

ASO

Lexington Fayette Urban County Government
Group Number(s): 004007832
Effective Date: 01/01/2021 - 12/31/2021

R-500-2020
Contract # 185-2020



ENROLLMENT	EE Only	EE + Spouse	EE + Child(ren)	EE + Family	Total Contracts
Total Number of Current Contracts	1,818	318	295	698	3,129
ANTHEM ADMINISTRATIVE RATES	Current	Proposal 2			
Administrative Rate	\$31.70		\$32.81	3.50%	
BlueCard Fees are incl in admin fee	\$0.00		\$0.00		
Rx Rebate Share of 100%	\$0.00		\$0.00		
CondCare/CC/FMACQCP/CM/NL/AHAG/HEQ	\$0.00		\$0.00		
Ingenio Rx Admin Fee	\$0.00		\$3.90		
TOTAL FIXED COST - PEPM	\$31.70		\$36.71	15.80%	
Total [12 Month Contract Period]	\$1,190,271.60		\$1,378,387.08		
BROKER COMMISSION	Current	Proposal 2			
Broker Commission Fee	\$0.00		\$0.00		
Total [12 Month Contract Period]	\$0.00		\$0.00		
SPECIFIC STOP LOSS	Current	Proposal 2			
Benefits Covered	Medical and Drug		Medical and Drug		
Contract Basis	Paid Basis		Paid Basis		
Specific Stop Loss Deductible - Per Member	\$350,000		\$350,000		
Specific Stop Loss Rate	\$28.50		\$28.50	0.00%	
Commission % included in above Rate	0.00%		0.00%		
Total [12 Month Contract Period]	\$1,070,118.00		\$1,070,118.00		
AGGREGATE STOP LOSS	Current	Proposal 2			
Benefits Covered	No ASL Coverage		No ASL Coverage		
Contract Basis					
Aggregate Stop Loss Corridor					
Aggregate Stop Loss Rate					
Commission % included in above Rate					
Total [12 Month Contract Period]	\$0.00		\$0.00		
OVERALL COST SUMMARY	Current	Proposal 2			
Total Fixed Costs	\$2,260,389.60		\$2,448,505.08	8.30%	

Anthem Underwriting Issue Date: 01/13/2020


 Authorized Signature _____ Date 10/23/2020

ASO Standard Pricing Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



The services, rates and fees within this proposal assume an effective date of January 01, 2021 through December 31, 2021.

Anthem Health Plans of Kentucky, Inc. reserves the right to revise this proposal under any of the following circumstances.

- (1) a change to the Plan benefits initiated by Employer that results in a substantial change in the services to be provided by Anthem Health Plans of Kentucky, Inc..
- (2) a change in ownership;
- (3) a change in the total number of Subscribers resulting in a +/- 10% of the number of Subscribers enrolled for coverage on the date of the Administrative Services Fee was last modified;
- (4) a change in Employer Contribution;
- (5) a change in nature of Employer's business resulting in a change in its designated Standard Industrial Classification ["SIC"] code;
- (6) a change in applicable law that results in an increase in the cost or amount of administrative services from those currently being provided by Anthem Health Plans of Kentucky, Inc.. The cost for our standard reporting package is included in the proposed ASO fee. Non-standard reports may be subject to an additional fee depending on the complexity and frequency requested.
- (7) if material errors or omissions are found after the quote is issued, we reserve the right to revise the quote in any manner or rescind the quote even if you are unaware of the material error or omission. Additionally, we reserve the right to rescind the proposal in its entirety based on our review of all the information submitted during the proposal process.

Electronic eligibility or tape feeds must be in a format compatible with our systems.

Anthem Health Plans of Kentucky, Inc.'s proposal assumes claims incurred prior to the effective date are not included unless specifically noted.

In the unlikely event the ASO arrangement is terminated by Lexington Fayette Urban County Government during the implementation phase, the costs incurred by Anthem Health Plans of Kentucky, Inc. in setting up and installing the group will be the responsibility of Lexington Fayette Urban County Government.

This proposal assumes that Anthem Health Plans of Kentucky, Inc. will be the only carrier offered.

ASO Standard Pricing Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



Quoted rates are subject to review of audited financial statements and Dunn & Bradstreet reports prior to final sale.

Lexington Fayette Urban County Government must sign the administrative services agreement prior to the effective date, or agree to abide by Anthem Health Plans of Kentucky, Inc.'s standard administrative practices until the administrative services agreement is signed. If

Lexington Fayette Urban County Government does not agree to this provision, claims processing could be delayed until an agreement is signed.

If Lexington Fayette Urban County Government is delinquent in payment for the weekly claims billing, Anthem Health Plans of Kentucky, Inc. will not process further claims until the account is brought current.

Assessments include charges for the Vaccine Program, High Risk Assessment and VT Health IT Reinvestment Fund.

Non-grandfathered plans will include Preventive Care as defined by regulation without cost sharing on In-Network services.

Anthem Health Plans of Kentucky, Inc. shall retain the difference, if any, between the invoiced amount to Lexington Fayette Urban County Government and the amount paid to the pharmacy benefit manager for prescription drugs dispensed to members as a portion of Anthem Health Plans of Kentucky, Inc.'s reasonable compensation for services provided to Lexington Fayette Urban County Government.

ASO fees and stop loss premiums will be invoiced on the first full week of the month and due within three business days. Claims are billed weekly.

This proposal expires 60 days from the date of release of this proposal or on the effective date whichever is sooner.

The fees assume 3,129 Subscribers. If the actual number of Subscribers differs by +/-10%, Anthem reserves the right to revise the fees.

A change in the contract period will require a recalculation of fees.

Anthem Blue Cross and Blue Shield assumes that participation for Lexington Fayette Urban County Government is within our guidelines. The minimum acceptable participation is the greater of (a) 50% of total eligible full-time employees or (b) 75% of net eligible full-time employees. Net eligible is total eligible less any spousal waivers.

ASO Standard Pricing Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



An eligible employee is defined as an active, permanent employee who works for pay or profit at least 30 hours per week, 50 weeks per year as of the effective date and who completes the group imposed waiting period.

Anthem Health Plans of Kentucky, Inc. requires that Lexington Fayette Urban County Government contributes a minimum of 50% of the employee premium for all active and retired employees enrolled in the group health plan.

Our proposal for ASO excludes commission (commission would be disclosed here if applicable).

Admin Fee Increase:

for 01/2022 through 12/2022 = 0%

for 01/2023 through 12/2023 = 0%

Specific Stop Loss Rate Increase:

for 01/2022 through 12/2022 = no more than 30%

for 01/2023 through 12/2023 = no more than 30%

Section 1341 of the Affordable Care Act (ACA or Health Care Reform Law) provides that a transitional reinsurance program be established in each state to help stabilize premiums for coverage in the individual market during the years 2014 through 2016. ACA Reinsurance Fees in 2014 are estimated to be \$5.25 per participant per month. This quote or renewal **DOES NOT** include the ACA Reinsurance Fees, since it is assumed that the employer will remit payment to HHS directly.

At this time, it is not known if additional guidance and clarification from the U.S. Department of Health and Human Resources will require additional changes to benefits and rates. If so, we will communicate revised benefit and rate information as soon as it is available.

Pharmacy Benefit Administration - There will be additional fees for the following pharmacy services:

Prior Authorization - Level 1	included
Prior Authorization - Level 2 (Physician Review)	included
Vaccine Administration	included
Pharmacy Gaps in Care Messaging	included
On Site Pharmacy No Bill No Remit	included
Paper/Member Submit Claims/Custom/Ad Hoc Letters	included
Step Therapy	included

ASO Standard Pricing Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



The benefits reflected in this quotation may have been adjusted to comply with changes required by the Affordable Care Act beginning in 2014.

The following BlueCard Fees will be included in the ASO Administrative Fee:

The Access Fee is charged at a percentage no greater than 2.4% of the discount/differential subject to a maximum of \$2,000 per claim.

The AEA Fee is \$4.00 per professional provider claim and \$9.75 per institutional claim.

Occasionally, Anthem and a Host Blue may contract for a lower fee by combining the Access Fee and AEA Fee.

The Central Financial Agency Fee is \$0.35 per payment notice.

The ITS Transaction Fee is \$0.05 per claims transaction.

Some BlueCard Fees may not be charged in Anthem states. For a complete description of these fees, please consult your ASO Agreement.

Under final rules issued by EEOC, under the Americans with Disabilities Act and the Genetic Information Nondiscrimination Act, wellness incentives are subject to certain limits in some situations. Incentive limits may also apply under the Affordable Care Act. Employers are responsible for taking steps to comply with all legally-required incentive limits. Please consult your attorneys or advisors for additional information, as needed.

The Mental Parity and Addiction Equity Act of 2008 ("MHPAEA") requires that group health plan and group health insurers apply the same treatment and financial limits to mental health and substance abuse disorder benefits as they do to medical surgical limits. Anthem standard processes have been reviewed to comply with non-quantitative treatment limits. Plan sponsors are responsible for ensuring that their plan designs are compliant with all applicable federal laws governing plan design, including MHPAEA.

Enhanced Personal Health Care program administration - The fee for Anthem's oversight of EPHC with providers or vendors is 25% of the per attributed member per month amount charged to the client for the provider performance bonus portion of the EPHC program.

Non-network claim discount. The fee will be equal to 50% of the savings achieved on certain non-network claims.

Subrogation Services - The charge is 25% of gross subrogation recovery

Overpayment Identification and Claims Prepayment Analysis Activities - The charge to employer is 25% of the a) amount recovered from review of claims and mbrshp data and audits of Provider and Vendor activity to identify overpayments and b) the difference between the amount the employer would have been charged absent prepayment analysis activities and the amount that was charged to the employer following performance of the prepayment analysis activities. This includes, but is not limited to, activities related to COB, duplicates, contract compliance and eligibility.


Authorized Signature


Date

ASO Standard Stop Loss Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



All medical benefits administered by Anthem are included under the Specific and Aggregate Stop Loss Agreement except for the following:

Claims for services and supplies considered experimental.

Claims for benefits not covered by the underlying benefit plan, which are paid by Anthem outside the plan at

Lexington Fayette Urban County Government's request.

Human Organ Transplant / Bone Marrow Transplant (HOT/BMT) is included under the stop loss agreement.

If you are a current Anthem ASO client with Stop Loss Coverage and renew annually with a contract basis other than 24/12; there may be potential gaps in your Stop Loss Coverage. Should you wish to transition to a contract type without any potential coverage gaps, Anthem will be happy to provide a transition strategy and proposal upon request from your sales representative.

ASO SPECIFIC STOP LOSS

The Specific Stop Loss coverage will be effective January 01, 2021.

Claims that are paid January 01, 2021 through December 31, 2021 are included under the Stop Loss Agreement.

If a member exceeds the specific stoploss limit for 2 consecutive years, Anthem has the ability to partially laser that member through a higher specific stoploss limit. In such instance, Anthem will estimate the ongoing expense associated with the member and will use half of that amount as the specific stoploss limit for that member if the Employer specific stoploss limit is less than that amount.

Specific Stop Loss Coverage: Medical and Drug

The Specific Stop Loss Maximum is Unlimited per agreement period.

The Specific Stop Loss Maximum and Limit are administered on a Per Member basis.

Specific Stop Loss claims above the selected Specific Stop Loss Limit will not count towards satisfaction of the Aggregate Stop Loss Limit.

Specific Stop Loss rates are net of commissions.

Upon offer and acceptance of renewal, the specific stoploss coverage premium rate will not increase by more than 30% from the prior year rate for 2022 and 2023.

ASO Standard Stop Loss Assumptions

Lexington Fayette Urban County Government

Effective Date: 01/01/2021 - 12/31/2021



Due to the gap in experience from the end of the experience period to the effective date of this proposal / renewal, Anthem reserves the right to review updated claims information 3 months prior to the effective date and make changes if necessary.

ASO AGGREGATE STOP LOSS

LFUCG does not have aggregate coverage.

Aggregate Stop Loss Coverage: No ASL Coverage

Stoploss rates are FIRM.

This proposal expires 30 days from the date of its release or on the effective date, whichever is sooner.

Proposal Date: 05/06/2020

Effective Date: 01/01/2021

Proposal Valid Through: 06/05/2020

A handwritten signature in cursive script, appearing to read "Rick Horton", written over a black rectangular background.

Authorized Signature

10/23/2020
Date

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COBRA Fees

Lexington Fayette Urban County Government

Contract Period: 1/1/2021 – 12/31/2021

	COBRA Flat Fee (PPPM)	COBRA Qualifying Event Fee (One-Time Fee)	Implementation Fee
1,000 – 5,000 Eligible Employees	\$13.58 per participant per month	\$13.58 per participant	\$1,000

*Groups under 1,000 eligible employees will be billed on a per contract per month basis. Eligible employee counts will be confirmed quarterly.

Cobra is comprised of the following elements:

- o Reliable notifications and tracking
- o Monthly beneficiary collection invoices
- o Billing and collection of COBRA premiums
- o Anthem Premium disbursement to employer
- o Payment via ACH direct debit
- o Optional open enrollment services
- o Toll-free participant customer service support
- o 24-hour access to account information via Web
- o Toll-free employer customer service support
- o Real-time online management reporting
- o Imaged documentation of COBRA notifications sent
- o Monitor regulations and implement new federal COBRA requirements as necessary
- o The cost for standard programming in Anthem's standard format.

Anthem's proposed COBRA fees assume the following:

The flat and qualifying event fees shown above assumes the 2% of premium COBRA admin charge will be retained by Anthem. If client requests to retain the 2% charge, the COBRA fees would increase by 25%.

Optional COBRA Services:

- o New Plan Participant Notification: \$2.90 per notice (Recommended: Notifications include COBRA General Rights notifications communicating the newly eligible employees rights and responsibilities to notify the employer of a Qualifying Event that could trigger a COBRA event.)
- o HIPAA Special Enrollment Notification: \$2.90 per notice
- o Outside Carrier Health Plan Eligibility Communication: \$25.00 per carrier per month
- o Outside Carrier Eligibility Communication and Premium Remittance: \$50.00 per carrier per month
- o Open Enrollment Support Services:
 - a. Comprehensive Package (Anthem sends complete Open Enrollment Kits directly to the members and processes the forms) –
 - » \$15.00 per packet – plus related postage expenses
 - b. Optional packages are offered only on an exception basis. Additional pricing is applicable.
- o Retro-Active New Plan Participant Notification: \$2.00 per notice
- o Retro-Active HIPAA Special Enrollment Notification: \$2.00 per notice
- o Past Due Notices: \$1.00 per notice
- o Custom Programming: \$125.00 per hour

Signed *Linda Gorton*

Date 10/23/2020

1. 100% of the total

Pharmacy Pricing



LFUCG

Effective: 01/01/2021 - 12/31/2023
 Total subscribers: 3,092

Retail Pricing Guarantees

RETAIL NETWORK OPTION (select one)

- National Network
- Rx Choice Tiered Network

1-83 days' supply

Brand Discount % off AWP
 Brand Dispensing Fee per Rx
 Generic Discount % off AWP
 Generic Dispensing Fee per Rx

Rx Choice Tiered Retail Pharmacy Network Retail network that includes ~68,000 pharmacies across Tiers 1 and 2.			National Retail Pharmacy Network Broadest retail network with 68,000+ retail pharmacies; includes all national chains and most independent pharmacies.		
01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
18.80%	18.95%	19.10%	18.00%	18.15%	18.30%
\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45
83.30%	83.45%	83.60%	83.00%	83.15%	83.30%
\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45

Maintenance Pricing Guarantees

MAIL MAINTENANCE NETWORK OPTION:

- Optional Home Delivery
- Opt Out Home Delivery
- Mandatory Home Delivery

Brand Discount % off AWP
 Generic Discount % off AWP

Optional Home Delivery Standard mail order that allows members to receive a 90 day supply of maintenance medication through our Home Delivery Pharmacy. (select with Retail Choice90).			Opt Out Home Delivery Members may choose to fill maintenance medications at retail or through Anthem's Home Delivery Pharmacy. (do not select with retail maintenance).			Mandatory Home Delivery Members are required to fill maintenance medications after a predetermined number of courtesy fills through Anthem's Home Delivery Pharmacy. (do not select with retail maintenance).		
01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
24.00%	24.15%	24.30%	24.00%	24.15%	24.30%	24.00%	24.15%	24.30%
85.00%	85.15%	85.15%	85.00%	85.15%	85.15%	85.00%	85.15%	85.15%

RETAIL MAINTENANCE NETWORK OPTION:

- Retail 90
- Rx Maintenance 90

>= 84days' supply

Brand Discount % off AWP
 Brand Dispensing Fee per Rx
 Generic Discount % off AWP
 Generic Dispensing Fee per Rx

Rx Choice Retail 90 Tiered Retail Pharmacy Network Retail network that includes ~68,000 pharmacies across Tiers 1 and 2. (select with Home Delivery).			National Retail 90 Pharmacy Network Broadest retail network with 68,000+ retail pharmacies; includes all national chains and most independent pharmacies. (select with Home Delivery).			Rx Maintenance 90 Network A maintenance network and plan design supporting 90-day supply of maintenance medications at ~ retail 25,000 pharmacies. (do not select with mail maintenance).		
01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
22.30%	22.30%	22.30%	21.50%	21.50%	21.50%	24.00%	24.15%	24.30%
\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.00	\$0.00	\$0.00
83.30%	83.45%	83.60%	83.00%	83.15%	83.30%	85.00%	85.15%	85.15%
\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.00	\$0.00	\$0.00

Specialty Guarantees	SPECIALTY (select one)		
	<input checked="" type="checkbox"/> Exclusive Specialty <input type="checkbox"/> Open Specialty		
	<p>Requires members to use the IngenioRx Specialty Pharmacy as the preferred provider under the pharmacy benefit; Exclusions include HIV specialty medications, oral transplant medications and limited or exclusive specialty drugs the IngenioRx Specialty Pharmacy does not have access to; members have access to clinical pharmacists with expertise in specialty medication drug therapy</p>		
	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
Overall Specialty Discount % off AWP	19.00%	19.15%	19.30%
Overall Specialty Dispensing Fee per Rx	\$0.00	0.00%	0.00%
Moving to Open Specialty Network will include lost value and members may experience access issues.			

Rebate Guarantees	FORMULARY OPTION (select one)					
	<input type="checkbox"/> Essential Formulary <input checked="" type="checkbox"/> National Formulary					
	<p>National Formulary Standard and broadest formulary offering that includes brand-name and generic prescription medications selected through our P&T review process based on safety, effectiveness and value.</p>			<p>Essential Formulary Closed formulary offering for clients whose key priority is pharmacy cost control and total cost savings without sacrificing access to high-quality prescription drugs.</p>		
	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
Minimum Rebate Guarantees						
Retail Per Brand Script	\$214.28	\$233.62	\$250.03	\$222.35	\$245.61	\$264.50
Home Delivery Per Brand Script	\$576.60	\$648.26	\$702.18	\$595.46	\$675.72	\$733.99
Specialty Retail Per Brand Script	\$2,067.48	\$2,371.85	\$2,725.42	\$2,061.70	\$2,363.25	\$2,715.67
Specialty Mail Per Brand Script	\$1,471.31	\$1,664.76	\$1,899.79	\$1,471.98	\$1,665.76	\$1,900.91
Rebate Pass Through	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Admin Fees	Pharmacy Administrative Fees		
	01/01/2021 - 12/31/2021	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023
	Admin Fee PCPM	\$3.90	\$3.90

The Pharmacy Pricing Guarantees presented here assume the adoption of all recommended programs.

Authorized Signature: Linda Gordon
 Title: Pharmacy Director
 Date: 10/23/2020

Pharmacy Pricing

LFUCG

Effective: 01/01/2021 - 12/31/2023
 Total subscribers: 3,092

A summary of our guarantees

This is a summary of the guarantees we offer for our prescription drug benefit. It is not a legal contract. If this summary conflicts with the Administrative Services Agreement, the Administrative Services Agreement controls.

More about the guarantees

All of the pharmacy guarantees listed on the previous page are effective 01/01/2021, for a term of 3 Years, and the following apply:

We can revise our price quote or alter the terms of the guarantees if one of the following occurs:

- The client does not notify Anthem of the offer acceptance 45 days prior to the effective date.
- The client does not implement the recommended clinical and cost-of-care management programs that are part of the Plan.
- The client does not adopt our formulary.
- A change in the proportionate mix of the client's retail and home delivery prescription drug claims of more than 10%.
- A change in pharmacy utilization patterns of more than 10%.
- A change results in Anthem no longer being the exclusive source of drug rebates for the client.
- Anthem is no longer the sole administrator for the pharmacy benefit portion of client's Plan.
- A government action or major change in pharmaceutical industry practices that eliminates or materially reduces the manufacturer Drug Rebate program.
- The client has an onsite pharmacy with 340B designation or any such designation where the pharmacy receives upfront pricing discounts from pharmaceutical manufacturers, which was not disclosed or known by Anthem as of the effective date of the ASO Agreement.

Network guarantees will be calculated on the total eligible claim paid claims.

Our discount guarantees exclude the following claims: Compound Drugs; Claims paid on the basis of U&C Charges; Mail claims with fewer than 60 days' supply; Prescriptions filled in Massachusetts, Alaska, Hawaii, or Puerto Rico, or filled in any state which imposes some form of Most Favored Nations limitations on pharmacy reimbursement; Member-submitted Claims; Out-of-Network Claims; Vaccines; 340B Claims; Over-the-counter drugs; Prescriptions filled through the Client's on-site pharmacy

For the purpose of our guarantees, drugs identified at the time the prescription is filled as single source generics, will be considered generic drugs and will be included in the generic discount and generic dispensing fee guarantees. If there are changes in the AWP reporting source or if there are changes in how AWP is calculated, including changes in the mark-up factor used to calculate AWP, the terms of any financial relationship between the parties that relate to AWP will be modified.

Our formulary will be provided to members and providers.

Guarantees apply to commercial claims only. Medicare ESRP claims are excluded from all guarantees.

Guarantees apply only as long as there are at least 95,112 Annualized Adjusted Prescription Drug Claims.

These guarantees include full pass through of negotiated discounts and dispensing fees.

The client must use Anthem's recommended formulary to be eligible for rebates, whether the rebates are paid or applied as a credit. Pricing guarantees do not apply to claims processed through staff model/hospital pharmacies through staff model/hospital pharmacies where the pharmacy, most likely, has its own manufacturer contracts (rebate or purchase discounts), or through pharmacies that participate in the Federal government pharmaceutical purchasing program.

Anthem will pass through 100.00% of the drug rebates collected.

These amounts do not include rebates attributable to medical claims processed by Anthem.

Anthem may receive and retain administrative fees from our pharmacy vendor or directly from pharmaceutical manufacturers.

Drug rebate amounts are subject to change for reasons including but not limited to:

- (a) Drug rebate eligibility is modified under an agreement between PBM and/or its vendor and a manufacturer;
- (b) Laws and regulations affecting the distribution or the amount of drug rebates available or payable under such Laws and regulations; or

Our rebate guarantees exclude the following claims: Compound Drugs; Claims paid on the basis of U&C Charges; Mail claims with fewer than 60 days' supply; Prescriptions filled in Massachusetts, Alaska, Hawaii, or Puerto Rico, or filled in any state which imposes some form of Most Favored Nations limitations on pharmacy reimbursement; Member-submitted Claims; Out-of-Network Claims; Vaccines; 340B Claims; Over-the-counter drugs

The pharmacy early termination penalty is \$3.00 PEPM multiplied by the average number of Subscribers in the six months prior to termination, multiplied by the number of months remaining in the pharmacy pharmacy Agreement Period.

Our guarantees will not apply if one of the following happens:

A change to the Plan benefits that result in a substantial change in the services to be performed by Anthem.

There is no executed Administrative Services Agreement on file.

Circumstances beyond our control including but not limited to any act of God, civil riot, floods, fire, acts of terrorists, acts of war or power outages that delay our performance or that of our vendors.

The client terminates the Agreement before the end of a performance period, or we terminate it because of non-payment.

Should the client terminate Pharmacy Services during the Agreement Period for reasons other than for cause in accordance with this Agreement client shall pay Anthem an early termination fee in an amount equal to \$3.00 PEPM

multiplied by the monthly average of the six months of enrollment prior to the effective date of termination multiplied by the number of months remaining in the contract term.

Notice of such early termination shall be provided in writing ninety (90) days in advance of the termination date.

The client terminates participation in particular programs tied to performance guarantee(s) prior to completion of the measurement period associated with performance guarantee.

We offer a comprehensive suite of trend and integrated health management programs and services. Below is a list, by product, of the programs and services that are available.

This list is not all inclusive and may change as we update our offering to meet the needs of the marketplace.

Category	Included/Optional
General Administration	
Account management	Included
Banking	Included
FSA feeds	Included
Implementation services	Included
Paper claims/member submitted claims processing	Included
Plan design strategy and consultation	Included
Single medical/pharmacy ID cards	Included
Standard communication materials to assist members with enrollment decisions and welcome them to their new plan when they enroll	Included
Standard coordination of benefits – reject for primary carrier	Included
Network Pharmacy Services	
Network audits and recoveries (desk and onsite)	Included
On-site pharmacy services	Included
Pharmacy help desk with toll-free number	Included
Pharmacy network management	Included
Pharmacy reimbursement	Included
Home Delivery Services	
Benefit education (includes home delivery promotion)	Included
Home Delivery Education program	Included
Home Delivery Choice program	Included
Home Delivery Complete program	Included
Home delivery call center with toll-free number	Included
Home delivery claims processing	Included

Home delivery regular shipping and handling	Included
Account Management Services	
Annual strategic planning with quarterly reviews	Included
Centralized administration for payment of claim and administration fees	Included
Designated pharmacy account team support, including Pharmacy Account Manager, Pharmacy Program Manager (clinical), Pharmacy Services Coordinator	Included
Telephonic training for access to online system(s)	Included
Member Services	
Customer service for members with toll-free number, to include language translation services	Included
Medical/pharmacy customer service call center with toll-free number	Included
Internet Services	
e-Services for Prescriptions: Intuitive and easy to navigate	Included
Health and wellness news and articles via WebMD Online drug list and searchable formulary	Included
Language translation services (EOBs)	Included
Online explanation of benefits	Included
Online health improvement tools and programs	Included
Pharmacy look-up	Included
Pharmacy resources – request a prior authorization, view drug interaction data and access all forms	Included
Plans and benefits additional information – submitting new prescriptions, saving money with home delivery, educational and pharmacy news	Included
Refill a prescription	Included
Savings center – compare costs to switch from retail to home delivery	Included
Search and price a medicine – search drugs by name, therapeutic class or subclass; compare costs and drug details, including price by pharmacy	Included
Secure member message center	Included
Additional miscellaneous Internet services – view coverage and copayments, obtain an ID card, access drug and health guide	Included
Patient, Trend, Quality and Cost-of-Care Management	
Administrative Prior Authorization program – non-clinical, lost/stolen overrides, vacation supplies	Included
Clinical Prior Authorization program	Included
This review focuses mainly on drugs that may have risk of serious side effects or dangerous drug interactions, high potential for incorrect use or abuse, better alternatives that may cost less, or restrictions for use with very specific conditions.	
Clinical Pharmacy Review – physician review	Included
Certain medications need a higher level of review than a Clinical Prior Authorization and additional information from the prescriber.	
Step Therapy	Included
Step therapy requires the member to use one medication before benefits for the use of another medication can be authorized. Step therapy ensures members have previously used first-line therapies or have risk factors making the prescribed products inappropriate.	
Quantity Limits and Dose Optimization	Included
Quantity limits guard against high doses and excessive utilization based on either doses exceeding the FDA or manufacturer recommended maximum daily doses or limiting short-term medications to a certain number of fills over a defined period of time.	
Concurrent Drug Utilization Review programs	Included
This program includes real-time member health and safety protocols designed to monitor and screen each claim against the member's integrated prescription profile, including all home delivery, specialty and retail prescriptions processed through the prescription benefit plan.	
Pharmacy Gaps in Care Messaging programs, including:	Included
Medication Review	
Personalized member information related to pharmacy gaps in care including appropriate use, medication compliance, safety, cost savings on generics and formulary alternatives.	
Select Cost-of-Care messages sent via a standalone communication	
Patient Highlights	
Physicians receive personalized, actionable information related to appropriate use, medication compliance and safety to help address pharmacy related gaps in care.	
Appropriate use and compliance programs focus on disease states such as asthma, COPD, depression, diabetes, high cholesterol and hypertension.	
Safety programs including identification of polypharmacy and high-dose alerts.	
Personalized, actionable information related to the member's use of controlled substances.	
Home Delivery (member/ physician outreach programs)	
Brand to Generic: Program targets DAW1 and DAW2 claims through home delivery and includes a member outbound call or physician outbound fax.	
Therapeutic Interchange: Program targets specific branded drugs with a lower cost therapeutic equivalent product available and includes a member outbound call through home delivery.	
Prospective Drug Utilization Review programs	Included
Cost-of-Care programs:	Included
Formulary management – outcomes-based formulary	
Generic Drug Management:	Included
Preferred Generics – members pay brand copay plus the cost difference when a generic is available but a brand is selected	
First-Time Generics – letters to members when there is a new (first-in-class) generic available in a therapeutic class	
Retail-to-Home Delivery member outreach programs	Included
Vaccine Program Fee	Included
Reporting Services	
Clinical savings reports	Included
Standard reporting	Included
Web-based client reporting	Included
Specialty Pharmacy Services	
Comprehensive specialty pharmacy and individualized member support services	Included
Specialty pharmacy call center with toll-free number	Included
Specialty pharmacy claims processing	Included
Specialty pharmacy regular shipping and handling	Included
Therapy-specific counseling	Included
Additional Services and Programs	
Custom/Ad-hoc requests	We include the first 20 hours included at no charge. After 20 hours per year, the charge is \$150 per hour of time needed to generate a custom or ad-hoc report.
Custom product set up (i.e., formulary, network)	N/A
Medicare services	Available upon request
Custom/Ad hoc letters	Included

- o LFUCG terminates participation in particular programs tied to Performance Guarantee(s), prior to completion of the Measurement Period.

Performance Guarantees

Lexington Fayette Urban County Government expects excellence, Anthem strives to provide excellent value by improving affordable access to quality healthcare for our customers. Together we will deliver outstanding value for your employees.

We are confident that we will deliver outstanding service for Lexington Fayette Urban County Government. As such, we are placing administrative fees at risk to meet certain criteria as outlined below.

A summary of our guarantees

This is a summary of the performance guarantees that Anthem offers. The final terms and conditions of the Performance Guarantees contained in this offer are subject to finalization of the contract language in the Administrative Services Agreement. It is not a legal contract. If this summary conflicts with the Administrative Services Agreement, any Schedules or Attachments, the Administrative Services Agreement controls.

These guarantees apply to Lexington Fayette Urban County Government's PPO and HDHP plans.

More about the guarantees

All guarantees will be effective from 01/01/2021 to 12/31/2021, unless otherwise noted. The guarantees are measured and settled annually, with exceptions specified.

These guarantees cover aspects of performance that are related to Anthem's control. Listed below are potential reasons that may alter or void the terms of the guarantees:

- A change to the Plan benefits that result in a substantial change in the services to be performed by Anthem or the measurement of a Performance Guarantee.
- Your number of enrolled Subscribers goes up or down by 10% or more after your plan or renewal starts.
- Changes in law or regulation that materially impacts underwriting assumptions made at the time of offering such Performance Guarantees.

- There is no executed Administrative Services Agreement on file.
- Circumstances beyond our control including but not limited to any act of God, civil riot, floods, fire, acts of terrorists, acts of war or power outages that delay our performance or that of our vendors.
- You terminate the Agreement before the end of a Performance Period, or we terminate it because of non-payment.
- You terminate participation in particular programs tied to Performance Guarantee(s), prior to completion of the Measurement Period.

General Terms

- **Performance Category.** The term Performance Category describes the general type of Performance Guarantee.
- **Reporting Period.** The term Reporting Period refers to how often Anthem will report on its performance under a Performance Guarantee.
- **Measurement Period.** The term Measurement Period is the period of time under which performance is measured, which may be the same as or differ from the period of time equal to the Performance Period.
- **Penalty Calculation.** The term Penalty Calculation generally refers to how Anthem's payment will be calculated, in the event Anthem does not meet the target(s) specified under the Performance Guarantee.
- **Amount at Risk.** The term Amount at Risk means the amount Anthem may pay if it fails to meet the target(s) specified under the Performance Guarantee.
- Some Performance Guarantees measure and compare year to year performance. The term Baseline Period refers to the equivalent time period preceding the Measurement Period.
- Performance Guarantees may be measured using either aggregated data or Employer-specific Data. The term Employer-specific Data means the data associated with Employer's Plan that has not been aggregated with other employer data. Performance Guarantees will specify if Employer-specific Data shall be used for purposes of measuring performance under the Performance Guarantee.
- All Performance Guarantees in which Anthem will make outbound calls or will reach out through email or other means to members will exclude members who Anthem cannot reach due to incorrect or invalid telephone numbers, including numbers where permission is required by law but not provided, or those members who have requested that Anthem not contact them.
- Anthem's obligation to make payment under the Performance Guarantees is conditioned upon Employer's timely performance of its obligations provided in the Agreement in this Schedule C and the Attachments, including providing Anthem with the information or data required by Anthem in the Attachments.
- Anthem has the right to offset any amounts owed to Employer under any of the Performance Guarantees contained in the Attachments to this Schedule C against any amounts owed by Employer to Anthem under: (1) any Performance Guarantees contained in the Attachments to this Schedule C; (2) the Agreement; or, (3) any applicable Stop Loss Policy

Amount at Risk

The total amount at risk for the below performance guarantees between Anthem and Lexington Fayette Urban County Government shall not exceed the following:

- Operations Guarantees: 15% of Base Medical Administration fees

-
- Network Guarantees: 10% of Base Medical Administration fees

Confirmation of all applicable fees for the performance guarantees will be reflected in Employer's Schedule C.

Maximum Amount Payable

The maximum amount payable under all guarantees between Anthem and Lexington Fayette Urban County Government shall not exceed 25% of the Base Medical Administration fees . The Maximum Amount Payable provisions above do not apply to Pharmacy-related Performance Guarantees.

Operations Guarantees

Performance Category	Year 1
Claims Timeliness - (14 Calendar Days)	1.5% of Base Admin. Services Fees
Claims Financial Accuracy	1.5% of Base Admin. Services Fees
Claims Accuracy	1.5% of Base Admin. Services Fees
Open Enrollment ID Card Issuance	1.5% of Base Admin. Services Fees
Processing of Ongoing Eligibility Information	1.5% of Base Admin. Services Fees
Average Speed to Answer	1.5% of Base Admin. Services Fees
Call Abandonment Rate	1.5% of Base Admin. Services Fees
Member Satisfaction NPS	1.5% of Base Admin. Services Fees
Management Reports	1.5% of Base Admin. Services Fees
Account Management Satisfaction	1.5% of Base Admin. Services Fees
Total Amount At Risk – Operations	15%

Additional Terms and Conditions:

- For purposes of imposing penalties, measurement shall not begin until the start of the fourth month of the initial Agreement period for the following measures: Claims Timeliness, Claims Financial Accuracy, Claims Accuracy, Average Speed of Answer, Call Abandonment Rate, and First Call Resolution]
- Performance will be based on the results of a designated service team/business unit assigned to Lexington Fayette Urban County Government, unless the guarantee is noted as measured with Employer-specific Data.

Performance Category	Amount at Risk	Guarantee	Penalty Calculation	Measurement and Reporting Period
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Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
Claims Timeliness (14 Calendar Days)	Year 1:	A minimum of 90% of Non-investigated medical Claims will be processed timely.			<u>Measurement Period</u>
	1.5% of Base				Annual
	Admin. Services Fees	Non-investigated Claims are defined as medical Claims that process through the system without the need to obtain additional information from the Provider, Subscriber or other external sources. Processed Timely is defined as Non-investigated medical Claims that have been adjudicated within 14 calendar days of receipt.	<u>Result</u>	<u>Penalty</u>	<u>Reporting Period</u>
		This Guarantee will be calculated based on the number of Non-investigated Claims that Processed Timely divided by the total number of Non-investigated Claims.	90.0% or Greater	None	Annual
		The calculation of this Guarantee does not include Claim adjustments. The calculation of this Guarantee also excludes in any quarter, Claims for an Employer that requests changes to Plan benefits, until all such changes have been implemented.	88.0% to 89.9%	25%	
		This will be measured with Employer-specific Data.	86.0% to 87.9%	50%	
		85.0% to 85.9%	75%		
		Less than 85.0%	100%		

Claims Financial Accuracy	Year 1:	A minimum of 99% of medical Claim dollars will be processed accurately.			<u>Measurement Period</u>
	1.5% of Base				Annual
	Admin. Services Fees	This Guarantee will be calculated based on the total dollar amount of audited medical Claims paid correctly divided by the total dollar amount of audited medical Paid Claims. The calculation of this Guarantee includes both underpayments and overpayments. The calculation of this Guarantee does not include Claim adjustments or Claims in any quarter in which an Employer requests changes to Plan benefits, until all such changes have been implemented.	<u>Result</u>	<u>Penalty</u>	<u>Reporting Period</u>
			99.0% or Greater	None	Annual
			98.0% to 98.9%	25%	
			97.0% to 97.9%	50%	
		96.0% to 96.9%	75%		
		Less than 96.0%	100%		

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
Claims Accuracy	Year 1: 1.5% of Base Admin. Services Fees	A minimum of 97% of medical Claims will be paid or denied correctly. This Guarantee will be calculated based on the number of audited medical Claims paid and denied correctly divided by the total number of audited medical Claims paid and denied. The calculation of this Guarantee excludes in any quarter Claims for an Employer that requests changes to Plan benefits, until all such changes have been implemented.			<u>Measurement Period</u> Annual
			Result	Penalty	<u>Reporting Period</u>
			97.0% or Greater	None	Annual
			96.0% to 96.9%	25%	
			95.0% to 95.9%	50%	
			94.0% to 94.9%	75%	
			Less than 94.0%	100%	
Open Enrollment ID Card Issuance	Year 1: 1.5% of Base Admin. Services Fees	100% of Subscriber digital ID cards will be available or Member physical ID cards will be mailed to Open Enrollment participants no later than the Employer's effective date provided that Anthem receives an Accurate Eligibility File. An Accurate Eligibility File is defined as: (1) an electronic eligibility file formatted in a mutually agreed upon manner; (2) received by Anthem no later than 30 calendar days prior to the Employer's effective date; and, (3) contains an error rate of less than 1%. This Guarantee will be calculated based on the total number of Open Enrollment ID cards available to Subscribers or mailed to Members within the timeframe set forth above divided by the total number of Members eligible to receive Open Enrollment ID cards. This will be measured with Employer-specific Data.			<u>Measurement Period</u> Employer's effective date
			Result	Penalty	<u>Reporting Period</u>
			100%	None	60 days following the Employer's effective date.
			99.0% to 99.9%	\$100 per ID Card not to exceed 25% of amount at risk for this measure	
			98.0% to 98.9%	50%	
			97.0% to 97.9%	75%	
			Less than 97.0%	100%	

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
Processing of Ongoing Eligibility Information	Year 1:	100% of Employer's ongoing electronic eligibility files will be processed timely.			<u>Measurement Period</u>
	1.5% of Base				Annual
	Admin. Services	Timely Processing is defined as electronic eligibility files processed and updated on the eligibility database within 7 business days of receipt of an eligibility file. This Guarantee only applies to the processing of eligibility files submitted by Employer outside of an open enrollment period. This Guarantee does not apply to a defective eligibility file. A defective Eligibility File is defined as an eligibility file that has issues that prevent Anthem's processing of the file. Anthem's payment of this Guarantee is conditioned upon receipt of eligibility files in a format mutually agreed upon by the Parties. This Guarantee will be calculated by (1) dividing the total number of eligibility files processed within the timeframe set forth above by (2) the number of Employer's eligibility files processed. This will be measured with Employer-specific Data.	<u>Result</u>	<u>Penalty</u>	<u>Reporting Period</u>
	Fees		100%	None	Annual
			98.0% to 99.9%	25%	
			96.0% to 97.9%	50%	
	94.0% to 95.9%		75%		
		Less than 94.0%	100%		
Average Speed to Answer	Year 1:	The average speed to answer (ASA) will be 45 seconds or less.			<u>Measurement Period</u>
	1.5% of Base		<u>Result</u>	<u>Penalty</u>	Annual
	Admin. Services	ASA is defined as the average number of whole seconds members wait and/or are in the telephone system before receiving a response from a customer service representative (CSR) or an interactive voice response (IVR) unit. This Guarantee will be calculated based on the total number of calls received in the customer service telephone system.	45 seconds or less	None	<u>Reporting Period</u>
	Fees		46 to 48 seconds	25%	Annual
			49 to 51 seconds	50%	
			52 to 54 seconds	75%	
	55 or more seconds		100%		
Call Abandonment Rate	Year 1:	A maximum of 5.0% of member calls will be abandoned.			<u>Measurement Period</u>
	1.5% of Base		<u>Result</u>	<u>Penalty</u>	Annual
	Admin. Services	Abandoned Calls are defined as member calls that are waiting for a customer service representative (CSR), but are abandoned before connecting with a CSR. This Guarantee will be calculated based on the number of calls abandoned divided by the total number of calls received in the customer service telephone system. Calls that are abandoned in less than 5 seconds will not be included in this calculation.	5.0% or Less	None	<u>Reporting Period</u>
	Fees		5.01% to 5.40%	25%	Annual
			5.41% to 5.70%	50%	
			5.71% to 5.99%	75%	
	6.0% or Greater		100%		

Performance Category	Amount at Risk	Guarantee	Penalty Calculation	Measurement and Reporting Period												
Member Satisfaction – NPS	Year 1: 1.5% of Base Admin. Services Fees	<p>This Guarantee establishes a Quality Benchmark transactional Net Promoter Score (NPS) of 40. Anthem will either: (i) meet or exceed the Quality Benchmark; or, (ii) there will be an improvement in the Net Promoter Score from the Baseline Period.</p> <p>The survey is conducted after a member contacts a customer service representative (CSR). Each member who completes a transaction with Anthem will be asked to provide a rating on a scale from 0 (Not at All Likely) to 10 (Extremely Likely) to a question that asks how likely the member would recommend Anthem to a friend or colleague based on the member's most recent transaction. The transactional Net Promoter Score will be calculated by subtracting the percentage of Detractors (members who provide a rating from 0 to 6) from the percentage of Promoters (members who provide a rating of 9 or 10).</p> <p>To determine the results for (i), Anthem shall compare the Net Promoter Score in the Measurement Period to the Quality Benchmark.</p> <p>The improvement for (ii) will be determined by comparing the Net Promoter Score in the Measurement Period to the Net Promoter Score in the Baseline Period.</p> <p>The Baseline Period is the equivalent time period preceding the Measurement Period.</p>	<p>If Net Promoter Score stayed the same or decreased AND is</p> <table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>40 or Greater</td> <td>None</td> </tr> <tr> <td>39.0 to 39.9</td> <td>25%</td> </tr> <tr> <td>38.0 to 38.9</td> <td>50%</td> </tr> <tr> <td>37.0 to 37.9</td> <td>75%</td> </tr> <tr> <td>Less than 37.0</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	40 or Greater	None	39.0 to 39.9	25%	38.0 to 38.9	50%	37.0 to 37.9	75%	Less than 37.0	100%	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u> Annual</p>
			Result	Penalty												
40 or Greater	None															
39.0 to 39.9	25%															
38.0 to 38.9	50%															
37.0 to 37.9	75%															
Less than 37.0	100%															
Management Reports	Year 1: 1.5% of Base Admin. Services Fees	<p>Standard automated reports will be made available to Employer by no later than 25 calendar days following the end of the month.</p> <p>The reports will include financial, utilization and clinical information.</p> <p>This will be measured with Employer-specific Data.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>Reports are late 1 month</td> <td>None</td> </tr> <tr> <td>Reports are late 2 months</td> <td>25%</td> </tr> <tr> <td>Reports are late 3 or more months</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	Reports are late 1 month	None	Reports are late 2 months	25%	Reports are late 3 or more months	100%	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u> Annual</p>				
Result	Penalty															
Reports are late 1 month	None															
Reports are late 2 months	25%															
Reports are late 3 or more months	100%															

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
Account Management Satisfaction	Year 1:	A minimum average score of 3.0 will be attained on the Account Management Satisfaction Survey (AMSS).			<u>Measurement Period</u>
	1.5% of Base				Annual
	Admin. Services Fees	A minimum of 3 responses per Employer to the AMSS is required to base the score on Employer-specific responses only. If 3 responses are received from the Employer, an average score is calculated by adding the scores from each respondent divided by the total number of Employer respondents. If fewer than 3 responses are received, the score will be calculated as follows:	<u>Result</u>	<u>Penalty</u>	<u>Reporting Period</u>
		2 Employer responses: 2/3 of the score will be based on Employer-specific AMSS results and 1/3 of the score will be based on the aggregate score of all AMSS results received by the Account Management Team.	3.0 or higher	None	Annual
	1 Employer- response: 1/3 of the score will be based on Employer- specific AMSS results and 2/3 of the score will be based on the aggregate score of all AMSS results received by the Account Management Team.	2.5 to 2.9	25%		
	0 Employer responses: The score will be based on the aggregate score of all AMSS/ results received by the Account Management Team.	2.0 to 2.4	50%		
		Less than 2.0	100%		

Network Guarantees

Performance Category	Year 1
Network Provider Discount – Expected Discount 60%	10% of Base Admin. Services Fees
Total Amount At Risk - Network	10%

Additional Terms and Conditions

- This/These Guarantee(s) applies to following time periods:(Measurement Period)
 - Claims Incurred from 01/01/2021 through 12/31/2021 and Paid from 01/01/2021 and through 12/31/2021
- ☐ This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Riley Childrens Hospital in IN and Vanderbilt Hospital in TN, and Nationwide in Columbus OH.
- This Guarantee excludes the total Claims Charges for any Member that exceeds \$250,000 in paid claims in the Measurement Period and captiated claims.
- Anthem has the right in its sole discretion to modify or terminate this Guarantee if any of the following conditions occur:
 - Anthem is no longer the sole administrator for Employer’s Plan.
 - Employer fails to maintain at least an average enrollment of enrollment of 3000 Subscribers.

-
- The geographic distribution of Subscribers changes by more than 5% in any state or 10% in total from the Employer census provided for purposes of establishing this Guarantee.
 - As previously mentioned, a change to the Plan benefits or the administration of the Plan initiated by Employer that results in a substantial change in the services to be performed by Anthem or the measurement of a Performance Guarantee.
 - The Advantage Network is not implemented in the following locations: CA, DC/MD, FL, GA, MN, MO, NH, NY, PA, & WI.

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period											
Network Provider Discount	Year 1: 10% of Base Admin. Services	<p>A minimum Network Provider Discount of 60%.</p> <p>This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Rileys Childrens Hospital in IN and Vanderbilt Hospital in TN and Nationwide in Columbus OH.</p> <p>This Guarantee excludes the total Claims Charges for any Member that exceeds \$250,000 in paid claims in the Measurement Period and capitated claims.</p> <p>Eligible Claim Charges are defined as charges for Covered Services provided to Members enrolled in [HMO, PPO, EPO, POS] Plans. Eligible Claim Charges will be based on Anthem primary Claims only and will not include charges related to Prescription Drug Claims, Inter-Plan Program fees, state surcharges, Anthem Provider payment innovation programs or services rendered outside the United States. Allowed Amount is defined as the amount paid by Anthem to [HMO, PPO, EPO, POS] Network Providers on Eligible Claim Charges plus any Member Cost Shares.</p> <p>This Guarantee will be calculated by dividing the [HMO, PPO, EPO, POS] Network Provider Allowed Amount by the [HMO, PPO, EPO, POS] Network Provider Eligible Claim Charges. The resulting percentage shall be subtracted from 100% to determine the Network Provider Discount.</p> <p>Anthem has the right in its sole discretion to modify or terminate this Guarantee if any of the following conditions occur:</p> <ul style="list-style-type: none"> • Anthem is no longer the sole administrator for Employer's Plan • Employer fails to maintain at least an average enrollment of 3000 Subscribers. • The geographic distribution of Subscribers changes by more than 5% in any state or 10% in total from the Employer census provided for purposes of establishing this Guarantee. <p>Only Claims submitted to a Blue Cross and/or Blue Shield licensee for processing and adjudication shall be considered for purposes of this Discount Guarantee. This Guarantee will terminate on the date any federal price transparency law or regulation goes into effect.</p> <p>This will be measured with Employer-specific Data.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>[60.0% or Greater]</td> <td>None</td> </tr> <tr> <td>[59.0% to 59.9%]</td> <td>[25%]</td> </tr> <tr> <td>[58.0% to 58.9%]</td> <td>[50%]</td> </tr> <tr> <td>[57.0% to 57.9%]</td> <td>[75%]</td> </tr> <tr> <td>Less than [57.0%]</td> <td>[100%]</td> </tr> </tbody> </table>	Result	Penalty	[60.0% or Greater]	None	[59.0% to 59.9%]	[25%]	[58.0% to 58.9%]	[50%]	[57.0% to 57.9%]	[75%]	Less than [57.0%]	[100%]	<p>Measurement Period</p> <p>*This period applies to Claims incurred from 01/01/2021 through 12/31/2021 and Paid from 01/01/2021 and through 12/31/2021.</p> <p>Reporting Period</p> <p>Annual</p>
Result	Penalty															
[60.0% or Greater]	None															
[59.0% to 59.9%]	[25%]															
[58.0% to 58.9%]	[50%]															
[57.0% to 57.9%]	[75%]															
Less than [57.0%]	[100%]															

Linda Gorton
(Printed Name)

Linda Gorton
(Signature)

Mayer
(Title)

10/23/2020
(Date)