

**This Amendment (“Amendment”) is made to the Administrative Services Agreement (“Agreement”) by and between United HealthCare Services, Inc. and its affiliates (“United”) and Williamson County (“Customer”) and is effective on January 1, 2018.**

**Contract No. 911463**

Any capitalized terms used in this Amendment 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.

**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 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.

This Amendment will not affect any of the terms, provisions or conditions of the Agreement except as stated herein.

Williamson County

United HealthCare Services, Inc.

By 

By 

Authorized Signature

Authorized Signature

Name Dan Gattis

Name Holly Durinick

Title County Judge

Title Regional Contract Manager

Date 12.21.2017

Date December 12, 2017

ASA AMEND 7.2016

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.

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**Williamson County**

**United HealthCare Services, Inc.**

By \_\_\_\_\_

By  \_\_\_\_\_

Authorized Signature

Authorized Signature

Name Dan Gattis

Name Holly Durinick

Title County Judge

Title Regional Contract Manager

Date \_\_\_\_\_

Date December 12, 2017

ASA AMEND 7.2016