian Cohen	Total Enrollment: 1,891	Specific Stop Loss Limit: $350,000
Broker: SEGAL COMPANY ARIZONA INC: RACHEL MARIE CALISI	Commission (% of Billed Rate): 0.000%	Aggregate Stop Loss Limit: 125%
Commission: 0.000%	Dental Coverage: No	

SOLD BENEFITS	Benefit Descriptions	Grandfathered Status
PPO 500 85 Red	INET: Ded $500/$1,000; 85%; OOP $2,500/$5,000; OV $25/$40; ER $100 Ded+85%; UC $50; Rx $10/$30/$50/$100 2x MOD; ONET: Ded $1,000/$2,000; 60%; OOP $5,000/$10,000	N: Non-Grandfathered
PPO 750 80 Blue	INET: Ded $750/$1,500; 80%; OOP $2,750/$5,500; OV/UC Ded+80%; ER $100 Ded+80%; Rx $10/$30/$50/$100 2x MOD; ONET: Ded $1,750/$3,500; 50%; OOP $6,500/$13,000	N: Non-Grandfathered
HSA 1750 85 White	INET: Ded $1,750/$3,500; 85%; OOP $3,500/$7,000; OV/ER/UC Ded+85%; Rx $10/$30/$50/$100 2x MOD; ONET: Ded $5,000/$10,000; 60%; OOP $10,000/$20,000	N: Non-Grandfathered

Sold Rates Effective 01/01/2026

PPO 500 85 Red	Enrollment	Admin	SSL $350K	ASL 125%	Commission	Other	Fixed Cost	ICAP	Exp Liab	Max Liab
Employee	214	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,175.64	$1,074.34	$1,309.47
Employee + Spouse	171	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$2,027.50	$1,755.83	$2,161.33
Employee + Child(ren)	95	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,785.94	$1,562.58	$1,919.77
Employee + Family	222	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$2,969.14	$2,509.14	$3,102.97
Total Plan 1	**702**	**$23,721**	**$68,424**	**$1,804**	**$0**	**$0**	**$93,949**	**$1,427,103**	**$1,235,630**	**$1,521,052**

PPO 750 80 Blue	Enrollment	Admin	SSL $350K	ASL 125%	Commission	Other	Fixed Cost	ICAP	Exp Liab	Max Liab
Employee	51	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,151.06	$1,054.67	$1,284.88
Employee + Spouse	16	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,985.13	$1,721.93	$2,118.96
Employee + Child(ren)	12	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,748.64	$1,532.74	$1,882.47
Employee + Family	18	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$2,907.13	$2,459.53	$3,040.96
Total Plan 2	**97**	**$3,278**	**$9,455**	**$249**	**$0**	**$0**	**$12,982**	**$163,778**	**$144,003**	**$176,759**

HSA 1750 85 White	Enrollment	Admin	SSL $350K	ASL 125%	Commission	Other	Fixed Cost	ICAP	Exp Liab	Max Liab
Employee	396	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$913.08	$864.29	$1,046.91
Employee + Spouse	145	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,574.72	$1,393.61	$1,708.55
Employee + Child(ren)	108	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$1,387.09	$1,243.50	$1,520.92
Employee + Family	443	$33.79	$97.47	$2.57	$0.00	$0.00	$133.83	$2,306.06	$1,978.68	$2,439.89
Total Plan 3	**1,092**	**$36,899**	**$106,437**	**$2,806**	**$0**	**$0**	**$146,142**	**$1,761,304**	**$1,555,186**	**$1,907,447**

Sold CDH Account Pricing PEPM (Not Included Above)		PEPM Account Fee
HSA 1750 85 White	Health Savings Account	$2.70

CDH Annual Account Setup Fee (Not Included Above)	# of Accounts	Annual Fee
Annual account setup fee is billed by CDH and is based on the total number of HRA and FSA plans.	0 - 499	$250
	500 - 2,999	$500
	3,000 +	$1,500

Employers selecting Consumer-Directed Healthcare (CDH) Account Administration (including integration), for account types; HSA, HRA, FSA, DCFSA & LPFSA, hereby direct BCBSAZ to collect the administration fees and forward the proportional fees to HealthEquity for services, along with the required personal health information. BCBSAZ collects CDH Account administration fees and is not responsible for any reconciliation, recoupment or adjustments to payments received and forwarded to on behalf of Employer.

Employer agrees to pay for charges for CDH administration services. For HSA and HRAs, these charges apply to all employees enrolled in a health plan the group has paired with a CDH account. For FSAs, those charges apply to any employee for whom an FSA election has been sent to BCBSAZ by the employer.

			Monthly PEPM Fees				One-Time Fee /
Sharecare Account Summary	Effective Date	Non-Enrollees	Employee	EE + Spouse	EE + Child(ren)	EE + Family	Non-Enrollees
Basic	1/1/2026	No	$0.00	$0.00	$0.00	$0.00	$0

Proposed administration assumes BCBSAZ will retain Rx Rebates. In exchange for retaining Rx Rebates, BCBSAZ has adjusted the Admin PEPM by the Rx Rebate Credit. Rx Rebate Credit (PEPM) = $31.90. In addition to the Rx Rebate Credit (PEPM), BCBSAZ is also providing a rebate share agreement based on utilization of brand name drugs eligible for rebates. Please see the assumptions for details.

Premium tax is NOT included in the specific and aggregate charges.

Minimum Monthly Attachment Level: $3,016,966.

Fixed Expenses = Admin Charges + Stop Loss Premium + Commission (if applicable). Exp Liab = Fixed Expenses + ICAP\Aggregate Corridor. Max Liab = Fixed Expenses + ICAP.

$80,000 Wellness allowance, $100,000 Wellness allowance, $25,000 General Fund allowance, and $5,000 Other allowance are included. See Assumptions for details.

Administrative rate guarantee is included. Performance Guarantee is included. See Assumptions for details.

Mayo is not included as an in-network provider.

Consumer-Directed Healthcare (CDH) services were purchased and will be billed as an additional charge to the above premium rates. See the CDH rate exhibit for details.

Chiropractic Capitation: $2.93 PMPM. UM Services: excluded. Value Based Services: included.

Out-of-Network Shared Savings: 15% with $10,000 cap per claim.

Sharecare (Basic): included. See Assumptions for details.

Rx coverage through BCBSAZ: Yes. Rx applies to stop loss products: Yes.

Subrogation: Included.

Rx Formulary: Open.

BCBSAZ standard hourly rate for requests for information: $250/hour (no charge for first 5 hours).

All information from the exhibit Assumptions IASC-2026-028399-4, Administrative Summary, Guarantees and Disclosure of "Eligible Indirect Compensation" (Exhibit 1) incorporated herein by reference.Employer acknowledges electronic receipt of the Uniform Summaries of Benefits and Coverage (SBCs) for plans selected and the SBCs are incorporated herein by reference.

BCBSAZ reserves the right to adjust these premium rates retroactive to the first day of any billing month in which enrollment varies by more than fifteen percent (15%) from that listed above.

The ACA prohibits waiting periods in excess of 90 days. By signing below you represent that you do not impose a waiting period which is longer than 90 days and that you have made all necessary changes to bring all waiting periods for your plan into compliance with the ACA requirements. You agree to promptly advise BCBSAZ of any change which may impact the accuracy of this representation. You agree to provide BCBSAZ with timely and accurate information regarding enrollee effective dates and shall ensure such effective dates comply with applicable laws.

This Rate Acceptance Form must be signed and returned prior to BCBSAZ issuing ID Cards. If any information on this Form is inaccurate, please provide the correct information on this Form.

	8/13/2025		MAYOR	
BCBSAZ Representative	Date	Group Representative Signature	Group Representative Title	Date

APPROVED AS TO FORM:

By: _____
City Attorney

ATTEST:

By: _____
City Clerk

Certificate Of Completion

Envelope Id: 271A5091-9365-4CBF-B4B4-F9BD9650AC8C
Status: Sent
Subject: Complete with Docusign: 4453 CY2026 BCBS Amendment.pdf
EDMS Application: CC-AGRMTS
Source Envelope:
Document Pages: 4
Signatures: 1
Certificate Pages: 5
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-07:00) Arizona

Envelope Originator:
Christina Pryor
PO Box 4008
Chandler, 85244
Christina.Pryor@chandleraz.gov
IP Address: 198.241.2.1

Record Tracking

Status: Original
8/19/2025 | 04:25 PM
Holder: Christina Pryor
Christina.Pryor@chandleraz.gov
Location: DocuSign
Security Appliance Status: Connected
Pool: StateLocal
Storage Appliance Status: Connected
Pool: City of Chandler
Location: Docusign

Signer Events	Signature	Timestamp
Michael Groeger Michael.Groeger@azblue.com Vice President, Commercial Sales Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 204.153.155.151	Sent: 8/19/2025 | 04:40 PM Viewed: 8/19/2025 | 04:52 PM Signed: 8/19/2025 | 04:53 PM
Electronic Record and Signature Disclosure: Accepted: 8/19/2025 | 04:52 PM ID: cd0478ef-d655-4d6b-bf4b-fb5e503c2ea7		
Records Division Signing Group: Records Division Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure: Not Offered via Docusign		
Roni Laxa Rowena.Laxa@chandleraz.gov Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure: Accepted: 9/22/2021 | 09:44 AM ID: 840f9ca9-78aa-4caa-99bc-c4c879b2dd53		
Kevin Hartke kevin.hartke@chandleraz.gov Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure: Accepted: 6/28/2021 | 11:17 AM ID: 2531f230-027c-41f7-9166-1189df6a8c8f		
Dana DeLong Dana.DeLong@chandleraz.gov Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure:		

Signer Events	Signature	Timestamp
Accepted: 6/28/2021 | 01:03 PM ID: e796186e-c533-4a41-978c-34d69e29778a		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp
Records Division		Sent: 8/19/2025 | 04:53 PM

Signing Group: Records Division

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via Docusign

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Sherri Revis sherri.revis@chandleraz.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	8/19/2025 | 04:40 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Chandler (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.15 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Chandler:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: esignature@chandleraz.gov

To advise City of Chandler of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at esignature@chandleraz.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from City of Chandler

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to esignature@chandleraz.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Chandler

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to esignature@chandleraz.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify City of Chandler as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by City of Chandler during the course of your relationship with City of Chandler.