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, 2027 to December 31, 2027, 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.

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 15.000% 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 Year 2: Year 3:	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.	**Result** / **Penalty** 90.0% or Greater — None 88.0% to 89.9% — 25% 86.0% to 87.9% — 50% 85.0% to 85.9% — 75% Less than 85.0% — 100%	**Measurement Period** Annual **Reporting Period** Annual
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	**Result** / **Penalty** 99.0% or Greater — None	**Measurement Period** Annual

	Year 2: Year 3:	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.	98.0% to 98.9% 25% 97.0% to 97.9% 50% 96.0% to 96.9% 75% Less than 96.0% 100%	**Reporting Period** Annual
Claims Accuracy	Year 1: 1.500% of Base Admin. Services Fees Year 2: Year 3:	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.	**Result** **Penalty** 97.0% or Greater None 96.0% to 96.9% 25% 95.0% to 95.9% 50% 94.0% to 94.9% 75% Less than 94.0% 100%	**Measurement Period** Annual **Reporting Period** Annual
Open Enrollment ID Card Issuance	Year 1: 1.500% of Base Admin. Services Fees Year 2: Year 3:	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.	**Result** **Penalty** 100% None 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%	**Measurement Period** Employer's effective date **Reporting Period** 60 calendar days following the Employer's effective date
Processing of Ongoing Eligibility Information	Year 1: 1.500% of Base Admin. Services Fees Year 2:	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	**Result** **Penalty** 100% None 98.0% to 99.9% 25%	**Measurement Period** Annual **Reporting Period** Annual

	Year 3:	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 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. 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.	96.0% to 97.9% 50% 94.0% to 95.9% 75% Less than 94.0% 100%	
Average Speed to Answer	Year 1: 1.500% of Base Admin. Services Fees Year 2: Year 3:	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.	**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%	**Measurement Period** Annual **Reporting Period** Annual
Call Abandonment Rate	Year 1: 1.500% of Base Admin. Services Fees Year 2: Year 3:	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.	**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%	**Measurement Period** Annual **Reporting Period** Annual

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<td>Member Satisfaction – NPS</td>
<td>Year 1: 1.500% of Base Admin. Services Fees

Year 2:

Year 3:</td>
<td>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.

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).

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.</td>
<td>Result | Penalty
Net Promoter Score increased | None
OR
If Net Promoter Score stayed the same or decreased AND is
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%</td>
<td>Measurement Period
Annual

Reporting Period
Annual</td>
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<td>Management Reports</td>
<td>Year 1: 1.500% of Base Admin. Services Fees

Year 2:

Year 3:</td>
<td>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.

This will be measured with Employer-specific Data.</td>
<td>Result | Penalty
Reports are late 1 month | None
Reports are late 2 months | 25%
Reports are late 3 or more months | 100%</td>
<td>Measurement Period
Annual

Reporting Period
Annual</td>
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<tr>
<td>Account Management Satisfaction</td>
<td>Year 1: 1.500% of Base Admin. Services Fees

Year 2:</td>
<td>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.</td>
<td>Result | Penalty
3.0 or higher | None
2.5 to 2.9 | 25%
2.0 to 2.4 | 50%</td>
<td>Measurement Period
Annual

Reporting Period
Annual</td>
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	Year 3:	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: 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. 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. 0 Employer responses: The score will be based on the aggregate score of all AMSS results received by the Account Management Team.	Less than 100% 2.0	

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Authorized Signature: _____

Title: _____

Date: _____