

THIRD PARTY CLAIMS ADMINISTRATION AGREEMENT

This Third Party Claims Administration Agreement (this “**Agreement**”) is made and entered into as of October 1, 2023 (the “**Effective Date**”) between Gallagher Bassett Services, Inc., a Delaware corporation (“**GB**”), and Williamson County, Texas, a political subdivision of the State of Texas (“**Client**”). GB and Client shall hereinafter be referred to individually as a “**Party**” and collectively as the “**Parties**.”

WHEREAS, GB is a third party claims administrator, and Client desires to retain GB to provide certain claims administration services (the “**Services**,” as described below) on Client’s behalf.

NOW, THEREFORE, in consideration of the mutual promises contained herein, GB and Client hereby agree as follows:

SECTION 1 **SERVICES**

1.1 **General.** GB, by and through one or more affiliates and vendors, shall provide Services for Client relating to the administration of Client’s Claims in accordance with the terms and conditions set forth in this Agreement and in the service instructions (the “**Service Instructions**”) as agreed upon by the Parties in writing from time to time, which Service Instructions shall be incorporated into and deemed to be a part of this Agreement. As used herein, “**Claim**” means any report of injury or accident alleging or resulting in injury, damage or loss that could give rise to a demand for the payment of money by Client, and which is timely reported to GB hereunder. GB shall provide such Services as further described in the Cost & Terms attached hereto as Exhibit A (“**C&T**”) and incorporated by reference herein. Each C&T shall be applicable for the period referenced therein. GB’s Services may include the following:

- a. Upon guidance from Client and/or retained counsel, where applicable, review, investigate, adjust, settle and/or resist Claims (i) within the Settlement Authority, or (ii) if in excess of the Settlement Authority, upon the acknowledgment of Client. “**Settlement Authority**” is the amount set forth in the Service Instructions, up to which GB is authorized to settle individual Claims;
- b. Establish and update Claim reserves;
- c. Maintain Claim files and records; provided that Client shall be obligated to store and preserve any physical evidence relevant to any Claim or potential Claim;
- d. Assist Client in establishing a Claim loss fund account as more specifically described in Section 3 below for the funding of losses (including indemnity payments) and Allocated Expenses associated with a Claim (collectively, “**Loss Payments**”). “**Allocated Expenses**” means all expenses incurred in connection with the investigation, negotiation, defense, settlement and disposition of a Claim, examples of which are set forth in the C&T;
- e. Notify only Client’s agents or insurers that are expressly listed in the Service Instructions of Claims that meet the specific parameters expressly set forth in the Service Instructions;
- f. Coordinate investigations on litigated Claims with attorneys retained on the Claim and with representatives of Client’s insurer, as required;
- g. Investigate and pursue subrogation claims on behalf of Client, where permitted;
- h. Provide a risk management information system and standard reports as described in the Service Instructions, as well as ad hoc information and reports, as requested by Client from time to time;

i. Provide risk control consulting and appraisals or other related Services, as set forth in the C&T or otherwise agreed to by the Parties;

j. Report fraudulent or suspected fraudulent Claims to state authorities, as required by applicable law, and as agreed upon by the Parties;

k. Perform Mandatory Insurer Reporting ("MIR") directly or in coordination with carrier's required third party reporting agent, pursuant to Section 111 of the Medicare, Medicaid, and State Children's Health Insurance Program Extension Act of 2007 (P.L. 110-173) ("MMSEA"); and

l. Provide medical management services as set forth in the C&T.

1.2 **Report of Claims.** Client shall report all Claims to GB with sufficient time to allow GB to submit first reports of injury to each applicable state, as required, and to comply with all applicable laws.

1.3 **Sole Claims Administrator.** During the term of this Agreement, (i) GB shall be Client's sole claims administrator with respect to Claims under the coverage types set forth in the C&T; (ii) all new Claims arising under such program shall be transmitted to GB and (iii) Client will not, directly or indirectly, self-administer any Claims that should be reported to GB pursuant to the terms of this Agreement.

1.4 **Escheat.** The Parties acknowledge that Client shall be responsible for any and all escheat and unclaimed property reporting obligations; *provided, however*, that, upon request and for a mutually agreed upon fee, GB shall provide Client with such information and reports as Client may reasonably request to perform escheat reporting with respect to Loss Payments made hereunder.

SECTION 2 **PAYMENT AND COLLECTION MATTERS**

2.1 **Payment of Service Fees.** Client shall pay, or cause its insurer to pay, any fees for Services and other sums payable to GB as described herein and in the C&T ("**Service Fees**") in accordance with the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue as set forth in the Texas Prompt Payment Act. Interest charges for any overdue payments shall be paid by Client in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of Client's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.

2.2 **Expense Reimbursement.** All GB requests for expense reimbursements (i.e., travel and other business expenses) are subject to Williamson County's Vendor Reimbursement Policy, current version incorporated herein as Exhibit B with updated versions available at Vendor Reimbursement | Williamson County, TX (wilcotx.gov). The Williamson County's Vendor Reimbursement Policy shall not apply to Allocated Expenses paid from the loss fund account.

2.3 **Taxes.** Client is a political subdivision under the laws of the State of Texas and claims exemption for sale and use taxes under Tex. Tax Code Ann. § 151.309, as amended. The Client agrees to provide exemption certificates to GB upon request. Likewise, Client is not liable for any taxes assessed against GB for any Services rendered.

2.4 **Applicable Currency.** All payment obligations hereunder shall be charged and payable in U.S. Dollars, unless otherwise agreed in writing by the Parties.

2.5 **Catastrophe Charges.** GB will charge Client for any loss involving ten (10) or more Claims resulting from a single event (i.e., hurricane, tornado, flood, earthquake, etc.) on a time and expense

basis, which shall be paid as an Allocated Expense against the Claim file. GB, in its discretion, reserves the right to utilize outside resources to expedite Claim handling because of any such catastrophic event.

2.6 **Change in Circumstances.** Upon sixty (60) days' prior written notice to Client, GB may modify its Service Fees if GB reasonably determines that (i) historical claims data that Client provided to GB was erroneous, obsolete or insufficient; (ii) Client has a material change in the overall program managed by GB, including the lines of coverage handled by GB or instances where Client unbundles services provided by GB's vendors and subcontractors; (iii) Client has a material change in the nature and/or volume of its Claims compared to what was contemplated when GB initially quoted its Service Fees; or (iv) legislative and/or regulatory requirements impact or change the scope of GB's Services or responsibilities, including any expenses related thereto.

SECTION 3

LOSS FUND ACCOUNT – SELF-INSURED MONEY MANAGEMENT SYSTEM (SIMMS)

GB shall assist Client in establishing a loss fund account with Citibank (or other institution at GB's discretion), and Client shall fund, or cause its carrier to fund, such account. The initial imprest shall be an amount representing approximately two and one-half (2 ½) times Client's current average Loss Payment history based upon Client's (i) estimated Claim volume and (ii) funding frequency. GB reserves the right, in its sole discretion and upon prior notice to Client, to modify the imprest balance required under this Agreement. In the event that GB exercises its right to modify the imprest balance, Client shall fund such amount within five (5) business days of GB's request. GB reserves the right at any time to request Client to prefund any large Loss Payments, which Client shall fund within three (3) business days of GB's request. Client shall maintain the required imprest balance during the term of this Agreement.

SECTION 4

PAYMENT & FUNDING FAILURE; REMEDIES

Client is solely responsible for all payment obligations under this Agreement. GB is not obligated to advance funds to pay Loss Payments or any other obligation of Client.

4.1 If amounts owed for Service Fees are not paid in accordance with the timing specified in Texas Government Code Chapter 2251 ("**Grace Period**"), Client will pay GB interest on these amounts in accordance with Texas Government Code Chapter 2251.

4.2 If Client fails to timely and adequately fund and replenish its loss fund account within five (5) business days of receiving a delinquent payment demand by GB or Citibank, GB may, at its election, (i) suspend banking or shutdown the loss fund account and suspend the provision of Services suspend banking or shutdown the loss fund account and suspend the provision of Services; and (ii) report the delinquent account and claim handling status to: (a) Client's insurance carrier and/or broker, if any; (b) applicable government and regulatory agencies; (c) any affected claimant(s); and (d) any other relevant parties.

4.3 If Client fails to fund its loss fund account within five (5) business days following the notice described in Section 4.2 above, GB may (i) convert Client's program to daily issuance via Fed Wire upon forty-eight (48) hours' notice to Client; (ii) report the Claim handling status to appropriate government and regulatory agencies, as applicable; and/or, (iii) terminate this Agreement and cease providing Services without further liability to Client.

4.4 To the extent permitted by the law of the State of Texas, Client shall indemnify and hold GB harmless and be solely responsible for any and all damages, fines, penalties, bank charges, interest, fees and expenses resulting from Client's failure to timely meet its payment obligations and maintain the loss fund imprest balance, and Client shall pay, or cause its carrier to pay, such amounts promptly upon

demand by GB. Additionally, to the extent allowed by law, Client shall pay all fees, costs and expenses incurred by GB in enforcing the payment obligations hereunder, including reasonable attorneys' fees and court costs.

SECTION 5

COMPLIANCE WITH LAWS; MEDICARE REPORTING

5.1 **Compliance with Laws and Licensing.** GB and Client will comply with all applicable laws. GB will maintain all permits, licenses and regulatory approvals necessary to provide the Services described herein.

5.2 **Mandatory Insurer Reporting.** Client acknowledges and agrees that Client or its insurance carrier has an obligation to perform MIR. To the extent that GB provides MIR on Client's behalf, Client agrees to properly register (or, as appropriate, to cause its insurance carrier to properly register) with the Centers for Medicare and Medicaid Services as the Responsible Reporting Entity ("**RRE**") under MMSEA and to provide to GB all relevant information, including the RRE "Identification Number(s)" assigned to Client, and properly designate a MIR reporting agent acceptable to GB. GB shall not provide MIR in states where GB is only providing Claims oversight. Client agrees that for each and every Claim reported to GB, Client shall provide the following information as soon as possible, but in no event later than required to comply with applicable law to avoid fines and penalties: claimant's first and last name, social security number, date of birth and gender. Failure to timely provide such information shall absolve GB from any responsibility for performing MIR with respect to any such Claim until GB receives all required information. GB may disclose this and other information to its designated third parties for processing Client's MIR and performing other obligations hereunder.

5.3 **Medicare Secondary Payer Act Compliance.** In order to comply with Client's reporting obligations under Medicare, and avoid interest, fees, and penalties associated with failure to properly account for (i) conditional payments under the Medicare Secondary Payer Act ("**MSP**") or (ii) future medical expenses under the MSP (collectively, "**MSP Liabilities**"), Client must ensure that the following activities are timely performed: (i) reporting, (ii) investigation and payment of conditional payment obligations and (iii) provision of Medicare set-asides or other future medical allocations services, as appropriate. GB hereby disclaims any and all MSP Liabilities relating to Client's and/or its representatives' or agents' failure to comply with any MSP obligations, where (A) Client does not utilize GB or its vendors to administer Client's MSP compliance or (B) Client's or its representative's or agent's acts and/or omissions result in MSP Liabilities.

SECTION 6

CONFIDENTIALITY

6.1 **Defined.** As used herein, "**Confidential Information**" means information furnished by either Party or its agents and representatives ("**Discloser**") to the other Party or its agents and representatives ("**Recipient**"), whenever furnished and regardless of the manner or media in which such information is furnished, which Recipient knows or reasonably should know to be confidential or of a proprietary nature. Confidential Information shall include confidential and proprietary information relating to the business, claimants, customers, products and affairs of Discloser, including without limitation, any and all designs, processes, pricing, methods, technical data, marketing information, trade secrets and financial information, as well as the terms of this Agreement. Confidential Information shall not include information concerning Discloser that (a) is or becomes generally available to the public or within the industry to which such information relates other than as a result of a breach of this Agreement by Recipient, (b) at the time of disclosure to Recipient by Discloser was already known by Recipient as evidenced by its written records, (c) becomes available to Recipient on a non-confidential basis from a source that is entitled to disclose it on a non-confidential basis, (d) was or is independently developed by or for Recipient

without reference to the Confidential Information, or (e) is comprised of anonymized/de-identified information of Client that is utilized in connection with data analytics or other business purposes.

6.2 **Prohibition on Disclosure.** Recipient agrees that it will not disclose any Confidential Information disclosed by Discloser to any third party without Discloser's prior written consent. Notwithstanding the foregoing, Recipient shall be permitted to disclose Confidential Information to its or the Discloser's affiliates, agents or vendors that have a need to know the Confidential Information in connection with the Services to be provided under this Agreement.

6.3 **Other Disclosures.** Nothing in this Agreement shall be deemed to prevent Recipient from disclosing any Confidential Information of Discloser when requested or required to do so by a subpoena, civil investigative demand, other legal process or by the authority of any state or federal administrative agency or governmental body. Additionally, Recipient may disclose Confidential Information to the extent required by applicable law or regulation, including the Texas Public Information Act.

SECTION 7

RISK MANAGEMENT INFORMATION SYSTEM; RECORDS

7.1 **Risk Management Information System Access.** GB hereby grants to Client a non-exclusive, non-transferable, revocable license to access GB's risk management information system (Risk-Facs®, Luminos™, or any other system licensed by GB, to the extent specified in the C&T), solely for the purpose of evaluating and monitoring the status of Claims. Such access is limited to Client-approved representatives, and shall be contingent upon and subject to Client taking reasonable measures to ensure each such representative's compliance with Section 6 above. Unless otherwise agreed in writing, this license shall terminate automatically and without the need for notice upon the termination of this Agreement for any reason.

7.2 **Document Retention.** Claim files are the property of Client, or Client's insurer, as applicable. GB will retain (i) physical Claim files in storage or (ii) electronic files on GB's systems following closure of a particular Claim in accordance with GB's then-current document retention policy and in compliance with applicable law. Thereafter, unless Client or Client's insurer requests, in writing, a turnover of its Claim files, GB may, in its sole discretion and upon advance notice to Client for any paper files, destroy and purge any such Claim files in its possession; *provided, however*, GB may retain one copy for legal, regulatory and archival purposes. Client will be solely responsible for arranging for return or transfer of its files at Client's cost, and after payment of all outstanding amounts due to GB, no later than thirty (30) days after date of notice. The policies and procedures of the applicable financial institutions shall govern the storage of copies of checks. Except as required by applicable law, GB shall have no obligation to retain Claim files in the event that such Claim files or related Claim handling obligations are transferred to another administrator.

7.3 **Run-In Claims.** To the extent GB assumes a Claim incurred prior to the Effective Date or previously administered by another party, including Claims self-handled by Client (each, a "Run-In Claim"), Client must adhere to Run-In Claim processes reasonably acceptable to GB to ensure proper Claim transfer, including supplying certain required information in a format acceptable to GB in a reasonable amount of time as discussed and agreed to between the Parties prior to GB's assumption of such Run-In Claims. GB shall not be responsible for updating, maintaining or storing Run-In Claim file information (paper or electronic) that is more than ten (10) years old. All files for Run-In Claims assumed by GB will be kept "as is," without any obligation to reorganize such files. Client, where applicable, shall, or shall require its prior service provider to, place a claim file note in the Run-In Claim files or otherwise conspicuously mark such files in a manner to be agreed to by the Parties, with information necessary or convenient for GB to attend to time-sensitive events, such as upcoming court deadlines and benefit or settlement payment due dates. GB shall not be responsible for any acts, errors or omissions, including any compliance requirements or state, Federal or other reporting requirements, concerning the Run-In

Claims prior to its assumption of the same. To the extent permitted by the law of the State of Texas, Client shall indemnify and hold GB harmless from any damages arising (i) during any transition period; (ii) as a result of GB's reliance on faulty or incomplete Run-In Claim files or related information; and/or (iii) in whole or in part due to acts or omissions of any party that handled such Run-In Claims prior to GB.

SECTION 8

INDEMNIFICATION; LIMITATIONS OF LIABILITY

8.1 Indemnification of Client. GB agrees to defend, indemnify and hold Client and its affiliates and their respective directors, officers, employees, vendors, subcontractors, counsel, and agents harmless from any and all third party claims, demands, causes or threats of action, losses, liabilities, damages and all related costs and expenses, including reasonable legal fees (collectively, "**Indemnified Losses**") to the extent arising from (i) the breach of any representation, warranty or covenant made by GB hereunder, and (ii) GB's grossly negligent acts or omissions or intentional misconduct; *provided, however*, that GB's indemnification obligation shall be reduced to the extent that such Indemnified Losses arise from the acts or omissions of Client or any third-party retained by Client.

8.2 Indemnification of GB. To the extent permitted by the law of the State of Texas, Client agrees to defend, indemnify and hold GB and its affiliates and their respective directors, officers, employees, vendors, subcontractors, counsel, and agents harmless from any and all Indemnified Losses to the extent arising from (i) the breach of any representation, warranty or covenant made by Client hereunder; (ii) Client's grossly negligent acts or omissions or intentional misconduct; (iii) GB's acts or omissions that result from any act, omission, instruction or direction of Client or its attorneys, vendors (other than GB or GB vendors), agents, representatives or assignees; (iv) any employment decisions made by Client; and (v) any acts or omissions by Client's attorneys, vendors (other than GB or GB vendors), agents, representatives or assignees; *provided, however*, that Client's indemnification obligation shall be reduced to the extent that such Indemnified Losses arise from the acts or omissions of GB or GB vendors

8.3 Liability Limitation. Notwithstanding anything contained in this Agreement to the contrary, (i) neither Party will be liable for any indirect, special, incidental or consequential damages, whether based in contract, tort or any other legal theory, even if advised of the possibility of such loss or damage; and, (ii) the maximum liability of either Party with respect to any losses, claims, damages, liabilities, judgments, costs and expenses (whether in tort, contract, statute or otherwise, collectively, "**Damages**") relating to or arising out of this Agreement shall not exceed (a) \$250,000 with respect to all Damages relating to a single Claim; or (b) \$1,000,000 with respect to all Damages under this Agreement in the aggregate; *provided, however*, this section shall not be deemed to limit or impact Client's payment or funding obligations under this Agreement.

8.4 Additional Limitations. GB shall not be liable to Client as a result of (i) Damages that result from the absence of any consent or authority required to be obtained by or from any third party; (ii) failure to achieve a desired result, so long as GB has acted reasonably and in good faith based upon the information available at the time; (iii) acts, errors or omissions of any retained legal counsel; and (iv) any vendors or any third parties engaged, selected, chosen or recommended by Client.

8.5 Contractual Limitations Period. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreement or any services provided hereunder may be brought by either Party any later than the applicable limitations period for breach of contract under Texas law.

8.6 Extension. The limitations in this Section 8 shall apply to any claim or cause of action asserted by or on behalf of any person or entity claiming to be an assignee, beneficiary of or successor to such Party.

SECTION 9
TERM AND TERMINATION

9.1 **Term.** This Agreement will remain in effect until terminated by either Party in accordance with the terms of Section 9.2 below or elsewhere in this Agreement.

9.2 **Termination.**

a. **Termination for Convenience.** Either Party may terminate this Agreement for convenience, at any time and for any reason or no reason, upon not less than sixty (60) days' prior written notice to the other Party.

b. **Termination for Breach.** Other than termination for funding obligations set forth in Section 4, this Agreement may be terminated by the non-breaching Party if the other Party breaches any material representation, warranty or obligation contained in this Agreement, and such other Party fails to remedy such breach within thirty (30) days from the date it receives written notice of the breach from the non-breaching Party.

c. **Insolvency.** Either Party may terminate this Agreement effective immediately (1) if the other Party is adjudged insolvent or bankrupt; (2) upon the institution of any proceeding against the other Party seeking relief, reorganization or arrangement under any laws relating to insolvency; (3) for the making of any assignment for the benefit of creditors; upon the appointment of a receiver, liquidator or trustee of any substantial part of the other Party's property or assets; or (4) upon liquidation, dissolution or winding up of the other Party's business (collectively, "**Insolvency**"). In the event of Client's Insolvency, Client agrees that (i) immediately upon the filing of a bankruptcy petition, Client shall pay in advance any invoice for Service Fees and shall continue to fund any Loss Payments and meet any other payment obligations as required under this Agreement; (ii) no later than thirty (30) days after the filing of a bankruptcy petition, Client shall assume or reject this Agreement; and, (iii) immediately upon the filing of a bankruptcy petition, GB shall be entitled to relief from the automatic stay to exercise any right of set off or recoupment, and to enforce Client's payment of Service Fees and other funding obligations, including without limitation those obligations with respect to the imprest and Loss Payments.

9.3 **Actions following termination.**

a. With respect to "Life of Partnership" programs (as described in the C&T, where applicable), in the event of termination or nonrenewal of this Agreement, GB shall, upon mutual written agreement of the Parties, continue to manage all (i) Claims that have not been closed as of the effective date of termination and (ii) Claims incurred during the term but not reported prior to the termination date (collectively, "**Run-Off Claims**"), provided that Client pays GB a mutually agreeable Service Fee per Claim per year open to continue handling Run-Off Claims. Should no agreement be reached regarding Service Fees for open Run-Off Claims, they will be returned to Client or transferred to another vendor as designated by Client.

b. With respect to "Handle to Conclusion" programs (as described in the C&T, where applicable), in the event of termination or nonrenewal of this Agreement, GB will continue to manage all Run-Off Claims (subject to payment of an initial Service Fee for any Claims accepted by GB that were incurred during the term but not reported prior to the effective date of termination), except in the event of a termination of this Agreement resulting from Client's uncured breach (which shall relieve GB of any obligation to continue to administer Run-Off Claims) or the Parties' agreement to the contrary.

c. Client remains responsible for timely funding and payment of all payment obligations with respect to Run-Off Claims. Run-Off Claims Services, if any, will be provided at a servicing branch

selected by GB, and a reduced electronic reporting package will be provided to Client at Client's expense. Client will remain responsible for banking, risk management information system, and administration fees while GB handles all Run-Off Claims. Should Client renew only a portion of the existing program under this Agreement (fewer states, locations, coverages, etc.), all open Claims not part of the renewed portions of the program shall be considered Run-Off Claims and Client shall pay GB as described above.

d. Should Client elect to have Claim files returned and otherwise discontinue the Services, Client agrees to pay all outstanding Service Fees and continue to fund its payment obligations until all Claims are closed within the risk management information system and all Claim files have been returned to Client and Client has made alternate banking arrangements. GB will return all files to Client in an orderly manner, at Client's cost and after payment of all outstanding obligations due to GB. GB will provide an electronic, tape or paper copy of the Claim information in the risk management information system at GB's standard rate as of the date of termination. Upon delivery of this information to Client, Claim information may be deleted from GB's systems, subject to applicable law. In the event Client does not agree to assume control of such files, GB hereby disclaims liability for failure to retain such files.

SECTION 10 **MISCELLANEOUS**

10.1 **Notices.** All notices, requests and other communications concerning termination or indemnification ("**Formal Notice**") under this Agreement shall be in writing and delivered: (i) personally; (ii) by certified mail, return receipt requested; or (iii) by nationally recognized express courier service. Notices will be deemed given as of the earlier of (i) the date of actual receipt when notice is given by personal delivery, (ii) three (3) days after mailing in the case of certified U.S. mail or (iii) the next business day when notice is sent via express courier. Any Formal Notice shall be addressed as follows:

If to GB: Legal Department Collesher Bennett Services, Inc. 	If to Client: Bill Gravell Jr. (or successor) Williamson County Judge 710 Main Street Georgetown, Texas 78626
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10.2 **Successors & Assignment.** This Agreement shall apply to and bind the successors and assigns of the Parties hereto, including, in the event of an Insolvency, debtors-in-possession and any appointed trustee or administrator. This Agreement shall not be assignable by either Party, except with the prior written consent of the other Party; *provided, however*, that GB may assign the Agreement to an affiliate or in the event of a merger or sale of all or substantially all of its assets.

10.3 **Business Arrangements.** As part of our comprehensive and integrated claims administration services model, GB may partner with select vendors and service providers who GB believes are similarly best in class. Through our partners, GB provides a full range of medical management and ancillary claims management services, which may be procured on a wholesale or negotiated basis. GB may receive revenue from these arrangements corresponding to the services provided by GB for procurement of discounted rates, program integration and management, and technological and service enhancements.

10.4 **No Waiver of Sovereign Immunity.** Nothing in the Agreement will be deemed to constitute a waiver of sovereign immunity or powers of the Client.

10.5 **Right to Audit.** During the term of the Agreement, Client may audit the electronic Claim files at any time. GB agrees that the Client or its duly authorized representatives (subject to such third parties

executing confidentiality agreements) shall, until the expiration of three (3) years after termination of this Agreement, have the right to examine and photocopy any and all books and non-privileged documents, papers, and records of GB which are directly pertinent to the Services performed under this Agreement for the purpose of an audit. Such audits may be conducted no more than once annually. Client shall give GB reasonable advanced written notice of intended audits.

10.6 **Service Auditor Reports.** On or before November 1st of each year during the term of this Agreement and upon request from Client, GB will provide to Client its SOC-1, Type 2 report and necessary bridge letters ("**SOC-1 Report**") for Client to review. The SOC-1 Report will be issued under the guidance of Statement on Standards for Attestation Engagements #18 (SSAE18). Should new guidelines covering service auditor reports be issued, GB may make the equivalent of, or any successor to, the SSAE18 SOC-1 Report available to Client. The SOC-1 Report is GB's Confidential Information and shall not be shared with any third parties without GB's prior written approval, except that Client can share the SOC-1 Report with: (i) Client's independent public accounting firm; and/or (ii) Client's consultants in connection with an audit, on the condition that such consultants are not in any way a competitor of GB's and that Client informs its consultants that the SOC-1 Report was not prepared for their use. To the extent that Client does provide the SOC-1 Report to its independent public accounting firm or a consultant as permitted in this Section, Client shall require that they retain the SOC-1 Report as confidential and that they not disclose such SOC-1 Report to any other persons or entities.

10.7 **Solicitation of Employees.** To the extent permitted under applicable law, Client agrees that, during the term of this Agreement (and any renewals thereof) and for two (2) years after the later to occur of (i) the effective date of termination of this Agreement or (ii) GB ceasing to perform Services for Client, Client shall not, directly or indirectly, without the written consent of GB, solicit to hire on behalf of itself or others, any employee of GB who, during the term of this Agreement, performed or contributed to the performance of the Services. General solicitations of employment by means of recruiters, the internet, newspaper, periodical or trade publication advertisements not directed at employees of GB and its affiliates shall not be deemed to constitute "solicitation" for purposes of this provision. Further, nothing in this Agreement shall prohibit Client from hiring any person, including an employee of GB, who contacts Client on his or her own initiative without any direct or indirect solicitation by, or encouragement from, Client.

10.8 **Jury Trial Waiver.** The Parties hereby waive their respective rights to a trial by jury in any action or proceeding based upon, or related to, this Agreement and/or any Services provided hereunder. The Parties are making this waiver knowingly, intentionally and voluntarily.

10.9 **Independent Contractor.** GB is engaged to perform Services as an independent contractor of Client and not as an employee or agent of Client.

10.10 **Governing Law.** This Agreement and any disputes or litigation relating to or arising out of this Agreement shall be governed by the laws of the State of Texas without regard to its conflict of law rules. Client irrevocably agrees to exclusive venue and submits to jurisdiction in the United States District Court for the Western District of Texas, Austin Division, or the state courts in Williamson County, Texas, for any dispute arising out of this Agreement, and waives all objections to jurisdiction and venue of such courts.

10.11 **Force Majeure.** Neither Party shall be liable to the other for any delay or failure to perform any of its obligations under this Agreement as a result of flood, earthquake, storm, other act of God, fire, derailment, accident, labor dispute, explosion, war, act of terrorism, sabotage, insurrection, riot, embargo, court injunction or order, act of government or governmental agency or other similar cause beyond its reasonable control.

10.12 **Counterparts.** This Agreement may be executed in multiple counterparts (including by scanned image or electronic signature), each of which shall be considered one and the same agreement, and shall become effective when signed by each of the Parties hereto and delivered to the other Party.

10.13 **Warranties.** Except as expressly set forth in this Agreement, GB makes no other warranties of any kind with respect to the Services, including, without limitation, warranties that may be implied from a course of performance, dealing or trade usage.

10.14 **Severability.** If a court of competent jurisdiction determines that any provision of this Agreement is void or unenforceable, that provision will be severed from this Agreement, and the court will replace it with a valid and enforceable provision that most closely approximates the intent of the Parties, and the remainder of this Agreement will otherwise remain in full force and effect.

10.15 **Non-Waiver.** The Parties agree that any delay or forbearance by GB or Client in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. Only waivers expressly made in writing by an authorized GB or Client representative shall be effective against such Party.

10.16 **Survival.** Upon the expiration or termination of this Agreement, those provisions that expressly or would by their nature survive this Agreement will so survive, including but not limited to, Sections 6, 8 and 10.

10.17 **Applicable State Laws.** To the extent that GB administers any workers' compensation Claims on behalf of Client that is self-insured or a group fund in the State of Michigan, the terms set forth in **Schedule 1**, attached hereto and incorporated by reference herein, will apply. To the extent that GB administers any workers' compensation Claims on behalf of the Client in the State of Oregon, the terms set forth in **Schedule 2**, attached hereto and incorporated by reference herein, will apply.

10.18 **Entire Agreement.** This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior negotiations, agreements and understandings. No change, waiver or discharge hereof shall be valid unless in writing and executed by the Party against whom such change, waiver or discharge is sought to be enforced. This Agreement may only be amended by a written agreement executed by both GB and Client. The Parties agree that, if there is any conflict between the terms of any applicable agreement between GB and Client's insurer relative to the underlying program and the terms of this Agreement, the terms of the insurer's contract with GB shall prevail.

[Signature Page to Follow]

The Parties hereto have caused this Agreement to be duly executed as of the Effective Date.

GALLAGHER BASSETT SERVICES, INC.

**WILLIAMSON COUNTY, TEXAS, A POLITICAL
SUBDIVISION OF THE STATE OF TEXAS**

By:



Title: General Counsel

Name: Liz Staruck

Date: September 7, 2023

By:



Title: Presiding Officer

Name: Valerie Covey

Date: Sep 12, 2023

EXHIBIT A
COST & TERMS

FEE PER CLAIM - LIFE OF PARTNERSHIP	Est. Claim Frequency	Per Claim Fee	Projected Service Fee
Workers' Compensation			
WC Medical Only	111	\$175	\$19,425
WC Indemnity (TX)	51	\$1,050	\$53,550
Incidents - Workers' Compensation	203	\$50	\$10,150
Total Workers' Compensation Fee Per Claim	365		\$83,125
Liability			
Auto Liability/Bodily Injury	20	\$850	\$17,000
Auto Liability/Property Damage	50	\$350	\$17,500
Auto/Physical Damage	0	\$310	\$0
General Liability/Bodily Injury	5	\$850	\$4,250
General Liability/Property Damage	0	\$350	\$0
Professional Liability	11	\$695	\$7,645
Incidents - Liability	0	\$50	\$0
Total Liability Fee Per Claim	86		\$46,395

ADMINISTRATIVE SERVICES	Quantity	Rate	Fee
Administrative Services			
Administration / Data Management			\$9,000
RMIS Standard License (2 RMIS Users)			Included
RMIS Additional Full-Access Users	0	\$500	\$0
RMIS Additional View-Only Users	8	\$250	\$2,000
Total Administrative Services			\$11,000

TOTAL USD			\$140,520
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Gallagher Bassett is proposing a three year agreement in which the per claim rates and associated fees increase 3.5% from year one to year two, increase 3.5% from year two to year three.

For the following two one-year optional renewal years, Gallagher Bassett proposes the per claim rates and associated fees increase 3.5% from year three to year four, and increase 3.5% from year four to year five.

We have included \$0 Settlement Authority at no cost in year one. We look forward to earning the trust of the County during the first year of our partnership and would look to raise Settlement Authority in year two. In the event the County mandates \$0 Settlement Authority beyond year one, GB reserves the right to bill a fee \$5,500 in year two, to be adjusted annually thereafter.

GBCARE MEDICAL MANAGEMENT SERVICES

SERVICES	CHARGES
Fee Schedule (Bill Review / UCR)	\$8.50 Per Bill
All Other Savings • System Savings • Clinical Validation/Nurse Review (CV) • Preferred Provider Networks (PPO) • Out Of Network (OON) • Specialty Networks/Physical Therapy (PT)	27 % of Savings 27 % of Savings 27 % of Savings 27 % of Savings 27 % of Savings
Electronic Receipt of Medical Bills	\$2 additional Per Bill in all applicable states
Telephonic Case Management	\$90 Medical Triage one time per file \$340 per claim (each 30 days)
Utilization Review Program	\$105 Outpatient Pre-Certification \$29 Letter Only Authorization Program
UR Physician Review	\$270 per Review
California UR IMR Processing	\$125 per IMR Request
Medical Case Management and Vocational Rehabilitation - Hourly	\$115 per hour plus expenses \$135 per hour plus expenses - AK, CA, HI, NY \$175 per hour plus expenses CAT \$225 per hour plus expenses CAT - AK, CA, HI, NY
Priority Care 365	\$95 per call - Language line charges apply where utilized
Other State Services: • California MPN Service • Illinois PPP Service • New York PPO Service • Texas HCN Service • West Virginia MHCP Service	For claims handled in the designated states (otherwise, Not Applicable) No additional fees beyond the normal Cost & Terms No additional fees beyond the normal Cost & Terms No additional fees beyond the normal Cost & Terms Percent of savings: 9.5% of total savings to include bill review, network access & Nurse triage. Available option if client enrolls in a West Virginia MHCP. If selected, fees include \$45 per claim. Network Management and Administration of \$45 per hour when required
Medical Cost Projection (MCP) and Clinical Recommendations	\$150 per Hour
Pharmacy Benefit Management (PBM)	Cost of prescriptions -- no charge for Bill Review or PPO reductions for PBM transactions
Durable Medical Equipment (DME) Program	Cost of medical equipment - no charge for Bill Review or PPO reductions for Prospective DME transactions

SERVICES	CHARGES
Dental Review Program	Charged on a per review basis

Client and GB agree as follows: If a vendor other than the GBCARE Medical Management Services preferred vendor is utilized, an administrative fee may apply in exchange for bona fide administrative services. The administrative services may include, but not be limited to overhead costs for the oversight and management of medical management vendors which includes the development and oversight of quality standards, development and maintenance of EDI interfaces and reports, and ensuring proper mandatory state compliance and reporting.

OTHER SERVICES

SERVICES	CHARGES
RMIS Additional Users (RMIS Standard License includes a set number of Full Access Users outlined under Administrative Services, and unlimited use of GB standard scheduled training classes)	RMIS View-only User, \$250 annually per user
	RMIS Full Access User, \$500 annually per user
Loss control	\$140 per hour
OSHA Reporting	\$6,000, OSHA platform to produce compliant OSHA 301 Report, 300 and 300a Logs, and electronic data file. Oversight and accuracy of all OSHA data is responsibility of the employer prior to posting or submitting any OSHA log.
Subrogation and Recovery	20% of net recovery amount less legal and collections expense based on recovery date Recoveries include subrogation, credits, lien waivers, file transfer (based on lien to date at time of transfer), and contribution or coverage handled in a separate action. Applies to all coverage types
Gallagher Bassett Investigative Services (GBIS)	
Special Fraud Investigations - SIU, Outside Field Investigations, Surveillance Investigations, Targeted Field Investigations	Prevailing hourly rate plus expenses
Targeted Database Searches, Self Service Database Searches	Prevailing rate per report
Gallagher Bassett Litigation Management Program (GBLMP)	
Invoice and Matter Management platform for adjusters/ counsel	If utilized, 2% of net legal invoice (invoice net of disbursements and invoice review savings). Charged as discount off total payment remitted to counsel and will be reflected as an allocated expense on the claim file.
5 client licenses for Legal Analytics platform	
Attorney-led legal bill review	
Gallagher Bassett Compliance Services (GBCS)	
Medicare Set-Aside Services: Allocation, CMS Submission, Medicare Eligibility Inquiry (MEI), SSDI Verification, Medical Cost Projection (MCP)	Prevailing rate per each service Rush fees apply for MSA completed within 5 business days MSA Revision fees apply
Medicare Secondary Payer Services: BCRC Notification, Conditional Payment Research (CPR), Conditional Payment Negotiations (CPN), Conditional Payment Notice Evaluation, Conditional Payment Dispute, Securing Final Demand for Settlement (SFD), Release / Settlement Agreement Review, Lien Research and Resolution (Advantage Plan, Medicaid, Part D)	Prevailing rate per each service
Taxes	
Taxes	All applicable taxes will be added to the service fees where required

PROGRAM SPECIFIC TERMS AND CONDITIONS

1. Claim Count Reconciliation:

- Estimate - Claims will be audited at the [18th and 24th month, and then every 12 month thereafter.]
- Actual - Claims will be [billed monthly for the first 18 months and then at the 24th and then every 12 months thereafter.]

2. Billing and Payment Terms: Fees will be billed monthly during the service period.

3. Claim Pricing Terms:

Life of Partnership:

Claims will be handled for the life of the partnership with no additional per claim fees. If the client decides to non-renew all or a portion of the program, all open files will be handled in one of the following two ways:

- GB will return the files to the client (contingent upon Carrier approval) at the client's expense.
- GB will continue to handle the open files at our prevailing annual rate per year open.

Additional Charges:

There will be additional charges for ongoing Data Management (RISX-FACS®), RMIS users, Administration, Banking fees and monthly reports for as long as GB handles claims.

4. Account Administration includes the following:

- Client Services
- Client Accessible Dashboards & Reports via GB's RMIS & Analytics Platform
- 4 Telephonic Claim Strategy Meeting(s)
- Detailed Status Reports All Lines of Business @ \$50,000
- Settlement Consultation All Lines of Business @ \$0
- Loss Fund /Banking Services (SIMMS)
- Claim Reporting
- Data Transfer to Carrier(s)
- Acknowledgement Letter to Injured Employee WC
- Acknowledgement Letter to Client WC
- Acknowledgement Letter to Reporting Unit WC
- Acknowledgement Letter to Claimant Liab
- Acknowledgement Letter to Client Liab

5. Claim Charges: Claim and incident fees will be assessed on a per occurrence, per claimant, per line of coverage basis.

6. This material is the proprietary, confidential property of Gallagher Bassett Services, Inc. It has been provided to you for the sole purpose of considering a quote for claims administration services. It is not to be duplicated or shared in any form with anyone other than the individuals of such prospective client that have a business need to know the information. It must be destroyed or returned to Gallagher Bassett Services, Inc. after its intended use.

7. Gallagher Bassett Services, Inc. will not pay a fee, commission, or rebate to any party for the privilege of presenting our proposal or in order to secure the awarding of any program to Gallagher Bassett Services, Inc.

8. Pricing is based on using GBCARE Medical Management Services preferred vendors for Bill Review, PPO, out-of-network, utilization review, telephonic case management, MSA and field case management.

GENERAL CONTRACT TERMS AND CONDITIONS

1. Independent Adjusters - If applicable, following any significant loss as a result of a single event (hurricane, tornado, flood, earthquake, etc.), GB reserves the right to retain outside resources (adjusters) when appropriate and those fees will be paid as an Allocated Expense off the file.
2. The pricing quoted in this Cost & Terms is based upon the data and information provided by Client, as well as existing legislative and regulatory requirements. Material inaccuracies or changes to the foregoing may require adjustments to the quoted pricing.
3. Taxes - All applicable taxes will be added to the service fees where required.
4. Allocated Expenses: Shall be your responsibility as applicable and shall include, but not be limited to:
 - Legal Fees
 - Legal Bill Review
 - Medical Examination
 - Professional Photographs
 - Travel made at client's request
 - Costs for witness statements
 - Court reporter service, translation, and interpretation
 - Record retrieval and copying services (Including medical and legal)
 - Accident reconstruction
 - Experts' rehabilitation costs
 - Chemist
 - Fees for service of process
 - Collection cost payable to third parties on subrogation
 - Architects, contractors
 - Engineer
 - Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the client
 - Police, fire, coroner, weather, or other such reports
 - Property damage appraisals
 - Vehicle appraisals (vehicle damage assessment)
 - SIU, surveillance and sub rosa investigation
 - Official documents and transcripts
 - Pre- and post-judgment interest paid
 - Outside Field Investigations
 - Subrogation at 20% of net recovery
 - Index Bureau Reporting (All Coverages)
 - Second Injury Fund Recovery
 - Data Intelligence Self-Service Reports
 - Medical Management - Medical Management services may include, but are not limited to:
 - Preferred provider organization networks
 - Utilization review services
 - Automated state fee scheduling
 - Light duty/return-to-work programs
 - Medical case management and Vocational rehabilitation network
 - Prospective injury management services
 - Hospital bill audit services

DEFINITIONS

Incidents

An incident is a loss reported electronically through ClaimLine and/or the Web, or set up manually at the branch. GB will review the incident and make a courtesy call (if necessary) to determine if it is a claim or incident. GB will have full discretion in the determination and handling of these incidents and/or their conversion into claim status.

Workers' Compensation - Medical Only Claims

A work-related Claim that meets all of the following criteria:

- Payments for either indemnity or vocational rehabilitation were not required
- The Claim has not become contested or in suit
- No investigation required to determine compensability or subrogation requirements
- No loss notices, captioned reports, client meetings (other than routine meetings where the claim is listed and noted) or settlement consultation approvals were required
- Payments on the Claim do not exceed \$5,000
- Days open do not exceed 180 days

Workers' Compensation - Indemnity Claims

A work-related claim that is not a Medical Only Claim.

Auto Physical Damage (APD)

Investigate, evaluate and adjudicate all first-party claims which you report involving damage or loss of real or personal property. First-party claims will be managed and administered in accordance with our product guidelines.

Liability Claims

Investigate, evaluate and adjudicate all third-party claims for which you may be legally obligated. Third-party claims will be managed and administered in accordance with our product guidelines.

Professional Liability Claims

All professional liability claims are stat entry only. Stat Entry claim handling will only include: claim set-up, setting of initial reserve and ongoing updates based upon guidance from client, issuing payments.

EXHIBIT B

WILLIAMSON COUNTY'S VENDOR REIMBURSEMENT POLICY

Williamson County

Vendor Reimbursement Policy

The purpose of this Williamson County Vendor Reimbursement Policy ("Policy") is to provide clear guidelines to vendors on Williamson County's expectations and requirements regarding allowable reimbursable expenditures and required backup. The Policy will also minimize conflicts related to invoice payments and define non-reimbursable items. This Policy is considered a guideline and is not a contract.

This Policy may be altered, deleted or amended, at any time and without prior notice to vendors, by action of the Williamson County Commissioners Court. Unenforceable provisions of this Policy, as imposed by applicable law, regulations, or judicial decisions, shall be deemed to be deleted. Any revisions to this Policy will be distributed to all current vendors doing business with the County.

1. Invoices and Affidavits

- 1.1 Invoices must adequately describe the goods or services provided to County and include all required backup (i.e. reimbursable expenses, mileage log, timesheets, receipts detailing expenses incurred etc.) that is in a form acceptable to the Williamson County Auditor. Invoices that do not adequately describe the goods or services provided to County or contain backup that is satisfactory to the Williamson County Auditor will be returned to vendor for revisions and the provision above relating to invoice errors resolved in favor of the County shall control as to the required actions of vendor and when such invoice must be paid by the County.
- 1.2 In the event an invoice includes charges based upon hourly billing rates for services or any other rates based upon the amount of time worked by an individual or individuals in performing services, whether the charges are being billed directly to the County or whether they are the basis of invoices from subcontractors for which the vendor seeks reimbursement from the County, the charges shall be accompanied by an affidavit signed by an officer or principal of the vendor certifying that the work was performed, it was authorized by the County and that all information contained in the invoice that is being submitted is true and correct.
- 1.3 Upon County's request, vendor must submit all bills paid affidavits wherein vendor must swear and affirm that vendor has paid each of its subcontractors, laborers, suppliers and material in full for all labor and materials provided to vendor for or in connection with services and work performed for County and, further, vendor must swear and affirm that vendor is not aware of any unpaid bills, claims, demands, or causes of action by any of its subcontractors, laborers, suppliers, or material for or in connection with the furnishing of labor or materials, or both, for services and work performed for County.

2. Travel Reimbursement

- 2.1 The County will only cover costs associated with travel for vendors outside a 45-mile radius from the Williamson County Courthouse, 710 Main Street, Georgetown, Texas 78626.
- 2.2 The County will only cover costs associated with travel as documented work for County. If a vendor is also doing business for another client, the travel costs must be split in proportion to the amount of work actually performed for the County and the other client. The only allowable travel expense will be for the specific days worked for Williamson County.
- 2.3 No advance payments will be made to vendor for travel expenditures. The travel expenditure may only be reimbursed after the expenditure/trip has already occurred and vendor has provided the Williamson County Auditor with all necessary and required backup.

- 2.4 Vendors must submit all travel reimbursement requests on each employee in full. Specifically, a travel reimbursement request must include all related travel reimbursement expenses relating to a particular trip for which vendor seeks reimbursement. Partial travel reimbursement requests will not be accepted (i.e. vendor should not submit hotel and mileage one month then the next month submit rental car and airfare). If the travel reimbursement appears incomplete, the invoice will be sent back to the vendor to be submitted when all information is ready to submit in full.
- 2.5 Reimbursement for transportation costs will be at the most reasonable means of transportation (i.e.: airline costs will be reimbursed for coach rate, rental car costs will only be reimbursed if rental car travel was most reasonable means of travel as compared to travel by air).
- 2.6 The County will not be responsible for, nor will the County reimburse additional charges due to personal preference or personal convenience of individual traveling.
- 2.7 The County will not reimburse airfare costs if airfare costs were higher than costs of mileage reimbursement.
- 2.8 Additional expenses associated with travel that is extended to save costs (i.e. Saturday night stay) may be reimbursed if costs of airfare would be less than the cost of additional expenses (lodging, meals, car rental, mileage) if the trip had not been extended. Documentation satisfactory to the Williamson County Auditor will be required to justify expenditure.
- 2.9 County will only reimburse travel expense to necessary personnel of the vendor (i.e. no spouse, friends or family members).
- 2.10 Except as otherwise set forth herein, a vendor must provide a paid receipt for all expenses. If a receipt cannot be obtained, a written sworn statement of the expense from the vendor may be substituted for the receipt.
- 2.11 Sales tax for meals and hotel stays are the only sales taxes that will be reimbursed. Sales tax on goods purchased will not be reimbursed. A sales tax exemption form is available from the Williamson County Auditor's Office upon request.
- 2.12 The County will not pay for any late charges on reimbursable items. It is the responsibility of the vendor to pay the invoice first and seek reimbursement from the County.

3. Meals

- 3.1 Meal reimbursements are limited to a maximum of \$59.00 per day on overnight travel. On day travel (travel that does not require an overnight stay), meal reimbursements are limited to a maximum of \$25.00 per day. The travel must be outside the Williamson County Courthouse, 710 Main Street, Georgetown, Texas 78626 by a 45-mile radius.
- 3.2 Receipts are required on meal reimbursement amounts up to the maximum per day amount stated for overnight or day travel. If receipts are not presented, the vendor can request per diem (per diem limits refer to 3.2). However, a vendor cannot combine per diem and meal receipts. Only one method shall be allowed.
- 3.3 Meals are reimbursable only to vendors who do not have necessary personnel located within a 45-mile radius of the Williamson County Courthouse, 710 Main Street, Georgetown, Texas 78626, who are capable of carrying the vendor's obligations to the County. Meals will not be reimbursed to vendors who are located within a 45-mile radius of the Williamson County Courthouse.
- 3.4 County will not reimburse for alcoholic beverages.
- 3.5 Tips are reimbursable but must be reasonable to limitation of meal allowance
- 3.6 No meals purchased for entertainment purposes will be allowed.
- 3.7 Meal reimbursement must be substantiated with a hotel receipt.

4. Lodging

- 4.1 Hotel accommodations require an itemized hotel folio as a receipt. The lodging receipt should include name of the motel/hotel, number of occupant(s), goods or services for each individual charge (room rental, food, tax, etc.) and the name of the occupant(s). Credit card receipts or any other form of receipt are not acceptable.
- 4.2 Vendors will be reimbursed for a single room rate charge plus any applicable tax. If a single room is not available, the vendor must provide documentation to prove that a single room was not available in order to justify the expense over and above the single room rate. A vendor may also be required to provide additional documentation if a particular room rate appears to be excessive.
- 4.3 Personal telephone charges, whether local or long distance, will not be reimbursed.

5. Airfare

- 5.1 The County will only reimburse up to a coach price fare for air travel.
- 5.2 The County will exclude any additional charges due to personal preference or personal convenience of the individual traveling (i.e. seat preference charges, airline upgrades, etc. will not be an allowable reimbursement)
- 5.3 Air travel expenses must be supported with receipt copy of an airline ticket or an itinerary with actual ticket price paid. If tickets are purchased through a website, vendor must submit a copy of the webpage showing the ticket price if no paper ticket was issued.
- 5.4 Cancellation and/or change flight fees may be reimbursed by the County but vendor must provide the Williamson County Auditor with documentation in writing from a County department head providing authorization for the change.
- 5.5 The County will not reimburse vendor for tickets purchased with frequent flyer miles.

6. Car Rental

- 6.1 Vendors that must travel may rent a car at their destination when it is less expensive than other transportation such as taxis, airport shuttles or public transportation such as buses or subways.
- 6.2 Cars rented must be economy or mid-size. Luxury vehicle rentals will not be reimbursed. Any rental costs over and above the cost of a mid-size rental will be adjusted.
- 6.3 Vendors will be reimbursed for rental cars if the rental car cost would have been less than the mileage reimbursement cost (based on the distance from vendor's point of origin to Williamson County, Texas) had the vendor driven vendor's car.
- 6.4 Vendors must return a car rental with appropriate fuel levels as required by rental agreement to avoid the car rental company from adding fuel charges.
- 6.5 Rental agreement and credit card receipt must be provided to County as back up for the request for reimbursement.
- 6.6 Insurance purchased when renting vehicle may also be reimbursed.
- 6.7 Car Rental optional extras such as GPS, roadside assistance, and administrative fees on Tolls will not be reimbursed.

7. Personal Car Usage

- 7.1 Personal vehicle usage will be reimbursed in an amount equal to the standard mileage rate allowed by the IRS.
- 7.2 Per code of Federal Regulations, Title 26, Subtitle A, Chapter 1, Subchapter B, Part IX, Section 274(d), all expense reimbursement requests must include the following:
 - 7.2.1.1 Date
 - 7.2.1.2 Destination
 - 7.2.1.3 Purpose

- 7.2.1.4 Name of traveler(s)
- 7.2.1.5 Correspondence that verifies business purpose of the expense
- 7.3 The mileage for a personal vehicle must document the date, location of travel to/from, number of miles traveled and purpose of trip.
- 7.4 Mileage will be reimbursed on the basis of the most commonly used route.
- 7.5 Reimbursement for mileage shall not exceed the cost of a round trip coach airfare.
- 7.6 Reimbursement for mileage shall be prohibited between place of residence and usual place of work.
- 7.7 Mileage should be calculated from employee's regular place of work or their residence, whichever is the shorter distance when traveling to a meeting or traveling to Williamson County, Texas for vendors who are located outside of the Williamson County Courthouse, 710 Main Street, Georgetown, Texas 78626 by at least a 45-mile radius.
- 7.8 When more than one person travels in same vehicle, only one person may claim mileage reimbursement.
- 7.9 Tolls, if reasonable, are reimbursable. Receipts are required for reimbursement. If a receipt is not obtainable, then written documentation of expense must be submitted for reimbursement (administrative fees on Tolls will not be reimbursed).
- 7.10 Parking fees, if reasonable are reimbursable for meetings and hotel stays. For vendors who contract with a third party for visitor parking at vendor's place of business, Williamson County will not reimburse a vendor based on a percentage of its contracted visitor parking fees. Rather, Williamson County will reimburse Vendor for visitor parking on an individual basis for each time a visitor uses Vendor's visitor parking. Receipts are required for reimbursement. If a receipt is not obtainable, then written documentation of expense must be submitted for reimbursement.
- 7.11 Operating and maintenance expenses as well as other personal expenses, such as parking tickets, traffic violations, and car repairs and collision damage are not reimbursable.

8. Other Expenses

- 8.1 Taxi fare, bus tickets, conference registrations, parking, etc. must have a proper original receipt.

9. Repayment of Non-reimbursable Expense.

Vendors must, upon demand, immediately repay County for all inappropriately reimbursed expenses whenever an audit or subsequent review of any expense reimbursement documentation finds that such expense was reimbursed contrary to these guidelines and this Policy. Williamson County reserves the right to retain any amounts that are due or that become due to a vendor in order to collect any inappropriately reimbursed expenses that a vendor was paid.

10. Non-Reimbursable Expenses

In addition to the non-reimbursable items set forth above in this Policy, the following is a non-exhaustive list of expenses that will not be reimbursed by Williamson County:

- 10.1 Alcoholic beverages/tobacco products
- 10.2 Personal phone calls
- 10.3 Laundry service
- 10.4 Valet service (excludes hotel valet)
- 10.5 Movie rentals
- 10.6 Damage to personal items
- 10.7 Flowers/plants

- 10.8 Greeting cards
- 10.9 Fines and/or penalties
- 10.10 Entertainment, personal clothing, personal sundries and services
- 10.11 Transportation/mileage to places of entertainment or similar personal activities
- 10.12 Upgrades to airfare, hotel and/or car rental
- 10.13 Airport parking above the most affordable rate available
- 10.14 Excessive weight baggage fees or cost associated with more than two airline bags
- 10.15 Auto repairs
- 10.16 Babysitter fees, kennel costs, pet or house-sitting fees
- 10.17 Saunas, massages or exercise facilities
- 10.18 Credit card delinquency fees or service fees
- 10.19 Doctor bills, prescription and other medical services
- 10.20 Hand tools
- 10.21 Safety Equipment (hard hats, safety vests, etc.)
- 10.22 Office Supplies
- 10.23 Lifetime memberships to any association
- 10.24 Donations to other entities
- 10.25 Any items that could be construed as campaigning
- 10.26 Technology Fees
- 10.27 Sales tax on goods purchased
- 10.28 Any other expenses which Williamson County deems, in its sole discretion, to be inappropriate or unnecessary expenditures.

SCHEDULE 1

Michigan Self-Insured or Group Fund

To the extent that GB will administer any workers compensation Claims on behalf of a self-insured or group fund in the State of Michigan ("**Michigan Claims**"), the following terms will apply:

1. During the term of the Agreement and as contractually obligated thereafter, GB shall be required to report Michigan Claims to Client's excess carriers as agreed by the Parties.
2. In the event either Party elects to terminate this Agreement as provided in Section 9.2 of the Agreement, the Party providing notice of termination will provide a copy to The State of Michigan, Department of Labor, Bureau of Workers' Disability Compensation (the "**State**"). Regardless of any notice of termination, GB will continue to administer all Michigan Claims with dates of injury or disease occurring within the term of this Agreement until conclusion of the Michigan Claims, unless and until GB is relieved of responsibility of continued handling of the Michigan Claims by the State, in writing. Unless and until GB is relieved of responsibility for handling of Michigan Claims by the State, Client shall continue to pay GB the Service Fees owed for Services provided under this Agreement at the terms and rates in effect on the date notice of termination, and as further provided below with respect to any Michigan Claims that are Run-Off Claims.
3. In the event that Client's program is "Life of Partnership" pricing model and GB and Client cannot agree to ongoing per claim, per year open, Service Fees for Run-Off Claims, GB will notify the State, and will continue to administer the Michigan Claims until the State has provided notice to both Parties that a replacement third party administrator or service company has been approved to take over administration of the Michigan Claims.

SCHEDULE 2

Oregon Requirements

GB and Client hereby acknowledge and agree that with respect to workers' compensation Claims originating (benefit state) in the State of Oregon:

1. Pursuant to Oregon Revised Statute 731.475(3)(b), effective as of January 1, 2012 and ending upon the expiration of the Agreement, Client hereby grants GB a power of attorney and authority to act on behalf of Client as it relates to workers' compensation coverage and claims proceedings in the State of Oregon pursuant to Oregon Revised Statute chapter 656; and
2. GB shall not provide managed care services or any other claims handling services not permitted by the laws and regulations of the State of Oregon.

Agenda Item #34, CC 09.12.23 Approval of Award 23RFP80 Property Casualty Worker's Comp TPA

Final Audit Report

2023-09-12

Created:	2023-09-12
By:	Kim Chappius (kim.chappius@wilco.org)
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