

FINANCIAL AND TERMS AMENDMENT NO. 1

This Amendment ("Amendment No. 1") to the underlying Administrative Services Agreement ("Agreement" or "Contract No. 911463") between United HealthCare Services, Inc. and its affiliates ("United") and Williamson County, Texas ("Customer") is effective on January 1, 2018, or as otherwise indicated and is amended as specifically set forth herein to incorporate the terms and conditions of this Amendment No. 1. The parties agree that the below referenced rates and terms will be applied to the period January 1, 2018 through December 1, 2018 in resolution of missing administrative details that should have been included previously and to resolve any conflict between the original contract and this amendment." As amended, the Agreement shall remain in full force and effect according to its terms and conditions. All terms used in this Addendum No. 1 shall have the meanings attributed to them in the Agreement. This Addendum No. 1 supersedes any and all prior understandings and agreements, oral or written, relating to the subject matter. In the event there is a conflict between the terms and conditions of the Agreement and the terms and conditions of this Addendum No. 1, the following terms and conditions of this Addendum No. 1 shall control:

Contract No. 911463

Any capitalized terms used in this Amendment No. 1 have the meanings shown in the Agreement. These terms may or may not have been capitalized in prior contractual documents between the parties but will have the same meaning as if capitalized.

Exhibit A, Section A3 Providing Funds of the Agreement is replaced in its entirety with the following Section A3 Providing Funds:

Section A3 Providing Funds

Responsibility for Payment of Plan Benefits. The Plan is Self-Funded. Customer is solely responsible for providing funds for payment for all Plan benefits except when Customer is recognized as both the provider of covered services and the payee and check suppression services apply.

Bank Account. United, on Customer's behalf, will open and maintain a Bank Account at the Bank under United's sole control ("Bank") to provide United the means to access Customer's funds for the purpose of payment of Plan benefits, Plan expenses (such as state surcharges or assessments), or other Customer financial obligations and, when authorized by Customer, fees. The Bank Account will be a part of the network of accounts that have been established at the Bank for United's self-funded customers. The funds in the Bank Account are Customer's and will not be comingled with any other customer funds.

Applicable to Medical Claims Administration

Balance In Account. Customer will maintain a minimum balance in the Bank Account in an amount equal to not less than 6 days of expected Bank Account activity. United will reasonably establish this amount based on expected Plan payment obligations, with appropriate adjustments for anticipated non-daily activity (e.g., prescription drug benefits and fee payments) as determined by United. United will determine if circumstances warrant increasing this minimum balance, and will notify Customer if and when the required minimum balance changes.

The required minimum balance is based on Customer's financial condition as assessed by United. In the event United determines, based on reasonable information and belief, that Customer's financial condition has deteriorated or Customer continues to fail to comply with the material financial obligations specified in this Agreement, United may revise the required balance effective five (5) days from the date of notice to Customer.

Applicable to FSA Claims Administration

Balance In Account. Customer shall not be required to maintain a minimum balance in the Bank Account.

The allowance not to maintain a minimum balance is based on Customer maintaining compliance with the material financial obligations specified in this Agreement. In the event United determines, based on reasonable information and belief, that Customer continues to fail to comply with the material financial obligations specified in this Agreement, United may require Customer to maintain a minimum balance effective five (5) days from the date of notice to Customer.

Issuing and Providing Funds for Checks and Non-Draft Payments. Checks and/or non-draft payments will be written on and/or issued from one or more common accounts that are a part of the network of accounts maintained at the Bank for United's self-funded customers. When the checks for Plan benefits are presented to the Bank, the Bank will notify United and United will direct the Bank to either reject the checks or to withdraw funds from the Bank Account to fund the checks that are cashed.

Transfers of Funds. Funds will also be withdrawn from the Bank Account when a transfer of funds has been made electronically. United will direct the Bank to withdraw funds from the Bank Account to fund the non-draft payments or expenses as they are issued.

Applicable to Medical Claims Administration

Calls for Funds. The withdrawals from the Bank Account are paid for by the balance Customer maintains in the Bank Account. This balance will be drawn down each medical claims administration banking day to satisfy the previous day's liability.

Every 5 business days, United will notify Customer of the funding amounts that are due by providing a funding notification and an associated detail report to Customer, via electronic mail, by 9:30 am CST/10:30 am EST. The weekly funding notification shall reflect the aggregated claims charges that United has processed and has paid electronically, or if paid by check has cleared through United's omnibus check writing bank account for payment for the prior weekly Bank days' period ending on the prior business day. The detail report identifies the payments by structure.

If United does not provide the daily funding notification to Customer by 9:30 am CST in accordance with this Section, Customer shall not be required to fund the amount of the funding notification due until the following business day.

If the day that the funding notice is provided pursuant to this Section is a Bank holiday (where the Bank is closed), United shall provide the daily funding notification on the immediately preceding business day that is not a Bank holiday.

If the day that the funding notice is provided pursuant to this Section is a County Holiday or Staff Development day United shall provide the daily funding notification and the County will process the payment funding on the next business day.

Upon notice to Customer of the amount due, Customer will fund the designated amount(s) within one business days via Automated Clearing House (ACH) transfer to the designated Bank Account for payment of Plan benefits. Customer will initiate the fund transfers unless United determines that Customer fails to comply with the material funding and financial obligations specified in this Agreement. If such a condition occurs, Customer agrees to authorize United to initiate the transfers. The number of days between transfers and the method of transfer are based Customer's compliance with material financial obligations. United reserves the right to increase the frequency of such fund transfers and/or change the method of transfer if United determines, based on reasonable information and belief, that Customer continues to fail to comply with the material financial obligations specified in this Agreement.

Applicable to FSA Claims Administration

Calls for Funds. The withdrawals from the Bank Account are paid for by the balance Customer maintains in the Bank Account. This balance will be drawn down each FSA claims administration banking day to satisfy the previous day's liability.

Every business day, United will notify Customer of the funding amounts that are due by providing a funding notification and an associated detail report to Customer, via electronic mail, by 9:30 am CST/10:30 am EST. The daily funding notification shall reflect the aggregated claims charges that United has processed and has paid electronically, or if paid by check has cleared through United's omnibus check writing bank account for payment for the prior daily Bank days' period ending on the prior business day. The detail report identifies the payments by structure.

If United does not provide the daily funding notification to Customer by 9:30 am CST in accordance with this Section, Customer shall not be required to fund the amount of the funding notification due until the following business day.

If the day that the funding notice is provided pursuant to this Section is a Bank holiday (where the Bank is closed), United shall provide the daily funding notification on the immediately preceding business day that is not a Bank holiday.

If the day that the funding notice is provided pursuant to this Section is a County Holiday or Staff Development day United shall provide the daily funding notification and the County will process the payment funding on the next business day.

Upon notice to Customer of the amount due, Customer will fund the designated amount(s) within one business days via wire transfer to the designated Bank Account for payment of Plan benefits. Customer will initiate the fund transfers unless United determines that Customer fails to comply with the material funding and financial obligations specified in this Agreement. If such a condition occurs, Customer agrees to authorize United to initiate the transfers. The number of days between transfers and the method of transfer are based Customer's compliance with material financial obligations. United reserves the right to increase the frequency of such fund transfers and/or change the method of transfer if United determines, based on reasonable information and belief, that Customer continues to fail to comply with the material financial obligations specified in this Agreement.

Underfunding. If Customer does not provide the amounts sufficient to maintain the required minimum balance in the Bank Account, or to cover Bank Account withdrawals: (1) Customer must immediately correct the deficiency and provide prompt notice to United. (2) If United learns of the funding deficiency, United will notify Customer within one business day so Customer can correct the deficiency. (3) United may stop issuing checks and non-draft payments and suspend any of its other services under this Agreement for the period of time Customer does not provide the required funding. (4) If Customer does not correct the funding deficiency within three banking days of United's notice to Customer, United may terminate this Agreement as otherwise set forth in this Agreement, such termination to be effective the first day such funding deficiency began. Customer will pay interest on the amount of underfunding in accordance with Texas Government Code Chapter 2251.

Stop Payments on Outstanding Checks. At Customer's expense, United may place stop payments on checks if United determines that Customer has insufficient funds in its own designated funding bank account to honor such checks. United will send a search letter to the payee on all checks that have not been cashed within six (6) months. United will automatically stop payment on all checks that have not been cashed within twelve (12) months and provide Customer with reports Customer needs for the purposes of performing escheat. Customer is solely responsible for determining to file and/or filing unclaimed property once notified, or for making unclaimed payee payments directly.

Funding After Termination. When this Agreement terminates, the funding method will remain in place for the length of the run-out period. After the run-out period has ended, that funding method will cease and Customer will deposit and maintain in the Bank Account sufficient funds to cover all checks for Plan benefits that have been issued but not cashed. This balance will remain in the Bank Account for a limited period of time to fund the outstanding checks and other funding obligations. This period will be reasonable, as determined by United. United will stop payment on all checks that remain uncashed at the end of this period and Customer will request in writing to close the Bank Account and recover any funds remaining in it. United will provide bank statements and Bank Account reconciliation reports, including reports Customer needs for the purposes of performing escheat.

Effective October 1, 2018 Exhibit A, Section I Care Management and Outreach Services in Exhibit A is amended by the addition of Obesity and Diabetes Prevention (Real Appeal) Services:

Service	Comments
Obesity and Diabetes Prevention Services, customizable program delivered to eligible Participants with a goal of preventing diabetes and other obesity related diseases. The program uses a 52-week approach with online technology and live audio/video capabilities.	Services are delivered by United Network Providers. At the Customer's request, United can direct bill for these services

EXHIBIT B –FEES

The following financial terms are effective for the period January 1, 2018 through December 31, 2022.

This exhibit lists the fees Customer must pay United for its services during the term of the Agreement. These fees apply for the period from January 1, 2018 through December 31, 2022. Customer acknowledges that the amounts paid for administrative services are reasonable. If authorized by Customer pursuant to this Agreement or by subsequent authorization, certain fees will be paid through a withdrawal from the Bank Account.

Standard Medical Service Fees

The Standard Medical Service Fees described below, excluding optional and non-standard fees, are adjusted as set forth in the applicable performance standard(s).

The Standard Medical Fees listed below are based upon an estimated minimum of 1,502 enrolled Employees

The Standard Medical Service Fees are the sum of the following:

January 1, 2018 through December 31, 2020

- \$48.51¹ per Employee per month covered under the Choice Plus portion of the Plan, including COBRA PEPM charges.
(Combined total of the following service fees: \$47.96 pepm medical administration and \$.55 pepm COBRA administration)
- \$51.13¹ per Employee per month covered under the Nexus portion of the Plan , including COBRA PEPM charges.
(Combined total of the following service fees: \$50.58 pepm medical administration and \$.55 pepm COBRA administration)

January 1, 2021 through December 31, 2021

- \$49.96¹ per Employee per month covered under the Choice Plus portion of the Plan, including COBRA PEPM charges.
(Combined total of the following service fees: \$49.41 pepm medical administration and \$.55 pepm COBRA administration)
- \$52.66¹ per Employee per month covered under the Nexus portion of the Plan , including COBRA PEPM charges.
(Combined total of the following service fees: \$52.11 pepm medical administration and \$.55 pepm COBRA

January 1, 2021 through December 31, 2021

- \$51.46¹ per Employee per month covered under the Choice Plus portion of the Plan, including COBRA PEPM charges.
(Combined total of the following service fees: \$50.91 pepm medical administration and \$.55 pepm COBRA administration)
- \$54.24¹ per Employee per month covered under the Nexus portion of the Plan , including COBRA PEPM charges.
(Combined total of the following service fees: \$53.69 pepm medical administration and \$.55 pepm COBRA

Average Contract Size: 2.28

Pharmacy AWP Contract Rate

Customer's contract rate for prescription drugs is as provided in Exhibit C. United uses Medi-Span's national drug data file as the source for average wholesale price (AWP) information. United reserves the right to revise the pricing and adopt a new source or benchmark if there are material industry changes in pricing methodologies.

Other Fees

Service Description	Fee
Fraud and Abuse Management	Fee equal to thirty-two and five-tenths percent (32.5%) of the gross recovery amount
Hospital Audit Program Services	Fee not to exceed thirty-one percent (31%) of the gross recovery amount
Credit Balance Recovery Services	Fee not to exceed ten percent (10%) of the gross recovery amount.
Standardized Summary of Benefits and Coverage (SBC) as established under The Patient Protection and Affordable Care Act of 2010	United will provide, at no additional charge, standard format, electronic copies of the SBC documents (twice per year) for medical benefit plans administered by United. Customer logos can be included on the SBC at no additional charge. Additional fees will apply for other services. United will not create SBCs for medical plans it does not administer.
Third Party Liability Recovery (Subrogation) Services	Fee equal to thirty-three and one-third percent (33.3%) of the gross recovery amount
Advanced Analytics and Recovery Services	Fee equal to twenty four percent (24%) of the gross recovery amount
Shared Savings Program	<p>Customer will pay a fee equal to twenty-nine percent (29%) of the Savings Obtained as a result of the Shared Savings Program, to be paid through a withdrawal from the Bank Account.</p> <p>The fee per individual claimant for Shared Savings will not exceed \$50,000.</p> <p>Savings Obtained means the amount that would have been payable to a health care provider, including amounts payable by both the Participant and the Plan, if no discount were available, minus the amount that is payable to the health care provider, again, including amounts payable by both the Participant and the Plan, after the discount is taken.</p>
External Reviews	For each subsequent external review beyond 5 total reviews per year, a fee of \$500 will apply per review.
Standard Dental Administrative Service Fees ²	<p>The Standard Dental Service Fees are the sum of \$3.12 per Employee per month covered under the Passive PPO portion of the Plan.</p> <p>The Standard Dental Service Fees escalator for years 2021 and 2022 is 3%.</p>

Flexible Spending Account Administrative Fees

Service Description	Fee
FSA Administration	\$4.22 Per Enrollee Per Month (PEPM)
Additional FSA Fees	
External Rollover – Set up charge per customer per vendor	\$1,765
Eligibility feeds – Per file in excess of 52 per year	\$235
Healthcare Spending Account Card	\$0.50 PEPM
Nondiscrimination testing (NDT)	\$500 per testing occurrence

COBRA Administrative Fees

		January 1, 2018 through December 31, 2021
The following COBRA Services are included in the Standard Medical Service Fee identified above:		
COBRA and/or Direct Billing Set Up and Maintenance		² \$0.55 PEPM is included in the Standard Medical Service Fees above
Group Setup Fee (one time fee at implementation)		Included
COBRA Continuant Takeover Charge (one-time charge per current continuant from previous COBRA administrator)		Included
On-going Maintenance Fee (annual fee in subsequent years after implementation)		n/a
COBRA Services		
Ongoing COBRA Continuant Per Month Charge		Included
Qualifying Event Notifications:		
Qualifying Event Services (fee per Qualifying Event -- includes distribution of Qualifying Event notices and election forms via proof of mail with instructions, and processing of enrollment forms returned)		Included
Outside Carrier Eligibility Feeds and Premium Remittance (per carrier per month)		Included
COBRA / HIPAA Initial Rights Notifications (per notice) AKA New Hire Notification		Included
Women's Health Cancer Rights Act (WHCRA) Notices (per notice)		Included
Texas State Continuation Notification (per notice)		Included
Past Due Notices to Continuant (per notice, upon request)		Included
Note: The 2% COBRA administration portion from premium collected from continuants is remitted to the customer.		
The following Optional Services are billed independently of the Standard Medical Service Fee:		
Retiree Billing Services		
Retiree Direct Billing (per continuant per month)		\$4.50
Past Due Notices to Continuant (per notice, upon request)		Included
The following are Optional Services Available to customers purchasing COBRA/Direct Bill Services		
Employee Notification Services		
Retro COBRA / HIPAA Initial Rights Notices (per notice)		\$3.00
Post-COBRA HIPAA Certificates of Coverage on <u>outside</u> COBRA members (per certificate)*		\$3.00
HIPAA Privacy Notices (per notice)		\$3.00
Medicare-D Notifications		\$0.95
Open Enrollment Services		
Open Enrollment Service (per person)		\$8.00 Plus Postage

Includes packaging and distribution of all related benefit materials and/or informational documents as designated by and provided by the client

**There is a \$100 minimum for Open Enrollment Services*

**United provides these certificates through its internal processes as part of standard services for UnitedHealthcare members.*

Optional Service Fees

As of the Effective Date United is not providing the service identified below. If Customer requests United provide the service, Customer will pay the additional fee outlined below as of the effective date of the service.

Service Description	Fee
Onsite Services Coordinator	\$5.55 per Employee per month
Diabetes Health Plan	\$1.31 PEPM
Cardiology and Radiology Prior Authorization Programs	\$1.07 PEPM
Onsite Wellness Coordinator	\$7.77 PEPM
Rally Engaged	\$0.46 PEPM
Personal Rewards w/Flex Outcomes	\$1.64 PEPM
Telephonic Health Coaching	\$2.71 PEPM
Smoking Cessation Services (Quit4Life)	\$0.48 PEPM
Processing of run-out claims for twelve (12) months following termination	The Standard Medical Service Fees identified above include six (6) months of run-out claims processing. The fee for run-out claims processing for an additional six (6) months is equal to the last one months' Standard Medical Service Fees in effect at the time of termination. If Customer terminates this Agreement at the end of the initial Term, a matured Standard Medical Service Fee will be used as the basis for the run-out fee.

Credits

Wellness Allowance

United will provide a wellness allowance so Customer may enhance Customer medical benefits during the term of the Agreement. This credit is available during the first five years.

Pursuant to Customer's request, the Wellness Allowance amount may be used to pay for reasonable wellness-related programs or activities the County receives from United or Customer's third-party vendors incurred annually through December 31, 2022, provided the Agreement is not terminated. The wellness allowance may be used for wellness related programming and services such as wellness fairs, biometric screenings, and on site flu vaccinations. These annually allotted funds will be available as of the Effective Date, and on each anniversary of the Effective Date.

For Customer's third-party vendor provided wellness services, at Customer's written direction, United will pay wellness-related expenses directly to a Customer third-party vendor once the invoice is sent outlining the expenses Customer has incurred. Customer agrees that United is not responsible for the services Customer's third-party vendor provides, and Customer's third-party vendor is solely responsible for any services rendered to Customer or Participants. The invoices should be submitted within 60 days of the service being incurred. Expenses must be for wellness-related programs or activities that are designed to promote the health and wellbeing of Participants, or to educate Participants about healthy lifestyles and choices.

Any wellness-related allowance amounts must comply with these conditions.

In the event that there is a dispute between Customer and Vendor over continuing to make the Vendor Fee payment, the Vendor Fee amount or frequency of the Vendor Fee payment, Customer and Vendor shall be the parties to resolve such dispute and shall hold United harmless in such disputes. In the event of any change whatsoever in the Vendor Fee, Customer shall immediately notify United of such change.

\$40,000 Wellness allowance in 2018 \$40,000 Wellness allowance in 2019

\$40,000 Wellness allowance in 2020

\$40,000 Wellness allowance in 2021

\$40,000 Wellness allowance in 2022

Fee Waiver

United will provide a 1-month fee waiver in the 1st month of years 1-3 (2018 , 2019, and 2020) for all United medical services sold on a PEPM Basis (excluding commissions).

Conditions:

- Requires a three year agreement. Early termination is subject to the early termination penalty outlined below.
- Assumes an enrolled Employee count within 15% of the quoted subscriber count of 1,502.
- 1-month fee waiver is calculated after any credits are applied.

Fee Waiver Early Termination Penalty:

- Termination prior to 1/1/2019 = 100% of fees waived
- Termination prior to 1/1/2020 = 50% of fees waived
- Termination prior to 1/1/2021 = 25% of fees waived

²Packaged Savings Program

The Packaged Savings Program is a \$2.00 per-employee per-month (PEPM) credit to the Dental and Vision service fees based upon the medical administration and the Dental and Vision line of specialty coverage Customer has with United.

Packaged Savings Program credit is available effective January 1, 2018 for the initial 12 months that the eligible medical administration and the Dental and Vision line of specialty coverage remain in-force.

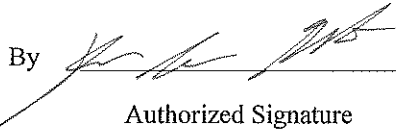
United reserves the right to revise or revoke this Packaged Savings Program credit under the following circumstances:

- The benefits requested and/or quoted change.
- Changes in federal, state or other applicable legislation or regulation require changes to the Packaged Savings Program.
- Specialty products can be added off-cycle from the medical product effective date. However, if the medical or specialty coverage terminates prior to December 31, 2018, any remaining Packaged Savings administrative credits will be forfeited.

This Amendment No. 1 will not affect any of the terms, provisions or conditions of the Agreement except as stated herein.

Williamson County


United HealthCare Services, Inc.

By 
Authorized Signature

Name Dan A Gatto

Title County Clerk

Date 12-19-2018

By 
Authorized Signature

Name Holly Durinick

Title Regional Contract Manager

Date 12/31/2018

ASA AMEND 7.2016