

Performance Guarantee Agreement

By and Between

City of Clearwater

“Employer”

And

Cigna Health and Life Insurance Company

And Applicable Affiliates

Collectively “CHLIC”

Effective Date: January 1, 2023

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Exhibit A – Performance Guarantees and Penalties

IMPLEMENTATION

Identification Card Delivery

Implementation ID Card Timeliness. 98% of the ID cards will be mailed by the agreed upon Commitment Date in the Implementation Calendar. Results measured at Account Level.

Amount At Risk

\$500.00

Claim Readiness

Implementation Claim Readiness. Benefit Profile and eligibility information loaded on claims processing system as of the Commitment Date set forth in the approved Implementation Calendar. Results measured at Account Level.

Amount At Risk

\$500.00

Call Readiness

Implementation Call Readiness. Service Center(s) ready to respond to customer inquiries as of the Commitment Date set forth in the approved Implementation Calendar. Results measured at Account Level.

Amount At Risk

\$500.00

Implementation Satisfaction

Implementation Satisfaction. Score of no less than three (3) on the question: Overall, how satisfied were you with your most recent installation experience with Cigna? in the Cigna HealthCare Implementation Survey. Results measured at Account Level.

Amount At Risk

\$500.00

SERVICE

Claim Time-to-Process

Medical Time to Process. Measured for the Term of the Agreement, results will meet or exceed: 92% of Claims Processed within 14 calendar days. Results measured at Account Level.

Amount At Risk

\$500.00

Claim Time-to-Process

Medical Time to Process. Measured for the Term of the Agreement, results will meet or exceed: 98% of Claims Processed within 30 calendar days. Results measured at Account Level.

Amount At Risk

\$500.00

Financial Accuracy

Medical Financial Accuracy. Measured for the Term of the Agreement, results will meet or exceed: 99% of total audited claim dollars are correctly paid. Results measured at Claim Platform Level.

Amount At Risk

\$500.00

Processing Accuracy

Medical Processing (Overall) Accuracy. Measured for the Term of the Agreement, results will meet or exceed: 95% of total audited claims correctly processed. Results measured at Claim Platform Level.

Amount At Risk

\$500.00

Procedural Accuracy

Medical Procedural Accuracy. Measured for the Term of the Agreement, results will meet or exceed: 97% of total audited claims without a coding error excluding any claim with a payment error. Results measured at Claim Platform Level.

Amount At Risk

\$500.00



SERVICE

Payment Accuracy Amount At Risk
 Medical Payment Accuracy. Measured for the Term of the Agreement, results will meet or exceed: 97% of total audited claims are correctly paid. Results measured at Claim Platform Level. \$500.00

Call Abandonment Rate Amount At Risk
 Medical Call Abandonment Rate. Measured for the Term of the Agreement, results will not exceed: 2% of Calls received terminated. Results measured at Special Account Queue Level. \$500.00

First Call Resolution Amount At Risk
 Medical First Call Resolution. Measured for the Term of the Agreement, results will meet or exceed: 90% of Calls resolved on first Call, 45 day look back/forward. Results measured at Account Level. \$500.00

CSA Quality Amount At Risk
 Medical CSA Quality. Measured for the Term of the Agreement, results will meet or exceed: 95% quality standard. Results measured at Book of Business Level. \$500.00

Automated Maintenance Eligibility Processing Amount At Risk
 Medical Auto Eligibility Processing. Measured for the Term of the Agreement, results will meet or exceed: 99% files processed in 2 Business Days after the receipt of clean eligibility. Results measured at Account Level. \$500.00

Account Management Amount At Risk
 Medical Account Management. Composite Score (all categories) of 3.0 or better on the Account Management Report Card based on four (4) quarterly scorecards. Results measured at Account Level. \$500.00

MEDICAL DISCOUNT

Discount
 One Way Medical Discount Guarantee. See Exhibit B3 for details.

PHARMACY CLINICAL

Pharmacy Amount At Risk
 Asthma: Reimburse cost of asthma-related ER visit or hospital admission. Cigna guarantees Employer that if a Qualifying Asthma Member experiences an emergency room visit or is admitted for a hospital stay due to an asthma event during the Guarantee Year, then Cigna will credit Employer the Cigna National Average Cost for such emergency room or hospital admission occurring during the Guarantee Year. Performance Results measured at Client Specific Level. Cigna National Average U.S. cost for ER/ Hospitalization Visits



PHARMACY CLINICAL

Pharmacy

Cardiovascular: 30% Cholesterol Adherence across entire population. Cigna guarantees a 30% improvement in the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by the end of the Guarantee Year when compared to the Baseline Year. If Cigna fails to improve the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by at least 30% by the end of the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Cardiovascular: Improve Hypertension Adherence by 25% for those not adherent. Cigna guarantees a 25% improvement in the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by the end of the Guarantee Year when compared to the Baseline Year. If Cigna fails to improve the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by at least 25% by the end of the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Cholesterol: Reimburse cost of cholesterol drug lowering therapy. Cigna guarantees that no Cholesterol Adherent Member will have an emergency room visit or hospitalization due to a heart attack during the Guarantee Year. If any Cholesterol Adherent Member has an emergency room visit or hospitalization due to a heart attack during the Guarantee Year, then Cigna will credit Employer the Cigna National Average Cost of 12 months of cholesterol drug-lowering therapy. Performance Results measured at Client Specific Level.

Amount At Risk

Cigna National Average cost of cholesterol drug lowering therapy

Pharmacy

Diabetes: 25% improvement diabetes adherence for those not adherent. Cigna guarantees a 25% improvement in the Adherence Rate of Qualifying Non-Adherent Diabetes Members in the taking of applicable diabetes medication in the Guarantee Year when compared to the Baseline Year. If Cigna fails to improve the Adherence Rate of Qualifying Non-Adherent Diabetes Members in the taking of applicable diabetes medication by at least 25% by the end of the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Diabetes: 45% Kidney Disease Monitoring in Patients with Diabetes across entire population. Cigna guarantees a 45% improvement in the number of Qualifying Non-Monitoring Diabetes Members who will commence receiving kidney disease monitoring during the Guarantee Year. If Cigna fails to improve the number of Qualifying Non-Monitoring Diabetes Members who commence to receive kidney disease monitoring by a rate of at least 45% during the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM



PHARMACY CLINICAL

Pharmacy

Diabetes: 7% Improvement in the use of statins in diabetes for those not adherent. Cigna guarantees a 7% improvement in the taking of statin medication for Diabetes Members in the Guarantee Year when compared to the Baseline Year. If Cigna fails to improve by 7% the taking of statin medication in Diabetes Members by the end of the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Gap in Care All In Closure Rate (16%). Cigna guarantees Employers that Employer's participation in both the Well-Informed Program and the RationalMed Program will achieve no less than a 16% rate of gap closures during the Guarantee Year. If Cigna fails to achieve at least a 16% gap closure rate from Employer's participation in both the Well-Informed and RationalMed Programs, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

PMPM Pharmacy Savings for RationalMed (\$0.25 PMPM). Cigna guarantees Employer a savings of no less than \$0.25 PMPM for its participation in the RationalMed Program during the Guarantee Year. If Cigna fails to meet this guarantee, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Pulmonary: 11% improve inhaled Corticosteroids use for uncontrolled asthma and COPD. Cigna guarantees 11% of Corticosteroids Users will Improve Use in the taking of corticosteroids for asthma/COPD for the Guarantee Year when compared to the Baseline Year. If Cigna fails to Improve Use of Corticosteroids Users in the taking of corticosteroids for asthma/COPD by at least 11% in the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM

Pharmacy

Pulmonary: 30% Corticosteroids Adherence across entire population. Cigna guarantees that at least 30% of the Qualifying Pulmonary Members will remain Adherent in the taking of their inhaled corticosteroid medication during the Guarantee Year. If Cigna fails to maintain at least 30% of Qualifying Pulmonary Members on inhaled corticosteroid medication by the end of the Guarantee Year, then Cigna will credit Employer the amount of \$0.40 PEPM. Performance Results measured at Client Specific Level.

Amount At Risk

\$0.40 PEPM



This Performance Guarantee Agreement (this “**Agreement**”) is between Cigna Health and Life Insurance Company and applicable affiliates (collectively “**CHLIC**” or “**Cigna**”) and City of Clearwater (“**Employer**”) each a “**Party**” and collectively, the “**Parties**,” and is effective on January 1, 2023 (“**Effective Date**”).

WHEREAS, in connection with certain services and programs that CHLIC is providing to Employer in connection with one or more employee welfare benefit plans sponsored by Employer (the “**Plan(s)**”) under the applicable agreements between the Parties (individually or collectively, the “**Service Agreements and/or Policies**”), CHLIC and Employer desire to implement the performance guarantees identified in Exhibit A attached hereto, according to the terms set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, CHLIC and Employer hereby agree as follows:

Section 1. – Term and Termination

1. This Agreement is effective on the Effective Date and shall remain in effect for one (1) year or such other period specified in the applicable Exhibit B (the “**Term**”) unless terminated sooner upon the earliest of the following dates:
 - 1.1. The date when CHLIC ceases to administer the Plan(s) (other than run-out claim administration) or when the applicable Service Agreements and/or Policies are terminated or suspended;
 - 1.2. The effective date of any Applicable Law or governmental action which prohibits performance of the activities required by this Agreement;
 - 1.3. The Effective Date, in the event that any condition precedent listed in Section 3 or in the applicable Exhibit B is not satisfied.
2. This Agreement is not renewable unless otherwise specified in the applicable Exhibit B.

Section 2. – Definitions

1. The following terms used in this Agreement are defined as follows. Additional definitions applicable to a specific Performance Guarantee may be included in Exhibit B. Terms not defined in this section, the applicable Exhibit B, or otherwise in this Agreement shall be deemed to reflect the commonly understood industry meaning.
 - 1.1. Account Level - means that performance shall be measured based upon performance with respect to the Employer's Plan(s) to which the Performance Guarantee applies.
 - 1.2. Applicable Law - means the state, federal and/or international law and/or regulation that apply to a Party or the Plan.
 - 1.3. Benefit Profile - means the benefits offered under a Plan, including plan design and structure.
 - 1.4. Book of Business Level - means that performance shall be measured based upon all plans insured and or administered by CHLIC and its affiliates as determined by CHLIC.
 - 1.5. Business Days - means the days of the week that CHLIC is open to the public for conducting business.
 - 1.6. Employee - means a person who is employed by Employer and covered under the plan(s) .
 - 1.7. Guarantee Period - means the period during which CHLIC's performance that is the subject of the Performance Guarantee will be measured, which shall be one (1) year from the Effective Date, unless otherwise specified in the applicable Exhibit B.

Performance Guarantee Agreement for City of Clearwater
Account Number(s) involved in Performance Guarantee(s): 3331468

- 1.8. Party/Parties - means Employer and CHLIC, each a “Party” and collectively, the “Parties”.
- 1.9. Payment Amount - means the amount payable, as determined by CHLIC under the criteria set forth in this Agreement, pursuant to the terms of a Performance Guarantee.
- 1.10. Performance Guarantees - means the guarantees identified in Exhibit A pursuant to which CHLIC commits to achieving specified levels of performance in connection with the applicable Service Agreements and/or Policies.
- 1.11. Plan Participants - means eligible persons enrolled in the applicable Plan(s) to which the specific Performance Guarantee applies.
- 1.12. Projected Population - means the number of Employees that Employer estimated would be enrolled in the applicable Plan(s) to which the specific Performance Guarantee applies on the Effective Date which is 1,666 medical enrolled Employees.

Section 3. – Conditions Precedent

1. Employer acknowledges and agrees that the following conditions precedent must be met in order for any Performance Guarantee set forth in this Agreement to be in effect, otherwise such Performance Guarantee is null and void:
 - 1.1. This Agreement is signed by both Parties within three (3) months of the Effective Date;
 - 1.2. Employer does not make a material change in Benefit Profile during the Term that, as reasonably determined by CHLIC, affects the performance being measured in the applicable Performance Guarantee;
 - 1.3. CHLIC continuously administers the services to which the applicable Performance Guarantee applies for the entire Term;
 - 1.4. Employer must be an active client of CHLIC for the type of coverage(s) to which this Agreement relates (e.g. Medical, Dental, Pharmacy, Vision, etc.) at the time any Payment Amount is otherwise payable by CHLIC under this Agreement;
 - 1.5. This Agreement remains continuously in effect for the entire Term;
 - 1.6. The Plan(s) applicable to a specific Performance Guarantee remains in effect throughout the Term;
 - 1.7. The applicable Service Agreements and/or Policies to which the Performance Guarantee relates remains in effect throughout the Term of this Agreement, or the Employer treats the applicable Service Agreements and/or Policies as being in effect by materially performing its duties and obligations under the applicable Service Agreements and/or Policies throughout the Term of this Agreement;
 - 1.8. The conditions precedent set forth in Exhibit B of a specific Performance Guarantee are met.

Section 4. – Evaluation of Performance and Payment Amounts

1. Performance Guarantees and the applicable levels of measurement and Payment Amounts are listed in Exhibit A. Any additional terms, conditions precedent and definitions, if applicable, for any Performance Guarantee, are listed in the applicable Exhibit B. In the event of a conflict between terms in the Agreement, the terms of the applicable Exhibit B shall control.
2. CHLIC will report to Employer on each Performance Guarantee (the “**Performance Reports**”) within the specific time frame listed in the applicable Exhibit B for each specific Performance Guarantee.

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3. Employer shall notify CHLIC in writing within sixty (60) days of receiving the Performance Report of any dispute concerning the Performance Report.
4. CHLIC or Employer, as applicable, shall pay any Payment Amount due under the Performance Report after the Guarantee Period. Upon prior written notice to Employer, CHLIC may offset the Payment Amount against any payments owed by Employer to CHLIC.
5. In the event that Employer fails to perform any of its obligations under the applicable Service Agreements and/or Policies in a way that affects CHLIC's ability to perform a function being measured in a Performance Guarantee, CHLIC reserves the right to adjust the Payment Amount, if any, to account for Employer's act or omission.
6. Performance Reports measure results for the entire Guarantee Period. Any quarterly or other periodic results shared with Employer are for informational purposes only.
7. No third party audit results will be used to measure performance under a Performance Guarantee.
8. Payment Amounts are based on the Projected Population and/or total amount of fees expected to be paid by Employer to CHLIC under the applicable Service Agreements and/or Policies. Payment Amounts are subject to change by CHLIC in the event that the Projected Population and/or total amount of fees paid by Employer under the applicable Service Agreements and/or Policies during the Guarantee Period changes.

Section 5. – Measurement Methodology/Changes

1. CHLIC shall apply its standard methodology, consistent with applicable industry standards, to measure its performance under a Performance Guarantee. Additional information about methodology for specific Performance Guarantees, if applicable, is detailed in the applicable Exhibit B. Industry standard codes, including but not limited to CPT, ICD-10, NDC and CDT codes, that are set by the industry or a government agency are subject to update/change. Any such updates/changes occurring after the Effective Date will be deemed incorporated into this Agreement without further action required by the Parties.
2. CHLIC may replace or modify Performance Guarantees if necessitated by a change in the way CHLIC systematically tracks or measures the applicable performance guaranteed. Any substitute Performance Guarantee will, to the extent reasonably possible, attempt to reflect the same underlying objective and performance level reflected in the original Performance Guarantee, consistent with its new measurement/tracking methodology. CHLIC shall explain the reasons for the change of a Performance Guarantee and the specifics of the substitute Performance Guarantee in writing at least 30 days prior to such change.

Section 6. – Modification of Agreement

Except, as otherwise provided herein, no modification or amendment hereto shall be valid unless in writing and agreed to by an authorized person of each of the Parties.

Section 7. – Choice of Law

1. This Agreement shall be interpreted and construed in accordance with the laws of the State of Florida. Any and all claims, controversies, and causes of action arising out of or relating to this Agreement, whether sounding in contract, tort, or statute, shall be governed by the laws of the State of Florida, including its statutes of limitations, without regard to any conflict-of-laws or other rule that would result in the application of the law of a different jurisdiction.

2. The Parties shall perform their obligations under this Agreement in conformance with all Applicable Laws and regulatory requirements.

Section 8. – Resolution of Disputes

It is understood and agreed that any dispute between the Parties arising from or relating to the performance or interpretation of this Agreement (“**Controversy**”) shall be resolved exclusively pursuant to the following mandatory dispute resolution procedures:

1. Any Controversy shall first be referred to an executive level employee of each Party who shall meet and confer with his/her counterpart to attempt to resolve the dispute (“**Executive Review**”) as follows: The disputing Party shall initiate Executive Review by giving the other Party written notice of the Controversy and shall specifically request Executive Review of said Controversy in such notice. Within twenty (20) calendar days of any Party’s written request for Executive Review, the receiving Party shall submit a written response. Both the notice and response shall include a statement of each Party’s position and a summary of the evidence and arguments supporting its position. Within thirty (30) calendar days of any Party’s request for Executive Review, an executive level employee of each Party shall be designated by the Party to meet and confer with his/her counterpart to attempt to resolve the dispute. Each representative shall have full authority to resolve the dispute.
2. In the event that a Controversy has not been resolved within thirty-five (35) calendar days of the request for Executive Review under Section 8.1., above, either Party may initiate mediation by providing written notice to the other Party, which shall be conducted in Hartford, Connecticut, in accordance with the American Arbitration Association commercial mediation rules (“**Mediation**”), and using American Arbitration Association mediators. Each Party shall assume its own costs and attorneys’ fees, and the compensation and expenses of the mediator and any administrative fees or costs associated with the mediation proceeding shall be borne equally by the Parties. The Parties shall not, however, be required to mediate the Controversy.
3. In the event that a Controversy has not been resolved by Executive Review or Mediation, the Controversy shall be settled exclusively by binding arbitration. The arbitration shall be conducted in the same location as noted in Section 8.2. above, in accordance with the American Arbitration Association commercial arbitration rules. The arbitration, shall be binding not only on all Parties to this Agreement but on any other affiliated entity controlled by, in control of or under common control with the Party to the extent that such affiliated entity joins in the arbitration. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each Party shall assume its own costs and attorneys’ fees, and the compensation and expenses of the arbitrator and any administrative fees or costs associated with the arbitration proceeding shall be borne equally by the Parties. The decision of the arbitrator shall be final, conclusive and binding, and no action at law or in equity regarding the Controversy may be instituted by any Party other than to enforce the award of the arbitrator.
4. The Parties intend the dispute resolution procedure described above to be a private undertaking. The Parties agree that an arbitration conducted under this provision will not be consolidated with an arbitration involving third parties not parties to this Agreement, including other plans administered in whole or in part by CHLIC or other affiliates of Cigna Corporation. The arbitrator will be without power to conduct arbitration on a class or representative basis. The Parties waive their rights to participate in a class action or representative proceeding regarding the Controversy that would otherwise be resolved through the process outlined in this Section 8. The arbitrator may award declaratory or injunctive relief only in favor of the individual Party seeking relief and only to the extent necessary to provide relief warranted by that Party's individual claim. All

disputed issues in a Controversy are for the arbitrator to decide, except the courts will decide those issues relating to the scope and enforceability of the arbitration provision.

This Section 8 shall survive the termination of this Agreement.

Section 9. – Third Party Beneficiaries

This Agreement is for the exclusive benefit of Employer and CHLIC. It shall not be construed to create any legal relationship between CHLIC and any other party.

Section 10. – Assignment and Subcontracting

No Party may assign any right, interest, or obligation hereunder without the express written consent of the other Party; provided, however that CHLIC may assign any right, interest, or responsibility under this Agreement to their affiliates and/or subcontract specific obligations under this Agreement provided that CHLIC shall not be relieved of its obligations under this Agreement when doing so.

Section 11. – Nondisclosure

This Agreement, the information CHLIC reports to Employer in connection with this Agreement, including the Performance Guarantee Reports and the Payment Amounts, are proprietary and confidential. Employer shall maintain the confidentiality of this Agreement and any information provided to Employer pursuant to this Agreement and shall not disclose either this Agreement nor said information to any other party without the express written consent of CHLIC. Employer is solely responsible for any authorized use or disclosure of confidential and proprietary information pursuant to this Section 11 whether by itself or any other party to which Employer disclosed said information and the consequences thereof.

Section 12. – No Waivers

No waiver by any party of a breach or default of any provision of this Agreement, failure by any party, on one or more occasions, to enforce any of the provisions of this Agreement, or failure by any party to exercise any right or privilege hereunder shall be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of such rights or privileges hereunder, unless and solely to the extent waived by the party against whom the waiver is sought in writing and signed.

Section 13. – Headings

Article, section, or paragraph headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 14. – Severability

If any provision or any part of a provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not invalidate or render unenforceable any other portion of this Agreement.

Section 15. – Survival

Provisions contained in this Agreement that by their sense and context are intended to survive completion of performance, termination or cancellation of this Agreement shall so survive.



Section 16. – Force Majeure

CHLIC shall not be liable for any failure to meet any of its obligations under this Agreement where such failure to perform is due to any contingency beyond the reasonable control of CHLIC or its affiliates or subcontractors, its employees, officers, or directors. Such contingencies include, but are not limited to, acts or omissions of any person or entity not employed or reasonably controlled by CHLIC, its employees, officers, or directors, acts of God, fires, wars, accidents, labor disputes or shortages, and governmental actions, laws, ordinances, rules or regulations.

Section 17. – Notices

Except as otherwise provided herein, all notices or other communications hereunder shall be in writing and shall be deemed to have been duly made when (a) delivered in person, (b) delivered to an agent, such as an overnight or similar delivery service, (c) delivered electronically, or (d) deposited in the United States mail, postage prepaid, and addressed as follows:

To CHLIC:
Cigna Health and Life Insurance Company
900 Cottage Grove Road
Wilde
Bloomfield, CT 06152
Attention: Kevin McCloskey, Risk & Underwriting Director

To Employer:
City of Clearwater
100 South Myrtle Avenue
Clearwater, FL 33756
Attention: Jennifer Poirrier, Human Resources Director

The address to which notices or communications may be given by any Party may be changed by written notice given by one Party to the other pursuant to this Section.

Section 18. – Entire Agreement

As of the Effective Date, this Agreement constitutes the entire agreement between the Parties regarding the subject matter herein and supersedes all previous and contemporaneous agreements, understandings, inducements or conditions expressed or implied, oral or written, between the Parties, except as herein contained. Further, this Agreement shall not be modified by any shrink-wrap, click-wrap, browse-wrap, click-through, web-site based, online or use agreements (“Click-Wrap”) that purport to be accepted or deemed accepted by download or online acknowledgment and to the extent of any conflict between this Agreement and the Click-Wrap, this Agreement shall control. Each Party acknowledges that in entering into this Agreement, it is not relying on any statement, representation, or warranty, other than those expressly set forth herein. Except as otherwise provided herein the provisions of this Agreement shall control in the event of a conflict with the terms of any other agreement regarding the subject matter herein.

Section 19. – Independent Contractors

The Parties’ relationship with respect to each other is that of independent contractors and nothing in this Agreement is intended, and nothing shall be construed to, create an employer/employee, partnership, principal-agent, or joint venture relationship, or to exercise control or direction over the manner or



method by which CHLIC performs services hereunder. No Party shall make any statement or take any action that might cause a third party to believe such Party has the authority to transact any business, enter into any agreement, or in any way bind or make any commitment on behalf of the other Party, unless set forth in this Agreement or expressly authorized in writing by a duly authorized officer of the other Party. For the avoidance of doubt, CHLIC is authorized to perform certain services on behalf of Employer under this Agreement and this provision is not intended to in any way diminish that authorization.

Section 20. – Reservation of Intellectual Property Rights

Each Party reserves all right, title, and interest in and to its respective copyrights, patents, trade secrets, trademarks, and other intellectual property, whether presently existing or hereafter authored, invented, developed, or acquired. Without limiting the foregoing, as between the Parties, CHLIC shall solely and exclusively own the systems, methodologies, and technology used to provide the services, all modifications, enhancements, and improvements thereto, and all associated intellectual property rights. No rights or licenses are granted to Employer other than the limited right to receive and use the services under and in accordance with this Agreement. CHLIC shall own and be free to use and incorporate without payment or other consideration to Employer any ideas, suggestions, recommendations, or other feedback provided to CHLIC in connection with its provision of the services. Nothing in this Agreement is intended or shall be construed to create any joint authorship, joint inventorship, or similar relationship or endeavor between the Parties.

The obligations set forth in this Section 20 shall survive termination of this Agreement.

Section 21. – Identifying Information, Internet Usage and Trademark

Each Party reserves all right, title, and interest in and to its respective trademarks, service marks, trade names, trade dress, logos, and other proprietary trade designations, whether presently existing or hereafter authored, developed, established, or acquired (collectively, “Marks”). Except as necessary in the performance of their duties under this Agreement or as separately agreed to in writing, no Party shall use the other Party’s Marks in advertising or promotional materials or otherwise. All use of a Party’s Marks shall remain subject to such Party’s reasonable quality control and brand usage guidelines. Additionally, no Party shall establish a link to the other’s World Wide Web site, without the owner’s prior written consent. All goodwill arising from use of a Party’s Marks shall inure exclusively to such Party’s benefit.

The obligations set forth in this Section 21 shall survive termination of this Agreement.



Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in duplicate and signed by their respective officers duly authorized to do so as of the dates given below.

Cigna Health and Life Insurance Company

City of Clearwater

By: 

By: _____

Printed Name: Aimee E. Burnham

Printed Name: _____

Title: Contractual Agreement Unit Manager
Duly Authorized

Title: _____
Duly Authorized

Dated: August 29, 2022

Dated: _____

Exhibit B1 – Implementation

1. Additional Definitions

- 1.1. Commitment Dates – means the dates by which CHLIC must perform specific implementation services, as set forth in the Implementation Calendar.
- 1.2. Implementation Calendar – means the schedule that sets out the mutually agreed upon obligations for Employer and CHLIC in connection with the implementation of the Plan.

2. Additional Conditions Precedent

- 2.1. Benefit Profiles must be finalized and provided to CHLIC by Employer at least 60 days prior to the Effective Date or CHLIC confirms that the non-standard design and structure can be reasonably implemented at least 30 days prior to the Effective Date.
- 2.2. Employer or its designated agent must provide to CHLIC eligibility information for Plan Participants that is accurate, complete, accessible, and timely under the predetermined schedule.
- 2.3. The Implementation Calendar must be finalized and approved by Employer and CHLIC prior to the Effective Date.
- 2.4. Employer must fulfill its obligations in the Implementation Calendar, including timely, accurate and complete Plan Participant eligibility information and Benefit Profiles.
- 2.5. Employer must return the completed Account Implementation Survey within sixty (60) days of receipt, in accordance with paragraph titled “Overall Satisfaction with Implementation Services” below.

3. Additional Terms

- 3.1. The Guarantee Period for the Implementation Performance Guarantees is six (6) months beginning on the Effective Date.
- 3.2. Implementation Performance Guarantees set forth in this Exhibit shall be measured solely based on the timely, complete and accurate information provided by Employer or its designee to CHLIC as of the due dates set forth in the Implementation Calendar.

4. Implementation Performance Evaluation Measures

4.1. Identification Card Delivery

- 4.1.1. Identification Card Delivery – will be determined by whether CHLIC mailed or electronically delivered identification cards to Plan Participants by the dates indicated in the Implementation Calendar.

4.2. Claim Readiness

- 4.2.1. Claim Readiness – will be determined by whether all complete and accurate Benefit Profile and eligibility information for each eligible Plan Participant under the Plan was loaded on CHLIC’s claims processing system as of the Commitment Date set forth in the approved Implementation Calendar.

4.3. Call Readiness

- 4.3.1. Call Readiness Performance – will be determined by whether Plan specifications were loaded into the applicable inquiry system with CHLIC ready to respond to Plan Participant inquiries as of the Commitment Date set forth in the approved Implementation Calendar.



4.4. Overall Satisfaction with Implementation Services

4.4.1. Overall Satisfaction with Implementation Services – will be determined by whether Employer is satisfied with the implementation process, as reflected by a score equal to or greater than the Implementation Satisfaction score indicated on Exhibit A on the question “Overall, how satisfied were you with your most recent installation experience with Cigna?” in the Cigna HealthCare Implementation Survey to be distributed to the Employer by CHLIC. The Account Implementation Survey shall be provided to the Employer within sixty (60) calendar days after the Effective Date; the Employer shall return the completed Account Implementation Survey results to CHLIC within sixty (60) days of receipt.

5. Evaluation of Performance and Payment Amounts

5.1. Within four (4) months of completion of Implementation, CHLIC shall compile the necessary documentation and perform the necessary calculations to evaluate its fulfillment of each performance commitment set forth in this Agreement and any payments owed and make this information available to the Employer in a Performance Report.

Exhibit B2 – Service

1. Additional Definitions

- 1.1. Abandonment Rate – means the percentage of Calls received by the Special Accounts Queue resulting in the caller terminating the Call before speaking with a CSA.
- 1.2. Average Speed to Answer – means the sum of the total elapsed time between the moment when a Call is queued and the time the Call is responded to.
- 1.3. Call – means a telephone call received by the Special Account Queue from a member about a Claim or benefit provided by the Plan.
- 1.4. CHLIC's Standard Quality Assurance Audit Methodology – means the method by which CHLIC objectively measures claim quality by auditing claims to measure claim accuracy through identification of claim payment or processing errors that are based on data available to the claim processor at the time/day the claim was paid, that caused incorrect payment or correspondence that has a customer impact and that results in correctional work by CHLIC.
- 1.5. Claim – means a claim received by CHLIC for benefits under the Plan(s). If the term “claim” is used without a capital c, it refers to a claim received by CHLIC for benefits whether under the Employer’s Plan(s) or under other plans.
- 1.6. Claim Platform Level – means the performance commitment is measured using a random sample of all the claims processed on the same claim engine that processes the Employer’s Claims.
- 1.7. Customer Service Advocate (“CSA”) – means a person whose job it is to respond to Calls.
- 1.8. Inquiry – means an activity generated as a result of a Call received about a Claim or benefit matter. One Call may result in one or more activities.
- 1.9. Maintenance Eligibility – means additions, deletions and changes in eligibility that are processed during the Guarantee Period.
- 1.10. Maintenance ID Cards – means ID Cards issued during the Guarantee Period for changes in member address, changes in enrollment, etc.
- 1.11. Processed – means that CHLIC has made a determination as to whether expenses for which a Claim/claim is made are covered and, if covered, determined the amount of reimbursement or determined that the Claim/claim is missing critical data which must be requested from an external source.
- 1.12. Special Account Queue – means a group of CHLIC associates that handle a specific block of business with similar Average Speed of Answer and Abandonment Rate requirements. For measurement purposes, results are derived by compiling combined results for all accounts with this requirement.

2. Performance Guarantee Metrics

2.1. Claim Time-to-Process (TTP)

Claim Time-to-Process - will be calculated by counting the number of Business Days or calendar days (as appropriate as determined by CHLIC) from the day that a Claim is received by CHLIC to and including the day the Claim is Processed. The day that the Claim is received will not be included in this calculation.

2.2. **Claim Quality**

2.2.1. **Financial Accuracy**

- 2.2.1.1. Financial Accuracy - will be determined by applying CHLIC's Standard Quality Assurance Audit Methodology to a statistically valid sample of Claims (Account Level) or claims (Claim Platform Level) processed during the Guarantee Period.

Financial Accuracy represents the sum of the absolute value of total dollars overpaid and the total dollars underpaid subtracted from the total dollars paid, divided by the total dollars paid, expressed as a percentage. Overpayments and underpayments are determined from auditing a statistically valid sample of Claims/claims paid during the Guarantee Period.

2.2.2. **Claim Processing Accuracy (Overall Accuracy)**

- 2.2.2.1. Claim Processing Accuracy (Overall Accuracy) - will be determined by applying CHLIC's Standard Quality Assurance Audit Methodology to a statistically valid sample of Claims (Account Level) or claims (Claim Platform Level) processed during the Guarantee Period.

Claim Processing Accuracy (Overall Accuracy) represents the total number of Claims/claims processed without any errors (both financial and non-financial errors) divided by the total Claims/claims processed, expressed as a percentage. The calculation of Claims/claims paid with error is determined from auditing a statistically valid sample of Claims/claims paid during the Guarantee Period.

2.2.3. **Claim Procedural Accuracy**

- 2.2.3.1. Claim Procedural Accuracy - will be determined by applying CHLIC's Standard Quality Assurance Audit Methodology to a statistically valid sample of Claims (Account Level) or claims (Claim Platform Level) processed during the Guarantee Period.

Claim Procedural Accuracy represents the total number of Claims/claims processed without any coding errors, excluding any Claims/claims with a payment error, divided by the total Claims/claims processed, expressed as a percentage. The calculation of Claims/claims paid with error is determined from auditing a statistically valid sample of Claims/claims paid during the Guarantee Period.

2.2.4. **Claim Payment Accuracy**

- 2.2.4.1. Claim Payment Accuracy - will be determined by applying CHLIC's Standard Quality Assurance Audit Methodology to a statistically valid sample of paid Claims (Account Level) or claims (Claim Platform Level) processed during the Guarantee Period.

Claim Payment Accuracy represents the total number of Claims/claims processed without any payment errors, divided by the total Claims/claims processed, expressed as a percentage. The calculation of Claims/claims paid with financial error is determined by CHLIC from auditing a statistically valid sample of Claims/claims paid during the Guarantee Period.

2.3. **Inquiry**

2.3.1. **Call Abandonment Rate**

- 2.3.1.1. Call Abandonment Rate - will be determined by dividing the total number of Calls received during the Guarantee Period that result in the caller terminating the Call after it is queued to a

CSA, by the total number of Calls received during the Guarantee Period, expressed as a percentage.

The calculation of Call Abandonment Rate is based on all Calls received during the hours of operation during the Guarantee Period that are serviced in the Special Account Queue.

2.3.2. **First Call Resolution**

2.3.2.1. First Call Resolution Rate - will be determined by dividing the number of first Calls without a repeat Call during the Guarantee Period by the total number of original unique Inquiries received during the Guarantee Period, expressed as a percentage. A Call will be considered a “first Call without a repeat Call” if there is not a Call involving the same matter during the 45 day period prior to the Call or during the 45 day period following the Call.

2.3.3. **CSA Quality**

2.3.3.1. CSA Quality Rate - will be determined by averaging the quality scores of randomly monitored answered Calls at the Account Level or Book of Business during the Guarantee Period, expressed as a percentage. The average quality score of randomly monitored answered Calls at the Account Level or Book of Business during the Guarantee Period shall achieve CHLIC’s quality standards.

2.4. **Employer Service**

2.4.1. **Automated Maintenance Eligibility Processing***

*This Performance Guarantee shall not apply if Employer is using the Enrollment Maintenance Tool.

2.4.1.1. Additional Condition Precedent - This Maintenance Eligibility Processing Performance Guarantee is contingent upon the submission by Employer (or Employer’s agent) of full electronic eligibility files containing no more than two (2) percent erroneous records. An “erroneous record” means any Plan Participant record lacking any of the accurate information necessary to correctly administer benefits, such as: correct spelling of the Plan Participant’s name; applicable Social Security Number; date of birth; account number; division (if any); branch number; information to correctly identify plan and benefit structure, such as benefit option code, benefit structure, plan code, plan type, network ID (if the Plan uses provider networks); effective date of coverage; termination date; HIPAA privacy information (if any); member address and any other demographic data.

2.4.1.2. Maintenance Eligibility Processing - will be determined by dividing the number of eligibility files that met the performance standard during the Guarantee Period by the total number of eligibility files processed during the Guarantee Period, expressed as a percentage. Whether the performance standard has been met will be determined by counting the number of Business Days from the Business Day that the file is received by CHLIC to and including the Business Day the file is entered into the CHLIC eligibility system. The Business Day the file is received will not be included in this calculation.

2.5. **Account Management**

2.5.1. Account Management Performance Guarantee – will be met if CHLIC’s Account Management Sales Team provides services to Employer of such quality that the designated Account Management Composite Score based upon four (4) quarterly scorecards during the Guarantee Period is met on the Account Management Report Card (sample available upon request).

2.5.2. Account Management Condition Precedent – This commitment is contingent on Employer completing its obligations in the “Evaluation of Account Management” subsection below, on a quarterly basis.



- 2.5.3. Evaluation of Account Management - At the beginning of the Term, Employer shall designate individuals on its benefits staff who will receive and complete the Account Management Report Card on a quarterly basis.

The Account Management Report Card will be distributed to Employer's designated staff members on a quarterly basis, shall be completed, signed and dated by them, and all returned to CHLIC by Employer within three (3) weeks of the distribution date. Failure of Employer to meet its obligations in this subparagraph and the subparagraph above shall nullify the Account Management Performance Guarantee.

Following the end of the Guarantee Period and receipt of the fourth (4th) quarterly Report Card from Employer, CHLIC will calculate the composite score in each performance assessment category by averaging the scores for the four (4) quarters of the Guarantee Period. The assessments of each of the designated staff members and each of the performance assessment categories will be weighted equally. The Account Management Performance Guarantee will be deemed fulfilled if the average of the composite scores in each category ("Account Management Composite Score") is equal to or greater than the Account Management Composite Score indicated on Exhibit A.

- 2.5.4. Reservation of Right – CHLIC reserves the right to make changes during the Term in its staff/personnel assigned to provide Account Management services to Employer.

3. **Evaluation of Performance and Payment Amounts**

- 3.1. Within four (4) months after the end of the Term, CHLIC shall compile the necessary documentation and perform the necessary calculations to evaluate its fulfillment of each Performance Guarantee set forth in this Agreement and make this information available to Employer in a Performance Report.

The Payment Amounts in Exhibit A have been established in relationship to the Projected Population. In the event that the actual number of Employees enrolled on the Effective Date is greater than one-hundred and ten percent (110%) of the Projected Population, the Employer reserves the right to increase the Payment Amounts in proportion to the variation between the actual and projected number of enrolled Employees. Correspondingly, CHLIC reserves the right to decrease the Payment Amounts in proportion to the variation between the actual and projected number of enrolled Employees in the event that the actual number of Employees enrolled on the Effective Date is less than ninety percent (90%) of the Projected Population.



Exhibit B3 - Discount

Table 1 – Networks

Rating Area	Rating Area Description	Guaranteed Discount
FLOAPH	FL, TAMPA	61.3%
FLOAPJ	FL, DADE	77.9%
FLOAPC	FL, OCALA/GAINESVILLE	58.1%
TNOAPS	TN, KNOXVILLE WEST	47.4%
MIOAPE	MI, GRAND RAPIDS	53.7%
NCOAPH	NC, WEST	42.3%
FLOAPS	FL, SARASOTA	49.9%
FLOAPA	FL, ORLANDO	67.1%
GAOAPW	GA, ATLANTA NORTHWEST	60.2%
FLOAPG	FL, POLK	73.4%

1. **Additional Definitions**

- 1.1 Actual Discount – means the weighted average of all Service Area Discounts.
- 1.2 Covered Charges – means the fee-for-service charges submitted for reimbursement under the Plan for Covered Services provided by Participating Providers, exclusive of any discounts.
- 1.3 Covered Services – means health care services and supplies that are covered under the in-network coverage of the Plan and provided by Participating Providers.
- 1.4 Discount Target – means the weighted average of the Service Area Discount Targets.
- 1.5 Eligible Charges – means Covered Charges minus discounts.
- 1.6 Fees at Risk – means the amount identified in Section 4 that will be used to calculate the amount that either Party may be required to pay the other under this Agreement.
- 1.7 Participating Provider – A hospital, physician or other provider of health care Covered Services that has directly or indirectly contracted with CHLIC to provide Covered Services to Plan Participants at negotiated rates of reimbursement and is identified in CHLIC’s provider directory (excluding wrapper networks such as BeechStreet).
- 1.8 Plan – means the program of medical welfare benefits which Employer has adopted for its Plan Participants and which is administered by CHLIC. The term “Plan” shall include each change, as of its effective date, which has been adopted by Employer and accepted by CHLIC as compatible with its Performance Guarantee obligations hereunder. Such adoption and acceptance shall be documented in writing and executed by an authorized officer of each of the Parties.
- 1.9 Service Area – means all geographic locations, listed in Table 1.
- 1.10 Service Area Discount – means the discount that is calculated by dividing the Eligible Charges by the Covered Charges and subtracting the result from one (1). [Example – if Covered Charges are \$100 and Eligible Charges are \$75, then 75 divided by 100 is .75; one minus .75 is .25, resulting in a 25% discount].
- 1.11 Service Area Discount Target – means the percentage discount from Covered Charges that CHLIC expects to achieve through its Participating Provider agreements during the Guarantee Period for all Covered Services in a given Service Area. The Service Area Discount Target for each Service Area is identified in Table 1.
- 1.12 Service Termination Date – means the date on which the CHLIC Service Agreement(s) and/or Policy(ies) with respect to the Plan ends (not counting any run-out periods).

2. **Additional Conditions Precedent**

- 2.1 This Discount Performance Guarantee applies only to Service Areas approved by CHLIC and identified in Table 1.
- 2.2 This Discount Performance Guarantee Agreement and the calculations herein do not apply to:
 - 2.2.1. Charges that are not fee-for-service charges for Covered Services (including e.g. capitation payments and performance-based incentive payments, etc.);
 - 2.2.2. Charges for services/supplies that are not Covered Services (including e.g. charges that are not covered due to coordination of benefits, plan exclusions, utilization management denials, pended/duplicate claims, etc.);
 - 2.2.3. Charges made by providers in a Service Area that are not Participating Providers in the Service Area;

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- 2.2.4. Services from a provider that is “pay as billed” defined as a provider that either routinely files claims with Covered Charges = Eligible Charges or the provider does not file Covered Charges;
- 2.2.5. Charges made by any Cigna company or affiliate as a provider;
- 2.2.6. Claims exceeding \$100,000, which will be removed in their entirety from the calculations related to CHLIC’s performance; and
- 2.2.7. Claims for persons age 65 or over.
- 2.3. In the event any federal, state or local legislation or regulation (a) impacts CHLIC’s ability to enter into Participating Provider agreements in one or more Service Areas, or (b) affects the Eligible Charges in one or more Service Areas, CHLIC reserves the right to revise the Service Area Discount Targets to account for such changes.
- 2.4. When determining the Discount Target for future periods, CHLIC based the Discount Target on a projected increase in Covered Charges using projections from a third party (“**Projected Trend**”) and computed the Discount Target based on that projection. In the event that the actual increase in Covered Charges during a period for which that projection was used (including the Guarantee Period) is lower than the Projected Trend for Covered Charges by 1.0% or more, for all Service Areas combined, CHLIC may revise the Discount Target to reflect the difference between the actual increase in Covered Charges and the Projected Trend.
- 2.5. In the event there is a substantial change (including but not limited to the addition or termination of a participating hospital) in CHLIC's network in the Service Area that affects the Participating Provider discounts expected in the Service Area, CHLIC may revise the Performance Guarantees hereunder to account for such change.
- 3. **Performance Guarantee Evaluation Methodology**
 - 3.1. **Discount Target** – Prior to the Guarantee Period, CHLIC will identify the Service Area Discount Target(s) to be achieved during the Guarantee Period in each Service Area. These Service Area Discount Targets are identified in Table 1. After the end of the Guarantee Period, CHLIC shall calculate the weighted average of all Service Area Discount Targets for the Guarantee Period (the “**Discount Target**”). In calculating the Discount Target, the proportional relevance assigned to each Service Area Discount Target will be determined by dividing the total of all Covered Charges for that Service Area during the Guarantee Period by the total Covered Charges for all Service Areas within the same period.
 - 3.2. **Actual Discount** – Within five months after the end of the Guarantee Period, CHLIC shall calculate the Service Area Discount(s) actually achieved during the Guarantee Period in each Service Area. CHLIC shall then calculate the weighted average of all the Service Area Discounts during the Guarantee Period (the “**Actual Discount**”). In calculating the Actual Discount, the proportional relevance assigned to each Service Area Discount will be determined by dividing the total Covered Charges for that Service Area during the Guarantee Period by the total Covered Charges for all Service Areas during the same period.



4. **Risk-Sharing Performance Guarantees**

- 4.1 If the Actual Discount is within 3 percent (i.e., that number of percentage points plus or minus) of the Discount Target (the “**Risk Free Corridor**”), no amounts will be owed by CHLIC under this Agreement.
- 4.2 If the Actual Discount is less than the Discount Target and not within the Risk Free Corridor, CHLIC will pay or credit to Employer.
- 4.3 \$2.00 Per Employee Per Month if the Actual Discount is greater than 3 percentage points to 5 percentage points of the Discount Target; or
- 4.4 \$4.00 Per Employee Per Month if the Actual Discount is greater than 5 percentage points of the Discount Target.

5. **Evaluation of Performance and Payment Amounts**

- 5.1 CHLIC shall provide the Performance Report to Employer within five (5) months following the end of the Guarantee Period.
- 5.2 CHLIC or Employer, as the case may be, shall pay or credit to the other Party any amounts due under this Agreement within sixty (60) days following delivery by CHLIC of the Performance Report.

Exhibit B4 – Healthy Living Pharmacy Guarantee Program

CHLIC agrees to provide Employer with the following Healthy Living Pharmacy Guarantee Program. The Healthy Living Pharmacy Guarantee Program consists of the individual clinical program performance guarantees as set forth below. CHLIC guarantees Employer that CHLIC will meet or exceed each of the performance guarantees, as more specifically described below, on an individual and client-specific, basis, subject to the terms and conditions set forth herein. CHLIC will provide Employer with a report for each of the Healthy Living Pharmacy Guarantees within twelve (12) months following the end of the Guarantee Year. The measurement and assessment of each of the Healthy Living Pharmacy Guarantees shall be based on CHLIC's then-current standard Healthy Living Pharmacy Guarantee Program measurement processes and protocols. (For example, such processes and protocols, amongst others, may include the removal, for guarantee calculation purposes, of members residing in zip codes subject to a natural disaster as identified by a state or federal declaration of a state of emergency during the applicable Guarantee Period.) If CHLIC fails to meet any applicable Healthy Living Pharmacy Guarantee, as measured and assessed on an individual and client specific basis, during the Guarantee Year, then CHLIC will credit Employer the applicable Healthy Living Pharmacy Guarantee payment amount within sixty (60) days of Employer's receipt of the Healthy Living Pharmacy Guarantee Report. Notwithstanding anything to the contrary, CHLIC's total aggregate, maximum liability under this Healthy Living Pharmacy Guarantee Program shall be no more than \$4.00 PEPM.

In addition to the Conditions Precedent set forth in this Performance Guarantee Agreement, in order to participate in the Healthy Living Pharmacy Guarantee Program, additional conditions for the Healthy Living Pharmacy Guarantees Conditions shall apply: (1) Employer must be under contract with CHLIC for the provision of administrative services for no less than 95% of Employer's integrated medical and prescription drug benefits plan, and (2) Employer must remain and be current in all of its payment obligations to CHLIC, and (3) medical and pharmacy claims data for program measurement purposes for at least twelve (12) consecutive months immediately preceding the Guarantee Year. If Employer is unable to meet or has failed to meet any one of the foregoing conditions, then the Healthy Living Pharmacy Guarantee Program shall be null and void and of no effect, and CHLIC shall have no obligation under the Healthy Living Pharmacy Guarantee Program, in aggregate or on any individual performance guarantee basis, and CHLIC shall no obligation to credit Employer any performance standard payment amount under this Healthy Living Pharmacy Guarantee Program.

For purposes of this Healthy Living Pharmacy Guarantee Program, the following terms of use shall apply:

1. **"Adherent"** or **"Adherence Rate"** means a PDC score of 80% or more in the applicable medication.
2. **"Baseline Year"** means the twelve month period immediately prior to the Guarantee Year.
3. **"CHLIC National Average Cost"** means the average cost of the applicable event based on CHLIC's applicable database for the Guarantee Year.
4. **"Guarantee Year"** shall mean the full twelve months following the Effective Date.
5. **"Non-Adherent"** or **"Non-adherence Rate"** means a PDC score of less than 80% in the applicable medication for the applicable measurement period.
6. **"PDC Score"** means the applicable percentage of Proportion of Days Covered (PDC) as measured using the methodology as defined by the Pharmacy Quality Alliance (PQA) to measure adherence for the clinical guarantee.



7. **“PEPM”** means per Employee per month calculated as the monthly average of the total number of primary eligible members enrolled in Employer’s plan that is being administered by CHLIC during the Guarantee Year.
8. **“Client Specific”** means that CHLIC’s performance is measured for the Guarantee Year based only upon Employer’s Plan Participants, not the Cigna Book of Business performance as set forth in this Exhibit.

CHLIC reserves the right to revise, modify, or discontinue the Healthy Living Pharmacy Guarantee Program at any time.

Healthy Living Pharmacy Guarantees

1. Cardiovascular: Improved Adherence Rate.

- 1.1. Guarantee. CHLIC guarantees a 30% improvement in the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cholesterol cardiovascular medication by the end of the Guarantee Year when compared to the Baseline Year. If CHLIC fails to improve the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by at least 30% by the end of the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.
- 1.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer providing CHLIC with twelve (12) consecutive months of prescription drug history for the period immediately prior to the Guarantee Year.
- 1.3. “Qualifying Non-Adherent Cardiovascular Member” means a member who (1) has no less than 2 consecutive years of prescription drug data history consisting of both the Baseline Year and the Guarantee Year, (2) was Non-Adherent in applicable cardiovascular medication during the Baseline Year, (3) remains a member of Employer’s Plan during the entire Baseline Year and Guarantee Year, (4) meets the PDC measurement criteria in both the Baseline Year and the Guarantee Year, and (5) was over the age of eighteen (18) years at the commencement of the Baseline Year.

2. Pulmonary: Maintenance of Corticosteroid Therapy Adherence.

- 2.1. Guarantee. CHLIC guarantees that at least 30% of the Qualifying Pulmonary Members will remain Adherent in the taking of their inhaled corticosteroid medication during the Guarantee Year. If CHLIC fails to maintain at least 30% of Qualifying Pulmonary Members on inhaled corticosteroid medication by the end of the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.
- 2.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer providing CHLIC with twelve (12) consecutive months of prescription drug history for the period immediately prior to the Guarantee Year.
- 2.3. “Qualifying Pulmonary Member” means a member who (1) has no less than 2 consecutive years of prescription drug history consisting of both the Baseline Year and the Guarantee Year, (2) was Adherent in the taking of inhaled corticosteroid medication during the Baseline Year, (3) remains a member of Employer’s Plan during the entire Baseline Year and Guarantee Year, (4) meets the PDC measurement criteria in both the Baseline Year and the Guarantee Year, and (5) was over the age of eighteen (18) years at the commencement of the Baseline Year.

3. Diabetes: Improved Kidney Disease Monitoring. (Needs Medical Claim Data)

- 3.1. Guarantee. CHLIC guarantees a 45% improvement in the number of Qualifying Non-Monitoring Diabetes Members who will commence receiving kidney disease monitoring during the Guarantee Year. If CHLIC fails to improve the number of Qualifying Non-Monitoring Diabetes Members who commence to receive kidney disease monitoring by a rate of at least 45% during the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.

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3.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year.

3.3. “Qualifying Non-Monitoring Diabetes Member” means a member who (1) has no less than 2 consecutive years of prescription drug history consisting of both the Baseline Year and the Guarantee Year, (2) was a Non-Monitoring Diabetes patient during the Baseline Year, (3) remains a member of Employer’s Plan during the entire Baseline Year and Guarantee Year, (4) meets the PDC measurement criteria in both the Baseline Year and the Guarantee Year, and (5) was over the age of twenty-one (21) and under the age of seventy-five (75) years old during the entire Baseline Year and Guarantee Year.

4. Diabetes: Improved Use of Statins. (Needs Medical Claim Data)

4.1. Guarantee. CHLIC guarantees a 7% improvement in the taking of statin medication for Diabetes Members in the Guarantee Year when compared to the Baseline Year. If CHLIC fails to improve by 7% the taking of statin medication in Diabetes Members by the end of the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.

4.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year.

4.3. “Diabetes Member” means a member who (1) has no less than 2 consecutive years of prescription drug data history consisting of both the Baseline Year and the Guarantee Year, (2) was a patient diagnosis with diabetes and who was not taking a statin medication, (3) is a member of Employer’s Plan throughout the Baseline Year and remains a member throughout the Guarantee Year, and (4) was over the age of twenty-one (21) years and under seventy-six (76) years during both the Baseline Year and Guarantee Year.

5. Pulmonary: Improved Use of Corticosteroids for Asthma/COPD. (Needs Medical Claim Data)

5.1. Guarantee. CHLIC guarantees 11% of Corticosteroids Users will Improve Use in the taking of corticosteroids for asthma/COPD for the Guarantee Year when compared to the Baseline Year. If CHLIC fails to Improve Use of Corticosteroids Users in the taking of corticosteroids for asthma/COPD by at least 11% in the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.

5.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year.

5.3. “Corticosteroids User” means a member who (1) has no less than 2 consecutive years of prescription drug data consisting of both the Baseline Year and the Guarantee Year, (2) was a

patient with signs of uncontrolled asthma or COPD, and no recent use of inhaled corticosteroid therapy or suboptimal doses of inhaled corticosteroid therapy, and (3) is a member of Employer's Plan throughout the Baseline Year and remains a member throughout the Guarantee Year.

- 5.4. “Improved Use” means for the treatment of Asthma/COPD that the member will commence inhaled corticosteroid therapy or receive additional support of current inhaled corticosteroid regimen.
6. **Cholesterol: (Drug Cost Reimbursement for Member Heart Attack). (Needs Medical Claim Data)**
- 6.1. Guarantee. CHLIC guarantees that if any Cholesterol PG Member experiences one or more heart attacks during the Guarantee Year, then CHLIC will reimburse Employer the CHLIC National Average Cost for one 12-month Cholesterol lowering drug medication therapy.
- 6.2. Requirements. This guarantee is contingent upon Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year, and providing CHLIC with no less than one year of LDL data of the Baseline Year.
- 6.3. “Cholesterol PG Member” means (1) a member who has no less than 1 year of LDL data for the Baseline Year, and (2) has not been treated to their LDL goals.
7. **Asthma: Avoidance of Emergency Room/Hospitalization. (Needs Medical Claim Data)**
- 7.1. Guarantee. CHLIC guarantees Employer that if a Qualifying Asthma Member experiences an emergency room visit or is admitted for a hospital stay due to an asthma event during the Guarantee Year, then CHLIC will credit Employer the CHLIC National Average Cost for such emergency room or hospital admission occurring during the Guarantee Year. This guarantee is contingent upon Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year.
- 7.2. “Qualifying Asthma Member” means those members who: (1) was a participating member under Employer's plan for the entire Baseline Year, (2) has a history of rescue therapy overuse, (3) is not on an asthma controller medication, (4) was Adherent in the member's asthma medication for the 12 month period immediately prior to the emergency room visit or hospital admission, (5) is and remains enrolled in the CHLIC Asthma Program for the entire Guarantee Year, and (6) is over 18 years.
8. **Diabetes: Improved Adherence Rate.**
- 8.1. Guarantee. CHLIC guarantees a 25% improvement in the Adherence Rate of Qualifying Non-Adherent Diabetes Members in the taking of applicable diabetes medication in the Guarantee Year when compared to the Baseline Year. If CHLIC fails to improve the Adherence Rate of Qualifying Non-Adherent Diabetes Members in the taking of applicable diabetes medication by at least 25% by the end of the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.

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8.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer providing CHLIC with prescription drug data for the 12 consecutive months immediately prior to the Guarantee Year.

8.3. “Qualifying Non-Adherent Diabetes Member” means a member who (1) has no less than 2 consecutive years of prescription drug data consisting of both the Baseline Year and the Guarantee Year, (2) was Non-Adherent in applicable diabetes medication during the Baseline Year, (3) remains a member of Employer’s Plan during the entire Baseline Year and Guarantee Year, (4) meets the PDC measurement criteria in both the Baseline Year and the Guarantee Year, and (5) was over the age of eighteen (18) years at the commencement of the Baseline Year.

9. Cardiovascular: Improved Adherence Rate.

9.1. Guarantee. CHLIC guarantees a 25% improvement in the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable hypertension cardiovascular medication by the end of the Guarantee Year when compared to the Baseline Year. If CHLIC fails to improve the Adherence Rate of Qualifying Non-Adherent Cardiovascular Members in the taking of applicable cardiovascular medication by at least 25% by the end of the Guarantee Year, then CHLIC will credit Employer the amount of \$0.40 PEPM.

9.2. Requirements. This performance guarantee is contingent upon Employer having at least ten (10) eligible members who qualify for measurement under this performance standard, and Employer providing CHLIC with prescription drug data for the 12 consecutive months immediately prior to the Guarantee Year.

9.3. “Qualifying Non-Adherent Cardiovascular Member” means a member who (1) has no less than 2 consecutive years of prescription drug data history consisting of both the Baseline Year and the Guarantee Year, (2) was Non-Adherent in applicable cardiovascular medication during the Baseline Year, (3) was a member of Employer’s Plan during the entire Baseline Year and Guarantee Year, (4) meets the PDC measurement criteria in both the Baseline Year and the Guarantee Year, and (5) was over the age of eighteen (18) years.

10. RATIONALMED (“RMED”): Program Savings.

10.1. Guarantee. CHLIC guarantees Employer a savings of no less than \$0.25 PMPM for its participation in the RationalMed Program during the Guarantee Year. If CHLIC fails to meet this guarantee, then CHLIC will credit Employer the amount of \$0.40 PEPM.

10.2. RMED Guarantee and Savings Notes.

10.2.1. Increased pharmacy drug costs as a result of Omission in Care Alerts (as defined in the RationalMed Program Savings Methodologies) are excluded from the Prescription Drug Costs Savings Guarantee calculation.

10.2.2. For Employers with less than 10,000 participating members, net negative prescription drug savings from the polypharmacy rule category are excluded.

10.3. **RMED Program Conditions.** In addition to the Conditions Precedent, Employer will provide CHLIC at least twelve (12) consecutive months immediately preceding the Guarantee Year of historical pharmacy pricing data and medical claim and pricing data for all patients. Employer agrees CHLIC may use Employer’s claim data for purposes of providing the RMED program

services. CHLIC may use such information included in the data (alone or together with data from other sources) for the purpose of performing outcome and/or opportunity analyses for health, safety, and wellness programs, pharmacy benefit plan administration, practice of pharmacy and other analytics to improve Employer's performance, and for assessing the effectiveness of the managed care programs, and supporting a secondary research database, which may be provided by CHLIC on an Employer and patient non-identifiable basis to other plan sponsors, potential clients, or healthcare organizations, including pharmaceutical companies.

11. Gap in Care All-In: Closure Rate. (Needs Medical Claim Data)

- 11.1. CHLIC guarantees Employer that Employer's participation in both the Well-Informed Program and the RationalMed Program will achieve no less than a 16% rate of gap closures during the Guarantee Year. If CHLIC fails to achieve at least a 16% gap closure rate from Employer's participation in both the Well-Informed and RationalMed Programs, then CHLIC will credit Employer the amount of \$0.40 PEPM. This guarantee is contingent upon Employer being a CHLIC client for the twelve (12) consecutive month period immediately prior to the Guarantee Year, and CHLIC having available to it twelve (12) consecutive months of medical and pharmacy claims data for the measurement of the Baseline Year.