

Aetna Signature Administrators® PPO
Managed Care Services Agreement

This **Aetna Signature Administrators® PPO Managed Care Services Agreement** (the “Agreement”) is entered into, between Aetna Life Insurance Company, on behalf of itself and its applicable affiliates (“Aetna”) and City of Broken Arrow a self-funded plan sponsor (“Customer”) (together, the “Parties”) as of the Effective Date shown below.

Third Party Administrator (“TPA”): CoreSource, Inc.

EFFECTIVE DATE: January 01, 2020

1. TERM

This Agreement begins on the Effective Date, continues for an initial term of one (1) year, and then automatically renews for consecutive one (1) year terms. The Agreement may be terminated by either Party, for any reason or no reason at all, with at least ninety (90) days advance written notice to the other Party. Additional termination provisions are included in the Agreement.

2. DEFINITIONS

- 2.1. Applicable Law. All applicable Federal and states laws, regulations and governmental directives related to this Agreement, including, but not limited to, ERISA, ACA, HIPAA and applicable federal and state privacy laws and regulations.
- 2.2. Aetna/TPA Agreement. The Network Administration, Coordination and Oversight Agreement between Aetna and TPA, which enables Customer to contract directly with Aetna for the ASA Program, as further described in this Agreement.
- 2.3. Customer/TPA Agreement. The administrative services agreement between Customer and TPA, through which Customer contracts with TPA to obtain third party claims administration and related services. I need the TPA agreement that is referenced that the City will enter into with TPA?
- 2.4. ASA Program. The Aetna Signature Administrators(s) program, which offers health care provider network, risk assumption, medical/case management and/or other services to Customer, as further described in this Agreement.
- 2.5. Provider Contract Rates. The contract rates and terms negotiated by Aetna and Participating Providers with respect to the Participating Providers’ network participation with the ASA Program.
- 2.6. Covered Services. Those health care and related services for which a Member is entitled to receive coverage under the Plan, and that are rendered by Participating Providers in accordance with this Agreement.
- 2.7. Member. A person covered by or enrolled in the Plan. Member includes the subscriber and any of the subscriber’s eligible dependents.
- 2.8. Participating Provider. A health care provider that participates as an in-network provider for the ASA Program.

- 2.9. Plan. Customer's self-funded health benefits plan(s).
- 2.10. Services. The Services provided by Aetna to Customer under the ASA Program.
- 2.11. Service Fees. The service fees payable by Customer to Aetna in exchange for the ASA Program.
- 2.12. Stop Loss Policy. The separate stop loss policy, effective 7/1/20, between Aetna and Customer for which a portion of the financial risk for the Plan is borne by Aetna.

3. ASA PROGRAM ACCESS

- 3.1. Customer understands that access to the ASA Program is subject to the following rules and agrees to the following:
 - 3.1.1. Customer/TPA Agreement. Customer will maintain, throughout the term of this Agreement, a Customer/TPA Agreement with TPA and will comply with the terms of that agreement.
 - 3.1.2. Utilization Management/Case Management. Customer understands that TPA may be subject to an agreement with an Aetna affiliate to obtain a range of utilization management and/or case management services that may be provided to the Plan. Consistent with that contract, Customer agrees that it may not use any third party other than TPA to perform utilization management and/or case management services for Plan in-network claims, except as specifically agreed in advance, in writing, by Aetna. Customer understands that Aetna reserves the right to perform case management with respect to any Member.
 - 3.1.3. Stop Loss. Customer agrees to maintain an in-force Stop Loss Policy, starting 7/1/20, throughout the term of this Agreement.
 - 3.1.4. Claim and Clinical Policies. Customer acknowledges that, consistent with the Aetna/TPA Agreement, access to the ASA Program is subject to the application of certain Aetna claim and clinical policies, including, but not limited to, Aetna's Clinical Policy Bulletins (CPBs) as amended from time to time.

4. SERVICE FEES AND PAYMENT OBLIGATIONS

- 4.1. Service Fee Amounts.
 - 4.1.1. As of the Effective Date, the Service Fees are:
\$12.50 per employee per month
- 4.2. Service Fee Increases. After each annual period that this Agreement is in effect, Aetna may increase the Service Fees by providing Customer (via TPA) with written notice of the new Service Fees, at least ninety (90) days prior to the start of any annual renewal period; no amendment to this Agreement shall be required and increases will automatically take effect upon the renewal date, unless this Agreement is terminated prior to the renewal date.
- 4.3. Customer Obligation to Make Payment. Funding of claims from Participating Providers, Service Fees and any applicable Stop Loss Policy premiums is the obligation of Customer. Although claims processing and fee/premium remittance functions may be delegated by Customer to its contracted TPA, in the event that TPA does not forward payment to Participating Providers and/or

fails to remit Service Fees and applicable Stop Loss Policy premiums to Aetna, in a timely manner, Aetna may demand and collect such payments/amounts directly from Customer.

5. MEMBER ELIGIBILITY

- 5.1. Eligibility Information. Customer agrees to supply TPA, electronically, with all industry-standard information regarding the eligibility of Members. Customer agrees that Aetna will not be responsible in any way for any delay or error caused by: (i) Customer's failure to furnish complete and accurate eligibility information to TPA; or (ii) TPA's failure to correctly administer accurate eligibility information, in a timely manner.
- 5.2. Retroactive Member Terminations. Customer understands and agrees that, while Aetna will use commercially reasonable efforts to cooperate with Customer in making retroactive adjustments to Customer's bills for terminated Members, a maximum of three (3) month's credit for Member terminations will be provided.

6. FUNDING OF CLAIMS

- 6.1. Participating Provider Claims. Customer agrees to promptly fund claims for Covered Services, in accordance with Applicable Law, the terms of the Customer/TPA Agreement, and the Provider Contract Rates.
- 6.2. Provider Contract Rate Application. Customer understands and agrees that no rates other than the Provider Contract Rates may be applied to claims for Covered Services and that no reductions or administrative fees of any kind (e.g., reasonable and customary adjustments) shall be applied to or against the Provider Contract Rates. Customer understands that retroactive adjustments are occasionally made to the Provider Contract Rates (e.g., because the federal government does not issue cost of living data in sufficient time for an adjustment to be made on a timely basis, or because contract negotiations were not completed by the end of the prior rate period). Customer's obligation to fund amounts related to such adjustments will survive the termination of this Agreement.
- 6.3. Participating Provider Contract Requirements. Customer specifically understands that certain network participation agreements with Participating Providers may be negotiated on a case by case basis and may include special requirements (e.g., limits on retrospective audits or precertification requirements; unique arbitration provisions). Customer shall cooperate fully with TPA's administration of claims in accordance with the applicable Participating Provider's network agreement, including any specially negotiated terms in that contract. Customer understands that the Provider Contract Rates may include, but are not limited to, various methodologies, such as value based contracting terms, risk share components and/or other similar arrangements. Customer understands that Customer's or TPA's failure to comply with the terms of a Participating Provider agreement (including, but not limited to timely claim payment provisions) may result in the loss of the discount/Provider Contract Rate offered by the Participating Provider.

7. PLAN INFORMATION AND BENEFIT REQUIREMENTS

- 7.1. Plan Information. Customer will provide or instruct TPA to provide Aetna with: (i) all Plan documents within (15) days of Aetna's request; and (ii) reasonably necessary information requested by Aetna regarding administration of the Plan. Customer agrees that Aetna will not be responsible in any way for any delay or error caused by Customer's or TPA's failure to furnish correct Plan documents or relevant information regarding Plan administration in a timely manner.

- 7.2. Plan Design. Customer agrees that the Plan will utilize a preferred provider organization (PPO) benefit model, with no primary care physician referrals required, and that it will contain a minimum twenty percent (20%) coinsurance differential between in-network (preferred) and out-of-network (non-preferred) benefits. (For purposes of illustration, if the out-of-network benefits have a 70/30% coinsurance, then the in-network coinsurance shall be at least 90/10%). If a Plan utilizes copayments, then the differentials for in-network versus out-of-network benefits shall be actuarially comparable to the coinsurance differentials set forth above. A minimum of 80% of the membership under the Plan must access the Aetna network. ASA may not be offered alongside a reference based pricing plan option. For purposes of clarification, the term “reference based pricing” includes, but is not limited to, plan coverage set at a percentage of Medicare allowable charges or other pricing reference point (e.g., FairHealth database).

8. NETWORK

- 8.1. Participating Provider Network. Aetna will make available to Customer its network of Participating Providers for the ASA Program. Customer understands that Aetna has no obligation to make any specific health care provider(s) available to Members. Customer acknowledges that Aetna does not provide medical care or treatment and that Participating Providers are solely responsible for the care and treatment they provide; that Participating Providers are not employees or agents of Aetna; and that Aetna is not responsible for clinical outcomes.
- 8.2. Aetna Institutes of Excellence™. Customer agrees that Aetna’s network of participating facilities for transplant and transplant-related services (known, as of the Effective Date, as the Institutes of Excellence® transplant network) will be included with the Plan and utilized as the primary transplant network for Plan.

9. TERMINATION

- 9.1. Customer understands and agrees that Aetna may terminate Customer’s access to the Services (and, thereby, this Agreement) under the following circumstances:
- a. If Customer fails to respond within five (5) business days of written notice by Aetna or TPA to provide funds for the payment of claims to Participating Providers, Aetna shall have the right to suspend Services until the requested funds have been provided; Aetna may terminate the Agreement immediately upon transmission of notice to Customer by mail, facsimile transmission or other means of communication (including electronic mail).
 - b. If Customer fails to pay Service Fees within thirty (30) calendar days of written notice of unpaid Service Fees by Aetna or if TPA fails to forward payment to Aetna, Aetna shall have the right to suspend Services until the Service Fees have been paid; Aetna may terminate this Agreement immediately upon transmission of notice to Customer by mail, facsimile transmission or other means of communication (including electronic mail).

In the event of the termination of the Aetna/TPA Agreement, Customer/TPA Agreement or the Stop Loss Policy, for any reason, this Agreement shall terminate automatically. Unless the Agreement is terminated by Aetna due to Customer’s breach of its provisions, Aetna will continue to perform Services for benefits under the Plan that were incurred prior to but not processed as of

the termination date, and which were received by Aetna not more than twelve (12) months following the termination date, subject to Customer's continued compliance with this Agreement.

10. CONFIDENTIALITY

Without limiting any obligations contained in the Agreement, Customer understands and agrees that Aetna's data, procedures, materials, lists, systems and other non-publicly available information, including, but not limited to, Provider Contract Rates, Participating Provider agreements and Service Fees, and any summaries or abstracts thereof (together, the "Confidential Information") are confidential and proprietary to Aetna, and Customer agrees that it will not provide any Confidential Information to any third party without Aetna's prior written consent, unless required by law. AETNA hereby understands that the Customer will abide by the Oklahoma Open Records Act. Customer further agrees that it will not use the Confidential Information or portions thereof, for any purpose other than to perform its obligations under this Agreement. Aetna's confidentiality obligations with respect to the information of Plan members ("Members") are set forth in the Business Associate Agreement between Aetna and TPA.

11. AETNA NOT CLAIMS FIDUCIARY

Customer agrees that, under no circumstances shall Aetna or any of its affiliates be considered the "appropriate named fiduciary" for purposes of reviewing denied claims under the terms of the Plan and that none of its Plan materials or other communications to Members shall contradict this provision.

12. INDENDENT CONTRACTORS

Aetna and Customer are independent contractors and not employees or agents of each other. Customer understands and acknowledges that Aetna is neither the insurer nor third party administrator of the Plan and that, under no circumstances, is Aetna responsible for making or confirming eligibility decisions or coverage determinations, or for funding provider claims or other charges. Therefore, to the extent permitted by law, Customer hereby agrees to indemnify and hold harmless Aetna and its affiliates from and against that portion of any and all claims, liabilities, causes of action, judgments, damages, losses, costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) (collectively, "Claims") arising directly from: (a) Customer's breach of its obligations under this Agreement including, but not limited to, Customer's failure to provide timely, accurate eligibility information regarding a Member to TPA and/or a Participating Provider; and/or (b) the funding, administration, processing, determination or denial of a claim under a Plan (provided that Customer shall not be responsible for indemnifying Aetna for any claims administration error that is solely and directly the result of Aetna's negligence). Aetna agrees to discharge its obligations under this Services Agreement with that level of reasonable care which a similarly situated provider of network and related services would exercise under similar circumstances and agrees to indemnify and hold harmless Customer from and against that portion of any Claims arising directly from Aetna's failure to provide the Services in accordance with that standard of care.

12.1. Use of Name. Customer agrees that Aetna may make lawful references to Customer in informing health care providers as to the organizations and plans for which Services are to be provided.

12.2. Compliance. Customer agrees that it shall, throughout the term of this Agreement, operate and administer the Plan and perform its obligations hereunder in compliance with Applicable Law. Aetna agrees that it shall, throughout the term of this Agreement, operate in material compliance with Applicable Law related to the performance of its obligations under this Agreement.

13. MISCELLANEOUS

- 13.1. Subject to the terms of the separate Stop Loss Policy, this Agreement constitutes the entire understanding between the parties and supersedes any and all prior or contemporaneous oral or written communications or proposals not expressly included herein. This Agreement may be amended only upon the mutual written agreement of Aetna and Customer or as required (in Aetna's determination) by Applicable Law. To the extent not preempted by Federal law, this Agreement shall be governed by the laws of the State of Connecticut. This Agreement may not be assigned or delegated, in whole or in part, by Customer. In the event that any provision of this Program Agreement is deemed unenforceable, such provision shall be severed and the remaining provisions shall continue to apply in full force and effect. By executing this Agreement, Customer acknowledges and agrees that it has had the opportunity to review the Agreement with the counsel of its choice and intends to be legally bound by the same. The waiver by either Party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach of this Agreement. Other than as expressly set forth in this Agreement, no third persons or entities are intended to be or are third party beneficiaries of or under the Agreement, including, but not limited to, Members. Headings in the Agreement are for convenience only and do not affect the meaning of the Agreement.
- 13.2. Dispute Resolution and Mediation. Aetna will provide an internal mechanism under which Customer can raise issues, concerns, controversies or claims regarding the obligations of the Parties under this Agreement. Customer will exhaust Aetna's internal mechanism before instituting any arbitration or other permitted legal proceeding. The Parties agree that any discussions and negotiations held during this process will be treated as settlement negotiations and will be inadmissible into evidence in any court proceeding, except to prove the existence of a binding settlement agreement.
- 13.3. Insurance. Each Party agrees to maintain industry standard insurance coverage or a comparable program of self-insurance.
- 13.4. Limitation of Liability. A Party's liability, if any, for damages to the other Party related to this Agreement, will be limited to the damaged Party's actual damages. NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES WHATSOEVER. This section will survive the termination of this Agreement.
- 13.5. Notices. Notices required to terminate or non-renew the Agreement must be sent by U.S. mail or nationally recognized courier, return receipt requested, to the applicable Party's most currently updated address. Any other notices required under this Agreement may be sent by letter, electronic mail or other generally accepted media, to the applicable Party's last updated address.

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement by their duly authorized officers, intending to be legally bound hereby.

CITY OF BROKEN ARROW

AETNA LIFE INSURANCE COMPANY

By:_____

By:_____

Printed Name:_____

Printed Name:_____

Title:_____

Title:_____

Date:_____

Date:_____