CITY CLERK
CITY OF SUNRISE

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SUNRISE, FLORIDA

RESOLUTION NO. 14-107-18-A

A RESOLUTION OF THE CITY OF SUNRISE, FLORIDA, APPROVING A "SECOND AMENDMENT TO ADMINISTRATIVE SERVICES AGREEMENT" BETWEEN THE CITY OF SUNRISE, FLORIDA AND AVMED, INC. FOR THE CONTRACT PERIOD OF JANUARY 1, 2019 THROUGH DECEMBER 31, 2019; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, via Resolution No. 14-107, the City Commission awarded Av-Med, Inc. the City's Requests for Proposals for Third-Party Administrative Services Only for Self-Funded HMA and NPOS Open Access Employee Group Health Insurance Plans, Including Pharmacy Benefit Management; and

WHEREAS, on January 1, 2015, the City of Sunrise (City) and AvMed, Inc. (AvMed) entered into an Administrative Services Agreement (ASA) to provide claim and other certain administrative services for the Exclusive Provider Network (HMO) and Point of Service (POS) plans under the City's self-funded health insurance plan; and

WHEREAS, the ASA was for a period of three (3) years and offered renewals for Extended Contract Year 4 and Extended Contract Year 5; and

WHEREAS, via Resolution No. 14-107-17-A, the First Amendment to the Agreement, which modified the definition of Extended Contract Years and Exhibit "1" Third Party Administration Cost Form, was approved and became effective on January 1, 2018; and

WHEREAS, the parties agree that a "Second Amendment to the Agreement" is necessary for the parties to exercise the Extended Contract Year 5 and modify Exhibit "1" Third Party Administration Cost Form increasing the Total Administrative fee from $38.00 to $39.14 per Subscriber per month (PSPM).

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SUNRISE, FLORIDA:

Section 1. The foregoing Whereas clauses are hereby ratified and incorporated as the legislative intent of this Resolution.

Section 2. A "Second Amendment to Administrative Services Agreement" (Second Amendment) between the City of Sunrise, Florida and AvMed, Inc. is hereby approved. A copy of the Second Amendment is attached hereto and made a part of this Resolution as Exhibit A.

Section 3. The Risk Manager or designee is hereby authorized to execute the Second Amendment.

Section 4. Effective Date. This Second Amendment shall be effective on January 1, 2019.

PASSED AND ADOPTED THIS 26TH DAY OF SEPTEMBER, 2018.

Mayor Michael J. Ryan

Authentication:

Felicia M. Bravo
City Clerk

MOTION:	KERCH
SECOND:	SOFIELD
DOUGLAS:	YEA
KERCH:	YEA
SCUOTTO:	YEA
SOFIELD:	YEA
RYAN:	YEA

Approved by the City Attorney
as to Form and Legal Sufficiency.

Kimberly A. Kisslan

RISK MANAGEMENT
SCANNED
DATE: 10-11-18

Exhibit "A"

Risk Management
OCT 11 2018
Received

SECOND AMENDMENT TO ADMINISTRATIVE SERVICES AGREEMENT

This Second Amendment is to the Administrative Services Agreement between AvMed, Inc. and the City of Sunrise, Florida to provide claim and related third party administrative services to the Exclusive Provider Network (HMO) and Point of Service (POS) under the City's self-funded health insurance plan.

WHEREAS, via Resolution No. 14-107, the City Commission awarded Av-Med, Inc. the City's Requests for Proposals for Third-Party Administrative Services Only for Self-Funded HMA and NPOS Open Access Employee Group Health Insurance Plans, Including Pharmacy Benefit Management; and

WHEREAS, on January 1, 2015, the City of Sunrise ("City") and AvMed, Inc. d/b/a AvMed ("AvMed") entered into an Administrative Services Agreement ("ASA") to provide claim and other certain administrative services for the Exclusive Provider Network (HMO) and Point of Service (POS) plans under the City's self-funded health insurance plan; and

WHEREAS, the ASA was for a period of three (3) years and offered renewals for Extended Contract Year 4 and Extended Contract Year 5; and

WHEREAS, via Resolution No. 14-107-17-A, the First Amendment to the Agreement, which modified the definition of Extended Contract Years and Exhibit "1" Third Party Administration Cost Form, was signed on and became effective on January 1, 2018; and

WHEREAS, the parties agree that a Second Amendment to the Agreement is necessary for the parties to exercise the Extended Contract Year 5 and modify Exhibit "1" Third Party Administration Cost Form increasing the Total Administrative fee from $38.00 to $39.14 per Subscriber per month (PSPM).

NOW THEREFORE, in consideration of the mutual covenants and obligations created hereby, as well as other good and valuable considerations, the parties agree as follows:

1. *Recitals Incorporated*. The foregoing recitals are true and correct and are incorporated herein by reference.

2. Amendments to the ASA. Additions to the Agreement are shown in underscore and deletions from the Agreement are shown in ~~strikethrough~~.

Underscored text show additions
~~Stricken text shows deletions~~

Exhibit "A"

(A) The following sections of the ASA are hereby amended:

The definition of Extended Contract Years: Year 5 as set forth in Exhibit B, Part II, A. Basic Administrative Services is hereby amended to read as follows:

Extended Contract Years: Year 5: January 1, 2019 through December 31, 2019 a three percent (3%) increase per Subscriber per month (PSPM). Any change in any administrative fee will be provided for by way of amendment to this Agreement between Employer and AvMed.

Exhibit "1" Third Party Administration Cost Form is hereby replaced in its entirety with Exhibit "1" to this Second Amendment.

(B) Section 14.21" Scrutinized **Company**" is hereby deleted in its entirety and revised to read as follows:

14.21 **Scrutinized Company**

(a) Pursuant to Section 287.135, Florida Statutes, AvMed certifies that it is not on the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes and that it is not engaged in a boycott of Israel.

(b) Pursuant to Section 287.135, in the event the Agreement is for one million dollars or more, AvMed certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List created pursuant to Section 215.473, Florida Statutes; and AvMed further certifies that it is not engaged in business operations in Cuba or Syria.

(c) Pursuant to Section 287.135, Florida Statutes, City may, at the option of the City Commission, terminate this Agreement if AvMed is found to have submitted a false certification as provided under subsection 287.135(5), Florida Statutes; has been placed on the Scrutinized Companies that Boycott Israel List, or is engaged in a boycott of Israel; has been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; or has been engaged in business operations in Cuba or Syria.

(C) The following Sections are hereby created and added to the ASA:

Underscored text show additions
~~Stricken text shows deletions~~

Exhibit "A"

14.22 **Electronic Recordkeeping**
AvMed certifies that AvMed, the AvMed HMO and PPO plans and their services meet all recordkeeping requirements of the State of Florida, including but not limited to those in Chapter 119, Florida Statutes and Rule 1B-26.003(6)(g), Florida Administrative Code.

14.23 **ADA Compliance**
Contractor certifies that AvMed, the AvMed HMO and PPO plans and their services are ADA compliant.

3. Conflicting Terms. In the event the terms of this Second Amendment conflict with those of the ASA or the First Amendment, the terms of this Second Amendment shall govern. All other terms of the ASA shall remain and continue in full force and effect.

4. Captions. The captions of this Second Amendment are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions of this Second Amendment.

5. Effective Date. This Second Amendment shall be effective on January 1, 2019.

IN WITNESS WHEREOF, AvMed and City have each executed this Second Amendment on the date(s) indicated below.

AVMED, INC.

By: _____
(Signature)

Name: James M. Repp
Title: President & COO

Date: 10/3/18

Underscored text show additions
~~Stricken text shows deletions~~

Exhibit "A"

CITY OF SUNRISE

By:_____
(Signature)

Name: Bill Mason
Title: Risk Manager

Date: 10/11/18

Underscored text show additions
~~Stricken text shows deletions~~

Exhibit "1"

EXHIBIT F. THIRD PARTY ADMINISTRATION COST FORM

AvMed fully identifies all administrative cost factors of the services rendered under this Agreement on this form, unless otherwise provided in the Agreement. AvMed agrees these administrative fees are inclusive of all cost and unforeseen supplemental fees shall be minimal; otherwise, Employer's approval will be necessary in writing as required in the Agreement. AvMed provides these fees on a per Subscriber per month basis (PSPM), unless otherwise noted below.

Requested Services	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Claims Administration	$19.88	$19.88	$19.88	$19.88	$25.19
Utilization Management & Review Fees	$5.60	$5.60	$5.60	$5.60	$4.24
Medical Case Management	$2.38	$2.38	$2.38	$2.38	$1.46
Network Access Fee	$3.44	$3.44	$3.44	$3.44	$3.40
Other Network Administration Fees	$3.68	$3.68	$3.68	$3.68	$2.25
Disease Management Fees (list all programs currently offered to ASO accounts)*					
Cardiovascular	$143.21 PP	$143.21 PP	$143.21 PP	$143.21 PP	$143.21 PP
Diabetes	$110.79 PP	$110.79 PP	$110.79 PP	$110.79 PP	$110.79 PP
Coronary Artery Disease	$87.75 PP	$87.75 PP	$87.75 PP	$87.75 PP	$87.75 PP
COPD	$96.32 PP	$96.32 PP	$96.32 PP	$96.32 PP	$96.32 PP
Asthma	$47.37 PP	$47.37 PP	$47.37 PP	$47.37 PP	$47.37 PP
Other (please list): Low Risk/Education	$1.55 PP	$1.55 PP	$1.55 PP	$1.55 PP	$1.55 PP
Wellness Services					
Health Risk Assessments (online)	Included	Included	Included	Included	Included
Biometric Screenings (price based on screening type)	Variable	Variable	Variable	Variable	Variable
Incentive Administration (price based on program selection)	Variable Included	Variable Included	Variable Included	Variable Included	Variable Included
Standard Reports	Included	Included	Included	Included	Included
Capitated Services**					
Lab	$2.44	$2.44	$2.44	$2.44	$3.25
Durable Medical Equipment	$2.39	$2.39	$2.39	$2.39	$2.54
Home Health and Home Infusion	$2.25	$2.25	$2.25	$2.25	$2.30
Fiduciary Services - coordination of benefits, claim appeals	$1.00	$1.00	$1.00	$1.00	$1.00
On-Site Service Representative	Included	Included	Included	Included	Included
Other Fees That May Be Included Above					
Start-up fees	Included	Included	Included	Included	Included
Preparation of summary plan descriptions	Included	Included	Included	Included	Included
ID cards	Included	Included	Included	Included	Included

Exhibit "1"

Other (please list) HIPAA Certificates	$0.25	$0.25	$0.25	$0.25	$0.25
COBRA Administration	$0.40	$0.40	$0.40	$0.40	$0.44
Nurse Help Line	$1.37	$1.37	$1.37	$1.37	$0.91

NOTES:

*Disease Management fees are listed as per program enrolled Participant, and are not included in the Total Administrative Fee PSPM.

**Capitated Services Rates are representative of current per Member per month (PMPM) capitation rates for the amount shown. They are subject to change as provider agreements are negotiated, and are billed on a PMPM basis. AvMed guarantees these rates for the Extended Contract Year: Years 5: January 1, 2019 through December 31, 2019.