

NOTICE OF SPECIAL MEETING

In accordance with §38-431.02 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Employee Benefit Trust Board and to the general public that the Mayor and Trustees of the Employee Benefit Trust Board will hold an Employee Benefits Trust Board Meeting at 5:30 pm., Wednesday, May 11th, 2022. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 East Union Street, San Luis, Arizona 85349; (928) 341-8579.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 been waived.

THIS NOTICE IS APPROVED BY:

/s/ Maria Barajas, HR Benefits Coordinator

AVISO DE JUNTA ESPECIAL

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.02, se le informa a los miembros de la Junta Fiduciaria de Beneficios para Empleados y al público en general que el Presidente y la Mesa Directiva de Fondo de Beneficios Medicos de San Luis, Arizona, tendrán una Junta Regular a las 5:30 PM, el día Miércoles 11 de Mayo, 2022. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349.

De acuerdo con el Acta de Americanos con discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para mas información referente a derechos y provisiones del Acta de Americanos con discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la ciudad, contactar al: Coordinador del Acta de Americanos con discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, 1090 Este Calle Unión, San Luis, Arizona, 85349; (928) 341-8579.

Por medio de este aviso y de acuerdo con los Estatutos Revisados del Estado de Arizona, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar o no dar el consentimiento antes que el Estado o alguna subdivision política grabe a un menor de edad, ya sea en audio o video. Las juntas del Concilio se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden solicitar por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo/hija menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad esta presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con el Estatuto Revisado del Estado de Arizona §1-602.A.9.

ESTE AVISO ES APROBADO POR:

/f/ Maria Barajas, Coordinadora de Beneficios de Recursos Humanos

AGENDA
Special Meeting
City of San Luis Employee Benefit Trust
Council Chambers – City Hall
1090 E Union Street
San Luis, AZ 85349
Wednesday, May 11, 2022
5:30 PM

NOTE: Some members of the Board of Trustees of the City of San Luis Employee Benefit Trust may attend the meeting telephonically. If authorized by majority vote of the Board of Trustees, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.

For the safety of the public during the COVID-19 pandemic, members of the public may attend the Employee Benefits Trust Board meeting of May 11, 2022, in person if the 6-foot distance can be maintained, which is 27 people. However, members of the public may listen to the meeting’s live audio stream on the City of San Luis’ website <https://sanluisaz.gov/listenlive>. Recordings of the meetings will be available on the city’s website <https://sanluisaz.gov/listenlive> after the meeting.

Para la seguridad del público durante la pandemia de COVID-19, los miembros del público pueden asistir a la reunión de la Junta Fiduciaria de Beneficios para Empleados del 11 de mayo de 2022 en persona si se puede mantener la distancia de 6 pies, que es de 27 personas. Sin embargo, los miembros del público pueden escuchar la transmisión de audio en vivo de la reunión en el sitio web de la Ciudad de San Luis <https://sanluisaz.gov/listenlive>. Las grabaciones de las reuniones estarán disponibles en el sitio web de la ciudad <https://sanluisaz.gov/listenlive> después de la reunión.

1. CALL TO ORDER/ROLL CALL

2. CONSENT AGENDA

2. A. MINUTES OF:

Special Employee Benefit Trust Board meeting held on April 13th, 2022.

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Discussion and possible action on any and all matters regarding the stop loss final rate quote from Symetra Financial. **(Susan Posada, Broker and Consultant)**

3. B. Discussion and possible action on any and all matters regarding Exclusive Behavioral Health and to rescind the \$500.00 copay approved at the Trust Board meeting held on April 13, 2022. **(Susan Posada, Broker and Consultant)**

4. ADJOURNMENT

Special Employee Benefit Trust Board Meeting

2. A.

Meeting Date: 05/11/2022

Summary

MINUTES OF:

Special Employee Benefit Trust Board meeting held on April 13th, 2022.

Attachments

Minutes for meeting held on 04.13.2022

**MINUTES
SPECIAL MEETING
EMPLOYEE BENEFITS TRUST
COUNCIL CHAMBERS
1090 E Union Street. San Luis, Arizona 85349
April 13, 2022
5:30 p.m.**

- 1. Call to Order/Roll Call** Chairman Sanchez called the meeting to order at approximately 5:34 p.m.

THOSE PRESENT:

Board Member Gustavo MacGrew
Secretary Maria Sabori
Chairman Gerardo Sanchez

THOSE NOT PRESENT:

Vice-Chairman Emma Torres – via zoom
Board Member Maria Gonzalez

OTHERS PRESENT:

Kay Marion Macuil, City Attorney
Sonia Cornelio, City Clerk
Janet Taylor, Legal Secretary
Mary Barajas, Human Resources Coordinator
Maria Munoz, Human Resources Benefits Coordinator
Monica Castro, Finance Director
Glenn Gimbut, Assistant City Attorney
Susan Posada, Broker/Consultant
Rob Flunker - Telephonically
Rueben Lopez, IT Technician

2. Consent Agenda

2.A. MINUTES OF:

Regular Meeting held on January 12th, 2022

MOTION: Chairman Gerardo Sanchez and Secretary Maria Sabori to approve the minutes of the meeting held on January 12, 2022. **Motion passed unanimously.**

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3.A. Discussion and possible action on any and all matters regarding claims and projection review for FY 2022-2023. **(Susan Posada, Broker, and Consultant)**

Susan Posada, Broker and Consultant, discussed how many members were enrolled in the benefits program and the increase of dependents for this year, about 6 percent—referring to an excel spreadsheet she provided via paper and PowerPoint for those present to view. Ms. Posada discussed the expected amount of contribution to be made to the Trust.

[Clerk notes: this discussion belongs to item 3.B but was presented in Item 3.A]

Ms. Posada explained the biggest expense the Trust will have is the stop-loss carrier and that the stop-loss will increase by approximately 15%, possibly more like 20%. Susan discussed the Trust's probability of taking a loss at the end of the year due to the number of claims.

Monica Castro, Finance Director, stated that the team reviewed the numbers, and the best option was to leave the increase for employees at 0 percent. Ms. Castro explained that this was the first year the claims were larger than the contributions and perhaps looking at an increase in employee contributions next year.

Ms. Sabori stated that the Employee Wellness Program should be promoted as well as the Esurgeries program and not just during open enrollment.

(Discussion only, no action)

3.B. Discussion and possible direction to executive advisors or broker/consultant on any and all matters regarding the stop-loss quotes from Symetra Financial and other providers. The final quote will not be available until mid to late May 2022. **(Susan Posada, Broker/Consultant)**

Ms. Posada explained that she did discuss item 3B during the discussion of item 3A. Symetra numbers just came in, and we are at 20% but are in negotiations with another carrier.

(Discussion only, no action)

3.C. Discussion and possible action on any and all matters regarding the Exclusive Behavioral Health contract and amendment of the benefits plan to include it. **(Susan Posada, Broker, and Consultant)**

Ms. Posada stated that Esurgeries had developed a new program called, Exclusive Mental Health conditions. Suppose a person needs to be hospitalized for any mental health condition. With this program, the patient can save up to 30%.

Rob Flunker from EBSO said that Exclusive Mental Health was created by request from EBSO a few years ago. Mr. Flunker stated that they find out about members that would need the service through the preauthorization feature.

Mr. Flunker explained how the service would work and have it in place for prevention. Clinical approval must be obtained.

Ms. Posada is recommending a \$500.00 copay so that it is something that they have a financial stake in their care. If it is just free, they will keep going in.

Chairman Sanchez stated that it makes total sense to add a benefit to a benefit. Hospitalization is very expensive regarding mental health, and there is none here in Yuma. Most people are transferred to Tucson.

Susan Posada stated that a \$900 start-up fee is nothing compared to some of our other fees and the amount of savings.

Maria Sabori asked if the dependents also qualify for this benefit?

Ms. Posada responded; you bet anyone on the medical insurance plan qualifies.

MOTION: Chairman Gerardo Sanchez and Board Member Gustavo MacGrew to approve the Exclusive Behavioral Health contract according to the fees schedule presented and amend the plan to include it. **Motion passed unanimously.**

The vote was as follows:

Secretary Maria Sabori	Aye
Board Member Gustavo MacGrew	Aye
Chairman Gerardo Sanchez	Aye

3.D. Discussion and possible action on any and all matters regarding the employee benefit plans proposals starting July 1, 2022, for the third-party administrator, the employee assistance program, network fees, prescription management provider, and the wellness program. **(Susan Posada, Broker/Consultant)**

Ms. Posada stated that **TPA** will go from **\$24.50** to **\$25.50** per employee per month.

Claims management per hour from \$113.00 to \$140.00.

Ms. Posada discussed the reasons for the increase – better care, cost of nursing, and better service.

EAP wanted a **10%** increase, but Ms. Posada stated she was able to get it down **2.39%** for a **4.8%** increase.

Ms. Posada stated that those were the only changes in the costs reflected.

Chairman Sanchez asked if that was based on 580 memberships?

Ms. Posada replied; mhm or aha (not yes or no)

Mr. Flunker stated that he wanted to point out one thing about their TPA fees and said they were not actually taking an increase. Within their fee is the medical management, so previously it was AHH, which cost **\$4.50**, which comes out of our TPA fee. The medical helpline fee is **\$5.50** on a net basis; we are at the same rate as when we started. We are just netting out so that we're not taking less because we take the medical management fee out of our fee.

Chairman Sanchez stated that we knew these were going up, and, fortunately, we are not increasing premiums for employees.

Ms. Posada stated that the only other increase was the Blue Cross Blue Shield rate, which was an agreement signed last year. 4.82 percent.

Healthiest You remains the same no plan change, just a renewal.

Ms. Posada said she would let Rob talk about this because medications are becoming extremely expensive. We have had Magellan for a number of years, and with the outside, we will be able to save \$170,000.00 with the prescriptions that we have right now. I will let Rob go into how it is going to work. One of the elements of this particular program is that we have about eight members who have very expensive medications, and they are extremely expensive here in the U.S. This program will search for medications, for instance, in Canada. It is only eight out of the 605 members.

Ms. Posada stated she had a conversation with the Finance Director, and she had asked if there would be disruption with the transition. Ms. Posada said she could not promise that there wouldn't be, and she would make sure by the meeting that employees would have the formulary and suggested employees get their medications before the end of the year. There will be people who are unhappy with it, even Magellan's formulary changes every day. One medicine can go up from one copay to the second copay, but the copay themselves are not changing. It is what is inside the medications that are changing.

Mr. Flunker stated that they were going to get a list closer to the effective date. Southern Scripts would honor second-step medications the member is already on, and the member would not have to go back and go through the process again. There are only three drugs that would be affected by a switch. The drugs would still be covered, but they would switch from a tier 2 copay to a tier 3 copay, and that would be the only change with the Southern Scripts formulary.

Mr. Flunker stated that Magellan marks up their drugs, and that's the price the member pays. Southern Scripts does not do that they are transparent; what they buy

it for is the price the member pays. They make their money by charging a per script fee. The plan would save \$20,000.00.

Mr. Flunker explained the international program was a way to procure very expensive drugs. The plan also wants to look at manufacturer assistance programs. If this is not available, we want to look at international sourcing only using Tier I countries closest being Canada, but other options are England, Australia, and New Zealand. In the pharmacy they use in Canada, the pharmacist would ship the drug directly to the member. The savings by going international is about 50%.

Mr. Flunker discussed manufacturer coupons that artificially meet someone's deductible and make it seem like that person has met their deductible. In reality, they have been given a coupon to have their copay paid for on their behalf. Southern Scripts makes sure that that coupon is applied correctly and so deductibles aren't being met artificially.

Mr. Flunker and Ms. Posada stated that it would be a savings of \$152,000.00 based on all the scripts we have right now.

Chairman Sanchez stated that the Wellness budget was \$18,000.00, and we kept it at \$18,000.00.

Ms. Posada responded; yes

MOTION (1): Chairman Sanchez and Board Member Gustavo MacGrew to approve the increase proposed by 90 Degrees, Uprise Health, and Blue Cross Blue Shield as presented. **Motion passed unanimously.**

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

MOTION (2): Chairman Sanchez and Secretary Maria Sabori to approve to renew the 90 Degree contract proposal and direct the executive advisory and consultant to take all further steps necessary to finalize it. **Motion passed unanimously.**

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

MOTION (3): Chairman Sanchez and Board Member Gustavo MacGrew to approve the proposed contract with Southern Scripts and direct the executive advisory and consultant to take all further steps necessary to finalize it.

Motion passed unanimously.

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

MOTION (4): Chairman Sanchez and Board Member Gustavo MacGrew to approve an \$18,000.00 budget for the Wellness Program from the Trust reserves.

Motion passed unanimously.

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

Due to a conflict of interest, Item 3.E. minutes will be prepared by Sonia Cornelio, City Clerk, on a separate page.

ADJOURNMENT

Chairman Sanchez and Secretary Maria Sabori to approve adjournment.

Motion passed unanimously.

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye
Chairman Gerardo Sanchez	Aye

Meeting adjourned at approximately 6:46 p.m.

3. E. Discussion and possible action on any and all matters regarding establishing a waiver policy of pre-clearance penalty and specific request by employee for waiver of a pre-clearance penalty. (Glenn J. Gimbut, Assistant City Attorney)

Mr. Glenn Gimbut, Assistant City Attorney, explained that the problem that raised this item to be on the agenda has been resolved but does believe there is a policy question to be addressed before the board to think about. He continued to provide some background so that the board can consider a policy decision on their part. The city's plan requires pre-clearance for a medical procedure through the third-party administrator. If one has medical work done and does not pre-clear it, there is a penalty and puts the burden on pre-clearance on the employee, the patient, not on the doctor or hospital; employees are not medical professionals nor insurance agents. Furthermore, he explained the situation with the employee and phone calls between the employee and EBSO, the third-party administrator who advised that the employee was not going to pay for anything. The employee was under the impression that the medical facility had taken care of everything before the medical procedure. The employee is now hit with a \$500.00 penalty bill for not obtaining pre-clearance. He added that the board has to be careful when they give a waiver to somebody as there needs to be consistency to prevent exposing the plan indirectly to now it is a benefit to everybody. The board does not want to be in a position where they are indirectly or inadvertently amending their plan. Pre-clearance has a value and the board does not want to bear unnecessary medical expenses they do not want to have the plan pay for something more than what it should. This penalty does not occur very often, it has happened three (3) times in five (5) years. The policy question is does the board want to hear employees asking for a waiver of the penalty, he asked the board if this is something they would want to consider. 90 Degrees subcontracts pre-clearance work to somebody else and that somebody else, was to pre-clear, but that somebody else lost the record. They did not tell 90 Degrees, 90 Degrees did not know it was pre-cleared and that is why they kept saying no because their job is to administer the plan.

Chairman Gerardo Sanchez mentioned this is something to think about and this is an interesting case.

There was no action needed from the Board on this item.



AGENDA ITEM REVIEW FORM

Special Employee Benefit Trust Board Meeting

3. A.

Meeting Date: 05/11/2022

Department Head: Maria Munoz, HR Benefits Coordinator, Human Resources Department

Submitted By: Maria Barajas Gutierrez, Human Resources Coordinator, Human Resources Department

ITEM:

Discussion and possible action on any and all matters regarding the stop loss final rate quote from Symetra Financial. **(Susan Posada, Broker and Consultant)**

SUMMARY:

There have been several large claims that have impacted the renewal cost of the Stop Loss Insurance. Ms. Posada's recommendation is to keep the current Stop Loss carrier, Symetra Financial. Effective date of the renewal is July 1, 2022.

The attached shows the detailed itemization of the rate options. Ms. Posada will explain the present the options. Here are the totals from the attachment.

TOTAL PROJECTED PREMIUM

Current

Monthly \$ 54,360.26

Annual \$ 652,323.12

Option 1

Monthly \$ 62,428.18

Annual \$ 652,323.12

Percentage of increase over current 14.84%

Option 2

Monthly \$ 48,103.00

Annual \$ 652,323.12

Percentage of increase over current -11.51%

Option 3

Monthly \$ 67,235.38

Annual \$ 806,824.56

Percentage of increase over current 23.68%

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE STOP-LOSS CARRIER'S RENEWAL PROPOSAL OPTION NUMBER _____ AS PRESENTED.

Fiscal Impact

Fiscal Impact:

- Increase of annual projected premium is 14.84% over current contract.
- Increase of total projected maximum funding is \$270,363.60 (13.03%) over current contract

Attachments

SYMETRA RENEWAL
Stop Loss Presentation

Symetra Stop Loss

RENEWAL PREPARED FOR

City of San Luis Employee Benefit Trust

July 1, 2022

IN PARTNERSHIP WITH: SUSAN POSADA

You have challenges; we have solutions

We know you have options when choosing a stop loss carrier.

We also know that finding the right partner is important. You need to work with professionals who understand the self-funded industry, who realize the importance of building the right stop loss policy at the right price, and who deliver on their promises year after year.

When you renew with us, you'll find a seamless continuation of all the benefits you've come to expect from your Symetra stop loss policy.

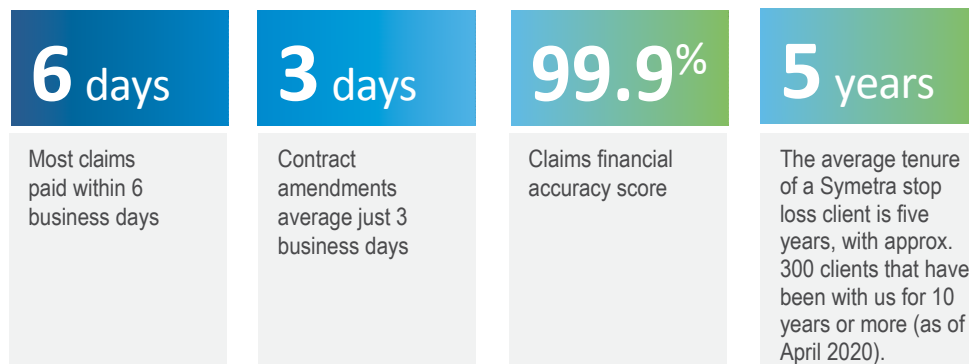
Things like:

- Fast and fair claims practices.
- Most catastrophic claims reviewed and processed within 24 hours through our Preferred ASO Claim Advance program.
- No new lasers or increase on existing lasers at renewal; laser at renewal available by request.
- Gapless option for renewal run-out contracts means claims paid outside the run-out period are still eligible for reimbursement.
- Cost containment and alternative treatment plans to help control costs without sacrificing quality of care.
- 24/7 online policy administration via Group Online (GO).
- Access to Symetra Compliance Solutions for professional support navigating the health care landscape.

Put our expertise to work for you

Symetra has been in the stop loss business for over 45 years.¹ In fact, we helped pioneer it. Our experienced team continues to be available as needed to help you understand and protect your self-funded plan.

2020 performance highlights:²

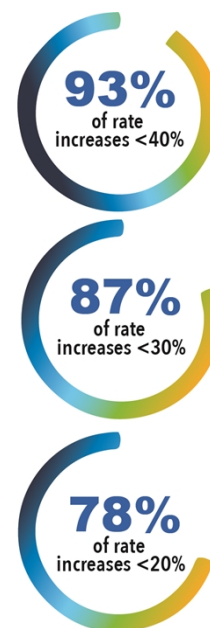


Understanding stop loss rates

Pricing stop loss is a complex process and there are many factors that impact rates, especially at renewal. Here are some things we consider when determining the best possible price for your plan:

- **Plan design:** what services are covered; how much are employee copays, coinsurance, deductibles and/or premiums; are there wellness or other value-add programs included?
- **Group population:** how many people are covered; where do members live and/or receive care; what are the demographics of the group?
- **Managed care networks:** are provider and hospital networks helping to lower plan risk; what is the network usage rate?
- **Claims experience:** what is the claims experience history; how many claims, to date, are over the Specific deductible; how many are expected before the end of the plan year?
- **Medical trend:** how much are health care costs projected to increase?
- **Share of risk:** what is your deductible threshold and risk tolerance; how will rising medical trend impact your plan and the accompanying stop loss policy?

What does a typical Symetra renewal look like? During the last five years:



Based on Symetra renewal data from August 1, 2015 to July 1, 2020.

Lowering premium renewal increases through deductible leveraging

Annual renewal is an opportunity to review how your plan performed over the past year, and to evaluate whether your current Specific deductible is still appropriate. This is especially true when rising medical costs are paired with higher than expected claims, as this combination typically means a rate adjustment is needed for the new plan year.

Leveraged trend or, as applied, deductible leveraging, can help mitigate higher renewal rates by sharing the impact of medical trend between the health plan and Symetra stop loss via a higher Specific deductible.

Here's how it works:

Option 1 – keeping the same deductible at renewal			
	Plan year 1	Plan year 2	Increase
Paid claim amount	\$300,000	\$330,000	10%
Specific deductible	\$150,000	\$150,000	0%
Symetra reimbursement	\$150,000	\$180,000	20%

Option 2 – raising the deductible at renewal			
	Plan year 1	Plan year 2	Increase
Paid claim amount	\$300,000	\$330,000	10%
Specific deductible	\$150,000	\$165,000	10%
Symetra reimbursement	\$150,000	\$165,000	10%

For illustrative purposes only.

With deductible leveraging, you're trading lower premiums for a higher Specific deductible due to medical trend increases. It can be an effective way to help control the impact of rising costs on your plan.

If you're interested in deductible leveraging for your renewal, talk with your Symetra stop loss professional.

Renewal Status: Firm if accepted by 05/13/2022

SPECIFIC STOP LOSS COVERAGE

Plan Description	Current	Option 1	Option 2	Option 3	
Coverages	Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx	
Contract Type	Paid	Paid	Paid	Paid	
Annual Specific Deductible per Individual	\$50,000	\$50,000	\$75,000	\$100,000	
Transplant Exclusion	No	No	No	No	
No New Laser Option	Included	Included	Included	Included	
Maximum Lifetime Reimbursement	Unlimited	Unlimited	Unlimited	Unlimited	
Maximum Policy Period Reimbursement	Unlimited	Unlimited	Unlimited	Unlimited	
Reimbursement Percentage	100%	100%	100%	100%	
Quoted Rate(s) Per Month	Enrollment				
Single	142	\$108.05	\$121.64	\$93.05	\$75.26
Family	122	\$311.46	\$361.21	\$276.31	\$234.02
Estimated Annual Premium		\$640,095	\$736,086	\$563,075	\$470,848
Quoted Rate(s) include Commission of		0.00%	0.00%	0.00%	0.00%

Renewal Status: Firm if accepted by 05/13/2022

AGGREGATE STOP LOSS COVERAGE

Plan Description		Current	Option 1	Option 2	Option 3
Coverages		Medical, Rx	Medical, Rx	Medical, Rx	Medical, Rx
Contract Type		Paid	Paid	Paid	Paid
Aggregate Corridor		125%	125%	125%	125%
Loss Limit per Individual		\$50,000	\$50,000	\$75,000	\$100,000
Maximum Annual Reimbursement		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Reimbursement Percentage		100%	100%	100%	100%
Estimated Annual Aggregate Deductible		\$2,073,430	\$2,343,793	\$2,516,825	\$2,609,031
Minimum Aggregate Deductible		\$2,073,430	\$2,343,793	\$2,516,825	\$2,609,031
Monthly Aggregate Claim Factors	Enrollment				
Medical, Rx Card					
Single	142	\$360.31	\$409.87	\$440.13	\$456.25
Family	122	\$996.90	\$1,123.89	\$1,206.86	\$1,251.08
Quoted Rate(s) per Month	Enrollment				
Composite	264	\$3.86	\$4.12	\$4.47	\$4.64
Estimated Annual Premium		\$12,228	\$13,064	\$14,167	\$14,690
Quoted Rate(s) include Commission of		0.00%	0.00%	0.00%	0.00%

OVERALL COST SUMMARY

Plan Description		Current	Option 1	Option 2	Option 3
Estimated Total Annual Fixed Cost		\$652,323	\$749,150	\$577,242	\$485,538
Aggregate Variable		\$2,073,430	\$2,343,793	\$2,516,825	\$2,609,031
Estimated Maximum Annual Liability		\$2,725,753	\$3,092,943	\$3,094,067	\$3,094,569

Renewal Status: Firm if accepted by 05/13/2022

PROPOSAL QUALIFICATIONS AND CONTINGENCIES

The terms of this proposal are based upon the policyholder having exercised commercially reasonable efforts to obtain and provide to Symetra all information set forth in this offer, together with all information identified in any prior proposal for coverage for the upcoming policy period. Except for the Plan Document or Plan Amendment, all requested information must be received no later than 15 days prior to the proposed effective date of coverage, otherwise we reserve the right to withdraw the proposed terms and return any premiums remitted.

Any secondary documents (i.e. "stop loss agreements", "procurement documents", "service contracts", etc.) must be disclosed to and approved by Symetra prior to the Employer's acceptance of our proposal. Subsequent undisclosed agreements may not be approved.

By delivering this proposal for coverage, the producer represents and warrants to Symetra that it and each of the persons or entities acting with or on behalf of the producer in the sale or solicitation of such coverage maintains such insurance producer licenses and appointments as are required by each state in which the coverage has been or will be solicited, and in all states in which the policy(ies) will be issued. This proposal is authorized for delivery only if the foregoing representation and warranty is true and correct.

This is a firm offer, which may be bound with no additional underwriting requirements provided that:

1. It is accepted in writing by the expiration date as shown above;
2. The policyholder has exercised commercially reasonable efforts to obtain and provide to Symetra all information requested in this proposal and any prior proposal for coverage for the upcoming policy period;
3. The data and information submitted to Symetra is, to the best of the policyholder's knowledge after due inquiry, materially accurate and materially complete as of the date of policyholder's written acceptance of this firm offer. Any material inaccuracies or material omissions in the data or other information submitted may require changes in underwriting, including but not limited to changes in the terms, rates and/or factors; and
4. The policyholder and its authorized agent agree that following acceptance of this firm offer, the policyholder or its authorized agent promptly notify Symetra upon becoming aware of any covered individual who (i) receives prior authorization approval for hospital confinement exceeding 30 days or more and/or (ii) becomes a listed transplant candidate, in each case so that Symetra can initiate appropriate cost containment efforts. For the avoidance of doubt, the provision of such notice pursuant to this item 4. will not change terms of the accepted offer.

If updated information is received by Symetra prior to written acceptance or the expiration date has passed, we retain the right to alter the terms, rates and/or factors. We will not be bound by any typographical errors or omissions contained herein.

- This proposal is based on the following network(s): BCBS
- Please provide details on any individual who has been hospital confined for 30 days or more in the most recent 12 months or is on an organ transplant list.
- Any unfunded or pended claims balance must be disclosed, otherwise such claims will not be considered eligible under the excess loss policy.
- For inclusion of RX coverage under the specific and/or aggregate when there is a separate PBM, we require written documentation that we are in receipt of all prescription drug experience reports. Otherwise, RX will not be a covered expense under the excess loss policy.
- This renewal/proposal reflects the continuation of the current plan of benefits.
- Terms are subject to change if final enrollment varies by more than 10% from the proposal assumptions. A current census not older than 60 days prior to the effective date will be needed for final review.
- Retirees are excluded from coverage under the Stop Loss Policy.
- Eligibility is assumed to be all full time employees working 30 hours or more per week at their normal place of business.
- COBRA participation is limited to no more than 10% of the enrolled group.
- Symetra reserves the right to revise this proposal if the incumbent administrator's claims backlog exceeds two weeks.
- In the event of early terminations (mid-policy period), Symetra will not provide coverage for run out claims.
- No producer has the authority to bind or modify the terms of this offer without the approval of Symetra.
- This quote is subject to Symetra's stop loss policy provisions, limitations and exclusions.
- Plan must have utilization review and case management.
- There will be no new lasers at renewal.

Renewal Status: Firm if accepted by 05/13/2022

- If [REDACTED] elects COBRA underwriting reserves the right to review for additional individual specific deductible.

Renewal prepared for: City of San Luis Employee Benefit Trust

Renewal Status: Firm if accepted by 05/13/2022

Check the box next to the selected proposal option; for Specific only coverage, when both Specific and Aggregate coverages are listed, please also check the box to decline Aggregate coverage.

Option	Specific	Aggregate
<input type="checkbox"/> 1	\$50,000 / Paid	\$50,000 / Paid
<input type="checkbox"/> 2	\$75,000 / Paid	\$75,000 / Paid
<input type="checkbox"/> 3	\$100,000 / Paid	\$100,000 / Paid
<input type="checkbox"/>	Decline Aggregate coverage	

This is a firm offer, which may be bound with no additional underwriting requirements provided it is accepted in writing by the expiration date as shown above. The Premium, Aggregate Deductibles and all other terms are based on the data submitted. Any inaccurate or incomplete data submitted may require changes in underwriting. If updated information is received by Symetra prior to written acceptance or the expiration date has passed, we retain the right to alter the terms, rates and/or factors. We will not be bound by any typographical errors or omissions contained herein.

Please indicated your acceptance on this offer by having an authorized representative or agent of City of San Luis Employee Benefit Trust sign below:

Authorized Signature: _____	Date: _____
Printed Name: _____	Printed Title: _____
Company or Firm Name: _____	

Plan Sponsor's Plan Document

Submission and Symetra Acceptance Required. As stated in Symetra's Proposal for Group Stop Loss Insurance, the Plan Sponsor's Plan Document must be submitted to Symetra no later than 90 days after the proposed effective date of Stop Loss Insurance coverage. The Stop Loss Insurance policy ("Policy") requires that only eligible charges payable under the terms of the Plan Document as approved by Symetra will be covered expenses eligible for reimbursement under the Policy.

The policy will be issued after the Plan Document is received and approved by Symetra or a signed Confirmation of Medical Benefit Plan is submitted to Symetra by the prospective policyholder.

Symetra withhold reimbursement of covered expenses prior to the receipt and acceptance of the final signed Plan Sponsor's Plan Document or amendment.

In reviewing the Plan Document for acceptance, Symetra will consider whether the Plan Document:

1. Adequately addresses key plan components, including but not limited to eligibility rules, benefits promised, plan administration, discretionary language for court review of benefit claims, subrogation and coordination of benefits provisions.
2. Addresses the Plan's obligations under federal law, including
 - a. **ERISA (Employee Retirement Income Security Act) required provisions,**
 - b. **ACA (Affordable Care Act) required provisions;** or
 - c. **a statement of grandfathered status, if applicable.**

Symetra will have no liability for reimbursing Plan Sponsor obligations that are not clearly stated in the Plan Document whether or not the Plan remains obligated in the absence of express inclusion. It is recommended that the Plan Document include express reference to other federal mandates and laws to which Plan is subject or a "conformity with law" provision.

3. Contains typical exclusions or limitations, including but not limited to:
 - a. Experimental/investigations treatment (except as required by ACA), and
 - b. non-medically necessary treatment

The absence of or inadequate treatment of these subjects in the Plan Document may result in a superseding provision in the Stop Loss policy.

Your partner for stop loss success

Symetra is a financially strong, well-capitalized company on the rise, as symbolized by our brand icon—the swift. Swifts are quick, hardworking and nimble—everything we aspire to be when serving our customers.

We've been in business for more than half a century with a commitment to creating employee benefit products that people need and understand. We appreciate your business and look forward to the opportunity to continue serving you with professional, informative and responsive service.



Our guiding principles of Value, Transparency and Sustainability (VTS) are at the core of all we do.

- **Value:** Products and solutions people need at a competitive price—backed by outstanding customer service.
- **Transparency:** Clear communication so people understand what they are buying.
- **Sustainability:** Products that stand the test of time and fiscal responsibility to ensure we are there for our customers.

Financial Strength Ratings: A.M. Best: A “Excellent” (3rd highest of 16); Moody’s A1 “Good” (5th highest of 21); Standard & Poor’s: A “Strong” (6th highest of 21). Ratings are subject to change. Please refer to www.symetra.com/ratings for current information. Ratings as of July 23, 2021.

Symetra Life Insurance Company (est. 1957) is a direct subsidiary of Symetra Financial Corporation. First Symetra National Life Insurance Company of New York (est. 1990) is a direct subsidiary of Symetra Life Insurance Company and is an indirect subsidiary of Symetra Financial Corporation (collectively, “Symetra”). Neither Symetra Financial Corporation nor Symetra Life Insurance Company solicits business in the state of New York and they are not authorized to do so. Each company is responsible for its own financial obligations.

Stop loss policies are insured by Symetra Life Insurance Company, 777 108th Avenue NE, Suite 1200, Bellevue, WA 98004. Base policies are ELC-24000 7/19 or LGC-12000 9/06, filed as Excess Loss. In New York, stop loss policies are insured by First Symetra National Life Insurance Company of New York, New York, NY. Mailing address: P.O. Box 34690, Seattle, WA 98124. Policy form numbers are ELC-24000/NY 7/19 or LGC-12000/NY 9/08, filed as Excess Loss. Coverage may be subject to exclusions, limitations, reductions and termination of benefit provisions. Products are not available in any U.S. territory.



www.symetra.com
www.symetra.com/ny

Symetra® is a registered service mark of Symetra Life Insurance Company.

Symetra Compliance Solutions is provided by Enquiron® through Symetra and may not be available in all states. Symetra assumes no responsibility or liability for any resources or content provided by Enquiron®. Enquiron® is not affiliated with Symetra Life Insurance Company or any of its affiliates. ©2021 Enquiron®. All rights reserved.

¹45 years for Symetra Life Insurance Company; 17 years for First Symetra National Life Insurance Company of New York as of 2021.

² Performance highlights based on financial and quarterly audits for 2020.



CITY OF
San Luis Arizona
Gateway to the Sea of Cortez

Employee Benefit Trust Meeting

May 11, 2022



SUSAN POSADA
AGENCY

Trust Items for Approval

- Stop Loss Final Approval
- Exclusive Mental Health – remove \$500 Copay and allow for 100% coverage to meet Mental Health Parity



Stop Loss Coverage Elements

Specific Coverage

- Coverage of claims per approved plan document
- Coverage Unlimited
- Specific Deductible \$50,000
- Coverage of RX

Aggregate Coverage

- Protects for the entire group to limit overall claims cost
- 125% Corridor
- Maximum Annual Reimbursement \$1,000,000

Projected Maximum Funding

- Calculated Monthly
- Calculation to determine Aggregate Coverage

**CITY OF SAN LUIS
STOP LOSS AND ADMINISTRATION RENEWAL EFFECTIVE JULY 1, 2022**

STOP LOSS RENEWAL

5 / 1 / 2022

DESCRIPTION	2021-2022		2022-2023		2022-2023		2022-2023	
		Current Symetra	Renewal - Option 1 Symetra	Renewal - Option 2 Symetra	Renewal - Option 2 Symetra	Renewal -Option 3 HM Life Insurance		
STOP LOSS POLICY TERMS		\$50,000	\$50,000		\$75,000		\$50,000	
Specific Lifetime Maximum		Unlimited	Unlimited		Unlimited		Unlimited	
Specific Annual Reimbursement		Unlimited	Unlimited		Unlimited		Unlimited	
Specific Deductible		\$ 50,000	\$ 50,000		\$ 75,000		\$ 50,000	
Specific Contract Basis		Paid	Paid		Paid		24/12	
Specific Coverage		Medical	Medical		Medical		Medical	
Specific Run-In Limits		N/A	N/A		N/A		N/A	
Lasered Individuals		None	None		None		None	
Aggregate Maximum		\$ 1,000,000	\$ 1,000,000		\$ 1,000,000		\$ 1,000,000	
Aggregate Coverage		Medical & RX Card	Medical & RX Card		Medical & RX Card		Medical & RX Card	
Aggregate Contract Basis		Paid	Paid		Paid		Paid	
Aggregate Run-In Limits		N/A	N/A		N/A		N/A	
Corridor		25%	25%		25%		25%	
STOP LOSS PREMIUM								
Specific Premium								
Employee Rate	142	\$ 108.05	\$ 121.64	142	\$ 93.05	\$ 135.50		
Employee + Spouse Rate	0	\$ 311.46	\$ 361.21	0	\$ 276.31	\$ 386.71		
Employee + Child(ren) Rate	0	\$ 311.46	\$ 361.21	0	\$ 276.31	\$ 386.71		
Employee + Spouse & Children Rate	122	\$ 311.46	\$ 361.21	122	\$ 276.31	\$ 386.71		
Projected Total Monthly Specific Premium	264	\$ 53,341.22	\$ 61,340.50	264	\$ 46,922.92	\$ 66,419.62		
Aggregate Rate PEPM	264	\$ 3.86	\$ 4.12	264	\$ 4.47	\$ 3.09		
Projected Monthly Aggregate Premium		\$ 1,019.04	\$ 1,087.68		\$ 1,180.08	\$ 815.76		
TOTAL PROJECTED PREMIUM								
Monthly		\$ 54,360.26	\$ 62,428.18		\$ 48,103.00	\$ 67,235.38		
Annual		\$ 652,323.12	\$ 749,138.16		\$ 577,236.00	\$ 806,824.56		
Percentage of increase over current			14.84%		-11.51%	23.68%		
MAXIMUM CLAIM FUNDING FACTORS								
Employee	142	\$360.31	\$ 409.87	142	\$ 440.13	\$ 433.12		
Employee + Spouse	0	\$996.90	\$ 1,123.89	0	\$ 1,206.86	\$ 1,039.49		
Employee + Children	0	\$996.90	\$ 1,123.89	0	\$ 1,206.86	\$ 1,039.49		
Employee + Spouse + Child(ren)	122	\$996.90	\$ 1,123.89	122	\$ 1,206.86	\$ 1,039.49		
TOTAL PROJECTED MAXIMUM FUNDING	264			264				
Monthly		\$ 172,785.82	\$ 195,316.12		\$ 209,735.38	\$ 188,320.82		
Annual		\$ 2,073,429.84	\$ 2,343,793.44		\$ 2,516,824.56	\$ 2,259,849.84		

City of San Luis				
Effective 7/1/2022				
Specific Stop Loss:				
Reinsurer/Carrier:				
	Current-Symetra	Renewal-Symetra Option 1	Renewal-Symetra Option 2	HM
Deductible:	\$50,000	\$50,000	\$75,000	\$50,000
Contract Type:	Paid	Paid	Paid	24/12
Coverages Included:	Medical/RX	Medical/RX	Medical/RX	Medical/RX
Commission:	Net	Net	Net	Net
Carrier Comments:	No New Laser Provision	This offer is valid thru 5.6.22. If no decision is made by then, we will need another month of claims to re-firm. If Employee X elects COBRA, underwriting reserves the right to review for additional individual specific deductible. There will be no new lasers @ rnl.		No new laser option with a 50% cap. Will need to review updated claims.
Enrollment				
	Single	142	142	142
	Family	122	122	122
Total		264	264	264
Aggregate Stop-Loss:				
Contract Type:	Paid	Paid	Paid	Paid
Coverages Included:	Medical/RX	Medical/RX	Medical/RX	Medical/RX
Premium (Fixed Costs)				
	Single	\$108.05	\$121.64	\$93.05
	Family	\$311.46	\$361.21	\$276.31
Monthly Specific Premium		\$53,341	\$61,341	\$46,923
Annual Specific Premium		\$640,095	\$736,086	\$563,075
Aggregate Premium:		\$3.86	\$4.12	\$4.47
Monthly Aggregate Premium		\$1,019.04	\$1,087.68	\$1,180.08
Annual Aggregate Premium		\$12,228.48	\$13,052.16	\$9,789.12
Total Annual Premium:		\$652,323	\$749,138	\$577,236
Aggregate Factors (Claims Liability)				
	Single	\$360.31	\$409.87	\$440.13
	Family	\$996.90	\$1,123.89	\$1,206.86
Monthly Claims Funding		\$172,785.82	\$195,316.12	\$209,735.38
Annual Claims Liability		\$2,073,430	\$2,343,793	\$2,516,825



AGENDA ITEM REVIEW FORM

Special Employee Benefit Trust Board Meeting

3. B.

Meeting Date: 05/11/2022

Department Head: Maria Munoz, HR Benefits Coordinator, Human Resources Department

Submitted By: Maria Barajas Gutierrez, Human Resources Coordinator, Human Resources Department

ITEM:

Discussion and possible action on any and all matters regarding Exclusive Behavioral Health and to rescind the \$500.00 copay approved at the Trust Board meeting held on April 13, 2022. **(Susan Posada, Broker and Consultant)**

SUMMARY:

The federal Mental Health Parity Act of 1996 as amended requires offering mental health benefits including hospitalization at the same level of benefits as any other condition. To comply with Mental Health Parity requirements, Ms. Posada is recommending removing the \$500 Copay and allowing for 100% coverage.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO RESCIND THE \$500 COPAY FOR EXCLUSIVE BEHAVIORAL HEALTH IN THE EMPLOYEE BENEFIT PLAN TO COMPLY WITH THE MENTAL HEALTH PARITY ACT.

Fiscal Impact

Fiscal Impact:

N/A

Attachments

EBH Contract

EBH Presentation

Mental Health Parity Regulations

PARTICIPATION AGREEMENT

City of San Luis Employee Benefit Trust (the“Plan Sponsor”), and Exclusive Behavioral Health, LLC, an Arizona limited liability company (“EBH”)

RECITALS

- A. Plan Sponsor has established and currently sponsors a Benefit Plan for Plan Participants.
- B. EBH provides administrative services to employers by connecting medical providers, facilities (e.g., ambulatory surgery centers, surgical hospitals, and hospitals), physical therapists, allied health professionals, or other medical care providers who provide medical services with Plan Participants pursuant to a single case rate negotiated by EBH on behalf of such employers.
- C. Plan Sponsor desires to contract with EBH for EBH to provide such administrative services to Plan Sponsor.
- D. Pursuant to the terms and conditions herein, EBH agrees to provide such administrative services to Plan Sponsor.

AGREEMENT,

NOW THEREFORE, based on the premises and terms and conditions herein, the parties hereby agree as follows:

- 1. Defined Terms. As used herein, the following terms will have the meanings assigned below.
 - 1.1 “Benefit Plan” means an employee welfare benefit plan offered by Plan Sponsor to Plan Participants.
 - 1.2 “Payor” means a Plan Sponsor or a third party administrator working on behalf of Plan Sponsor and pays for Services rendered to a Plan Participant.
 - 1.3 “Plan Participant” means a person who is entitled to receive certain benefits with respect to health care services under a Benefit Plan.
 - 1.4 “Provider” means a physician, surgeon, anesthesiologist, physical therapist, physician assistant, and other medical professional, as well as facilities under contract with EBH to provide services to Plan Participants.
 - 1.5 “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 Code of Federal Regulations Section 160.103.
 - 1.6 “Required by law” shall have the same meaning as the term “required by law” in 45 Code of Federal Regulations Section 164.103.
 - 1.7 “Services” means the medical services that are delivered by a Provider to Plan

Participant.

1.8 “Single Case Agreement” is an agreement for a particular set of medical services entered into by the authorized representatives of Plan Sponsor and EBH

2. EBH Services.

2.1 EBH Services. EBH will arrange for a single case rate for particular medical procedures with Providers for Plan Participants. EBH pre-negotiates all expenses for particular medical procedures. When a Plan Participant has elected to have a certain procedure performed by a Provider, EBH may enter into with a Single Case Agreement among the Plan Sponsor, the Provider and EBH to provide for the negotiated rate for the Services to be provided to the Plan Participant. Payment will either be made by Plan Sponsor to the Provider or Providers or payment will be made to EBH for EBH to deliver payment in accordance with the Single Case Agreement. If applicable, all Providers shall be responsible for the collection of the co-payment, coinsurance or deductible required to be paid by a Plan Participant under the applicable Benefit Plan. Providers have sole discretion for medical services delivered to Plan Participants.

2.2 Acknowledgement Regarding Marketing. Plan Sponsor understands that, while the intent of this Agreement is to permit EBH to create a provider solution panel that appropriately responds to identified health care needs of the Plan Participants, Plan Sponsor hereby grants EBH a license to use and authorizes EBH to identify and publish Plan Sponsor’s name, address, logo and available services in EBH’s information materials and website for distribution to Plan Participants and in marketing materials for distribution to Payors and potential Payors of EBH.

2.3 Records. Plan Sponsor shall maintain accurate financial books and records, including electronic records, concerning Services provided to each Plan Participant, including any charges to and payments received from the Plan Participant by Plan Sponsor (“Records”). Upon ten (10) business days’ advance notice, or such shorter notice as may be required by law, Plan Sponsor shall permit EBH or its designee and/or the applicable Payor to inspect, audit and copy those Records maintained by the Plan Sponsor during regular business hours. Plan Sponsor shall maintain such Records and provide copies of such information to EBH and/or the applicable Payor upon reasonable request, at no charge.

3. EBH Credentialing. For the purposes of credentialing. EBH utilizes an internal proprietary credentialing process for all Providers. Plan Sponsor shall cooperate with and abide by the standards and the requirements of EBH’s credentialing programs.

4. Tracking System. EBH has a proprietary system that collects all claim and outcome data from day of surgery for ninety (90) days or per American Medical Association guidelines. This system, as well as the assignment of a care coordinator for each individual patient, is used for the patients scheduling, surgical, and if necessary rehabilitative needs. Plan Sponsor shall provide EBH with such information as requested by EBH for purposes of utilization of the EBH tracking system.

5. Payment. Plan Sponsor shall pay EBH, the EBH administrative fees for services provided to Plan Sponsor for medical services provided to Plan Participants, as provided on EXHIBIT B. All pricing is calculated as a bundled price which includes Provider fees, anesthesia, facility, and EBH administrative fee, as well as other fees, including, but not limited to, implants and other medical devices/procedures that may be necessary during the surgical process. All EBH pricing will be handled with a Single Case Agreement that will be signed prior to the delivery of medical services. Plan Sponsor shall remit separate payments for Providers, facilities, and EBH to EBH for distribution to the various entities, within (7) business days of the provision of medical services. If not paid timely 10% ten percent

interest will apply to outstanding amounts. For services rendered to a Plan Participant per Single Case Agreement, EBH will prepare completed medical billing forms for services rendered by Providers to Plan Participant. For purposes of the Employee Retirement Income Security Act of 1974 (“ERISA”) and any other applicable state or federal laws, EBH shall not be deemed the “Administrator” or “Named Fiduciary” of any Benefit Plan. Plan Sponsor waives and Plan Sponsor shall have no cause of action, at law or in equity, against EBH, its employees, agents, officers and directors, and hereby releases each of the foregoing parties of and from any claims, demands, obligations, liabilities, and causes of action of every nature whatsoever, relating to, arising out of, or resulting from the enforcement of and compliance with ERISA and this Agreement.

6. Term and Termination.

6.1 Term. The initial term of this Agreement shall be for one (1) years commencing on the Effective Date and shall automatically renew for consecutive two year terms, unless either party provides written notice of intent not to renew at least ninety (90) days prior to the expiration of the then-current term.

6.2 Termination. This Agreement may be terminated in the event of a breach by either party, provided that the non-breaching party provides the breaching party with sixty (60) days’ prior written notice of the breach and of its intention to terminate this Agreement and an opportunity to cure the breach within such notice period. If the breaching party fails to cure such breach during the sixty (60) day period, then this Agreement shall terminate and be of no further force or effect.

6.3 Use of De-Identified. Notwithstanding anything herein, regardless of termination of this Agreement, EBH shall be entitled to indefinitely use any de-identified PHI for EBH’s own purposes.

6.4 Insurance. EBH shall maintain insurance with respect to EBH’s obligations under this Agreement reasonably satisfactory to Plan Sponsor and provide from time to time as requested by Plan Sponsor proof of such insurance.

7. Limitation of Liability. In no event whatsoever shall either party be liable for indirect, inconsequential, incidental, exemplary, punitive, or special damages including but not limited to lost profits or interruption of business. The liability of EBH for any claim arising out of this Agreement (whether based in contract, on negligence, on strict liability or otherwise) regardless of the form of bringing such action, shall not exceed in the aggregate, the total amount of fees received by EBH for the services which gave rise to the claim. EBH shall only be responsible for any undisputed fees actually received by EBH.

8. Indemnification. Plan Sponsor shall indemnify, defend, protect and hold EBH and its employees, agents, partners, shareholders, directors, officers or affiliates and assigns harmless for, from and against any and all liabilities, harm, claims, proceedings, lawsuits, damages, attorneys’ fees and costs arising out or related to: (a) this Agreement, (b) any breach of this Agreement, (c) any negligence, gross negligence or intentional misconduct by Plan Sponsor or any officer, director, employee, agent, successor, affiliate or assign, and/or (d) the delivery of Services by a Provider to a Plan Participant.

9. EBH shall indemnify, defend, protect and hold Plan Sponsor and its employees, agents, partners, shareholders, directors, officers or affiliates and assigns harmless for, from and against any and all liabilities, harm, claims, proceedings, lawsuits, damages, attorneys’ fees and costs arising out or related to: (a) this Agreement, (b) any breach of this Agreement, (c) any negligence, gross negligence or intentional misconduct by EBH or any officer, director, employee, agent, successor, affiliate or assign, and/or (d) the delivery of Services by a Provider to a Plan Participant.

10. Miscellaneous

10.1 Survival. The respective rights and obligations of the parties under Sections 5, 6.3, 7, 8, and 9 of the Agreement shall survive indefinitely.

10.2 Amendments and Waiver. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. It may not be modified, nor will any provision be waived or amended, except in a writing duly signed by authorized representatives of the parties or when required by regulatory agencies. A waiver with respect to one event will not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

10.3 Assignment. Except as otherwise expressly provided herein, neither this Agreement nor any rights or obligations hereunder may be transferred or assigned by either party without the other party's prior written consent. Any attempted assignment in contravention hereof shall be null and void. Notwithstanding the foregoing or any provision herein to the contrary, a party may assign this agreement, in its entirety, without the other parties written consent, to any legal entity that acquires all or a major portion of the assets or business of such party, whether by merger, sale of stock, reorganization, recapitalization or other form of business consolidation provided that any such assignee delivers to the other party a signed notice evidencing its agreement to be bound by the terms and conditions of this agreement and is not a competitor of the non-assigning party. This Agreement shall be binding on any permitted successors, and assignees of the parties

10.4 Non-Solicitation. During the term of this Agreement and for three years thereafter, Plan Sponsor will not directly or indirectly, without the express written consent of EBH, solicit or assist in solicitation of any Providers to discontinue participation in EBH's panel or to join another competing network of healthcare providers within EBH's panel and thereby avoiding, evading or bypassing EBH.

10.5 No Third-party Beneficiaries. Except as provided, nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors and permitted assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever.

10.6 Notices. Any notice to be given under this Agreement to a party shall be made via U.S. Mail, commercial courier or hand delivery to such party at its address given below, and/or via facsimile to the facsimile telephone number listed below, or to such other address or facsimile number as shall hereafter be specified by notice from the party. Any such notice shall be deemed given when so delivered to or received at:

If to EBH: Exclusive Behavioral Health, LLC
8671 West Union Hills #503
Peoria, Arizona 85382
Facsimile: (623) 321- 1095

If to Plan Sponsor: **City of San Luis Employee Benefit Trust**

9.7 Confidentiality. Each of the parties and its respective employees, contractors and agents shall maintain in confidence during the term of this Agreement and thereafter, except as otherwise required by law: (1) all Plan Participant information including medical information, learned through the operation of this Agreement; (2) all confidential Plan Sponsor information, including information disclosed as part of any peer review processes; (3) quality assurance and utilization review information; (4) all financial and

business information related to this Agreement or either party’s respective operations, including, but not limited to, either party’s earnings, volume of business, methods, systems, practices, plans, discounts and contract terms, and other commercially valuable proprietary information; and (5) any other information required to be maintained in confidence by applicable law and regulation (collectively “Confidential Information”), unless disclosure of a specific part of the Confidential Information is otherwise required to accomplish the purposes of this Agreement or is required by applicable law and regulation. Each of the parties and its respective employees, contractors and agents shall use best efforts to safeguard and protect Confidential Information against any unauthorized disclosure by any person and shall refrain from using or allowing any other person to use Confidential Information in any way that is considered detrimental to the other party. Each party shall provide immediate notice to the other of any *subpoena duces tecum* served on it for the production of records. The parties hereby agree to the terms and conditions of the Business Associate Agreement, attached as EXHIBIT A.

9.8 Jurisdiction and Venue. This Agreement is governed by the laws of the State of Arizona.. The parties consent to the jurisdiction of the courts of the State of Arizona and the United States District Court having competent jurisdiction over Maricopa County , Arizona for any dispute arising out of a breach in this Agreement.

9.9 Relation of Parties. In relation to the agreements herein contained EBH is defined as an independent contractor. The employees of EBH shall not be deemed at any time as employees, joint employees, or agents of Plan Sponsor. Plan Sponsor also affirms that it has no influence or directive authority over the management and operations of EBH employees.

9.10 Governing Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the District Court of Arizona.

9.11 Entire Agreement. This Agreement supersedes any and all other agreements between the parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect hereto.

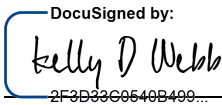
9.12 Counterparts. This Agreement may be executed in one or more counterparts, each of which will constitute an original and together will constitute one and the same instrument.

9.13 Attorneys’ Fees. In the event of any dispute arising out of this Agreement, the substantially prevailing party shall be entitled to recovery of its attorneys’ fees.

IN WITNESS HEREOF, the parties hereby agree to the terms and conditions herein as of the date first listed above.

EXCLUSIVE BEHAVIORAL HEALTH, LLC

PLAN SPONSOR

DocuSigned by:
By: 
2F3D33C0640B400...

City of San Luis Employee Benefit Trust
By: _____

Print Name: Kelly D Webb

Print Name: _____

Title: VP- Sales and Marketing.

Title: _____

Date: 4/1/2022

Date: _____

EXHIBIT A

Business Associate Agreement

This Business Associate Agreement (the “**Agreement**”) is entered into between Exclusive Behavioral Health, LLC (“**Business Associate**”), and (“**Plan Sponsor**”) **City of San Luis Employee Benefit Trust** .

RECITALS

- A. Plan Sponsor and Business Associate are parties to a Participation Agreement (the “**Services Agreement**”), under which Business Associate provides services for or on behalf of Plan Sponsor.
- B. Plan Sponsor is a “covered entity,” as that term is defined in the HIPAA Standards for Privacy of Individually Identifiable Health Information and the Standards for Security of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A, C and E (the “**HIPAA Regulations**”), and the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the “**HITECH Act**”) (collectively, the HIPAA Regulations and the HITECH Act are referred to as the “**Requirements**”), and, therefore, must comply with the Requirements.
- C. The Requirements require Plan Sponsor to enter into with its “business associates,” as that term is defined in 45 C.F.R. § 160.103, an agreement containing certain minimum safeguards. As a result of the Services Agreement, Business Associate will be a business associate of Plan Sponsor.
- D. The parties desire to enter into an agreement that complies with the Requirements.

AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Definitions.** Except as otherwise set forth in this Agreement, all capitalized terms have the same meaning as set forth in the Requirements, as such may be amended from time to time.
- a. “**Disclose**” has the same meaning as the term “disclosure” in 45 C.F.R. § 160.103.
- b. “**EPHI**” has the same meaning as the term “electronic protected health information” in 45 C.F.R. § 160.103, but limited to information created or received by Business Associate as a Business Associate of Plan Sponsor.
- c. “**PHI**” has the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, but limited to information created or received by Business Associate as a Business Associate of Plan Sponsor.

d. “**Secretary**” means the Secretary of the Department of Health and Human Services or his or her designee.

2. **Business Associate’s Obligations.** Business Associate will:

(a) Not Use or Disclose PHI except as permitted or required by this Agreement or as required by law;

(b) Use appropriate safeguards and comply, where applicable, with 45 C.F.R. Part 164, Subpart C with respect to EPHI, to prevent the Use or Disclosure of PHI, except as set forth in this Agreement;

(c) Implement Administrative, Physical and Technical Safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of EPHI;

(d) Promptly report to Plan Sponsor: (i) any Use or Disclosure of PHI by Business Associate or a third party to which Business Associate Disclosed PHI that is not contemplated by this Agreement, including any Breach of Unsecured PHI; and (ii) any Security Incident, of which Business Associate becomes aware;

(e) Ensure that any subcontractors who create, receive, maintain or transmit PHI on behalf of Business Associate agree to the same restrictions and conditions in the Services Agreement and this Agreement;

(f) In accordance with Plan Sponsor’s reasonable request, provide Plan Sponsor, in accordance with 45 C.F.R. § 164.524, access to PHI in a Designated Record Set;

(g) Make any amendment to PHI in a Designated Record Set that Plan Sponsor has agreed to pursuant to 45 C.F.R. § 164.526;

(h) Document any Disclosures of PHI necessary to provide an accounting of Disclosures in accordance with 45 C.F.R. § 164.528;

(i) To the extent Business Associate carries out any obligations of Plan Sponsor under the Requirements, Business Associate will comply with the Requirements that apply to Plan Sponsor in the performance of such obligation;

(i) Make its internal practices, books and records, relating to the Use and Disclosure of PHI available to the Secretary for purposes of determining Plan Sponsor’s compliance with the Requirements; and

(j) Mitigate, to the extent practicable, any harmful effects (known to Business Associate) from any Use or Disclosure of PHI by Business Associate not permitted by this Agreement.

3. **Permitted Uses and Disclosures.** Except as otherwise set forth in this Agreement, Business Associate may:

(a) Use or Disclose PHI to perform its duties and obligations under the Services Agreement and to report violations of the law to law enforcement; provided that, such Use or Disclosure complies with the Requirements;

(b) Use PHI for its management and administration or to carry out Business Associate's legal responsibilities; and

(c) Disclose PHI for the purposes in Section 3(b) of this Agreement, if (i) the Disclosure is required by law, or (ii) Business Associate obtains reasonable assurances from the persons to whom the PHI is disclosed that (x) the PHI will remain confidential and will not be Used or further Disclosed except as required by law or for the purpose for which it was Disclosed to the person, and (y) the person will notify Business Associate of any instances of which it becomes aware that the confidentiality of the PHI has been breached.

4. **Plan Sponsor's Obligations.** Plan Sponsor will notify Business Associate of any:

(a) Limitation in Plan Sponsor's Notice Of Privacy Plan Sponsors, as required by the Requirements, that may affect Business Associate's Use or Disclosure of PHI;

(b) Changes in or revocation of an individual's permission to Use or Disclose PHI, to the extent such change may affect Business Associate's Use or Disclosure of PHI; and

(c) Restriction regarding the Use or Disclosure of an individual's PHI that Plan Sponsor has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's Use or Disclosure of the PHI.

5. **Effective Date.** The terms and conditions in this Agreement will be effective as of the effective date of the Services Agreement and will continue until all PHI is destroyed or returned to Plan Sponsor.

6. **Termination.** This Agreement may be terminated in the event of a breach by either party, provided that the non-breaching party provides the breaching party with sixty (60) days' prior written notice of the breach and of its intention to terminate this Agreement and an opportunity to cure the breach within such notice period. If the breaching party fails to cure such breach during the sixty (60) day period, then this Agreement shall terminate and be of no further force or effect

7. **Indemnification.** Business Associate will indemnify, defend and hold harmless Plan Sponsor for, from and against any and all liabilities, costs, fees, fines, penalties and other expenses (including reasonable attorneys' and expert fees) arising from or related to Business Associate's breach of any of its obligations under this Agreement or the Requirements. The obligations under this Section will survive the termination of this Agreement.

8. **Amendment.** If the Requirements are amended and the amendments require an amendment to this Agreement to comply with the amendments to the Requirements, notwithstanding anything in the Services Agreement to the contrary, this Agreement will be amended automatically, without any signed, written amendment by Business Associate and Plan Sponsor, to comply with the amendments. All applicable Requirements, including all future applicable Requirements, are hereby incorporated in this Agreement by this reference, as if they were set forth herein in full. Otherwise, no modification, amendment, or cancellation or waiver of rights under this Agreement will be effective unless it is in a writing that is signed by both parties. No waiver of any breach of this Agreement will be construed as a waiver of any other rights under this Agreement.

9. **Entire Agreement.** This Agreement constitutes the parties' entire agreement with respect to the subject matter hereof. There are no restrictions, promises, representations, warranties, covenants, or understandings other than those expressly set forth herein. This Agreement supersedes all prior agreements

or understandings between the parties with respect to the subject matter hereof, and may not be modified or amended in any manner other than as set forth herein.

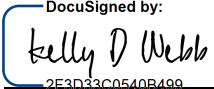
10. **Governing Law.** This Agreement will be construed in accord with and any dispute or controversy arising from any breach or asserted breach of this Agreement will be governed by the laws of the State of Mexico.

11. **Third-party Beneficiaries.** There are no third-party beneficiaries of this Agreement.

EXCLUSIVE BEHAVIORAL HEALTH, LLC

PLAN SPONSOR

City of San Luis Employee Benefit Trust

By:  _____
2E3D33C0540B499...

By: _____

Print Name: Kelly D Webb

Print Name: _____

Title: VP- Sales and Marketing.

Title: _____

Date: 4/1/2022

Date: _____

EXHIBIT B

FEE STRUCTURE

Plan Sponsor shall pay EBH an amount equal to 23% of the total amount payable for Services provided pursuant to a Single Case Agreement. Payment due to EBH shall be due and payable no later than the time of delivery of the Services. All Single Case Agreements prefer to be executed prior to any procedures being scheduled for Plan Participants.

Plan Sponsor agrees to pay EBH a one time program initiation administration fee of \$900.00 and an annual renewal fee of \$500.00 There is no Per Employee Per Monthly Fee.(PEPM)

EXCLUSIVE BEHAVIORAL HEALTH, LLC

PLAN SPONSOR

City of San Luis Employee Benefit Trust

By:  _____
2E3D33C0540B499

By: _____

Print Name: Kelly D Webb

Print Name: _____

Title: VP- Sales and Marketing.

Title: _____

Date: 4/1/2022

Date: _____

This page is outside of the contract and is utilized to schedule an order of review thru DocuSign. It has no contractual purpose other than notification of the contract to the broker.

BROKER REVIEW ONLY:

As a broker I am aware of this service agreement and reviewed it prior to sending it to my Client.

Broker : _____

Date: _____

DS
kDW

Exclusive Mental Health Conditions

- Mental Health Treatment include:
- Chemical Dependency
- Depression
- Alcoholism
- Post-Traumatic Stress Disorder
- Compulsive Gambling
- Spending Addiction
- Anger & Rage
- Obsessive Compulsive Disorder
- ADD/ADHD
- And More conditions



Treatment Modalities Include

- Group Therapy
- Individual Therapy
- Equine Assisted Therapy
- Expressive Arts Groups
- Exercise
- Yoga
- Tai Chi
- Recreation Therapy
- Challenge Course
- Nutrition
- Psychoeducational Lectures
- Trauma Therapy
- Mind-Body Therapy
- Spirituality



Exclusive Mental Health

- Must obtain clinical approval through 90 Degrees
- Centers in Wickenburg and Tucson and others
- Savings to the plan on average of 30%
- No Copay, No Deductible and No Co-insurance
- Initial Enrollment with Exclusive Mental Health of \$900 - No PEPM fee
- Renewal Fee \$500





Thank You

Susan Posada



SUSAN POSADA
AGENCY



Mary Barajas Gutierrez

From: Susan Posada <sposada@sposadaagency.com>
Sent: Monday, April 18, 2022 12:05 PM
To: Kay Macuil; Mary Barajas Gutierrez; Maria Munoz
Subject: Update - City of San Luis - Exclusive Mental Health Benefit
Attachments: RE: Mental Health Parity

Ladies, I was informed by 90 Degrees, that we can offer the Exclusive Mental Health Benefit (EHB) at 100% same as we offer the ESurgeries benefits but without the \$500 copay.

Mental Health Parity requires us to offer mental health benefits including hospitalization at the same benefits as any other condition. The only way around it is to have it covered in a better position through EHB. So, if we offer it at 100% then we are in compliance.

Do you want to present this at the next trust meeting hopefully at the same time as the stop loss approval?

Please advise. Susan Posada



Susan Posada
Phoenix 602-212-9400
Fax: 602-212-9424
Email: sposada@sposadaagency.com
Website: www.sposadaagency.com



Leading Producers Round Table - Eagle

From: Susan Posada
Sent: Monday, April 18, 2022 10:37 AM
To: Mary Barajas Gutierrez <mbgutierrez@sanluisaz.gov>; Maria Munoz <MMunoz@sanluisaz.gov>; Kay Macuil <kmacuil@sanluisaz.gov>
Subject: RE: City of San Luis - Exclusive Mental Health Benefit

I am trying to change this but I need to meet Mental Health Parity. I am thinking of attempting to do this without the \$500 copay.