

ADMINISTRATIVE SERVICES AGREEMENT
between

ALACHUA COUNTY BOARD OF COUNTY COMMISSIONERS
and
BLUE CROSS and BLUE SHIELD of FLORIDA, Inc. No. 14672

This Administrative Services Agreement (“Agreement”) made by and between Blue Cross and Blue Shield of Florida, Inc. d/b/a Florida Blue, a Florida corporation having its principal place of business at 4800 Deerwood Campus Parkway, Jacksonville, Florida 32246 ("Florida Blue") and Alachua County Board of County Commissioners located at 12 South East First Street, Third Floor, Gainesville, FL 32601 ("Employer").

WHEREAS Employer has established and currently sponsors a self-insured Employee Welfare Benefit Plan, to provide certain benefits (attached hereto as Exhibit A and hereinafter called the "Group Health Plan") for covered group members and their covered dependents; and

WHEREAS pursuant to the Alachua County Purchasing Code 22.3-301(13) Insurance, the procurement of the services to be provided by the Florida Blue to the Employer are exempt from the Employer’s formal bidding and request for proposal processes;

WHEREAS except as otherwise specifically provided herein, Employer is to retain all liabilities under its Group Health Plan, and Florida Blue is to provide the agreed upon services to the Group Health Plan without assuming any such liability; and

WHEREAS Employer desires that, with respect to the Group Health Plan, Florida Blue furnish certain claims processing and administrative services.

NOW, THEREFORE, in consideration of the mutual agreements and conditions contained herein, the Parties, intending to be legally bound hereby, agree as follows.

SECTION I

TERM

1.1 Initial Term

The Initial Term of this Agreement shall be from October 1, 2025 (“Effective Date”) and shall end on September 30, 2028 (“Initial Term”) unless the Agreement is terminated earlier in accordance with the provisions of this Agreement.

1.2 Renewal Terms

After the Initial Term, this Agreement will automatically renew each anniversary date for successive one-year terms at the renewal rates then in effect, unless either party notifies the other party of its intent not to extend this Agreement at least 30 days prior to the applicable anniversary date.

SECTION II

DUTIES AND RESPONSIBILITIES OF EMPLOYER

2.1 Final Authority

Employer retains all final authority and responsibility for the Group Health Plan including, but not limited to eligibility and enrollment for coverage under the Group Health Plan, the existence of coverage, the benefits structure of the Group Health Plan, claims payment decisions, cost containment program decisions, utilization benefits management, compliance with the requirements of COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985, as amended), compliance with the requirements of ERISA (Employee Retirement Income Security Act of 1974, as amended), compliance with reporting and remitting abandoned property funds, and compliance with any other state and federal law or regulation applicable to Employer, the Group Health Plan, or the administration of the Group Health Plan.

Employer agrees to provide Florida Blue with any information Florida Blue reasonably requires in order to perform the administrative services set forth herein.

2.2 Eligibility and Enrollment

As of the first day of the term of this Agreement, Employer will have delivered to Florida Blue enrollment information regarding eligible and properly enrolled members, as determined by Employer. Employer shall deliver to Florida Blue all employee and dependent eligibility status changes on a monthly basis, or more frequently as mutually agreed by the parties.

Employer shall be responsible for providing each covered employee with a copy of the plan document which shall include the Group Health Plan.

2.3 Financial Obligations

A. Claims Payment

Employer is financially responsible for the payment of all claims paid under the Group Health Plan. Financial arrangements regarding the payment of such claims are set forth in Exhibit B.

B. Administrative Fees

Employer agrees to promptly pay all Administrative Fees as set forth in Exhibit B. Administrative fees are not subject to change during the Initial Term of this Agreement, except as set forth below. The Administrative Fees shall be payable to Florida Blue within 10 days of written notification to Employer of the amount owed. Administrative Fee(s) means the amounts Employer will pay Florida Blue as compensation for administering the Plan of Benefits and any other obligations undertaken by Florida Blue in this Agreement. For clarity, Administrative Fees includes the base administrative fee and the administrative fee for any additional services.

C. Late Charges

In the event Employer fails to pay any amount owed in full by the due date, Employer shall pay Florida Blue, in addition to the amount due, a late charge as set forth in Exhibit B.

D. Modifications

After the Initial Term and upon giving forty-five (45) days prior written notice to Employer, Florida Blue may modify the Administrative Fees contained in Exhibit B. Additionally, Florida Blue, at any time, may modify the Administrative Fee, if Employer substantially modifies the Group Health Plan or changes enrollment.

2.4 Use of Names and Logos

Employer agrees to allow Florida Blue to use Employer's name and logo on I.D. cards and other forms necessary to effectuate this Agreement, and to promote Employer's relationship with Florida Blue to potential or existing providers. Florida Blue shall not use Employer's name or logo for any other purpose without the prior written consent of Employer.

Employer agrees that the names, logos, symbols, trademarks, tradenames, and service marks of Florida Blue (collectively, "Florida Blue Marks"), whether presently existing or hereafter established, are the sole property of Florida Blue and Florida Blue retains the right to the use and control thereof. Employer shall not use Florida Blue Marks in advertising or promotional materials or otherwise without the prior written consent of Florida Blue and shall cease any such usage immediately upon written notice by Florida Blue or upon termination of this Agreement, whichever is sooner. Notwithstanding the forgoing, Employer may use Florida Blue Marks in communicating information to the participants of the health plan provided that such Florida Blue Marks have been approved for use by Florida Blue.

2.5 Confidential and Trade Secret Information

For the purposes of this Agreement, Confidential Information of a party means all non-public information marked "confidential" or "proprietary" or that otherwise would be understood by a reasonable person to be confidential, including specifically Trade Secrets (as defined below), provided by a party or on such party's behalf to the other party or its Agents.

Florida Blue maintains proprietary and confidential information and competitively sensitive Trade Secret information, which information may be disclosed to Employer for the purposes of analyzing such information in conjunction with the services performed under the Agreement. Employer agrees to hold such Confidential and/or Trade Secret information in confidence and only disclose such information to employees of Employer who have a need to know such information; provided however that such employees of Employer agree to maintain the confidentiality of the Confidential and/or Trade Secret information and take all steps necessary to safeguard the Confidential and/or Trade Secret information against unauthorized access, use, and disclosure to at least the extent Employer maintains the confidentiality of its most proprietary and confidential information.

Employer shall not disclose such Confidential and/or Trade Secret information to any third party without the express written permission of Florida Blue. If Florida Blue, in its sole discretion, approves release of Confidential and/or Trade Secret information to a third party, the third party and Employer will be required to execute a Confidentiality & Indemnity Agreement, in a form specified by Florida Blue, prior to the release of the Confidential and/or Trade Secret information to the third party. For purposes of this paragraph, Trade Secret information is competitively sensitive information which is advantageous to Florida Blue in the marketplace and Florida Blue

considers such information to be a Trade Secret protected from public disclosure, including protection from disclosure in any meeting which is subject to Florida's Government in the Sunshine Law Section 286.011, Florida Statutes ("Trade Secret").

Employer agrees that under the Inter-Plan Arrangements described in Section 3.10 below, Employer, Group Health Plan and/or their authorized agents or representatives pursuant to Schedule C-2 may be provided with, or otherwise have access to, certain non-public, proprietary, and confidential information of a Host Blue. For purposes of this Agreement, "Host Blue" means the Association's Licensee that provides services in locations that are not served by Florida Blue. Host Blue Confidential Information may include, but is not limited to, strategic and/or competitively sensitive information, Trade Secrets, policies, procedures, data (including claims data) and processes. To the extent that Employer, Group Health Plan and/or their authorized agents or representatives maintain such information, Employer shall comply, and shall cause Group Health Plan and any authorized agents or representatives of Employer and/or Group Health Plan to comply, with the following requirements:

- Host Blue Confidential Information must be used and/or disclosed in a manner that reasonably protects and safeguards the confidentiality and security of this information.
- Use of the Host Blue Confidential Information is strictly for the purpose for which it was disclosed.
- Any selling, de-aggregation or commingling of the Host Blue Confidential Information is strictly prohibited.
- Any disclosure of the Host Blue Confidential Information shall be to the minimum necessary to fulfill the purpose for which it was disclosed; and
- Any recipient of the Host Blue Confidential Information must return or securely destroy this information upon conclusion of the purpose for which it was disclosed; if the return or destruction is not feasible, then the recipient must maintain the confidentiality and security of this information in accordance with the requirements above.

Employer agrees that Florida Blue may audit any recipient of the Host Blue Confidential Information relative to the use and/or disclosure of this information in order to ensure compliance with this Section.

SECTION III
DUTIES AND RESPONSIBILITIES OF FLORIDA BLUE

3.1 Generally

It is understood and agreed that Florida Blue is empowered and required to act with respect to the Group Health Plan only as expressly stated herein.

Employer and Florida Blue agree that Florida Blue's role is to provide administrative claims payment services, that Florida Blue does not assume any financial risk with respect to claims, that the services rendered by Florida Blue under this Agreement shall not include the power to exercise control over the Group Health Plan's assets, if any, or discretionary authority over the Health Care Plan's operations.

3.2 Enrollment; Forms and I.D. Cards

Florida Blue shall enroll those individuals who have completed an application and are identified by Employer as eligible for benefits under the Group Health Plan on the Effective Date of this Agreement, and subsequently during the continuance of this Agreement. Florida Blue shall be entitled to rely on the information furnished to it by Employer, and Employer shall hold Florida Blue harmless for any inaccuracy or failure to provide such information in a timely manner.

Florida Blue shall furnish to Employer, for distribution to persons participating in the Group Health Plan, a supply of identification cards, benefit plan descriptions, forms to be used for submission of claims and enrollment, and any other forms necessary for the administration of the Group Health Plan, as determined by Florida Blue.

3.3 Claims Processing

Florida Blue shall provide ERISA & PACAA compliant claims processing services on behalf of the Group Health Plan for all properly submitted claims, in accordance with the benefits set forth in Exhibit A, using funds solely supplied by Employer, as set forth in Exhibit B. Florida Blue shall furnish each claimant with an explanation of each claim that is paid, rejected, suspended or denied.

For purposes of this Agreement, the term "claim(s)" shall be defined as the amount paid or payable by Florida Blue to providers of services and/or covered group members under this Agreement and the Group Health Plan, and in conformity with any agreements Florida Blue enters into with such providers of services, and includes capitation, physician incentives, pharmacy, physician, hospital and other fee-for-service claims expenditures. If the Employer elects to participate in any value-based programs, the following are applicable: (i) value-based reimbursement programs Florida Blue enters into with participating providers, an applicable claim level surcharge may be included in the claim amount and (ii) Section 3.10 (C).

“Allowed Amount” and “Allowable Charge” mean the amount Florida Blue or a Licensee of the Blue Cross and Blue Shield Association (“BCBSA”) agrees to pay a provider as payment in full for a service, procedure, supply or equipment. Additionally:

- a. The Allowed Amount shall not exceed the maximum payment, unless otherwise required by applicable law;
- b. The Allowed Amount for emergency services (including air ambulance services) provided by non-participating or non-contracting Providers, as well as non-emergency services provided by non-participating or non-contracting providers at participating or contracting hospitals, hospital outpatient departments, critical access hospitals, or ambulatory surgical centers, will pay in accordance with applicable federal law; and,
- c. In addition to the Member's liability for benefit year deductibles, copayments and/or coinsurance, the member may be balance billed by the non-participating or non-contracting provider for any difference between the Allowed Amount and the Billed Amount, except where prohibited by applicable law.

For covered items and services provided by non-participating or non-contracting providers described in this Agreement, the Allowed Amount will be the Recognized Amount (less any applicable benefit year deductible, copayment and/or coinsurance). If the provider disputes such Allowed Amount and initiates a 30-day open negotiation and/or independent dispute resolution (“IDR”) process in accordance with applicable federal law, Florida Blue will have the exclusive discretion and authority to administer such processes on behalf of the Group Health Plan, including but not limited to negotiating and agreeing with the provider upon a revised Allowed Amount for the claim(s) that Florida Blue, in its sole discretion, believes to be appropriate under the circumstances, and administering the IDR process as necessary and appropriate, where applicable. Florida Blue will have no obligation to inform, confer with, or obtain the consent of Employer in negotiating with the provider, agreeing upon a revised Allowed Amount, or administering the open negotiation and/or IDR process in any way, in accordance with this Section. For the avoidance of doubt, the provisions of this Agreement apply to any damages, including a reasonable attorneys’ fee (for attorneys chosen by Florida Blue), resulting from, arising out of, based on, or in connection with, any claim relating to the administration or result of any such negotiation or IDR process. Employer agrees that its exclusive liability, and agreement to hold Florida Blue harmless, for any and all claims amounts that are not reimbursed by any Stop-Loss Insurance carrier that is not affiliated with Florida Blue includes any additional claims amount that may result from Florida Blue’s administration of any provider negotiation or IDR process described in this Section.

Notwithstanding anything herein to the contrary, the member’s liability for benefit year deductibles, copayments and/or coinsurance for covered items and services provided by non-participating or non-contracting providers described in this Agreement will be calculated as if the item or service was furnished by a participating or contracting provider, and based on the Recognized Amount, which may differ from the Allowed Amount.

“Recognized Amount” means, in accordance with federal law, the lesser of the non-participating or non-contracting provider’s billed amount or Florida Blue’s median contracted rate for participating or contracting providers for the same or similar item or service furnished in the same or similar specialty in the same geographic region; provided that, except in connection with air ambulance services, if there is a recognized amount specified for this purpose under an applicable All-Payer Model Agreement under Section 1115A of the Social Security Act, or if not, under applicable state law, then such amount, as applicable, will instead serve as the

Recognized Amount.

Claim level charges are used to fund a bonus pool for making quality improvement and financial performance incentive payments to providers which have entered into a value-based reimbursement arrangement with Florida Blue. The surcharge is only applicable to services provided by these providers and shall not affect member cost sharing.

The accrued bonus pool, which shall be held in a non-interest-bearing account, will include surcharge amounts contributed by other self-funded employers. All amounts in the bonus pool shall be available to fund incentive payments to providers who have entered into a value-based reimbursement arrangement with Florida Blue and who have achieved the requisite quality and financial goals.

The amount of the surcharge will be set by Florida Blue based on actuarially estimated incentive payments contractually due to providers. Florida Blue will perform periodic reconciliations of the bonus pool and may adjust the applicable claim level surcharge from time to time as it reasonably determines necessary to appropriately fund the bonus pool.

Such claims level surcharge amounts will not be refunded to Employer, including upon termination of this Agreement. Any surplus funds at the end of an incentive payment measurement period shall be used to fund incentive payments in a subsequent period. Any deficit in funds at the end of an incentive payment measurement period shall be collected in the next period through an adjustment to the claims level surcharge amount which will cover the previous period shortfall.

For value-based reimbursement programs Florida Blue enters into with participating providers, an applicable per member per month charge may be included in lieu of a claim level surcharge.

Additionally, Florida Blue may enter into bundled payment arrangements with providers of service which require a single provider to be responsible for providing and/or arranging for the provision of a group of services for a defined episode of care (e.g., hospital, physician and/or ancillary services).

In processing such claims for the defined episode of care, notwithstanding the requirements of Exhibit A, Florida Blue may calculate the member cost sharing based upon the status of the provider receiving the bundled payment without regard to the fact that other provider types may have provided certain components of the episode included in the bundled payment arrangement.

If Florida Blue determines that benefits are payable, but the provider does not participate in the participating or contracting provider network, Florida Blue may in its sole discretion, or as required by law make payment to the member or to the provider. No one may assign a member's right to the payment of benefits without Florida Blue's express written consent.

3.4 Payment of Benefits

If Florida Blue determines that benefits are payable, but the provider does not participate in the participating or contracting provider network, Florida Blue or may (in Florida Blue's sole discretion, or as required by law) make payment to the member or to the provider. No one may

assign a member's right to the payment of benefits without Florida Blue's express written consent.3.5

3.5 Program Administration

Florida Blue shall administer its established cost containment programs and utilization benefits management programs, as selected by Employer and described in the Group Health Plan.

Florida Blue shall make available its Preferred Provider Organization Program(s) to covered group members and their covered dependents, as set forth in the Group Health Plan. Any agreements between providers of services and Florida Blue are the sole property of Florida Blue and Florida Blue retains the right to the use and control thereof.

3.6 Inaccurate Payments

Whenever Florida Blue becomes aware that the payment of a claim under the Group Health Plan to any person was, or may have been, made which was not in accordance with the terms of the Group Health Plan, whether or not such payment was Florida Blue's fault, and whether or not such payment was more than or less than was appropriate under the terms of the Group Health Plan, Florida Blue shall investigate such payment in accordance with its standard commercial insurance business practices and either 1) for an overpayment of \$50.00 or more, make a diligent effort to recover any payment which was more than was appropriate under the Group Health Plan or 2) as the case may be, adjust any claim the payment of which was less than appropriate under the Group Health Plan. Employer delegates to Florida Blue the discretion and the authority to determine under what circumstances to compromise a claim or to settle for less than the full amount of the claim. In the event any part of an inaccurate payment is recovered, Employer will receive a refund from Florida Blue. Nothing herein shall require Florida Blue to institute a legal action or suit to recover payments made by Florida Blue.

Additionally, Employer delegates to Florida Blue the discretion and authority to pursue recoveries for claims paid as a result of fraud, abuse or other inappropriate action by a third party, including the right to opt-out or opt-in Employer from any class action. These claims include, but are not limited to, all legal claims Employer can assert whether based on common law or statute such as RICO, antitrust, deceptive trade practices, consumer fraud, insurance fraud, unjust enrichment, breach of fiduciary duty, breach of contract, breach of covenant of good faith and fair dealing, torts (including fraud, negligence, and product liability), breach of warranty, medical monitoring, false claims and kickbacks. If Florida Blue obtains a recovery from any of these efforts, Florida Blue will reimburse Employer's pro rata share of the recovery. This share is calculated from Employer's claims history or covered members at the time of such recovery, less Employer's pro rata share of costs, if any, fees paid to outside counsel and any other costs incurred in obtaining that recovery. Florida Blue will not charge Employer for any costs if Florida Blue does not obtain a recovery that exceeds those costs.

3.7 Records and Reports

Florida Blue agrees to establish, maintain and provide to Employer, records and reports generated for the purposes of reporting claims experience and conducting audits of operations. Florida Blue will provide claims information only in accordance with Exhibit C (and Exhibit D,

if applicable) to this Agreement. Florida Blue will not provide any information with regard to provider pricing agreements or any other information which is of a confidential or proprietary nature, as determined by Florida Blue.

3.8 Claims Payments

The source or sources of payment under the Group Health Plan are to be only the assets of Employer, and Florida Blue will have no liability whatsoever for providing a source from which payments will be made under the Group Health Care Plan.

3.9 Pharmacy Financial/Rebates Disclosure

(Applicable if Employer has Florida Blue's Pharmacy Benefits set forth in Exhibit E, Pharmacy Related Financial Arrangements)

In certain circumstances, Florida Blue and/or its PBM negotiate(s) and receive(s) formulary rebates, volume discounts, and/or fees from certain drug manufacturers/ distributors as a result of the inclusion of such manufacturer's/ distributor's branded products on Florida Blue's formularies ("Rebates").

"Rebate(s)" is/are compensation or remuneration of any kind received or recovered by the PBM from any Manufacturer which is directly or indirectly attributable to purchase or utilization of Covered Prescription Drug Services by members.

Manufacturer Administrative Fees (MAF) is/are defined as any fee or other amount paid to the PBM by a pharmaceutical manufacturer to assist the pharmaceutical manufacturer in the administration of the formulary rebate program which is not classified as a Rebate as defined in this Agreement.

Employer acknowledges that Florida Blue currently has a non-controlling ownership interest in its PBM, Prime Therapeutics, LLC. Employer further understands and agrees that fees and compensation that the PBM receives related to the pharmacy benefit management program and/or the provision of pharmaceutical products may be revised from time to time. Some of these fees and compensation may be charged each time a claim is processed (or requested to be processed) through the PBM and/or each time a prescription is filled, and include, but are not limited to, administrative fees charged by the PBM to Florida Blue, administrative fees charged by the PBM to Network Participants, and administrative fees charged by the PBM to Manufacturers.

Florida Blue may receive a portion of the Rebates on a prepaid, estimated basis, before any drug claims are filed and paid. To the extent that Florida Blue receives prepaid, estimated rebate amounts, Florida Blue retains, as part of its compensation, the interest earned on such amounts from the time it receives such prepayments until it forwards the Employer's Rebates. Florida Blue expects to earn interest at the rate of 1.25% per annum.

Florida Blue pays the Employer 100% of its Rebates after Florida Blue is able to determine the share attributable to the plan paid drug claims made by the Employer's group members. Rebates only apply to claims in which there is plan paid Employer responsibility. This typically occurs seven months after the end of the calendar quarter in which the drugs were dispensed.

3.10 Providers Outside the State of Florida

A. Inter-Plan Arrangements

Florida Blue has a variety of relationships with other Blue Cross and/or Blue Shield Licensees referred to generally as “Inter-Plan Arrangements.” These Inter-Plan Arrangements operate under rules and procedures issued by the Blue Cross Blue Shield Association (“Association”). Whenever members access healthcare services outside the geographic area Florida Blue serves, the claim for those services may be processed through one of these Inter-Plan Arrangements. The Inter-Plan Arrangements are described generally below.

Typically, when accessing care outside the geographic area Florida Blue serves, members obtain care from healthcare providers that have a contractual agreement (“participating providers”) with the local Blue Cross and/or Blue Shield Licensee in that other geographic area (“Host Blue”). In some instances, members may obtain care from healthcare providers in the Host Blue geographic area that do not have a contractual agreement (“nonparticipating providers”) with the Host Blue. Florida Blue remains responsible for fulfilling our contractual obligations to Employer. Florida Blue payment practices in both instances are described below.

This disclosure describes how claims are administered for Inter-Plan Arrangements and the fees that are charged in connection with Inter-Plan Arrangements. (Note that Dental Care Benefits, except when not paid as medical claims/benefits, and those Prescription Drug Benefits or Vision Care Benefits that may be administered by a third party contracted by Florida Blue to provide the specific service or services are not processed through Inter-Plan Arrangements.)

B. BlueCard® Program

The BlueCard® Program is an Inter-Plan Arrangement. Under this Arrangement, when members access covered healthcare services within the geographic area served by a Host Blue, the Host Blue will be responsible for contracting and handling all interactions with its participating healthcare providers. The financial terms of the BlueCard Program are described generally below.

1. Liability Calculation Method Per Claim – In General

a. Member Liability Calculation

Unless subject to a fixed dollar copayment, the calculation of the member liability on claims for covered healthcare services will be based on the lower of the participating provider's billed covered charges or the negotiated price made available to Florida Blue by the Host Blue.

b. Employer Liability Calculation

The calculation of Employer liability on claims for covered healthcare services processed through the BlueCard Program will be based on the

negotiated price made available to Florida Blue by the Host Blue (under the contract between the Host Blue and the provider). Sometimes, this negotiated price may be greater for a given service or services than the billed charge in accordance with how the Host Blue has negotiated with its participating healthcare provider(s) for specific healthcare services. In cases where the negotiated price exceeds the billed charge, Employer may be liable for the excess amount even when the member's deductible has not been satisfied. This excess amount reflects an amount that may be necessary to secure (a) the provider's participation in the network and/or (b) the overall discount negotiated by the Host Blue. In such a case, the entire contracted price is paid to the provider, even when the contracted price is greater than the billed charge.

2. Claims Pricing

Host Blues determine a negotiated price, which is reflected in the terms of each Host Blue's provider contracts. The negotiated price made available to Florida Blue by the Host Blue may be represented by one of the following:

(i) An actual price. An actual price is a negotiated rate of payment in effect at the time a claim is processed without any other increases or decreases; or

(ii) An estimated price. An estimated price is a negotiated rate of payment in effect at the time a claim is processed, reduced or increased by a percentage to take into account certain payments negotiated with the provider and other claim- and non-claim-related transactions. Such transactions may include, but are not limited to, anti-fraud and abuse recoveries, provider refunds not applied on a claim-specific basis, retrospective settlements and performance related bonuses or incentives; or

(iii) An average price. An average price is a percentage of billed covered charges in effect at the time a claim is processed representing the aggregate payments negotiated by the Host Blue with all of its healthcare providers or a similar classification of its providers and other claim- and non-claim-related transactions. Such transactions may include the same ones as noted above for an estimated price.

The Host Blue determines whether it will use an actual, estimated or average price. The use of estimated or average pricing may result in a difference (positive or negative) between the price Employer pays on a specific claim and the actual amount the Host Blue pays to the provider. However, the BlueCard Program requires that the amount paid by the member and Employer is a final price; no future price adjustment will result in increases or decreases to the pricing of past claims.

Any positive or negative differences in estimated or average pricing are accounted for through variance accounts maintained by the Host Blue and are incorporated

into future claim prices. As a result, the amounts charged to Employer will be adjusted in a following year, as necessary, to account for over- or underestimation of the past years' prices. The Host Blue will not receive compensation from how the estimated price or average price methods, described above, are calculated. Because all amounts paid are final, neither positive variance account amounts (funds available to be paid in the following year), nor negative variance amounts (the funds needed to be received in the following year), are due to or from Employer. If Employer terminates, you will not receive a refund or charge from the variance account.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidated over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume/number of claims processed and variance account balance. Variance account balances may earn interest at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

3. BlueCard Program Fees and Compensation

Employer understands and agrees to reimburse Florida Blue for certain fees and compensation which Florida Blue is obligated under the BlueCard Program to pay to the Host Blues, to the Association and/or to vendors of BlueCard Program related services. The specific BlueCard Program fees and compensation that are charged to Employer are set forth in Exhibit B. BlueCard Program Fees and compensation may be revised from time to time.

Only the BlueCard Program access fee may be charged separately each time a claim is processed through the BlueCard Program. All other BlueCard Program related fees are included in the Administrative Fee.

The access fee is charged by the Host Blue to Florida Blue for making its applicable provider network available to Employer's. The access fee will not apply to non-participating provider claims. The access fee is charged on a per claim basis and is charged as a percentage of the discount/differential Florida Blue receives from the applicable Host Blue subject to a maximum of \$2,000 per claim. When charged, Florida Blue passes the access fee directly on to Employer.

Instances may occur in which the claim payment is zero or Florida Blue pays only a small amount because the amounts eligible for payment were applied to patient cost sharing (such as a deductible or coinsurance). In these instances, Florida Blue will pay the Host Blue's access fee and pass it along directly to Employer as stated above even though Employer paid little or had no claim liability.

An Administrative Fee encompasses fees Florida Blue charges to Employer for administering Employer's benefit plan. They may include both local (within Florida Blue's service area) and Inter-Plan fees. For purposes of this Agreement, they include the following BlueCard Program related fees other than the BlueCard Program access fee: namely, administrative expense allowance (AEA) fee, central

financial agency fee, ITS transaction fee, toll free number fee, PPO provider directory fee and Blue Cross Blue Shield Global® Core Program Fees, if applicable.

C. Special Cases: Value-Based Programs

This section will apply if Employer elects to participate in any value-based programs.

Value-Based Programs Definitions

Accountable Care Organization (ACO): A group of healthcare providers who agree to deliver coordinated care and meet performance benchmarks for quality and affordability in order to manage the total cost of care for their member populations.

Global Payment/Total Cost of Care: A payment methodology that is defined at the patient level and accounts for either all patient care or for a specific group of services delivered to the patient such as outpatient, physician, ancillary, hospital services and prescription drugs.

Patient-Centered Medical Home (PCMH): A model of care in which each patient has an ongoing relationship with a primary care physician who coordinates a team to take collective responsibility for patient care and, when appropriate, arranges for care with other qualified physicians.

Shared Savings: A payment mechanism in which the provider and payer share cost savings achieved against a target cost budget based upon agreed upon terms and may include downside risk.

Value-Based Program (VBP): An outcomes-based payment arrangement and/or a coordinated care model facilitated with one or more local providers that is evaluated against cost and quality metrics/factors and is reflected in provider payment.

Value-Based Programs Overview

Employer's members may access covered healthcare services from providers that participate in a Host Blue's Value-Based Program. Value-Based Programs may be delivered either through the BlueCard Program or a Negotiated Arrangement. These Value-Based Programs may include, but are not limited to, Accountable Care Organizations, Global Payment/Total Cost of Care arrangements, Patient Centered Medical Homes and Shared Savings arrangements.

Value-Based Programs under the BlueCard Program

Under Value-Based Programs, a Host Blue may pay providers for reaching agreed upon cost/quality goals in the following ways:

The Host Blue may pass these provider payments to Florida Blue, which Florida Blue will pass directly on to Employer as either an amount included in the price of the claim or an amount charged separately in addition to the claim.

When such amounts are included in the price of the claim, the claim may be billed using one of the following pricing methods, as determined by the Host Blue:

- (i) **Actual Pricing:** The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is part of the claim. These charges are passed to Employer via an enhanced provider fee schedule.
- (ii) **Supplemental Factor:** The charge to accounts for Value-Based Programs incentives/Shared Savings settlements is a supplemental amount that is included in the claim as an amount based on a specified supplemental factor (e.g., a small percentage increase in the claim amount). The supplemental factor may be adjusted from time to time.

When such amounts are billed separately from the price of the claim, they may be billed as follows:

- **Per Member Per Month (PMPM) Billings:** Per member per month billings for Value-Based Programs incentives/Shared Savings settlements to accounts are outside of the claim system. Florida Blue will pass these Host Blue charges directly through to Employer as a separately identified amount on the group billings; or,
- Where Host Blues pass on the costs of Value-Based Programs to Florida Blue as PMPM amounts not attached to specific claims, Florida Blue may elect to pass these amounts to Employer as a claim amount.

The amounts used to calculate either the supplemental factors for estimated pricing or PMPM billings are fixed amounts that are estimated to be necessary to finance the cost of a particular Value-Based Program. Because amounts are estimates, there may be positive or negative differences based on actual experience, and such differences will be accounted for in a variance account maintained by the Host Blue (in the same manner as described in the BlueCard claim pricing section above) until the end of the applicable Value-Based Program payment and/or reconciliation measurement period. The amounts needed to fund a Value-Based Program may be changed before the end of the measurement period if it is determined that amounts being collected are projected to exceed the amount necessary to fund the program or if they are projected to be insufficient to fund the program.

At the end of the Value-Based Program payment and/or reconciliation measurement period for these arrangements, Host Blues will take one of the following actions:

- Use any surplus in funds in the variance account to fund Value-Based Program payments or reconciliation amounts in the next measurement period.
- Address any deficit in funds in the variance account through an adjustment to the PMPM billing amount or the reconciliation billing amount for the next measurement period.

The Host Blue will not receive compensation resulting from how estimated, average or PMPM price methods, described above, are calculated. If Employer terminates, you will not

receive a refund or charge from the variance account. This is because any resulting surpluses or deficits would be eventually exhausted through prospective adjustment to the settlement billings in the case of Value-Based Programs. The measurement period for determining these surpluses or deficits may differ from the term of this Agreement.

Variance account balances are small amounts relative to the overall paid claims amounts and will be liquidated over time. The timeframe for their liquidation depends on variables, including, but not limited to, overall volume/number of claims processed and variance account balance. Variance account balances may earn interest, and interest is earned at the federal funds or similar rate. Host Blues may retain interest earned on funds held in variance accounts.

Note: Members will not bear any portion of the cost of Value-Based Programs except when a Host Blue uses either average pricing or actual pricing to pay providers under Value-Based Programs.

Care Coordinator Fees

Host Blues may also bill Florida Blue for care coordinator fees for provider services which we will pass on to Employer as follows:

1. PMPM billings; or
2. Individual claim billings through applicable care coordination codes from the most current editions of either Current Procedural Terminology (CPT) published by the American Medical Association (AMA), or Healthcare Common Procedure Coding System (HCPCS) published by the U.S. Centers for Medicare and Medicaid Services (CMS).

As part of this Agreement, Florida Blue and Employer will not impose member cost sharing for care coordinator fees.

D. Return of Recoveries Overpayments

Under the BlueCard Program, recoveries of overpayments from a Host Blue or its participating and nonparticipating providers from post-payment review activities can arise in several ways, including, but not limited to, antifraud and abuse recoveries, audits, healthcare provider audits, hospital bill audits, credit balance audits, utilization review refunds and/or unsolicited refunds. In some cases, the Host Blue will engage a third party to assist in identification or collection of recovery overpayment amounts. The fees of such a third party may be netted against the recovery. Recovery amounts determined in this way will be applied in accordance with applicable Inter-Plan Program policies, which generally require correction on a claim-by-claim or prospective basis.

Unless otherwise agreed to by the Host Blue, Florida Blue may request adjustments from the Host Blue for full refunds from the healthcare providers due to the retroactive cancellations of membership but only for one year after the date of the Inter-Plan financial settlement process for the original claim. In some cases, recovery of the claim payments associated with a retroactive cancellation may not be possible if, as an example, the recovery conflicts with the Host Blue's

state law or healthcare provider contracts or would jeopardize its relationship with its healthcare providers.

E. Inter-Plan Programs: Federal/State Taxes/Surcharges/Fees

In some instances, federal or state laws or regulations may impose a surcharge, tax or other fee that applies to self-funded accounts. If applicable, Florida Blue will disclose any such surcharge, tax or other fee to Employer, which will be Employer's liability.

F. Nonparticipating Providers Outside Florida Blue's Service Area

1. Member Liability Calculation

a. In General

When covered healthcare services are provided outside of Florida Blue's service area by nonparticipating providers, the amount(s) a member pays for such services will be based on either the Host Blue's nonparticipating healthcare provider local payment or the pricing arrangements required by applicable state law. In these situations, the member may be responsible for the difference between the amount that the nonparticipating provider bills and the payment Florida Blue will make for the covered services as set forth in this paragraph. Payments for out-of-network emergency services will be governed by applicable federal and state law.

b. Exceptions

In some exception cases, at Employer's direction, Florida Blue may pay claims from nonparticipating healthcare providers outside of Florida Blue's service area based on the provider's billed charge. This may occur in situations where a member did not have reasonable access to a participating provider, as determined by Florida Blue (in Florida Blue's sole and absolute discretion) or by applicable state law. In other exception cases, (at Employer's direction) Florida Blue may pay such claims based on the payment Florida Blue would make if Florida Blue were paying a nonparticipating provider inside of Florida Blue's service area, as described elsewhere in this Agreement. This may occur where the Host Blue's corresponding payment would be more than Florida Blue's in-service area nonparticipating provider payment. Florida Blue may choose to negotiate a payment with such a provider on an exception basis.

Unless otherwise stated, in any of these exception situations, the member may be responsible for the difference between the amount that the nonparticipating healthcare provider bills and the payment Florida Blue will make for the covered services as set forth in this paragraph.

2. Fees and Compensation

Employer understands and agrees to reimburse Florida Blue for certain fees and compensation which we are obligated under applicable Inter-Plan Arrangement

requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement-related services. The specific fees and compensation that are charged to Employer are set forth in Exhibit B if applicable. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time.

G. Blue Cross Blue Shield Global® Core

1. General Information

If members are outside the United States, (the Commonwealth of Puerto Rico and the U.S. Virgin Islands) (hereinafter: “BlueCard service area”), they may be able to take advantage of the Blue Cross Blue Shield Global® Core Program when accessing covered healthcare services. The Blue Cross Blue Shield Global® Core Program is unlike the BlueCard Program available in the BlueCard service area in certain ways. For instance, although the Blue Cross Blue Shield Global® Core Program assists members with accessing a network of inpatient, outpatient and professional providers, the network is not served by a Host Blue. As such, when members receive care from providers outside the BlueCard service area, the members will typically have to pay the providers and submit the claims themselves to obtain reimbursement for these services.

- Inpatient Services

In most cases, if members contact the Blue Cross Blue Shield Global® Core Service Center for assistance, hospitals will not require members to pay for covered inpatient services, except for their cost-share amounts. In such cases, the hospital will submit member claims to the Blue Cross Blue Shield Global® Core Service Center to initiate claims processing. However, if the member paid in full at the time of service, the member must submit a claim to obtain reimbursement for covered healthcare services. Members must contact Florida Blue to obtain precertification for non-emergency inpatient services.

- Outpatient Services

Physicians, urgent care centers and other outpatient providers located outside the BlueCard service area will typically require members to pay in full at the time of service. Members must submit a claim to obtain reimbursement for covered healthcare services.

- Submitting a Blue Cross Blue Shield Global® Core Claim

When members pay for covered healthcare services outside the BlueCard service area, they must submit a claim to obtain reimbursement. For institutional and professional claims, members should complete a Blue Cross Blue Shield Global® Core International claim form and send the claim form with the provider’s itemized bill(s) to the Blue Cross Blue Shield Global® Core Service Center address on the form to initiate claims processing. The claim form is available from Florida Blue, the Blue Cross Blue Shield Global® Core Service Center, or online at www.bcbsglobalcore.com. If members need assistance with their claim submissions, they should call the Blue Cross Blue

Shield Global® Core Service Center at 1 (800) 810-BLUE (2583) or call collect at 1 (804) 673-1177, 24 hours a day, seven days a week.

2. Blue Cross Blue Shield Global® Core Program-Related Fees

Employer understands and agrees to reimburse Florida Blue for certain fees and compensation which we are obligated under applicable Inter-Plan Arrangement requirements to pay to the Host Blues, to the Association and/or to vendors of Inter-Plan Arrangement related services. The specific fees and compensation that are charged to Employer under the Blue Cross Blue Shield Global® Core Program are set forth in Exhibit B, if applicable. Fees and compensation under applicable Inter-Plan Arrangements may be revised from time to time.

SECTION IV TERMINATION

4.1 Administration After Termination

Employer is solely liable and responsible for all claims incurred under the Group Health Plan by its covered group members and their dependents during the term of this Agreement, including those incurred claims which are not presented to Employer or Florida Blue during the term of this Agreement. Florida Blue will adjudicate all claims incurred during the term of this Agreement. For purposes of this Agreement, the date of an incurred claim is the date the particular service was rendered, or the supply was furnished. After the effective date of termination of this Agreement, Employer will continue to provide Florida Blue with funds to pay claims incurred prior to the termination date and will continue to pay the applicable Administrative Fees as set forth in Exhibit B.

4.2 Unilateral Termination

Employer or Florida Blue may unilaterally terminate this Agreement upon 60 days prior written notice to the other party after the Initial Term of this Agreement.

4.3 Termination on Anniversary Date

This Agreement shall terminate as of the date of any anniversary of the Effective Date of this Agreement, if either Employer or Florida Blue has given at least 60 days prior written notice to the other party of its intention not to renew this Agreement as of that anniversary date.

4.4 Termination Upon Default

Upon the occurrence of any of the following events, as determined by Florida Blue, this Agreement will automatically terminate at the end of the 8th business day following the day upon which Employer is notified in writing of any of the events of default set forth hereunder, and then only in the event that Employer has not cured the incident of default:

1. Employer's failure to provide adequate funds, as set in Exhibit B, as necessary for the payment of claims pursuant to the Group Health Plan;
2. Employer's failure to pay any Administrative Fees or late penalty as set forth in Exhibit B of this Agreement;
3. Employer ceases to maintain a Group Health Plan;
4. Employer modifies the Group Health Plan without the prior written notice to Florida Blue;
5. At any time, Florida Blue has reasonable grounds for insecurity with respect to Employer's financial ability to adequately fund the Group Health Plan, and Employer has failed to immediately provide adequate assurances of financial soundness to Florida Blue;
6. At any time, any judicial or regulatory body determines that this Agreement, or any provision of this Agreement, is invalid or illegal, or that this arrangement constitutes an insurance policy or program which is subject to state and/or federal insurance regulations and/or taxation;
7. At any time, either party otherwise materially breaches this Agreement.

4.5 Rights and Responsibilities Upon Termination

In the event of termination of this Agreement, Employer will immediately notify each covered group member of the termination date.

Termination of this Agreement for any reason shall not affect the rights or obligations of either party which arise prior to the date of termination.

SECTION V LEGAL ACTION; INDEMNIFICATION

5.1 Standard of Care

Florida Blue and Employer shall each use the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims in the performance of its duties hereunder.

5.2 Liability; Indemnification

Florida Blue shall not be liable to Employer or any other person for any mistake of judgment or other action taken in good faith, or for any loss or damage occasioned thereby, unless the loss or damage is due to Florida Blue's gross negligence, criminal conduct or fraudulent acts.

Employer hereby agrees to indemnify and hold harmless Florida Blue, its directors, officers, employees and agents against any and all actions, claims, lawsuits, settlements, judgments, costs, interest, penalties, expenses and taxes, including but not limited to, attorneys' fees and courts costs, resulting from or arising directly or indirectly out of or in connection with any function of Florida Blue under this Agreement, including the administration of any Cost Containment or Utilization Benefit Management Programs, or payments made pursuant to the direction of Employer, or arising from any legal action or proceeding to recover benefits under this Agreement, in consequence of any acts or omissions occurring during the operation of this Agreement alleged to be a breach of fiduciary duty under ERISA, or arising from any allegation of a breach of confidentiality arising out of a release of confidential information to the Group or a third party unless it is determined that the direct and sole cause of such liability was the result of gross negligence, criminal conduct or fraudulent acts on the part of Florida Blue or any of its directors, officers, employees or agents. Further, Employer agrees to indemnify and hold harmless Florida Blue for any taxes or assessments, including penalties and interest, or any other amounts legally levied based on the terms of this Agreement. This provision applies to any amounts imposed, now or later, under the authority of any federal, state, or local taxing jurisdiction. This provision will continue in effect after termination of this Agreement for any reason.

Florida Blue agrees to indemnify and hold harmless the Employer, and its directors, officers and employees from any and all claims, lawsuits, settlements, judgments, costs, penalties and expenses, including reasonable attorneys' fees, arising out of or in connection with this Agreement, but only if resulting from Florida Blue's gross negligence, criminal conduct, fraud or willful misconduct.

It is understood that Florida Blue has no liability under the Plan and will only pay benefits pursuant to the Plan, as funds are made available by the Employer even where Florida Blue is otherwise liable to Employer for indemnification under this Section (and Florida Blue's liability under this Section, shall be limited to amounts in excess of Claims Amounts).

Neither party to this Agreement shall be liable to the other party for any consequential (including lost profits), punitive, special or exemplary damages that results from any breach of this Agreement or any party's performance under this Agreement. The limitation on damages contained in this Section does not apply to claims by either Employer or Florida Blue for indemnification under this Section which results from claims brought by third parties.

5.3 Legal Actions

In the event Florida Blue is served with process in any lawsuit or is made a party to any arbitration proceeding or other legal action relating to any matter for which indemnification is required under the preceding paragraph, Employer shall, upon written request by Florida Blue, immediately furnish a defense to and indemnify and hold harmless Florida Blue in any such lawsuit, proceeding or other action and shall use its best efforts to secure, by motion or otherwise, the dismissal of Florida Blue from such lawsuit, proceeding or other action. Florida Blue will provide Employer with available data and materials that are reasonably necessary for the preparation of the defense of such lawsuit, proceeding or other action.

SECTION VI SUBROGATION

If Florida Blue becomes aware of a subrogation, reimbursement or workers' compensation claim (Subrogation), Florida Blue shall use its standard processes and procedures to attempt to recover the Subrogation claim. Florida Blue shall charge an additional fee equal to a percentage of the Subrogation amount recovered (Subrogation Fee) to compensate for reasonable fees, costs and expenses incurred by Florida Blue in pursuing subrogation recoveries. Florida Blue shall be entitled to the Subrogation Fee on all Subrogation recoveries, regardless of whether the recovery is paid to Florida Blue or directly to Employer. Florida Blue, in its sole discretion, shall settle and resolve all such claims on any basis it determines as reasonable, including collection of less than the entire amount of such claim and contributions to the Member's attorney's fees. Notwithstanding the foregoing, Florida Blue is not required to initiate court proceeding to comply with this section. In the event Florida Blue determines litigation is necessary to recover a Subrogation claim, Florida Blue will notify Employer, and Employer will be solely responsible for the decision to pursue litigation and responsible for all litigation costs and expenses, including attorney's fees. In the event that litigation is pursued and a Subrogation claim is recovered, Florida Blue shall be entitled to the Subrogation Fee with respect to any such recovery.

SECTION VII MISCELLANEOUS PROVISIONS

7.1 Previous Agreements

This Agreement supersedes and replaces all previous oral or written agreements, memoranda, correspondence or other communications between the Parties.

7.2 Public Records Florida has a very broad public records law and certain records of a contractor may be considered public records. Accordingly, by entering into an agreement with the Employer, Florida Blue agrees:

- A. Keep and maintain public records required by the Employer to perform the services.

- B. Upon request from the Employer's custodian of public records, provide the Employer with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of this Agreement and following completion of the Agreement if Florida Blue does not transfer the records to the Employer.
- D. Upon completion of the Agreement, transfer, at no cost, to the Employer all public records in possession of Florida Blue or keep and maintain public records required by the Employer to perform the services. If Florida Blue transfers all public records to the Employer upon completion of the Agreement, Florida Blue shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Florida Blue keeps and maintains public records upon completion of the Agreement, Florida Blue shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Employer, upon request from the Employer's custodian of public records, in a format that is compatible with the Employer's information technology systems.

IF FLORIDA BLUE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO FLORIDA BLUE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE EMPLOYER'S PUBLIC RECORDS CUSTODIAN AT publicrecordsrequest@alachuacounty.us OR (352) 264-6906 OR 12 SE 1ST STREET, GAINESVILLE, FL 32601.

7.3 Amendment

Except as otherwise provided for herein, this Agreement may be modified, amended, renewed, or extended only upon mutual agreement, in writing, signed by the duly authorized representatives of Employer and Florida Blue.

7.4 Subsidiaries and Affiliates

Any of the functions to be performed by Florida Blue under this Agreement may be performed by Florida Blue or any of its subsidiaries, affiliates, or designees.

7.5 Governing Law

This Agreement is subject to and shall be governed by the laws of the State of Florida, except where those laws are preempted by the laws of the United States.

7.6 Venue

All actions or proceedings instituted by Employer or Florida Blue hereunder shall be brought in a court of competent jurisdiction in Duval County, Florida.

7.7 Waiver of Breach

A party's failure or any delay on the part of a party to exercise any right, remedy, power or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any occurrence or be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the party against whom such waiver or modification is sought to be enforced.

7.8 Inconsistencies

If the provisions of this Agreement are in any way inconsistent with the provisions of the Group Health Plan, then the provisions of this Agreement shall prevail and the other provisions shall be deemed modified, but only to the extent necessary to implement the intent of the parties expressed herein.

7.9 BlueCard Disclosure Provision

Employer on behalf of itself and its participants hereby expressly acknowledges its understanding this agreement constitutes a contract solely between Employer and Florida Blue, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans (the "Association"), permitting Florida Blue to use the Blue Cross and/or Blue Shield Service Mark[s] in the State of Florida, and that Florida Blue is not contracting as the agent of the Association. Employer on behalf of itself and its participants further acknowledges and agrees that it has not entered into this agreement based upon representations by any person other than Florida Blue and that no person, entity, or organization other than Florida Blue shall be held accountable or liable to Employer for any of Florida Blue's obligations to Employer created under this agreement. This paragraph shall not create any additional obligations whatsoever on the part of Florida Blue other than those obligations created under other provisions of this Agreement.

7.10 Notices

Any notice required to be given pursuant to this Agreement shall be in writing, postage prepaid, and shall be sent by certified or registered mail, return receipt requested, or by a nationally recognized overnight mail delivery carrier for which evidence of delivery is obtained by the sender, to the parties at the addresses below, or such other addresses that the parties may hereafter designate. The notice shall be effective on the date the notice was received.

To: Blue Cross and Blue Shield of Florida, Inc.
4800 Deerwood Campus Parkway
Jacksonville, FL 32246
Attention: Vice President, Sales

Courtesy Copy: (which does not constitute legal notice)
Blue Cross and Blue Shield of Florida, Inc.
4800 Deerwood Campus Parkway, DCC 100-7
Jacksonville, FL 32246
Attention: Deputy General Counsel, Legal Department

To: Employer Name: Alachua County Board of County Commissioners
Address: 12 South East First Street
Gainesville, Florida 32601
Attention: Risk Management

7.11 Entire Agreement

This Agreement is the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes and replaces all prior oral or written agreements regarding the subject matter hereof and shall constitute the sole agreement between the parties hereto. Any prior agreements, promises, negotiations or representations, either verbal or written, relating to the subject matter of this Agreement and not expressly set forth in this Agreement are of no force and effect; notwithstanding agreements entered into by the parties prior to this Agreement shall remain in effect only for those claims incurred prior to the Effective Date of this Agreement.

7.12 Severability

In the event any provision of this Agreement is deemed to be invalid or unenforceable, all other provisions shall remain in full force and effect.

7.13 Binding Effect of Agreement

The Agreement shall be binding upon and inure to the benefit of the parties, their agents, servants, employees, successors, and assigns unless otherwise set forth herein or agreed to by the parties.

7.14 Survival

The rights and obligations of the parties as set forth herein shall survive the termination of this Agreement to the extent necessary to effectuate the intent of the parties as expressed herein.

7.15 Independent Relationship

Notwithstanding any other provision of this Agreement, in the performance of the obligations of this Agreement, each party is at all times acting and performing as an independent contractor with respect to the other party. It is further expressly agreed that no work, act, commission or omission of either party (or any of its agents or employees) pursuant to the terms and conditions of this Agreement, shall be construed to make or render such party (or any of its agents or employees) an agent, servant, representative, or employee of, or joint venture with, such other party.

7.16 Conflicts

If any provision of this Agreement is in conflict with any statute or rule of law or may be determined by a court of competent jurisdiction to be illegal or unenforceable, then such provision will be deemed inoperative to the extent that it may conflict therewith or be illegal or unenforceable, and each provision not so affected will be enforced to the full extent provided by law.

7.17 Force Majeure

If either party becomes unable to perform any or all of their obligations under this Agreement because of or caused by (in whole or in part) any act of God, including without limitation storms, floods, earthquakes, ice storms, blizzards, natural disasters, actions or decrees of governmental bodies, damage to or breakdown of equipment, destruction of equipment, interruption of public utility services (such as power, heat, or telecommunications), or any other cause or condition whether similar or dissimilar to the foregoing beyond such party's reasonable control which may disrupt services provided for under this Agreement (any of which is hereafter referred to as a "Force Majeure Event"), then the party suffering the Force Majeure Event shall give the other party notice of such Force Majeure Event, and diligently pursue restoration of the ability to perform hereunder. Any such Force Majeure Event shall excuse the affected party's performance of this Agreement for the duration of the Force Majeure Event as well as the period of time that is required to recover from such event. However, excuse under a Force Majeure Event is only available with respect to events that are not within a party's control and that cannot be reasonably anticipated and appropriately planned for in advance. Items within a party's control shall include, but not be limited to, reasonable staffing assumptions and prudent contingency planning. Notwithstanding the foregoing, neither party shall be excused for payment obligations for more than a ten (10) day period, notwithstanding the continuation of a Force Majeure Event. Additionally, if and to the extent that such a Force Majeure Event occurs or is imminent, and Florida Blue reasonably believes that Employer is unable to take appropriate action in a timely manner, Employer authorizes Florida Blue to make appropriate business decisions to implement and act in accordance with such Force Majeure Event including but not limited to any action necessitated by declarations, rules, regulations or similar official statements by state or federal authorities with jurisdiction over the Group Health Plan, Employer, or Florida Blue. Employer agrees to reimburse Florida Blue for Claims Amounts and services that are provided to Members of the Group Health Plan for the duration of such Force Majeure Event, pursuant to the limited authority delegated to Florida Blue pursuant to this paragraph, even

if such Claims Amounts and services would not be in strict compliance with the Plan of Benefits or this Agreement in the absence of such Force Majeure Event.

7.18 Waiver

A party's failure or any delay on the part of a party to exercise any right, remedy, power or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any occurrence or be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the party against whom such waiver or modification is sought to be enforced.

7.19 Execution of Agreement

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, on the date first written above, the parties have caused this Agreement to be executed by their duly authorized representatives.

**Alachua County Board of County
Commissioners**

**Blue Cross and Blue Shield of
Florida, Inc. d/b/a Florida Blue**

Signature



Signature

Name (Printed)

Joseph C. Gregor

Name (Printed)

Title

Vice President, Sales

Title

Date

Aug 1, 2025

Date

LIST OF EXHIBITS

EXHIBIT A: Group Health Plan

EXHIBIT B: Financial Arrangements

EXHIBIT C: HIPAA Business Associate Agreement Addendum

EXHIBIT A
Group Health Plan

The entire Group Health Plan is made as part of this Agreement.

EXHIBIT B
FINANCIAL ARRANGEMENTS

I. Effective Date - The effective date of this Exhibit B is October 1, 2025.

II. Payments

- A. Each month, Florida Blue will notify Employer of the amount due to satisfy the previous month's paid claims liability. Florida Blue will provide Employer with a detailed report of the previous month's claims payments. Employer agrees to pay the full amount of the bill within ten (10) calendar days of the written notification. If the payment is not received by Florida Blue by the payment due date, the payment will be considered past due and subject to a late payment charge, as set forth below. Additionally, Florida Blue will immediately suspend claims until payment is received by Florida Blue.
- B. Employer agrees to pay to Florida Blue, each month during and after the term of this Agreement, an administrative fee, as set forth below. Employer agrees to pay to Florida Blue, each month, the administrative fee within ten (10) calendar days of the written notification of the amount due. If payment is not received by Florida Blue by the due date, the payment will be considered past due and subject to a late payment charge, as set forth below. Additionally, Florida Blue will immediately suspend claims until payment is received by Florida Blue.

III. Funding Information - Method of Funding Transfer: ACH

IV. Administrative Fees:

The Administrative Fees ("Administrative Fees") applicable to this Agreement include a base administrative fee and administrative charges for other fees and services as described in Sections A and B directly below.

A. Administrative base fees during the term of the Agreement:

- \$46.40 per employee per month from October 1, 2025 through September 30, 2027
- \$48.72 per employee per month from October 1, 2027 through September 30, 2028

B. Administrative Fees after the termination of the Agreement: 10% of claims paid.

C. Florida Blue will pay Employer an annual wellness contribution in the amount of \$50,000 to be utilized by Employer for any wellness related initiatives or activities.

D. Access fees of up to 1.84% of Network Savings for PPO provider claims and 3.31% of Network savings for Traditional provider claims may be assessed for claims incurred in states under the BlueCard program as explained in more detail under Section 3.10 below. This access fee will not exceed two thousand dollars (\$2,000) for any one claim and will not apply in Florida, or in Consortium Plan Service Areas which is the geographic area where enrolled members reside as long as enrollment continues to be equal to or greater than one thousand (1,000) contracts. On the first anniversary date after enrollment falls below one thousand (1,000) contracts, access fees will apply in those Consortium Plan service areas where enrolled members reside and Consortium fees were not previously established. Access fees will also apply in Consortium Plan service areas where no enrolled members reside. A determination of the

Consortium Plan service areas that will not apply access fees for services rendered to members will be made on the basis of enrollment on each subsequent anniversary of this Agreement's effective date. Access fees will be applied on the basis of where the service was incurred, and not where the member resides.

Network Savings is defined as the total of the amounts computed by subtracting each "allowed amount" for a particular service under the terms of a participating provider's written agreement from each "billed amount" for such service. In no event shall the term "Network Savings" include duplicate charges or billed amounts for services or supplies not covered under the Employer's Plan. The term "allowed amount" means the amount received as payment in full by a participating provider, under that provider's written agreement, from both Florida Blue and covered individuals under Employer's Plan for claims submitted to, and paid by Florida Blue for a particular covered service, and the term "billed amount" means the amount which would be received by such provider for the same covered service utilizing that provider's charges.

VI. Late Payment Penalty

A. A daily charge of .00038 times the amount of overdue payment.

VII. Expected Enrollment

A. The Administrative Fees referenced above are based on an expected enrollment of: 2075.

B. If the actual enrollment is materially different from this expected enrollment, Florida Blue reserves the right to adjust the Administrative Fees as set forth in the Agreement. Administrative Fees will be charged based on actual enrollment.

EXHIBIT C
HIPAA BUSINESS ASSOCIATE AGREEMENT ADDENDUM

The provisions of this HIPAA Business Associate Agreement Addendum (“BAA”) address applicable requirements of the implementing regulations, codified at 45 Code of Federal Regulations (“C.F.R.”) Parts 160-64, for the Administrative Simplification provisions of Title II, Subtitle F of the Health Insurance Portability and Accountability Act of 1996 (collectively, “HIPAA”), so that the parties may meet their compliance obligations under HIPAA, and include additional provisions that the parties desire to have as part of the Agreement.

1. DEFINITIONS

1.1. All capitalized terms in this BAA that are not defined herein or otherwise in the Agreement will have the meanings ascribed to them by HIPAA.

2. FLORIDA BLUE’S RESPONSIBILITIES

2.1. *Preservation of Privacy.* Florida Blue will take reasonable steps to protect the confidentiality of all PHI in the performance of its duties under the Agreement and this BAA.

2.2. *Prohibition on Non-Permitted Use or Disclosure.* Florida Blue will neither use nor Disclose PHI except (1) as permitted or required by this BAA; (2) as permitted or required in writing by the Plan; or (3) as permitted or required by Applicable Law.

2.3. *Permitted Uses and Disclosures.* Florida Blue may Use or Disclose Protected Health Information as follows:

2.3.1. For the performance of services set forth in the Agreement including, but not limited to, Payment activities, Health Care Operations, and Data Aggregation.

2.3.2. In accordance with 45 C.F.R. § 164.506(c) for the Payment activities of another Covered Entity or Health Care Provider, for the qualifying Health Care Operations of another Covered Entity, and for the Treatment activities of a Health Care Provider.

2.3.3. In accordance with an authorization or other permission granted by a Member (or the Member’s Personal Representative) in accordance with 45 C.F.R. § 164.508 or 45 C.F.R. § 164.510, as applicable.

2.3.4. For Florida Blue’s proper management and administration or to carry out Florida Blue’s legal responsibilities. Disclosure of PHI for Florida Blue’s proper management and administration or to carry out Florida Blue’s legal responsibilities is permitted only if (i) the Disclosure is Required by Law, or (ii) before the Disclosure, Florida Blue obtains from the entity to which the Disclosure is to be made reasonable assurance, evidenced by written contract, that the entity will (1) hold PHI in confidence, (2) Use or further Disclose PHI only for the purposes for which Florida Blue disclosed it to the entity or as Required by Law; and (3) notify Florida Blue of any instance of which the entity becomes aware in which the confidentiality of any PHI was Breached.

- 2.3.5. To create De-Identified Health Information in conformance with 45 C.F.R. § 164.514(b). Florida Blue may use and disclose De-Identified Health Information for any purpose, including after any termination of the Agreement and this BAA.
- 2.3.6. To create a Limited Data Set.
- 2.4. **Minimum Necessary.** Florida Blue, in the performance of services under the Agreement, will make reasonable efforts to comply with the minimum necessary standard for PHI under HIPAA.
- 2.5. **Disclosure to Florida Blue's Subcontractors.** Florida Blue may disclose PHI to a Subcontractor. Florida Blue will require each Subcontractor and agent to which Florida Blue may disclose PHI to provide reasonable assurance, evidenced by written contract, that such Subcontractor or agent will comply with the similar but no less restrictive privacy and security obligations with respect to PHI as this BAA applies to Florida Blue.
- 2.6. **Reporting Non-Permitted Use or Disclosure and Security Incidents.**
- 2.6.1. **Privacy Breach.** Florida Blue will report to the Plan within ten (10) calendar days any use or disclosure of PHI of which Florida Blue becomes aware that is not permitted by this BAA and that constitutes a Breach of Unsecured PHI. The Plan hereby delegates to Florida Blue (i) the responsibility for determining whether any use or disclosure of Protected Health Information under this BAA constitutes a Breach of Unsecured PHI, and (ii) the implementation of notification and reporting obligations associated with a Breach of Unsecured PHI in accordance with relevant legal requirements.
- 2.6.2. **Security Incidents.** Florida Blue will report to the Plan within ten (10) calendar days any incident of which Florida Blue becomes aware that is (a) a successful unauthorized access, use or disclosure of EPHI; or (b) a successful major (i) modification or destruction of EPHI or (ii) interference with system operations in an Information System that results in a Breach of unsecured EPHI.
- 2.7. **Duty to Mitigate.** Florida Blue will mitigate to the extent reasonably practicable any harmful effect of which Florida Blue is aware that is caused by any use or disclosure of Protected Health Information in violation of this BAA.
- 2.8. **Return or Destruction of PHI.** Upon termination of the Agreement, Florida Blue will, if Florida Blue determines it is feasible, return to the Plan or destroy, all PHI in Florida Blue's custody or control (or in the custody or control of any subcontractor or agent to which Florida Blue disclosed Protected Health Information). Florida Blue will limit its (and, by its written contract pursuant to Section 2.5 above, any subcontractor's or agent's) further use or disclosure of PHI to those purposes that make return or destruction infeasible and to those uses or disclosures Required by Law. Florida Blue's obligations to preserve the privacy and safeguard the security of PHI as specified in this BAA will survive termination or other conclusion of the Agreement and this BAA.
- 2.9. **Access to PHI.** Florida Blue will, consistent with 45 C.F.R. § 164.524(b)(2), make available to the Member for inspection and copying any of the PHI about the Member that qualifies as part of a Designated Record Set that Florida Blue has in its custody or control, and that is not exempted

from access by 45 C.F.R. § 164.524(a), so that the Plan can meet its access obligations under 45 C.F.R. § 164.524.

- 2.10. **Amendment.** Florida Blue will, consistent with 45 C.F.R. § 164.526(b)(2), permit a Member to make a written request to amend any portion of PHI about the Member that qualifies as part of a Designated Record Set.
- 2.11. **Disclosure Accounting.** Disclosure Tracking. Florida Blue will comply with the PHI Disclose Tracking requirements under 45 C.F.R. § 164.528.
- 2.12. **Restriction Requests.** Florida Blue will permit a Member to request restriction on the use of their PHI, in accordance with 45 C.F.R. § 164.522.
- 2.13. **Confidential Communications.** Florida Blue will provide a process for a Member to request that Florida Blue confidential communications consistent with 45 C.F.R. § 164.522(b).
- 2.14. **Complaint Process.** Florida Blue will, consistent with 45 C.F.R. § 164.530(d) and on behalf of the Plan, provide a process for Members to make complaints concerning Florida Blue's policies and procedures.
- 2.15. **Safeguarding PHI.**
 - 2.15.1. **Privacy.** Florida Blue will maintain reasonable and appropriate administrative, physical, and technical safeguards, consistent with 45 C.F.R. § 164.530(c) and any other implementing regulations issued by DHHS that are applicable to Florida Blue as the Plan's Business Associate, to protect against reasonably anticipated threats or hazards to the security and integrity of PHI, to protect against reasonably anticipated unauthorized use or disclosure of PHI, and to reasonably safeguard PHI from any intentional or unintentional Use or Disclosure in violation of this BAA.
 - 2.15.2. **Security.** Florida Blue will develop, implement, maintain, and use administrative, technical, and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Florida Blue creates, receives, maintains, or transmits on behalf of the Plan consistent with the Security Rule, 45 C.F.R. Part 164, Subpart C.
- 2.16. **Inspection of Internal Practices, Books and Records.** Florida Blue will make its internal practices, books, and records relating to its Use and Disclosure of PHI available to DHHS to determine the Plan's compliance with 45 C.F.R. Part 164, Subpart E "Privacy of Individually Identifiable Health Information."
- 2.17. **Summary Health Information.** Upon Employer's written request to either (A) obtain premium bids for providing health insurance coverage under the Plan, or (B) modify, amend, or terminate the Plan, Florida Blue will provide Summary Health Information regarding the Members participating in the Plan to Employer.

3. EMPLOYER'S RESPONSIBILITIES

- 3.1. **Enrollment Data and Disenrollment Data.** Employer may electronically exchange data with Florida Blue regarding the enrollment and disenrollment of Members.
- 3.2. **Employer's Certification.** Employer hereby makes the certification specified in Schedule C-1 so that Employer may request and receive the minimum necessary PHI from Florida Blue for those plan administration functions that Employer will perform for the Plan. The Plan authorizes Florida Blue to disclose the minimum necessary PHI to those authorized representatives of Employer as

specified in Schedule C-2 for the plan administration functions that Employer will perform for the Plan as specified in the Plan's Plan Document as amended and in Schedule C-2. Employer acknowledges and agrees that Florida Blue is relying on Employer's certification and the Plan's authorization that Employer has provided the requisite certification and that Florida Blue is not responsible for verifying (1) that the Plan's Plan Document has been amended to comply with the requirements of 45 C.F.R. § 164.504(f)(2), 45 C.F.R. § 164.314(b)(2), or this Section 3, or (2) that Employer is complying with the Plan's Plan Document as amended.

- 3.3. **Notice of Privacy Practices("NPP").** The Plan hereby adopts the Florida Blue Notice of Privacy Practices as the Plan's own NPP in accordance with 45 C.F.R. § 164.520(c). The current Florida Blue "Notice of Privacy Practices" is available at: <https://www.floridablue.com/disclaimer/hipaa-notice-privacy-practice>.

Florida Blue reserves the right to amend its NPP and the web address where it is located at any time.

4. **MISCELLANEOUS**

- 4.1. **Amendment to Conform to Applicable Law.** Upon the compliance date of any final regulation or amendment to final regulation with respect to Protected Health Information, Standard Transactions, the security of Health Information, or other aspects of HIPAA applicable to this BAA or to the Agreement, the parties will mutually agree to amend such that the obligations imposed on Employer, the Plan, and Florida Blue to remain in compliance with such regulations, unless Florida Blue elects to terminate the Agreement by providing Employer and the Plan notice of termination in accordance with the Agreement at least 90 days before the compliance date of such final regulation or amendment to final regulation.
- 4.2. **Conflicts.** The provisions of this BAA will override and control any conflicting provision of the Agreement. All nonconflicting provisions of the Agreement will remain in full force and effect.

Schedule C-1
EMPLOYER'S CERTIFICATION
To EXHIBIT C

HIPAA BUSINESS ASSOCIATE AGREEMENT ADDENDUM

PART 1 – Employer to Amend Plan Documents for Privacy Provisions

Employer certifies that Employer has amended the Plan's Plan Document to incorporate the provisions required by 45 C.F.R. § 164.504(f)(2), as set forth below, and agrees to comply with the Plan's Plan Document as amended.

1. Neither use nor further disclose Protected Health Information, except as permitted or required by the Plan's Plan Document or as required by law.
2. Neither use nor disclose Protected Health Information for any employment-related action or decision, or in connection with any other benefit or employee benefit plan of Employer.
3. Ensure adequate separation between Employer and the Plan by (a) describing those employees or classes of employees or other persons under Employer's control who will be given access to Protected Health Information to perform plan administration functions for the Plan, (b) restricting the access to and use of Protected Health Information by such employees or other persons to the plan administration functions that Employer will perform for the Plan, and (c) instituting an effective mechanism for resolving any noncompliance with the Plan's Plan Document by such employees or other persons.
4. Ensure that any subcontractor or agent to which Employer provides Protected Health Information agrees to the restrictions and conditions of the Plan's Plan Document with respect to Protected Health Information.
5. Report to the Plan any use or disclosure of Protected Health Information of which Employer becomes aware that is inconsistent with the uses and disclosures allowed by the Plan's Plan Document.
6. Make Protected Health Information available to the Plan or, at the Plan's direction, to the Member who is the subject of Protected Health Information (or the Member's Personal Representative) so that the Plan can meet its access obligations under 45 C.F.R. § 164.524.
7. Make Protected Health Information available to the Plan for amendment and, on notice from the Plan, amend Protected Health Information, so that the Plan can meet its amendment obligations under 45 C.F.R. § 164.526.
8. Record Disclosure Information as defined above for each disclosure that Employer makes of Protected Health Information that is not excepted from disclosure accounting and provide that Disclosure Information to the Plan on request so that the Plan can meet its disclosure accounting obligations under 45 C.F.R. § 164.528.
9. Make its internal practices, books, and records relating to its use and disclosure of Protected Health Information available to the Plan and to DHHS to determine the Plan's compliance with 45 C.F.R. Part 164, Subpart E "Privacy of Individually Identifiable Health Information."
10. Return to the Plan or destroy if feasible all Protected Health Information in whatever form or medium that Employer (and any subcontractor or agent of Employer) received from the Plan or Florida Blue, including all copies thereof and all data, compilations, and other works derived there

from that allow identification of any present or past Member who is the subject of Protected Health Information, when Employer no longer needs Protected Health Information for the plan administration functions for which the Employer received Protected Health Information. Employer will limit the use or disclosure of any of Protected Health Information that Employer (or any subcontractor or agent of Employer) cannot feasibly return to the Plan or destroy to the purposes that make its return to the Plan or destruction infeasible.

PART 2 - Employer to Amend Plan Documents for Security Provisions

Employer further certifies that Employer has amended the Plan's Plan Document to incorporate the provisions required by 45 C.F.R. § 164.314(b)(2), as set forth below, and agrees to comply with the Plan's Plan Document as amended.

1. Implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of Electronic Protected Health Information that Employer creates, receives, maintains or transmits on the Plan's behalf.
2. Ensure that the adequate separation between Employer and the Plan required by 45 C.F.R. § 164.504(f)(2)(iii) (as described in item 3 above) is supported by reasonable and appropriate Security Measures.
3. Ensure that any subcontractor or agent to which Employer provides Electronic Protected Health Information agrees to implement reasonable and appropriate Security Measures to protect the Electronic Protected Health Information.
4. Report to the Plan any incident of which Employer becomes aware that is (a) a successful unauthorized access, use or disclosure of Electronic Protected Health Information; or (b) a successful major (i) modification or destruction of Electronic Protected Health Information or (ii) interference with system operations in an Information System containing or having access to Electronic Protected Health Information. Upon the Plan's request, Employer will report any incident of which Employer becomes aware that is a successful minor (a) modification or destruction of Electronic Protected Health Information or (b) interference with system operations in an Information System containing or having access to Electronic Protected Health Information.

Schedule C-2 (f.k.a Exhibit 3)
to EXHIBIT C
HIPAA BUSINESS ASSOCIATE AGREEMENT ADDENDUM

DISCLOSURE OF PROTECTED HEALTH INFORMATION FOR PLAN ADMINISTRATION

The Plan must promptly notify Florida Blue in writing if any of the information contained in this Schedule C-2 changes.

PART 1

Name(s) and Title(s) of Employer representatives (i.e., employees of Employer) authorized by the Employer to request and receive Summary Health Information from Florida Blue to perform Plan administrative functions:

PART 2

Identify the name(s), title(s) and company name(s) of any individual(s) from other Business Associates of the Plan that Employer, on behalf of the Plan, hereby authorizes to request and receive Protected Health Information:

Company Name	Type of Service Performed (Example: stop-loss carrier, reinsurer, agent, broker)	Name of Individual Performing Service	Title of Individual Performing Service

Employer acknowledges and agrees that, for purposes of these types of disclosures to third parties, Florida Blue may require the Business Associate of the Plan to enter into a confidentiality and indemnification agreement with Florida Blue in a form acceptable by Florida Blue. Florida Blue may require the Employer and/or the Plan to be a party to this agreement.

PART 3

The Employer, on behalf of the Plan, affirms that all authorization forms that may be required from the Plan's Members authorizing the use and/or release of protected or other confidential personal health information by Florida Blue or its Designated Agent in order to perform its obligations under the Agreement have been obtained.