

**BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC.
HEALTH OPTIONS, INC.**

**ACCOUNTING AND RETENTION AGREEMENT
(Proshare)**

This is an Agreement (hereinafter "Agreement") between Blue Cross Blue Shield of Florida, Inc. d/b/a Florida Blue and Health Options, Inc., (hereinafter jointly referred to as "Florida Blue"), located at 4800 Deerwood Campus Parkway, Jacksonville, Florida 32246 and City of Pompano Beach, (hereinafter "the Group") located at 100 W. Atlantic Blvd., Pompano Beach FL 33060.

WHEREAS, the Group requests Florida Blue to provide a health maintenance organization (hereinafter "HMO") and a Point-of-Service insurance program, (hereinafter jointly referred to as GHP "the Group Health Plan") to its employees and their covered dependents (hereinafter "Group Member(s)"); and

WHEREAS, Health Options, Inc., has agreed to provide the HMO part of the GHP, and Florida Blue has agreed to provide the insurance part of the GHP; and

WHEREAS, each of the parties to this Agreement seeks to set forth in writing the terms and conditions of their Agreement.

NOW THEREFORE, for good and valuable consideration, the parties agree to these terms and conditions:

I. TERM

The initial term of this Agreement shall begin on October 1, 2018, (the effective date) and shall end on September 30, 2019, (the termination date), unless otherwise terminated or renewed in accordance with the provisions of this Agreement.

During the term of this Agreement, the Group agrees to: a) maintain enrollment that does not decline to one hundred (100) or fewer contracts for two consecutive months or three nonconsecutive months during a single contract period, and b) meet or exceed the minimum participation guidelines set forth in the True Group Application. In the event the Group is unable to maintain adequate enrollment, this Agreement may be terminated and no settlement will be prepared and the Group will not be eligible for this funding arrangement in the future.

II. BENEFIT PLAN

Florida Blue will pay benefits to all eligible Group Members in accordance with the provisions of this Agreement and the GHP.

III. PREMIUM PAYMENTS

The Premium Rates, Prepayment Fees, and Supplemental Charges for the GHP are payable in advance to Florida Blue at the address set forth above. The premiums for the program are set forth in Exhibit A.

IV. SETTLEMENT ACCOUNTING

Within one hundred twenty (120) days after the end of the entire term of the Agreement, Florida Blue shall prepare and furnish to the Group a Settlement Accounting of their operations of the term. This Settlement Accounting shall include operations under all coverages of the Agreement and shall set forth the following:

- (a) Earned Premium
- (b) Incurred Claims less claims in excess of the pooling point
- (c) Capitation Charges, if applicable
- (d) Pooling Charges (not included in administrative charges)
- (e) Administrative Charges as set forth on Exhibit A

If Earned Premium is greater than the sum of Incurred Claims less claims in excess of the pooling point, Capitation Charges, Pooling Charges and Administrative Charges, 50% of this excess will be returned to the Group.

The accounting is an aggregation of the contract periods encompassed in the term of the Agreement. If the Group cancels prior to January 31, 2020, any such excess will not be available for return to the Group.

If Earned Premium is less than the sum of Incurred Claims less claims in excess of the pooling point, Capitation Charges, Pooling Charges and Administrative Charges, the deficit will be retained by Florida Blue.

V. TERMINATION

This Agreement may be terminated at any anniversary of the effective date by either party by giving the other party at least 45 days prior written notice of such termination.

VI. MODIFICATION OF RATES

Rates for the first twelve (12) months of this Agreement will remain in effect, as set forth in Exhibit A, provided there is no material change to the Benefit Contracts, the enrollment, or any other risk factor, as determined by Florida Blue. Thereafter, all rates set forth in this Exhibit A of this Agreement or subsequent contract periods are subject to change by

Florida Blue at any time following at least forty-five (45) days prior written notice to the Group.

The administrative charge shall remain the same for the duration of the Agreement. The rates and pooling charge for subsequent contract periods after the initial contract period of the term of the Agreement will be set forth and presented to the Group on a revised Exhibit A. All other provisions of this Agreement shall remain in effect without modification.

VII. LATE PAYMENT/CHARGE

In the event the Group fails to make any payment due under this Agreement, in full, prior to the applicable due date, such payment may be made to Florida Blue up to ten (10) days after such due date without a late payment charge. Payments received by Florida Blue eleven (11) to thirty-one (31) days after such due date are subject to a late payment charge. The Group shall pay any late payment charge to Florida Blue immediately upon receipt of the notice of such charge.

In the event any charge under this Agreement is not paid, in full, by the Group to Florida Blue within thirty-one (31) days after the applicable due date, this Agreement will automatically terminate as of the applicable due date. In the event this Agreement terminates retrospectively for any reason, the Group shall be liable, in addition to all other liabilities set forth in this Agreement, for any claim(s) paid by Florida Blue which were incurred after the termination date.

All payments due for charges during the Agreement period must be received by Florida Blue in order for the Group to share in any excess.

VIII. RENEWAL

This Agreement does not automatically renew or extend upon completion of the term of the Agreement. A revised Exhibit A for subsequent periods after the initial period showing renewal rates, administrative charge and pooling charge for such subsequent period will be provided to the Group after renewal for each subsequent period within the term of the Agreement. Any revised Exhibit A does not represent a renewal or extension of the original term of the Agreement.

IX. INCONSISTENCIES

If the provisions of this Agreement are, in any way, inconsistent with the provisions of the Benefit Contract(s), 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.

X. 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.

XI. WAIVER OF BREACH

The failure by either party, at any time, to enforce or to require the strict adherence to any provision of this Agreement shall not be deemed to be a waiver of such provision or any other provision of this Agreement.

XII. GOVERNING LAW

This Agreement, and the rights of the parties hereunder, shall be construed according to the laws of the State of Florida.

XIII. 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.

XIV. AMENDMENT

This Agreement may be amended at any time upon mutual, written agreement of both parties, except that Florida Blue may make changes necessary to comply with State and Federal laws upon sixty (60) days' notice to the Group.

XV. ENTIRE AGREEMENT

This Agreement, including its Exhibits, the application(s) for coverage, and the Benefit Contract(s) constitute the entire Agreement between the Group and Florida Blue. Any prior agreements, promises, or representations, either oral or written, relating to the subject matter of this Agreement, and not expressly set forth in this Agreement, are of no force or effect.

XVI. NOTICES

Any notice, required or permitted under this Agreement, shall be deemed given if hand delivered or if mailed by United States mail, or an overnight mail service (e.g., Federal Express), postage prepaid, to the applicable address as set forth above or to such other address as a party may designate, in writing, to the other party. Such notice shall be deemed effective as of the date so deposited or delivered.

XVII. SEPARATE CORPORATIONS

Florida Blue and Health Options, Inc., are separate corporations. Nothing in this Agreement shall be construed, for any purpose whatsoever, to make either liable for the actions of the other.

XVIII. PROVIDER NETWORKS

Florida Blue's Health Care Provider Networks are subject to change and may be modified at any time during the term of this Agreement without notice to or consent of the Group or any Group Member.

**BLUE CROSS & BLUE SHIELD OF FLORIDA, INC.
d/b/a FLORIDA BLUE & HEALTH OPTIONS, INC.**

By: _____

Name: Joseph C. Gregor, Esq.

Title: Vice President, Commercial Segments

Date: _____

CITY OF POMPANO BEACH

By: _____

Name: _____
Printed

Title: _____

Date: _____

**EXHIBIT A
TO THE
ANNUAL ACCOUNTING AND RETENTION AGREEMENT
WITH
CITY OF POMPANO BEACH
GROUP NO. 98854**

A. Premium rates effective: October 1, 2018, through September 30, 2019

Blue Care Plan 55:	Single:	\$ 614.80
	Family:	\$ 1,647.73
Blue Choice Plan 0702:	Single:	\$ 911.82
	Family:	\$ 2,093.70
Blue Choice Plan 0727:	Single:	\$ 905.07
Divisions RM3 and RM4	E + 1:	\$ 1,357.60
	Family:	\$ 2,078.20

**B. Administrative charges effective: October 1, 2018, through September 30, 2019
13.90% of earned premium**

**C. Pooling effective: October 1, 2018, through September 30, 2019
Pooling Level: \$220,000 Per Individual
Pooling Charges: 6.28% of earned premium**