

COBRA Fees

Lexington Fayette Urban County Government

Contract Period: 1/1/2025 – 12/31/2025

	COBRA Flat Fee (PPPM)	COBRA Qualifying Event Fee (One-Time Fee)	Implementation Fee
1,000 – 5,000 Eligible Employees	\$14.67 per participant per month	\$14.67 per participant	\$1,000

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

Authorized Signature: _____

Title: _____

Date: _____

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 the RFP 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 plan.

More about the guarantees

All guarantees will be effective from January 01, 2025 to December 31, 2025, 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.
- All Performance Guarantees may be revisited and may potentially be impacted due to a cause beyond the reasonable control of a Party such as a pandemic (an outbreak of disease that affects an exceptionally high proportion of members) being declared by the Centers for Disease Control or if a Force Majeure event (meaning an act of God, civil or military disruption, terrorism, fire, strike, flood, riot or war) occurs during the Measurement or Baseline Period that impacts a meaningful portion of the Employer population.
- 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. Anthem will require specified historical Claims and utilization data to establish the Baseline Period for the first year of a Performance Guarantee utilizing a Baseline 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:**
 - 15.000% of Base Medical Admin fees.
- **Network Guarantees:**
 - 10.000% of Base Medical Admin 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 25.000% of the Base Medical Administration fees. The Maximum Amount Payable provisions above do not apply to Pharmacy-related Performance Guarantees.

Operations Guarantee

Performance Category	Year 1	Year 2	Year 3
Claims Timeliness (14 Calendar Days)	1.500% of Base Admin. Services Fees		
Claims Financial Accuracy	1.500% of Base Admin. Services Fees		
Claims Accuracy	1.500% of Base Admin. Services Fees		
Open Enrollment ID Card Issuance	1.500% of Base Admin. Services Fees		
Processing of Ongoing Eligibility Information	1.500% of Base Admin. Services Fees		
Average Speed to Answer	1.500% of Base Admin. Services Fees		
Call Abandonment Rate	1.500% of Base Admin. Services Fees		
Member Satisfaction – NPS	1.500% of Base Admin. Services Fees		
Management Reports	1.500% of Base Admin. Services Fees		

Account Management Satisfaction	1.500% of Base Admin. Services Fees		
Total Amount At Risk – Operations	15.000% of Base Medical Admin fees		

Additional Terms and Conditions:

- 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
Claims Timeliness (14 Calendar Days)	Year 1: 1.500% of Base Admin. Services Fees	A minimum of 90% of Non-investigated medical Claims will be Processed Timely. 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. 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. 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. This will be measured with Employer-specific Data.	<u>Result</u>	<u>Penalty</u>	<u>Measurement Period</u>
			90.0% or Greater	None	Annual
	Year 2:		88.0% to 89.9%	25%	<u>Reporting Period</u>
	Year 3:		86.0% to 87.9%	50%	Annual
			85.0% to 85.9%	75%	
		Less than 85.0%	100%		
Claims Financial Accuracy	Year 1: 1.500% of Base Admin. Services Fees	A minimum of 99% of medical Claim dollars will be processed accurately. 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	<u>Result</u>	<u>Penalty</u>	<u>Measurement Period</u>
	Year 2:		99.0% or Greater	None	Annual
			98.0% to 98.9%	25%	<u>Reporting Period</u>
					Annual

	Year 3:	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.	97.0% to 50% 97.9%		
			96.0% to 75% 96.9%		
			Less than 100% 96.0%		
Claims Accuracy	Year 1: 1.500% 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>Result</u>	<u>Penalty</u>	<u>Measurement Period</u>
			97.0% or Greater	None	Annual
	Year 2:		96.0% to 96.9%	25%	<u>Reporting Period</u>
					Annual
	Year 3:		95.0% to 95.9%	50%	
			94.0% to 94.9%	75%	
			Less than 94.0%	100%	
Open Enrollment ID Card Issuance	Year 1: 1.500% 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>Result</u>	<u>Penalty</u>	<u>Measurement Period</u>
			100%	None	Employer's effective date
	Year 2:		99.0% to 99.9%	\$100 per ID Card not to exceed 25% of amount at risk for this measure	<u>Reporting Period</u>
					60 calendar days following the Employer's effective date
	Year 3:		98.0% to 98.9%	50%	
			97.0% to 97.9%	75%	
			Less than 97.0%	100%	
Processing of Ongoing Eligibility Information	Year 1: 1.500% of Base Admin. Services Fees	100% of Employer's ongoing electronic eligibility files will be processed timely. 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 the first production files after setup and testing, COBRA	<u>Result</u>	<u>Penalty</u>	<u>Measurement Period</u>
			100%	None	Annual
	Year 2:		98.0% to 99.9%	25%	<u>Reporting Period</u>
					Annual
	Year 3:		96.0% to 97.9%	50%	
			94.0% to 95.9%	75%	

		<p>files, or Defective Eligibility Files. A Defective Eligibility File is defined as an eligibility file that has data errors, includes all records that do not pass Anthem's enrollment business rules, or does not allow for Anthem's automatic processing. This Guarantee does not apply to errors that have to be processed manually in the system.</p> <p>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.</p> <p>This will be measured with Employer-specific Data.</p>	<p>Less than 100% 94.0%</p>													
Average Speed to Answer	<p>Year 1: 1.500% of Base Admin. Services Fees</p> <p>Year 2:</p> <p>Year 3:</p>	<p>The average speed to answer (ASA) will be 45 seconds or less. 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.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>45 seconds or less</td> <td>None</td> </tr> <tr> <td>46 to 48 seconds</td> <td>25%</td> </tr> <tr> <td>49 to 51 seconds</td> <td>50%</td> </tr> <tr> <td>52 to 54 seconds</td> <td>75%</td> </tr> <tr> <td>55 or more seconds</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	45 seconds or less	None	46 to 48 seconds	25%	49 to 51 seconds	50%	52 to 54 seconds	75%	55 or more seconds	100%	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u> Annual</p>
Result	Penalty															
45 seconds or less	None															
46 to 48 seconds	25%															
49 to 51 seconds	50%															
52 to 54 seconds	75%															
55 or more seconds	100%															
Call Abandonment Rate	<p>Year 1: 1.500% of Base Admin. Services Fees</p> <p>Year 2:</p> <p>Year 3:</p>	<p>A maximum of 5.0% of member calls will be abandoned. 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.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>5.0% or Less</td> <td>None</td> </tr> <tr> <td>5.01% to 5.40%</td> <td>25%</td> </tr> <tr> <td>5.41% to 5.70%</td> <td>50%</td> </tr> <tr> <td>5.71% to 5.99%</td> <td>75%</td> </tr> <tr> <td>6.0% or Greater</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	5.0% or Less	None	5.01% to 5.40%	25%	5.41% to 5.70%	50%	5.71% to 5.99%	75%	6.0% or Greater	100%	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u> Annual</p>
Result	Penalty															
5.0% or Less	None															
5.01% to 5.40%	25%															
5.41% to 5.70%	50%															
5.71% to 5.99%	75%															
6.0% or Greater	100%															
Member Satisfaction – NPS	<p>Year 1: 1.500% of Base Admin. Services Fees</p>	<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</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>Net Promoter</td> <td>None</td> </tr> </tbody> </table>	Result	Penalty	Net Promoter	None	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u></p>								
Result	Penalty															
Net Promoter	None															

	Year 2: Year 3:	<p>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. 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. The Baseline Period is the equivalent time period preceding the Measurement Period.</p>	<p>Score increased</p> <hr/> <p>OR</p> <p>If Net Promoter Score stayed the same or decreased AND is</p> <hr/> <table> <tr> <td>40 or Greater</td> <td>None</td> </tr> </table> <hr/> <table> <tr> <td>39.0 to 39.9</td> <td>25%</td> </tr> </table> <hr/> <table> <tr> <td>38.0 to 38.9</td> <td>50%</td> </tr> </table> <hr/> <table> <tr> <td>37.0 to 37.9</td> <td>75%</td> </tr> </table> <hr/> <table> <tr> <td>Less than 37.0</td> <td>100%</td> </tr> </table>	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%	Annual
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: 1.500% of Base Admin. Services Fees Year 2: Year 3:	Standard automated reports will be made available to Employer by no later than 25 calendar days following the end of the month. The reports will include financial, utilization and clinical information.	<table> <tr> <td>Result Reports are late 1 month</td> <td>Penalty None</td> </tr> </table> <hr/> <table> <tr> <td>Reports are late 2 months</td> <td>25%</td> </tr> </table> <hr/> <table> <tr> <td>Reports are late 3 or more months</td> <td>100%</td> </tr> </table>	Result Reports are late 1 month	Penalty 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 Reports are late 1 month	Penalty None													
Reports are late 2 months	25%													
Reports are late 3 or more months	100%													
Account Management Satisfaction	Year 1: 1.500% of Base Admin. Services Fees Year 2: Year 3:	A minimum average score of 3 will be attained on the Account Management Satisfaction Survey (AMSS). 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	<table> <tr> <td>Result 3.0 or higher</td> <td>Penalty None</td> </tr> </table> <hr/> <table> <tr> <td>2.5 to 2.9</td> <td>25%</td> </tr> </table> <hr/> <table> <tr> <td>2.0 to 2.4</td> <td>50%</td> </tr> </table> <hr/> <table> <tr> <td>Less than 2.0</td> <td>100%</td> </tr> </table>	Result 3.0 or higher	Penalty None	2.5 to 2.9	25%	2.0 to 2.4	50%	Less than 2.0	100%	<p><u>Measurement Period</u> Annual</p> <p><u>Reporting Period</u> Annual</p>		
Result 3.0 or higher	Penalty None													
2.5 to 2.9	25%													
2.0 to 2.4	50%													
Less than 2.0	100%													

		<p>calculated as follows:</p> <p>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.</p> <p>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.</p> <p>0 Employer responses: The score will be based on the aggregate score of all AMSS results received by the Account Management Team.</p>		
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Network Guarantees

Performance Category	Year 1	Year 2	Year 3
Network Provider Discount	10.000% of Base Admin. Services Fees		
Total Amount At Risk - Network	10.000% of Base Medical Admin fees		

Additional Terms and Conditions

- This/These Guarantee(s) applies to following time periods:(Measurement Period)
 - Year 1: Claims Incurred from January 01, 2025 through December 31, 2025 and Paid from January 01, 2025 and through March 31, 2026.
- This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Riley Childrens Hospital in IN, Vanderbilt Hospital in TN, and Nationwide in Columbus, OH
- This Guarantee excludes all charges for any Member whose allowed Claims exceed \$250,000.00 during the Measurement Period.
- Anthem has the right in its sole discretion to modify or terminate this Guarantee if any of these occur:
 - Anthem is no longer the sole administrator for Employer's Plan.
 - Employer fails to maintain at least an average enrollment of 3078 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.
- A change is initiated by Employer that results in a substantial change in the services to be performed by Anthem or; the measurement of a Performance Guarantee.

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
			Result	Penalty	
Network Provider Discount	Year 1: 10.000% of Base Admin. Services Fees	<p>Anthem guarantees a minimum Network Provider Discount of 60.000%.</p> <p>This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Riley Childrens Hospital in IN, Vanderbilt Hospital in TN, and Nationwide in Columbus, OH. This Guarantee excludes the Total Claims Charges for any Member that exceeds \$250,000.00 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 PPO 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 PPO Network Providers on Eligible Claim Charges plus any Member cost shares.</p> <p>This Guarantee will be calculated by dividing the PPO Network Provider Allowed Amounts by the PPO 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 	60.0% or Greater	None	<p><u>Measurement Period</u></p> <p>Annual-This period applies to Claims incurred from January 01, 2025 through December 31, 2025 and Paid from January 01, 2025 and through December 31, 2024</p> <p><u>Reporting Period</u></p> <p>Annual</p>
	Year 2:		59.0% to 59.9%	25%	
	Year 3:		58.0% to 58.9%	50%	
			57.0% to 57.9%	75%	
			Less than 57.0%	100%	

		<p>average enrollment of 3,078 Subscribers.</p> <ul style="list-style-type: none"> •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>		
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Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of Kentucky, Inc. Independent licensee of the Blue Cross and Blue Shield Association. Anthem is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

Stop Loss Options (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Group Number(s): W33022

Effective January 1, 2025 through December 31, 2025

Option 1 - \$350,000 Specific Stop Loss

Specific Stop Loss limit:	\$350,000
Specific Stop Loss contract basis:	Paid in 12 *
* Accumulation basis for claims will be incurred since January 1, 2015.	
Lines of coverage Included:	Med And Rx
Specific Stop Loss Maximum:	Unlimited
Specific Stop Loss accumulation:	Per Member
Commissions:	0.00%
Renewal rate guarantee	50.00%
This Stop Loss offer is:	FIRM
This Stop Loss offer expires:	11/8/2024

Additional terms for self-funded groups

This proposal guarantees your subsequent year's renewal will be capped at 50%.

A No New Lasers provision is included in this offer. Existing lasers will be reviewed and could be modified. See Assumptions & Conditions exhibit for more details.

Specific Stop Loss Premiums	Composite PCPM	Annualized Total
	3159	
Total	Current \$41.49	\$1,572,803
	Renewal \$62.24	\$2,359,394
Rate Change		50.01%

Authorized Signature: _____
 Title: _____
 Date: _____

Additional Fee Disclosures:

See Additional Service Fees and Pharmacy Pricing for disclosure of additional service fees which are not included on this report.

Anthem Gene Therapy Solution protects employers from unknown financial risk, while supporting members in need of treatment for rare and complex conditions. The financial component of this solution works in conjunction with Anthem Stop Loss and guarantees Anthem will not implement new lasers on any members for claims associated with the following gene therapies: Luxturna, Skysona, Zolgensma, Zynteglo, Hemgenix, Elevidys, Roctavian, Casgevy, Lyfgenia, Lenmeldy and Beqvez. This provision applies to members that are not lasered in the firm stop loss proposal and will apply as long as Employer maintains specific stop loss coverage with Anthem. Also, this solution removes gene therapy claims from experience when determining stop loss renewal rates. If added, this provision would be billed as an additional \$3.60 PEPM. (If selected, initial here _____.)

Fixed Administrative Costs (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

Fixed Administrative Costs	Current	1/1/2025 through 12/31/2025	1/1/2026 through 12/31/2026	1/1/2027 through 12/31/2027
	PCPM	PCPM	PCPM	PCPM
Subscribers	3,159	3,159	3,159	3,159
Members	6,107	6,107	6,107	6,107
Medical and Pharmacy Administration	\$37.02	\$34.98	\$35.84	\$36.73
Composite Total:	\$37.02	\$34.98	\$35.84	\$36.73
Annual fixed administrative costs based on assumed enrollment:	\$1,403,354	\$1,326,022	\$1,358,623	\$1,392,361
Percentage Change:		-5.5%	2.5%	2.5%

Authorized Signature: _____
 Title: _____
 Date: _____

Additional Fee Disclosures:

See Additional Service Fees and Pharmacy Pricing for disclosure of additional service fees which are not included on this cost summary.

The Pharmacy Rebate Offset reflects the National Formulary. The offset may be adjusted if a different pharmacy formulary is sold.

HSA fee is a weighted amount and is included in the Administration fee shown above. Actual fees will be billed at \$2.25 per HSA participant.

Rx Administration Fees will be billed by Pharmacy starting 1.1.25



Benefit Information (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

Benefit categories	Renewal Plan Designs		
	PPO \$2000 National	HDHP \$3300/\$3300/0% Embedded National	HDHP \$3300/\$9250/20% Embedded National
	Blue Access Custom	Blue Access Custom	Blue Access Custom
Deductible Single/Family	\$2,000 / \$4,000	\$3,300 / \$6,600	\$3,300 / \$6,600
Coinsurance	20%	0%	20%
Out of Pocket Limit Single/Family	\$4,500 / \$9,000	\$3,300 / \$6,600	\$5,250 / \$10,500
Office Visits PCP/Specialist Copay	\$30/\$60	Ded & Coins/Ded & Coins	Ded & Coins/Ded & Coins
Inpatient / Outpatient copay (Surgery)	Ded/Coins	Ded & Coins/Ded & Coins	Ded & Coins/Ded & Coins
ER/Urgent Care Copay	Coins/\$100	Ded & Coins/Ded & Coins	Ded & Coins/Ded & Coins
Prescription Drug - Retail	\$10/\$30/\$60/25%	Medical Deductible	Medical Deductible
Prescription Drug - Mail Order	\$20/\$60/\$120/25%	Ded/Coins	Ded/Coins
OON Deductible (individual/family)	\$6,000/\$12,000	\$7,500 / \$15,000	\$7,500 / \$15,000
OON Coinsurance	50%	30%	50%
OON OOP Max (individual/family)	\$12,000/\$24,000	\$9,900 / \$19,800	\$10,500 / \$21,000

Benefit categories reflect In-network benefits unless noted as Out-Of-Network (OON)

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of Kentucky, Inc. Independent licensee of the Blue Cross and Blue Shield Association. ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. - 0463013-05

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Benefit categories	Renewal Plan Designs	
	PPO \$500 National	
	Blue Access Custom	Custom
Deductible Single/Family	\$500 / \$1,000	
Coinsurance	20%	
Out of Pocket Limit Single/Family	\$1,500 / \$3,000	
Office Visits PCP/Specialist Copay	\$15/\$30	
Inpatient / Outpatient copay (Surgery)	Ded/Coins	
ER/Urgent Care Copay	Coins/\$60	
Prescription Drug - Retail	\$10/\$30/\$60/25%	
Prescription Drug - Mail Order	\$20/\$60/\$120/25%	
OON Deductible (individual/family)	\$1,500/\$3,000	
OON Coinsurance	50%	
OON OOP Max (individual/family)	\$4,500/\$9,000	

Services included and buy-up options (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

Services Included in fixed administrative costs

- Administration of the proposed PPO \$500-Blue Access, PPO \$2000-Blue Access, HDHP \$3300/\$3300/0%-Blue Access, HDHP \$3300/\$5250/20%-Blue Access plan designs.
- ASO Enhanced Foundational Program †
- LiveHealth Online
- Blue Distinction Programs
- Claims Fiduciary Coverage
- Standard ID cards
- Standard management reporting
- State/federal reporting
- Open enrollment meeting support
- Electronic version of the benefit booklets

Buy-Up Options

	PCPM fee
○ Anthem HSA	\$2.45
○ ASO Engagement Package 200	\$1.51
○ ASO Engagement Package 500	\$1.51
○ ASO Engagement Package 700	\$1.51
○ Gym Reimbursement add on to Engagement Package	\$2.34

Account Administration Buy-Up Options (charged separately)

	Fee Billed Per Participant Per Month
○ Anthem Commuter	\$3.55
○ Anthem FSA	\$3.55
○ Anthem HRA with FSA, Dependent FSA, Commuter	\$3.55
○ Anthem Limited Purpose FSA or Dependent FSA or Commuter Add on to Anthem HSA	\$1.15

Notes

Full quote details available upon request.

HSA and HRA account administration is only available with particular plan designs. Details available upon request.

Health Savings Account Fees may be paid by the employer or the employee.

*Behavioral Health Advantage has a fee of \$800 per case when members struggling with substance use disorders utilize the navigation service to secure appointments within 48 hours. Benefits include motivational interviewing by care specialists, evaluation appointment scheduled within 48 hours, and up to 3 follow-up calls from health advocates.

†For identified programs, Anthem has deemed certain charges as claim-related and they will be billed as such. These may include provider or vendor charges that have a direct positive impact on the cost of care. Since these charges are considered claim-related by Anthem, they are incorporated into the claims projection (available upon request).

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Authorized Signature: _____

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Assumptions and conditions (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

SIC Code: 9999

Administrative Services Only (ASO)

- The proposed services, rates and fees are effective from 1/1/2025 through 12/31/2025.
- This contract will be issued in KY.
- The proposal assumes 3,159 employees will be enrolling for medical coverage, with an average member to employee ratio of 1.93.
- The proposal assumes the same enrollment for medical and pharmacy.
- Anthem reserves the right to revise this proposal or modify these fees or rates under any of the following circumstances:
 - Due to any taxes, fees and assessments prescribed by any statutory, regulatory or other legal authority, that in Anthem's discretion, invalidates this quote.
 - Legislation or other matters that impact Anthem's costs or revenues under this proposal
 - Should the total enrollment or enrollment distribution by membership type, product or location change by 10% or more from that assumed when preparing the pricing for this package.
 - Actual Member to Subscriber ratio is not within +/-5% of 1.93.
 - A change to the plan benefits that result in substantial changes in the service, networks, or benefit design, as determined by Anthem.
 - Changes in proposal terms, conditions, services or product from this quotation.
 - This is an integrated medical and pharmacy offering. Fees will change if pharmacy is carved-out.
 - Any of the plan benefits administered by Anthem are moved to another third party administrator or private exchanges.
 - Anthem is not the sole medical carrier.
 - Change in nature of Employer's business.
- The final relationship between the Parties will be subject to and described in an Administrative Services Agreement and this agreement will be the binding agreement between the parties.
- If subject to regulatory approval, and the applicable regulator has not yet approved, these benefits and rates may need to be adjusted.
- Unless otherwise noted, fees are quoted on a per contract per month (PCPM) basis. PCPM is equivalent to, and will be described as per subscriber per month in the Administrative Services Agreement.
- Employers, as plan sponsors and administrators, are responsible for complying with all applicable laws.
- Eligibility data will be provided in Anthem's standard format. Additional charges may apply for non-standard formats.
- This quote assumes ACH withdraws from group's bank account for claims and fixed fees Weekly, with payment required within 3 business days from receipt of invoice.
- This quote assumes Anthem will accept fiduciary responsibility for claims administration and the handling of the claims complaint and appeals. To the extent ERISA applies, the employer remains the Named Fiduciary of the plan.
- Commissions and consultant fees are excluded unless otherwise noted.
- The processing of claims incurred prior to the effective date is the responsibility of the prior claims administrator.
- Since Anthem is neither a Hawaii authorized insurer nor a Hawaii Health Care Contractor, our benefits may not match the requirements of the Prepaid Health Care Act. We recommend that you obtain direct quotes for either an individual policy for employees who live and work in Hawaii or if there are several employees within an employer group to obtain group coverage from a Hawaii authorized insurer. This would ensure that all the state requirements are met.
- Specific Stop Loss maximum matches the lifetime maximum of the plan(s) unless specified otherwise.
- No change in benefits after the effective date by the group's employee benefit program shall be covered by the Stop Loss agreement nor shall any amounts paid as benefits resulting from such a change be counted towards the satisfaction of the attachment point. This limitation may be waived if a written acceptance of such a change is issued by the carrier.

Assumptions and conditions (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

SIC Code: 9999

Administrative Services Only (ASO)

- Only those coverage's quoted and which are eligible under the group's employee benefit program are eligible under this Stop Loss program.
- Stop Loss protection must be purchased in conjunction with our Administrative Services proposal.
- All expenses for services or supplies in excess of any limitation under the group's employee benefit program are excluded under the Stop Loss program.
- COBRA enrollees must not exceed 10% of total enrollees.
- Claims Run-Out coverage is applicable at the end of a full 12 month policy period only and cannot be applied against any Stop Loss policy that terminates prior to completion of the contract period.
- The Individual Stop Loss Limit accumulation period will be the full twelve months of the standard contract period.
- All contracts including the ASO Agreement and/or the Stop Loss Agreement must be signed prior to the effective date.
- This is an integrated administration and stop loss offering. Admin fee is not valid outside of this pairing with stop loss. Anthem Stop Loss cannot be omitted without approval from Underwriting.
- This offer assumes that no class of employees will be offered an HRA integrated with individual health insurance coverage. Anthem must be notified if particular classes of employees will be offered an HRA integrated with individual health insurance coverage, and a census of those employees must be provided so that appropriate adjustments, if needed, can be made to this offer.
- This quote does not include funding of the Patient-Centered Outcome Research Institute fee.
- This renewal is contingent upon the group / plan sponsor being current with all premium or fees as of the effective date of the renewal, unless specifically agreed to in writing in advance by Anthem.
- This proposal assumes no new lasering of individual members for the next renewal. Ongoing lasers will remain in place unless otherwise noted.
- Anthem reserves the right to inspect and audit any and all of LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT documents relating to claims submitted to Anthem. Documentation includes, but is not limited to, claims, case management, utilization management records, audit records (including audits of TPA and TPA's providers and vendors), eligibility, as well as other information requested by Anthem. Anthem also has the right to review and audit records related to subrogation and other recoveries.
- The agent/broker does not have the authority to bind or modify the terms of this offer without prior approval of Anthem.
- Please note, any additional budgets provided in conjunction with this proposal, if applicable, must be invoiced prior to the end of the plan year in which they are allocated in order to be funded.
- A 50% Rate Cap provision applies to the 2026 stop loss policy period. The provision will be adjusted to reflect any changes related to basis, deductible, commission level, etc.
- A No New Laser provision applies to the 2026 stop loss policy period. The provision will be adjusted to reflect any changes related to basis, deductible, commission level, etc.
- HSA/HDHP plan benefits are subject to IRS guidelines and may change.
- This proposal assumes that Anthem will be the only Self Funded carrier offered and no fully-insured lives are covered.

Authorized Signature: _____

Title: _____

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Additional service fees (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

Additional service fees

- Runout Period Claims Processing Fee Types**
Fees associated with claims processed during the runout period, including without limitation subrogation fees, recovery fees, and network access fees, will be charged during the runout period.
- Runout Period Claims Processing Fee Costs**
The cost of processing runout claims is excluded. The charge for processing 12 months of runout claims is 9.0% of all runout claims. In addition, direct charges may be incurred following termination that are not included in the standard runout processing fee (e.g., data feeds to other vendors).
- Out of Network Savings Fees**
The fee will be equal to 50% of the savings achieved on certain non-network claims.
- No Surprises Act - Qualifying Payment Amount Fee**
If program selected, the fee would be equal to 15% of the savings achieved on No Surprises Act claims priced using the Qualifying Payment Amount for provider reimbursement.
- Traditional Network Provider Savings Fee**
The fee will be equal to 50% of Traditional network discounts. Traditional network discount is the difference between billed charges for covered services and the traditional provider negotiated amount. Prescription drug claims, claims paid on a capitated basis and Payment Innovation program payments are excluded from the fee calculation.
- BlueCard Fees**
The following BlueCard fees will be included on the ASO invoice:

 - The access fee is charged at a percentage no greater than 1.93% 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 the AEA fee.
 - The Central Financial Agency fee is \$0.35 per payment notice. The ITS transaction fee is \$0.05 per claims transaction.
 - BlueCard fees are not charged in Anthem states. For a complete description of these fees, please consult your ASO Agreement.
- Enhanced Personal Health Care (EPHC) 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 Employer for the provider performance bonus portion of the EPHC program.
- Subrogation services**
The charge is 25% of gross subrogation recovery.
- Overpayment Identification and Claims Prepayment Analysis Activities**
The charge to Employer is 25% of (i) the amount recovered from review of Claims and membership data and audits of Provider and Vendor activity to identify overpayments and (ii) the difference between the amount Employer would have been charged absent prepayment analysis activities and the amount that was charged to Employer following performance of the prepayment analysis activities. This includes, but is not limited to, activities related to COB, Host Blue activities, contract compliance, and eligibility. The fee will not exceed \$25,000 per claim.
- External appeals**
The PPACA requires that ASO groups provide a process for external claims appeals to be available in situations where adverse benefit determinations have been made. Employer may contract with Anthem for this service or arrange to work directly with an external vendor. The fee will be \$500 per external appeal for the service contracted with Anthem.
- Independent Dispute Resolution**
Fee for Independent Dispute Resolution. Fees charged to Anthem as part of independent dispute resolution processes, including arbitrator fees, will be charged to Employer.
- Reporting**
Management reports (e.g., standard account reporting package, performance guarantee reporting, lag reports, online reporting tool/access are included in our fees. In addition to these reports, Anthem will provide 20 hours of time needed to generate custom or ad-hoc reports (e.g., care management and utilization review reports) at no charge per year. The charge beyond 20 hours per year is \$150 per hour of time needed to generate the custom or ad-hoc report.
- Data Feeds**
Anthem shall provide up to one Monthly data feed to a supported outside vendor in Anthem's standard format, not to exceed 12 feeds. The charge is \$1,000 for each additional feed. Each time a report is sent to a supported vendor electronically, it is considered a feed, even if the same report is sent to the same vendor monthly. For example, if monthly feeds are sent to two supported vendors, 24 electronic data feeds will have been used on an annual basis. The charge for Weekly data feeds to a single supported vendor, not to exceed 52 feeds, is \$15,000 annually. The charge for Daily data feeds to a single supported vendor, not to exceed 365 feeds, is \$20,000 annually. Additional fees would be required for Stop Loss interfaces, Rx integration feeds and telemedicine.
- Pharmacy Benefit Administration**
See Pharmacy Pricing Summary.
- Claim Related Charges**

Additional service fees (ASO)

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Effective January 1, 2025 through December 31, 2025

For identified programs, Anthem has deemed certain charges as claim-related and they will be billed as such. These may include provider or vendor charges that have a direct positive impact on the cost of care. Since these charges are considered claim-related by Anthem, they are incorporated into the claims projection (available upon request).

Engagement on Claims Audits

\$150 per hour in situations where Anthem is asked to perform research on claim audit findings. Maximum of 250 claims will be reviewed by Anthem.

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Date: _____