

MEMORANDUM

Agenda Item No. 14(A)(4)

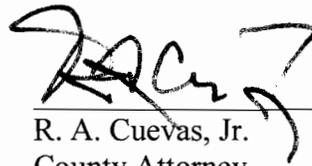
TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: September 16, 2008

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving
award to BlueCross
BlueShield of Florida, Inc.
for low cost health
insurance pilot
implementation

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Joe A. Martinez.



R. A. Cuevas, Jr.
County Attorney

RAC/bw



JOE A. MARTINEZ
MIAMI DADE COUNTY COMMISSIONER
DISTRICT 11

Memorandum

To: Honorable Chairman Bruno A. Barreiro and
Members of the Board of County Commissioners

From: Joe A. Martinez, Commissioner 

Date: September 4, 2008

Re: BlueCross BlueShield of Florida, Inc., - Low cost health insurance pilot implementation

As you are aware, I have been working on the attached pilot program in order to offer low cost quality health care to the residents of Miami Dade County. As such, please be advised the attached item has been placed on the agenda under my sponsorship.

If you should have any questions please contact my Chief of Staff at (305) 375-5511.

JM/jim

Cc: Honorable Mayor Carlos Alvarez
George Burgess, County Manager
Robert Cuevas, County Attorney
Kay Sullivan, Clerk of the Board

Memorandum



Date: September 16, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager 

Subject: Award to BlueCross BlueShield of Florida, Inc. for low cost health insurance pilot implementation

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve a contract with BlueCross BlueShield of Florida, Inc. (BCBSF) to implement a three-year pilot for a co-designed (by the County and BCBSF), low cost health insurance Product for uninsured residents of Miami-Dade County. This Product design was approved by the Board on May 20, 2008.

CONTRACT NO: Contract No. EPP-8347A

CONTRACT TITLE: Low Cost Health Insurance Pilot Implementation

DESCRIPTION: Pilot Implementation of the low cost health insurance Product for uninsured residents of Miami-Dade County

TERM: Three years from when initial coverage begins (tentatively July 1, 2009)

CONTRACT AMOUNT: The cost of the pilot will be borne by BCBSF, enrollees and any business which provides coverage for its employees

USING/MANAGING AGENCY: Office of Countywide Healthcare Planning (OCHP)

FUNDING SOURCE: No County funds will be expended. OCHP staff to provide in-kind resources for coordinated implementation including: monitoring and evaluation, outreach and chronic disease management, as well as possible refinements.

METHOD OF AWARD: Bid Waiver approved by the Board on December 4, 2007

LIVING WAGE: Not applicable

USER ACCESS PROGRAM: The contract does not contain the 2% User Access Program. This provision does not apply to health benefit programs.

ESTIMATED CONTRACT COMMENCEMENT DATE: Ten days after date adopted by the Board of County Commissioners, unless vetoed by the Mayor

BACKGROUND

The BCC Healthcare Task Force, established by Ordinance (No. 05-169) through County

Commissioner Joe A. Martinez's leadership, recommended that the County develop a low cost health insurance product to help decrease the significant number of County residents who lack health insurance and to address the growing demand for charity care. Sponsored by Commissioner Martinez and approved by the Board on December 4, 2007, Contract No. 8347: Limited Benefits Insurance Product, directed staff to work collaboratively with BlueCross BlueShield of Florida, Inc. (BCBSF) to co-design a comprehensive insurance product with very low premiums and cost-sharing (deductibles and co-pays). Additionally, the Board waived the competitive process and authorized the Mayor or designee to negotiate a contract with BCBSF to pilot the implementation of the resultant approved health insurance Product (R-1316-07). On May 20, 2008, the Board approved the co-designed insurance Product and authorized the County Mayor or designee to finalize a contract with BCBSF for a three-year pilot implementation (R-602-08). The Board approved the Product's benefits and rates, including monthly premiums and co-pays (see Appendix A, Attachments A and B respectively). The Board also directed that the Contractor file appropriate forms related to the pilot implementation with the Florida Office of Insurance Regulation (OIR) within thirty days following the effective date of the May 20 resolution. BCBSF submitted a letter of intent to file with OIR on June 23, 2008. This implementation contract must be approved by the Board before BCBSF can enter into contracts with its providers to implement this Product (Miami-Dade Blue). These two stages of contracting must be completed before the Product plan can be submitted to OIR for approval. BCBSF expects to file with OIR between October and November 2008. BCBSF will not modify the insurance coverage without thirty (30) days written advance notice to the County. Thereafter, the County may, at its sole discretion, terminate this contract.

The Product that will be offered to the uninsured residents of Miami-Dade County includes specified benefits, premiums, co-payments, coinsurance, and deductibles. The pilot will include providing a product to an estimated 600,000 uninsured County residents under age 65. Many of the residents targeted for participation in the pilot are unable to afford existing private health insurance and who do not qualify for public programs (such as Medicaid and KidCare). Small group employers who employ less than fifty employees and have not purchased health insurance will also be targeted for coverage. It is the County's intent that eligibility for the Product shall not be contingent upon immigration status and citizenship.

The following hospitals and health systems are being contracted for participation in the pilot implementation: Hialeah Hospital, Baptist Health South Florida -- Homestead Hospital, Mount Sinai Medical Center, Mercy Hospital, Coral Gables Hospital, Palmetto General Hospital, and Jackson Health System (JHS) (including Jackson Memorial Hospital, Jackson North Medical Center, and Jackson South Community Hospital). Finalization of these provider contracts is contingent upon the completion of the pilot implementation contract between Miami-Dade County and BCBSF.

The provider network will include physician-based services provided by a broad spectrum of doctors ranging from primary care physicians to specialty care physicians, with admitting privileges to the contracted hospital systems including both JHS clinics and Federally Qualified Health Centers. Other ancillary providers will also be included in the network. These providers will include Independent Clinical Lab (Quest Diagnostic), Durable Medical Equipment providers, Independent Diagnostic Testing Facilities, Urgent Care Centers, Pharmacies, and others (see Appendix A, Attachment A).

OCHP staff has facilitated a meeting with representatives from Jackson Health System (JHS), BCBSF, and Federally Qualified Health Centers to begin planning the marketing and outreach campaign. Future meetings are planned to assess and develop marketing and outreach strategies for the pilot implementation thereby ensuring a collaborative approach with the safety-net providers, especially

JHS. As part of a coordinated marketing and outreach approach, staff intends to utilize existing County communication resources, including all County media releases. Examples include adding pilot implementation information to the 3-1-1 knowledge base, posting information and outreach events on the County's Web Portal, Miami-Dade TV (Miami-Dade Now and Miami-Dade Ahora), and in the County's newsletter and eNewsletter, and Webcasting interviews with Commissioners about the pilot implementation.

The goals of the pilot and any post-pilot full implementation are to (1) increase the number of Miami-Dade County residents who have health insurance; (2) achieve increased sustainability for safety net providers, including Jackson Memorial Hospital, its broader Jackson Health System and Federally Qualified Health Centers; (3) reduce avoidable visits to emergency rooms and hospital admissions; (4) establish a "Medical Home" for enrollees who will have access to a full spectrum of services from primary to inpatient care; and over time, (5) a healthier Miami-Dade County resident population. BCBSF projects that in the first 12 months of enrollment, there will be approximately 4,000 to 6,000 new enrollees.

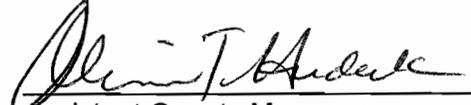
FISCAL IMPACT/FUNDING SOURCE

This contract with BCBSF is entered into at no cost to the County. Payments for services delivered to insured individuals are made directly to providers through BCBSF provider reimbursements and member co-pays at time-of-service. The Office of Countywide Healthcare Planning (OCHP) will continue to work with BCBSF to refine the design during the pilot period and will coordinate the implementation including: monitoring and evaluation, outreach and chronic disease management. OCHP will perform these responsibilities with existing staff. BCBSF will bear the cost of obtaining regulatory approval of the Product, preparing and implementing a marketing plan and marketing materials, obtaining media purchases and member enrollment, as well as assumption of all claims risk.

TRACK RECORD/MONITOR

BCBSF has more than 60 years of health care experience, with a demonstrated commitment to providing affordable health care solutions to Floridians. BCBSF has a proven track record of financial stability, strong reserves, quality provider networks, value-added services, and high customer satisfaction. BCBSF also has extensive experience in developing limited benefit health insurance products, as well as, innovative health insurance products. Their track record for obtaining the required regulatory approval to implement these products is favorable. OCHP staff will closely monitor enrollment and service utilization reported by BCBSF, and will work with the contractor to engage in continuous quality improvements throughout the three-year pilot implementation. BCBSF has agreed to contract with "safety-net" providers at market rates, thus providing new points of access to enrolled members and a new source of income to the safety-net providers. OCHP will closely monitor the impact to these providers. Staff will provide updates to the County Mayor and Board of County Commissioners after the first six months of the pilot period and regular reporting thereafter.

Upon contract approval, BCBSF will finalize agreements with providers, apply for OIR approval for the plan and rate filings, develop marketing materials and an outreach plan, commence sales, implement a marketing campaign during March-April 2009, and begin enrollment in May, for an effective date of July 1, 2009.


Assistant County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: September 16, 2008

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 14(A)(4)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(4)
9-16-08

RESOLUTION NO. _____

RESOLUTION APPROVING THE MIAMI-DADE COUNTY -
BLUECROSS BLUESHIELD OF FLORIDA, INC. CONTRACT
FOR A THREE YEAR PILOT IMPLEMENTATION OF THE
CO-DESIGNED HEALTH INSURANCE PRODUCT FOR
UNINSURED RESIDENTS OF MIAMI-DADE COUNTY, AND
DIRECTING THE COUNTY MAYOR OR DESIGNEE TO
PROVIDE REPORTS TO THE BOARD – CONTRACT NO.
EPP-8347A

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference; and

WHEREAS, Board of County Commissioners approved the design of the low cost health insurance Product on May 20, 2008 contingent on the approval of a contract for a three year pilot implementation of the Board approved Product,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the Miami-Dade County - BlueCross BlueShield of Florida, Inc. contract for a three-year pilot implementation of the co-designed health insurance Product for uninsured residents of Miami-Dade County, including specified benefits, premiums, co-payments, coinsurance, and deductibles; in substantially the form attached hereto and made a part hereof, authorizes the County Mayor or County Mayor’s designee to execute same for and on behalf of Miami-Dade County, and directs the County Mayor or designee to provide periodic status reports to the Board.

The Prime Sponsor of the foregoing resolution is Commissioner Joe A. Martinez.
It was offered by Commissioner _____, who moved its
adoption. The motion was seconded by Commissioner _____
and upon being put to a vote, the vote was as follows:

| | |
|------------------------------------|--------------------|
| Bruno A. Barreiro, Chairman | |
| Barbara J. Jordan, Vice-Chairwoman | |
| Jose "Pepe" Diaz | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Joe A. Martinez | Dennis C. Moss |
| Dorin D. Rolle | Natacha Seijas |
| Katy Sorenson | Rebeca Sosa |
| Sen. Javier D. Souto | |

The Chairperson thereupon declared the resolution duly passed and adopted this
16th day of September, 2008. This resolution shall become effective ten (10) days after
the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective
only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

HB/

Hugo Benitez

Appendix A Scope of Work

1.0 INTRODUCTION/BACKGROUND

The Board of County Commissioners (Board) established the BCC Healthcare Task Force (Task Force) in September, 2005 for the specific purpose of advising the Board concerning countywide delivery of healthcare services. The Task Force recommended that the County develop a low cost health insurance product to help decrease the significant number of County residents who lack health insurance and to reduce the growing demand for charity care. Sponsored by Commissioner Martinez and approved by the Board on December 4, 2007, Contract No. 8347: Limited Benefits Insurance Product, directed staff to work collaboratively with BlueCross BlueShield of Florida (Contractor) to co-design a comprehensive insurance product with low premiums and with cost-sharing (deductibles and co-pays). On May 20, 2008, the Board approved the Miami-Dade County - BlueCross BlueShield of Florida, Inc. co-designed low cost comprehensive health insurance product (Product) for uninsured residents of Miami-Dade County. The Board also authorized the County Mayor or designee to finalize a no-cost contract with the Contractor for a three-year Pilot Implementation for Board approval.

2.0 REQUIREMENTS AND SERVICES TO BE PROVIDED

The Contractor must be a Florida licensed insurance company (under Florida Chapter 627) and remain in good standing.

The goals of this Pilot as it pertains to the residents of Miami Dade County are as follows:

- (1) Increase the number of insured;
- (2) Achieve increased sustainability for safety net providers, including Jackson Memorial Hospital, its broader Jackson Health System and Federally Qualified Health Centers (FQHC);
- (3) Reduce avoidable visits to the ER and avoidable hospital admissions;
- (4) Establish a "Medical Home" for enrollees who will have access to a full spectrum of services from primary to inpatient care; and ultimately, over time,
- (5) A healthier Miami-Dade County resident population.

It is projected that in the first 12 months of enrollment, there will be approximately 4,000 to 6,000 new enrollees in the Product.

The County, through OCHP, will work with the Contractor to develop an implementation plan that will promote the goals set forth above. Nothing in this Agreement is intended to involve the County in the Contractor's process of contracting with the Public Health Trust and its Jackson Health System to offer more favorable terms or rate than would otherwise be available to the Contractor in the absence of this Agreement. The Contractor will be responsible for moving the design through its new Product development and implementation process that includes, among numerous items, submitting the Product, premium structure, and member contract to the Florida Office of Insurance Regulation (OIR) for review and approval. The County, through OCHP, will engage in the detailed planning, implementation analyses of the three-year Pilot, and possible refinement of the Product, as appropriate, to achieve the goals of the Pilot. Enrollment eligibility will not be contingent on immigration status and citizenship for the MDC-BCBS Product.

The Contractor shall implement the Miami-Dade County - BlueCross BlueShield of Florida, Inc. insurance Product, on a Pilot basis of up to 3 years. Across the 3 years of this Pilot intervention, the Contractor shall provide sufficient data and reports to the County. This information will be used by OCHP to monitor, analyze and track enrollment and utilization. This information will form the basis of a collaborative refinement of the model, as determined appropriate between BCBS and the County, throughout the three-year Pilot. In addition, section 3.0 entitled "Core Deliverables and Milestones" under this Agreement, although not an exhaustive list, details the most significant efforts included in the contract with the Contractor for purposes of implementing the three-year Pilot. The County-approved Benefits Overview Matrix and Proposed Rates are represented as Attachments A and B, respectively.

This collaborative effort will include operating a parallel process for enrolling those who are declined for the comprehensive Product but who select the Contractor's GoBlue product. The Contractor will develop this process collaboratively with the County which will include tracking and aggregate reporting. This reporting will encompass the progress of those who were declined coverage under the Product but who enroll in GoBlue. Together, the Contractor and the County will ensure that these individuals have the tools needed to improve their health and manage their chronic diseases and will be encouraged to reapply for the Product. GoBlue is a currently operating individual product sold to Floridians by the Contractor. The GoBlue benefit structure provides indemnity benefits and is offered as a "guaranteed issue" available to all individuals regardless of their health status. The Contractor will work with the County in establishing a periodicity for reporting on this 'parallel process.'

- a. Discounted health care and services provider network will be established with credentialing of Safety Net Providers (including FQHCs). Benefits systems will be installed (providing Availity software and card reader to all providers and training, as appropriate on the system) with the ultimate goal of instituting a paperless system (health record, benefits information

and provider payment) – as feasible. Benefits structure and discounted network will be approved by OIR.

b. Materials and Campaigns

- o Awareness and education
- o Provider and Member -Outreach and education

The Contractor will develop, with input by OCHP as appropriate, all member and provider materials necessary to support the new plan designs for both Individuals under 65 and small groups. The materials will be reviewed by the County in accordance with the Trademarks and Restrictions contractual language. All appropriate materials will be approved by OIR.

c. Monitoring and Evaluation metrics

The County and the Contractor will work collaboratively to define the metrics associated with the Pilot. The Contractor will provide the County with data to measure the Pilot outcomes that correspond to the goals listed in section 2.0 of this Scope of Work. Data will be provided in accordance with the terms of the Contract related to the exchange of Public Health Information (PHI).

d. Meetings as needed for outreach, education and communication of the Product. The Contractor will coordinate with the County to have Contractor representation at any planned activities where details of the Product and corresponding administration process would be reviewed and discussed.

3.0 CORE DELIVERABLE AND MILESTONES

A more detailed Scope of Work (SOW) with Timelines and Detailed Deliverables will be collaboratively developed during Pilot Implementation. The following components will form the Core of this SOW which will be a 'living document' that will evolve collaboratively between County and Contractor as major milestones are achieved. The SOW identifying respective roles, tasks, deliverables, and due dates will be prepared by the County in collaboration with the Contractor by November 14, 2008. The County shall have the right to terminate the contract with the Contractor if OIR approval for the plan is not obtained by July 1, 2009, upon receipt of a 30-day notice from the County.

- #1 BCC Approval of LCHIP Contract (County task) – target: September 2008
- #2 Product Branding (Contractor has lead) – target: September 2008
- #3 Data Metrics and Reporting (County defined & Contractor designed) – target: September 2008
- #4 Plan Rating by Actuaries (Contractor task) – target: Late September 2008
- #5 Submit Plan to OIR (Contractor) – target: October 2008
- #6 Develop Premium Subsidy Program (County) – target: December 2008
- #7 Orientations for Health Care Providers (County & Contractors) – target: December 2008

- #8 Member Materials and Marketing Plan Developed (Contractor) – target: January 2009
- #9 Member Materials Approved by OIR (Contractor) – target: February 2009
- #10 Product Launch (Contractor & County) – March - April 2009
- #11 Sales Commence (Contractor) – May - June 2009
- #12 Go-Live Date (Contractor) – July 1, 2009

ATTACHMENT "A"

Miami-Dade County/BlueCross BlueShield of Florida -- Low Cost Comprehensive Health Insurance Product

Benefits Overview Matrix

Revised: 5-7-08

Proposed - These plans and rates are subject to review and approval by the Florida OIR and are based on a low cost provider network which must be developed with negotiations currently underway.

| Benefits | Individual Plan ("medically underwritten" e.g., certain conditions prohibit coverage) | Group Plan ("guaranteed issuance" e.g., certain conditions subject to time limited exclusions) |
|---|---|---|
| Estimated Monthly Premiums | | |
| Single Male Age 35 Individual Plan | \$110 | NA |
| Single Female Age 35 Individual Plan | \$122 | NA |
| Averaged Premium based on Single Males and Females Avg Age of 35 Group Plan (1) | NA | Total Premium \$236 Employee Share \$118 |
| Calendar Year Deductible (CYD) - Only Applies As Indicated | | |
| In-Network | \$250 Deductible (yrlly -- hospital & other) | Same as individual (per person) |
| Out-of-Network | \$750 Deductible (yrlly -- hospital & other) | Same as individual (per person) |
| Coinsurance | | |
| In-Network | 90% / 10% (BCBSF/member split of <u>Discounted</u> Hospital related) | Same as individual (per person) |
| Out-of-Network | 60% / 40% (BCBSF/member split of <u>Discounted</u> Hospital related) | Same as individual (per person) |
| Out-of-Pocket Maximum - Most a Person Must Pay in Each Year (2) | | |
| In-Network | \$2,500 Per Person Per Year | Same as individual (per person) |
| Out-of-Network | \$5,000 Per Person Per Year | Same as individual (per person) |
| Office Services | | |
| In-Network Family Physician / PCP | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| In-Network Specialist | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Lab performed at participating lab (Quest) | Fully Covered | Fully Covered |
| Out of Network Providers - Office Visits | \$50 BCBSF Allowance (towards <u>NON-Discounted</u> office visit -- member pays balance) | Same as individual (per person) |
| Out of Network Providers - Surgical Services | \$750 Deductible + 60% / 40% (BCBSF member split) | Same as individual (per person) |
| Urgent Care Center - In Network | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Allergy Injection In-Network | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Hospital Services | | |
| Inpatient In-Network | \$250 Deductible +90% / 10% (BCBSF/member split of <u>Discounted</u> Hospital Services) | Same as individual (per person) |
| Inpatient Out-of-Network | \$500 Per Admission + \$750 Deductible + 60% / 40% (BCBSF/member split of <u>Non-Discounted</u> out-of-network Hospital Services) | Same as individual (per person) |
| Outpatient In-Network - Surgical Services | \$250 Deductible + 90% / 10% (BCBSF/member split of <u>Discounted</u> Hospital-based Outpatient Services) | Same as individual (per person) |
| Outpatient Out-of-Network - Surgical Services | \$750 Deductible + 60% / 40% (BCBSF/member split of <u>Non-Discounted</u> out-of-network Hospital Services) | Same as individual (per person) |
| Emergency Room - In-Network - Surgical | \$250 Deductible + 90% / 10% (BCBSF/member split of <u>Discounted</u> Hospital Services) | Same as individual (per person) |
| Emergency Room - In-Network - Non-Surgical | \$1,000 Per Visit + \$250 Deductible + 90% / 10% (BCBSF/member split of <u>Discounted</u> ER non-surgical services, after PAD and deductible) | Same as individual (per person) |
| Emergency Room - Out-of-Network - Surgical | \$750 Deductible + 60% / 40% (BCBSF/member split of <u>Non-Discounted</u> Hospital Services) | Same as individual (per person) |
| Emergency Room - Out-of-Network - Non-Surgical | \$1,000 Per Visit + \$750 Deductible +60% / 40% (BCBSF/member split of <u>Non-Discounted</u> Hospital Services) | Same as individual (per person) |
| Benefit Maximums | | |
| Lifetime Maximum | \$5,000,000 | Same as individual (per person) |
| Substance Dependency (Other Than Office Visit) | (Covered for Office Visits only) | Same as individual (per person) |
| Mental Health (Other Than Office Visit) | (Covered for Office Visits only) | Same as individual (per person) |
| Hospice | \$5,200 LTM (Life Time Maximum) | Same as individual (per person) |
| Home Health Care | Not Covered | Same as individual (per person) |
| Skilled Nursing Facility | Not Covered | Same as individual (per person) |
| Outpatient Therapy and Spinal Manipulations | \$1,500 Maximum Per Calendar Year | Same as individual (per person) |
| Preventive Health | | |
| Mammograms (Routine And Diagnostic) | Fully Covered | Same as individual (per person) |
| Well Child | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Adult Wellness | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Other | | |
| Independent Clinical Labs | Fully Covered | Same as individual (per person) |
| Independent Diagnostic Testing Facility | \$75 co-pay + BCBSF pays balance of <u>Discounted</u> fee | Same as individual (per person) |
| Contraceptive Injections | Not Covered | Same as individual (per person) |
| Prosthetics & Orthotics - Related to Surgical | \$250 Deductible +90% / 10% (BCBSF/member split of <u>Discounted</u> Services) | Same as individual (per person) |
| Durable Medical Equipment - Related to Surgical | \$250 Deductible + 90% / 10% (BCBSF/member split of <u>Discounted</u> Services) | Same as individual (per person) |
| Ambulance Services | \$250 Deductible + 90% / 10% (BCBSF/member split) up to a Maximum \$400 Per Day Ground & \$4,000 Per Day Air/Water | Same as individual (per person) |
| Ambulatory Surgical Center - In Network | \$250 Deductible +90% / 10% (BCBSF/ member split of <u>Discounted</u> Services) | Same as individual (per person) |
| Ambulatory Surgical Center - Out-of-Network | \$750 Deductible + 60% / 40% (BCBSF/member split of <u>Non-Discounted</u> Services) | Same as individual (per person) |
| Outpatient Therapy and Spinal Manipulations | \$250 Deductible + 90% / 10% (BCBSF/member split of <u>Discounted</u> Services) | Same as individual (per person) |
| Pharmacy | \$10 Generic only Plus Discount Card For Non-Covered | Same as individual (per person) |
| Dental | \$50 BCBSF Allowance (towards <u>Discounted</u> office visit --member pays balance) | Same as individual (per person) |
| Maternity | Maternity Rider available | Maternity Covered |

Notes: (1) Based on a 40 person census all age 35, 20 males and 20 females

(2) All deductibles, coinsurance, and co-payments (except for pharmacy co-payments) count towards the Annual Out-Of-Pocket Maximum

13

ATTACHMENT "B"

Miami-Dade County/BlueCross BlueShield of Florida Low Cost Comprehensive Health Insurance Product

Proposed Rates

Note: These monthly premium rates are subject to review and approval by the Florida OIR and are based on a low cost provider network which must be developed with negotiations currently underway.

| Rates for Individual Product | | |
|------------------------------|----------|------------------|
| Age | Sex | Rate |
| 10 | F | \$ 65.02 |
| 20 | F | \$ 77.76 |
| 30 | F | \$ 101.96 |
| 35 | F | \$ 122.00 |
| 40 | F | \$ 142.34 |
| 50 | F | \$ 202.90 |
| 64 | F | \$ 272.70 |
| 10 | M | \$ 65.02 |
| 20 | M | \$ 72.32 |
| 30 | M | \$ 91.08 |
| 35 | M | \$ 110.00 |
| 40 | M | \$ 128.74 |
| 50 | M | \$ 187.94 |
| 64 | M | \$ 324.38 |

| Rates for Group Product | | | | | |
|-------------------------|-----------|-----------|-------------|-----------------|-------------------|
| Age | Male | Female | EE + Sp | Male EE + Ch | Female EE + Ch |
| 00-24 | \$ 100.62 | \$ 250.26 | \$ 350.88 | \$ 401.62 | \$ 551.26 |
| 25-29 | \$ 129.86 | \$ 285.52 | \$ 416.24 | \$ 425.70 | \$ 581.36 |
| 30-34 | \$ 165.98 | \$ 290.68 | \$ 456.66 | \$ 470.42 | \$ 594.26 |
| 35-39 | \$ 172.86 | \$ 297.56 | \$ 470.42 | \$ 471.28 | \$ 595.12 |
| 40-44 | \$ 244.24 | \$ 331.96 | \$ 576.20 | \$ 514.28 | \$ 602.00 |
| 45-49 | \$ 309.60 | \$ 354.32 | \$ 663.92 | \$ 566.74 | \$ 611.46 |
| 50-54 | \$ 411.94 | \$ 437.74 | \$ 849.68 | \$ 649.30 | \$ 674.24 |
| 55-59 | \$ 528.90 | \$ 509.12 | \$ 1,038.02 | \$ 774.86 | \$ 755.08 |
| 60-64 | \$ 725.84 | \$ 624.36 | \$ 1,350.20 | \$ 894.40 | \$ 792.06 |

Note: EE = Employee; Sp = Spouse; Ch = Child

Note: Rates for Groups are based on the census of the group using the age and sex of each member of the group. For example, a group of 40 persons all age 35, half male and half female would have a group rate of \$236.00 per person, at least half of which would be paid by the employer resulting in each person paying \$118.00 (if the employer paid only half).

September 5, 2008

BlueCross BlueShield of Florida, Inc.
8400 N.W. 33rd Street
Suite 100
Miami, Florida 33122
Attn: Alan T. Guzzino, Vice President Public Sector Sales

This letter is intended to set forth the terms of this agreement (Contract), wherein Miami-Dade County (the "County") and BlueCross BlueShield of Florida, Inc. (the "Contractor"), agree that the Contractor in collaboration with County staff, shall implement a pilot Low Cost Health Insurance product (Product), which the Contractor will then, upon proper statutory approval shall make available to the residents of Miami-Dade County for a three (3) year pilot period, at no cost to the County, as further defined in Appendix A (the Scope of Work) attached hereto. The Product will be named as the Miami-Dade Blue health plan.

The terms of this Contract are as follows:

- 1) The Effective Date of this Contract is the date stated above. On the Effective Date of this Agreement the Contractor and County will initiate the collaborative endeavor to create the Product. The Contractor must obtain Florida Office of Insurance Regulation (OIR) Product (plan) approval by July 1, 2009, or this Contract will become null and void, unless extended by mutual agreement of both parties. After the Product is launched for Miami-Dade County residents' consideration, the Product will have a Go-Live date, which shall be referred to as the Product Implementation Effective Date. The Contract will end three years after the Product Implementation Effective Date. This Contract encompasses the coordinated implementation including final Product development, OIR approval, marketing and outreach, enrollment, operations, chronic disease management, and possible product refinement, as further defined in Appendix A, herein.
- 2) The County shall have no obligation to pay the Contractor any sum for the pilot implementation. The Contractor shall provide sufficient and mutually agreed upon data and reports to the County, as well as reporting periods, also mutually agreed upon, for the Product's collaborative implementation, monitoring and evaluation. Across the 3 years of this pilot implementation, the Contractor and the County, through its Office of Countywide Healthcare Planning will coordinate implementation including: monitoring and evaluation, outreach and chronic disease management, as well as possible refinements. Additionally, the parties will analyze and track enrollment and utilization, and report to County officials on milestones and accomplishments.
- 3) The County's Contract Manager is the Director, Department of Procurement Management, and the Project Manager is the Executive Director of the Office of Healthcare Planning who will manage this Contract on behalf of the County.

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- 4) All notices required or permitted under this Contract shall be in writing and shall be deemed sufficiently served if sent by registered or Certified Mail, return receipt requested, or delivered personally, or fax or e-mail (if provided below) delivery with hard copy to follow and in any case addressed as follows:

To the County

a) to the Project Manager:

Miami-Dade County
 Office of Countywide Healthcare Planning
 140 W. Flagler St. Ste. 1102
 Miami, Florida 33128
 Attention: Executive Director
 Phone: (305) 375-5444
 Fax: (305) 372-6357

b) to the Contract Manager:

Miami-Dade County
 Department of Procurement Management
 111 N.W. 1st Street, Suite 1375
 Miami, FL 33128-1974
 Attention: Director
 Phone: (305) 375-5257
 Fax: (305) 375-2316

and,

To the Contractor

BlueCross BlueShield of Florida, Inc.
 4800 Deerwood Campus Parkway
 Jacksonville, FL 32246-8273
 Attention: Vice President, Public Sector
 Phone: 904-905-1246
 Fax: 904-905-1688

- 5) Product Responsibilities. Contractor shall be solely responsible for the Product it offers to Miami-Dade County residents under this Contract including but not limited to all contractual obligations arising out of the insurance agreement it enters into with such residents. This includes bearing the insurance risk related to the losses that may arise from such insurance contracts as well as the obligations arising from any contracts that it enters into with providers to become network providers that may provide services to residents enrolled in the Product. Contractor agrees that the County is not responsible for any disputes between Contractor and enrollees arising solely from the coverage provisions of the Product, the payment by the Contractor (or lack thereof), or the provider contracts it has with providers.

The parties understand and agree that the Product is being developed by the Contractor for its own private use and that the obligations for the County are, through OCHP, to engage in the detailed planning, implementation analyses of the three-year Pilot, and possible refinement of the Product, as appropriate, to achieve the goals of the Pilot as set forth herein. Accordingly, the Contractor releases and indemnifies the County against any and all claims, actions and causes of action, related to the design, timeliness or suitability of the Product, with its performance, profit or losses in the market.

- 6) The Contractor shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or

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proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by the Contractor or its employees, agents, servants, partners principals or subcontractors. The Contractor shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. The Contractor expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Contractor shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as herein provided.

Upon County's notification, the Contractor shall, furnish to Miami-Dade County, Department of Procurement Management, RFP Section, 111 N.W. 1st Street, Suite 1375, Miami, Florida 33128-1974, Certificates of Insurance that indicate that insurance coverage has been obtained, which meets the requirements as outlined below:

1. Worker's Compensation Insurance for all employees of the Contractor as required by Florida Statute 440.
2. Public Liability Insurance on a comprehensive basis in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage. **Miami-Dade County must be shown as an additional insured with respect to this coverage. The mailing address of the Department of Procurement Management, as the certificate holder, must appear on the certificate of insurance.**
3. Automobile Liability Insurance covering all owned, non-owned, and hired vehicles used in connection with the Services, in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage.
4. Professional Liability Insurance in an amount not less than \$1,000,000.

The insurance coverage required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operation of the Contractor. All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida with the following qualifications:

The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, according to the latest edition of Best's Insurance Guide published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.

OR

The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida", issued by the State of Florida Department of Insurance and are members of the Florida Guaranty Fund.

Certificates of Insurance must indicate that for any cancellation of coverage before the expiration date, the issuing insurance carrier will endeavor to mail thirty (30) day written

advance notice to the certificate holder. In addition, the Contractor hereby agrees not to modify the insurance coverage without thirty (30) days written advance notice to the County.

NOTE: MIAMI-DADE COUNTY CONTRACT NUMBER AND TITLE MUST APPEAR ON EACH CERTIFICATE OF INSURANCE.

Compliance with the foregoing requirements shall not relieve the Contractor of this liability and obligation under this section or under any other section in this Agreement. Award of this Contract is contingent upon the receipt of the insurance documents, as required, within fifteen (15) calendar days after County notification to Contractor to comply before the award is made. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Agreement, the Contractor shall be verbally notified of such deficiency and shall have an additional five (5) calendar days to submit a corrected certificate to the County. If the Contractor fails to submit the required insurance documents in the manner prescribed in this Agreement within twenty (20) calendar days after County notification to comply, the Contractor shall be in default of the contractual terms and conditions and award of the Contract will be rescinded, unless such time frame for submission has been extended by the County.

The Contractor shall be responsible for assuring that the insurance certificates required in conjunction with this Section remain in force for the duration of the contractual period of the Contract, including any and all option years or extension periods that may be granted by the County. If insurance certificates are scheduled to expire during the contractual period, the Contractor shall be responsible for submitting new or renewed insurance certificates to the County at a minimum of thirty (30) calendar days in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the County shall suspend the Contract until such time as the new or renewed certificates are received by the County in the manner prescribed herein; provided, however, that this suspended period does not exceed thirty (30) calendar days. Thereafter, the County may, at its sole discretion, terminate this contract.

- 7) Contractor is not an agency, employee, representation or partner of the County, and it does not have the authority to act on behalf of the County or its agencies. Contractor's personnel shall not be employees of Miami-Dade County.
- 8) Contractor shall comply with all laws, ordinances and regulations applicable to the Services contemplated herein, especially those applicable to conflict of interest and collusion. Contractor is presumed to be familiar with all Federal, State and local laws, ordinances, codes and regulations that may in any way affect the Services offered, especially Executive Order No. 11246 entitled "Equal Employment Opportunity" and as amended by Executive Order No. 11375, as supplemented by the Department of Labor Regulations (41 CFR, apart 60), the Americans with Disabilities Act of 1990 and implementing regulations, the Rehabilitation Act of 1973, as amended, Chapter 553 of Florida Statutes and all other local, State and Federal directives, ordinances, rules, orders and laws relating to people with disabilities.
- 9) The County, or its duly authorized representatives or governmental agencies shall, until the expiration of three (3) years after the expiration of this Agreement and any extension thereof, have access to and the right to examine and reproduce any of the Contractor's books, documents, papers and records and of its subcontractors and suppliers which

specifically apply to all matters of the Agreement. The County's rights hereunder shall not include access or any other right in regards to Contractor's books, documents, papers and records which do not relate to the Contract. Such records shall subsequently conform to Generally Accepted Accounting Principles requirements, and shall only address those transactions related to this Agreement. Pursuant to County Ordinance No. 03-2, the Contractor will grant access to the Commission Auditor to all financial and performance related records, property, and equipment purchased in whole or in part with government funds. The Contractor agrees to maintain an accounting system that provides accounting records that are supported with adequate documentation, and adequate procedures for determining the allowability and allocability of costs.

10) Trademarks and Representations.

- a) Neither party shall use the other's trade names, trademarks or service marks ("Marks") in written communications without the prior approval of the other party. Neither party shall display the other's Marks, nor permit the same to be displayed by third parties, except in connection with the performance of this Agreement and with prior approval. Such approval may be withheld if for any reason the County believes that the publication of such information would be harmful to the public interest or is in any way undesirable. Nothing in this Agreement creates in a party rights in the Marks of the other. Upon termination of this Agreement, each party shall discontinue the use of the other's Marks.
- b) Except as may be required by law, the Contractor and its employees, agents, subcontractors and suppliers will not represent, directly or indirectly, that any product or service provided by the Contractor has been approved by the County with the exception of this Product.
- c) County agrees and understands that Contractor is an independent licensee of the Blue Cross and Blue Shield Association and agrees to abide by any Blue Cross and Blue Shield Association guidelines concerning the use of the Blue Cross and Blue Shield names and marks as may be revised from time to time. Contractor agrees to provide County with guidance on the use of such names and marks.

11) Individually Identifiable Health Information and/or Protected Health Information - Any person or entity that performs or assists Miami-Dade County with a function or activity involving the use or disclosure of "Individually Identifiable Health Information" (IIHI) and/or Protected Health Information (PHI) shall comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Miami-Dade County Privacy Standards Administrative Order. HIPAA mandates for privacy, security and electronic transfer standards include but are not limited to:

- 1. Use of information only for performing services required by the contract or as required by law;
- 2. Use of appropriate safeguards to prevent non-permitted disclosures;
- 3. Reporting to Miami-Dade County of any non-permitted use or disclosure;
- 4. Assurances that any agents and subcontractors agree to the same restrictions and conditions that apply to the Contractor and reasonable assurances that IIHI/PHI will be held confidential;
- 5. Making Protected Health Information (PHI) available to the customer;

6. Making PHI available to the customer for review and amendment; and incorporating any amendments requested by the customer;
7. Making PHI available to Miami-Dade County for an accounting of disclosures; and
8. Making internal practices, books and records related to PHI available to Miami-Dade County for compliance audits.

PHI shall maintain its protected status regardless of the form and method of transmission (paper records, and/or electronic transfer of data). The Contractor must give its customers written notice of its privacy information practices including specifically, a description of the types of uses and disclosures that would be made with protected health information.

- 12) Replication of Product. Contractor shall be the owner of the Product and shall be entitled to replication of the Product without restriction including offering the Product to other governmental entities outside the County; however, without the Miami-Dade County co-branding. The Product will be targeted to uninsured Miami-Dade County residents. Upon approval of this Contract by the County and approval by the Florida Office of Insurance Regulation, the Contractor will implement the pilot Product at no cost to the County. In the event that the Product is subsequently terminated by the County during the three-year pilot, the Contractor will be able to implement it unilaterally, but without the County's co-branding.

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IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the contract date herein above set forth.

Contractor:

County:

By: _____

By: _____

Name: ALBERT GUARDINO

Name: _____

Title: VP

Title: _____

Date: 9/5/09

Date: _____

Attest: _____

Attest: _____

Corporate Secretary

Clerk of the Board

Corporate Seal
(if applicable)

Approved as to form and legal sufficiency:

Assistant County Attorney

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