FIRST READING: 1.22.18
SECOND READING: 2.12.18
THIRD READING: 2.26.18

ORDINANCE NO: 5-18

BY: JOHN B. SHEPHERD

AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO CONTRACTS WITH MEDICAL MUTUAL OF OHIO TO PROVIDE HEALTH CARE, PRESCRIPTION INSURANCE COVERAGE, AND OPTIONAL VISION COVERAGE FOR THE FULL-TIME EMPLOYEES OF THE CITY OF ROCKY RIVER, AS FURTHER DESCRIBED IN EXHIBIT "A"

WHEREAS, the City of Rocky River must provide health care and prescription insurance coverage to full-time employees of the City of Rocky River based on collective bargaining contracts and City ordinances or policies; and

WHEREAS, the City Administration has negotiated directly with Medical Mutual of Ohio for health care and prescription insurance coverage for 2018; and

WHEREAS, the City Administration has also negotiated directly with Medical Mutual of Ohio for optional vision coverage, which will be paid for solely by each employee selecting such coverage; and

WHEREAS, the Mayor and the Council deem it to be in the best interests of the City to purchase a Minimum Premium Contract for Health Care, an Administrative Service Only (ASO) Contract for Prescription coverage and a Contract for Vision Care, for a 12-month period beginning January 1, 2018, from Medical Mutual of Ohio.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROCKY RIVER, COUNTY OF CUYAHOGA, STATE OF OHIO:

Section 1. That the Mayor be and she is hereby authorized to enter into a Minimum Premium Contract for Health Care, an Administrative Service Only Contract for Prescription coverage, and a Contract for Vision Care, with Medical Mutual of Ohio for a 12-month period commencing January 1, 2018, as further described in Exhibit "A".

Section 2. That this Ordinance is hereby declared to be an emergency measure, necessary for the immediate preservation of public peace, health and safety and for the further reason that it is necessary to provide for the continuation of health care and prescription coverage, and addition of optional vision coverage for full-time City employees in conformance with labor agreements and ordinances, and provided it receives the affirmative vote of two-thirds (2/3) of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: February 26th, 2018

JAMES W. MORAN
President of Council

PRESENTED TO MAYOR: February 26th, 2018

APPROVED: February 26th, 2018

ATTEST:

JEAN G. PEASE
Clerk of Council

PAMELA E. BOBST
Mayor

It is hereby certified that the amount required for the execution of this Ordinance has been lawfully appropriated or authorized or directed for such purpose and is in the treasury or in the process of collection to the credit of the fund described herein free from any obligation or certification now outstanding.

Michael A. Thomas
Director of Finance

I, the undersigned clerk of Council of the City of Rocky River, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting a true copy thereof in the lobby of the Rocky River City Hall, in accordance with the charter of Rocky River, commencing on the 26th day of February, 2018.

Jean G. Pease
Clerk of Council of the City of Rocky River, Ohio

meu:mydocs:ord:medicalordinance2018

City of Rocky River }
County of Cuyahoga } ss

THE UNDERSIGNED CLERK OF THE COUNCIL OF THE CITY OF ROCKY RIVER, OHIO DOES HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF ORDINANCE NO. 5-18 ADOPTED BY THE COUNCIL OF SAID CITY ON THE 26th DAY OF February, 20 18 THAT THE PUBLICATION OF SUCH ORDINANCE HAS BEEN MADE AND CERTIFIED OF RECORD ACCORDING TO LAW; THAT NO PROCEEDINGS LOOKING TO A REFERENDUM UPON SUCH ORDINANCE HAVE BEEN TAKEN; THAT SUCH ORDINANCE AND THE CERTIFICATE OF PUBLICATION THEREOF, ARE OF RECORD IN ORDINANCE RECORD NO. 5-18

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY NAME AND AFFIXED MY OFFICIAL SEAL THIS 26th DAY OF February, 20 18.

Susan D. Black

CLERK OF COUNCIL OF THE CITY OF ROCKY RIVER, OHIO

STOP LOSS CONTRACT

(For Minimum Premium Programs)

Entered into by

CITY OF ROCKY RIVER

(the "Group")

Number: **805934**

and

MEDICAL MUTUAL OF OHIO

("Medical Mutual of Ohio" or the "Stop Loss Administrator")

and

MEDICAL MUTUAL SERVICES, L. L. C.

("Medical Mutual Services" or the "Claims Administrator")

The Effective Date of the Stop Loss Contract (the "Contract") is **January 1, 2018** at 12:01 a.m., regardless of the date executed by the parties. The Contract Period is shown on Exhibit A.

1. DEFINITIONS

BENEFIT BOOK(S): the Summary Plan Description (SPD) or other applicable documents that describe the Covered Services, benefits, eligibility requirements and other features and limitations of the Plan with respect to the Participants.

CLAIMS ADMINISTRATOR: The entity employed by the Group to pay for claims for Covered Services under the Plan for Covered Persons. The Claims Administrator is Medical Mutual Services, L. L. C.

COMPOUND DRUGS: A compound medication is one that requires a licensed pharmacist to combine, mix or alter the ingredients of a medication when filling a prescription.

COVERED PERSON: the Participant and the Participant's Eligible Dependent(s) as defined in the Benefit Book(s).

COVERED SERVICE(S): a Provider's service, supply or accommodation described in the Benefit Books, schedules of benefits, riders, addenda or Amendments.

MINIMUM PREMIUM ARRANGEMENT: the components are:

Annual Deposit Liability: The sum of the Deposit Liability Rates times the number of applicable Participants in effect for each month during the Contract Period. The Group shall be responsible for payment of the lesser of Paid Claim Amounts or the Annual Deposit Liability Rate for the Contract Period.

Minimum Threshold: The least amount that can serve as the Annual Deposit Liability.

Minimum Premium: The monthly amount paid to Medical Mutual of Ohio by the Group per Participant per month to cover the aggregate stop loss. The Minimum Premium is shown on Exhibit A.

Deposit Liability Rate: A rate per Participant per Month which is used to determine the Group's Monthly Maximum Liability. The Deposit Liability Rates are shown on Exhibit A.

Terminal Liability Rate: A rate per Participant per month used in calculating the Group's Maximum Liability At Termination. The Terminal Liability Rates are shown on Exhibit A.

Surplus: The amount by which the Deposit Liability Rates times the number of Participants exceeds Paid Claim Amounts for a month. The Surplus will be carried forward from month to month during the Contract Period to determine the Monthly Maximum Liability. The Surplus will not carry forward to the next Contract Period.

Deficit: The amount by which the Paid Claim Amounts exceed the Deposit Liability Rates times the number of Participants for a month. The Deficit will be carried forward from month to month during the Contract Period. The Deficit remaining at the end of the Contract Period will not be carried forward to the following Contract Period. If the Contract terminates for the Plan, line(s) of business or any section(s) thereof, the Group will be billed for any Deficit remaining as of the Termination Effective Date, not to exceed the Maximum Liability at Termination.

Monthly Maximum Liability: The Deposit Liability Rates times the number of Participants in effect for a month, plus the cumulative Surplus. The Group shall be responsible for payment of the lesser of the Paid Claim Amounts or the Monthly Maximum Liability.

Maximum Liability at Termination: The Terminal Liability Rates in effect for each of the prior twelve months times the number of Participants for the prior twelve months, plus any cumulative Surplus as of the Termination Effective Date. If the Agreement has been in effect for less than twelve months, the number of Participants used to calculate the Maximum Liability at Termination will be annualized.

Aggregate Maximum Limit of Reimbursement Liability: the maximum amount of Paid Claim Amounts in excess of the Monthly Aggregate Attachment Points for the entire Contract Period for which Medical Mutual shall be liable. The Aggregate Maximum Limit of Reimbursement Liability is shown on Exhibit A.

PAID CLAIM: a claim for Covered Services for which payment has been made by the Claims Administrator on behalf of the Group. A claim is considered a Paid Claim as of the date shown on the check written by the Claims Administrator.

PARTICIPANT: a person, employed by the Group, who is eligible for and has elected to enroll in coverage under the Plan.

PLAN: the program of health care coverage established by the Group for its Participants, the terms of which are set forth in the Benefit Book(s).

STOP LOSS ADMINISTRATOR: Medical Mutual of Ohio

STOP LOSS – SPECIFIC: the components of the Specific Stop Loss, per Covered Person are:

Specific Stop Loss Threshold: the maximum amount for each Covered Person of Paid Claim Amounts during the Contract Period for which the Group is responsible. The Specific Stop Loss Threshold is shown on Exhibit A.

Specific Stop Loss Annual Maximum: Paid Claim Amounts in excess of the Specific Stop Loss Threshold which are the payment responsibility of Medical Mutual of Ohio, up to an Annual Maximum per Covered Person as shown on Exhibit A.

2. STOP LOSS COVERAGE PROVISIONS FOR MINIMUM PREMIUM

MONTHLY DEFICIT:

A. Claims eligible for coverage under this Contract are those specified on Exhibit A.

B. Medical Mutual will fund the monthly Deficit on behalf of the Group.

C. The calculation of the Stop Loss threshold amounts will be based on the combined total of Paid Claim Amounts for the lines of business shown on Exhibit A. Stop Loss thresholds will not be calculated separately for different lines of business.

D. Paid Claim Amounts included in any prior Minimum Premium settlement are excluded from and do not apply to this or any future Minimum Premium settlement. Additionally, any liability Medical Mutual of Ohio may have under a Specific Stop Loss provision shall be excluded from and does not apply to any Minimum Premium settlement.

E. If the Group terminates this Stop Loss Contract or its Agreement with Medical Mutual Services, the Maximum Liability At Termination will be determined within 90 days after the last invoice to the Group for the Monthly Maximum Liability or for Paid Claim Amounts incurred prior to the Termination Effective Date. The Group will be invoiced as defined in Addendum I, Section 5.

SPECIFIC STOP LOSS:

A. Claims eligible for coverage under this Contract are those specified on Exhibit A.

B. Each month throughout the Contract Period the Claims Administrator shall provide Medical Mutual of Ohio with a listing or a report of monthly Paid Claim Amounts for Covered Persons that reach or exceed fifty percent (50%) of the Specific Stop Loss Threshold. Medical Mutual of Ohio will instruct the Claims Administrator to issue a credit to the Group for claims in excess of the Stop Loss Threshold. The Claims Administrator will credit the invoices to the Group for these amounts as they are reached and as they continue to accumulate throughout the remainder of the Contract Period, such payments not to exceed the Specific Stop Loss Annual Maximum per Covered Person shown on Exhibit A.

C. In order to confirm that all Paid Claim Amounts exceeding the Specific Stop Loss Threshold have been identified and credited to the Group, Medical Mutual of Ohio shall make a final review and Specific Stop Loss settlement within four (4) months after the end of the Contract Period and the Claims Administrator will issue a final credit to the Group, if necessary. Paid claims included in any prior Specific Stop Loss annual settlement are excluded from and do not apply to this or any future Specific Stop Loss annual settlement.

3. LIMITATIONS OF COVERAGE

Medical Mutual of Ohio is not responsible or liable under this Contract for payments to any Covered Person or Provider for any Covered Service for which the Group provides coverage under the terms of the Plan.

This Contract is solely for the benefit of the Group. There is no intended third party beneficiary to this Contract. It is agreed that this Contract shall not create any right or legal relationship between Medical Mutual of Ohio and any Covered Person or Provider.

4. EXCLUSIONS

The following expenses and Paid Claims are excluded from coverage under this Stop Loss Contract:

A. Expenses which are not covered under the terms and provisions of the Plan, including claims paid by the Plan that are not medically necessary as determined by Medical Mutual of Ohio.

B. Expenses which can be recovered from, or attributed to, any other plan or group coverage, or recovered by applying the coordination of benefits provisions (COB) of the Plan.

C. Claims paid by the Plan for charges in excess of the Allowed Amount as determined by Medical Mutual of Ohio.

D. Liability assumed by the Group under any contract or service agreement other than the Plan.

E. Expenses incurred as a result of accidental bodily injury or illness arising out of or in the course of any occupation or employment for wage or profit, or for which the Covered Person is entitled to benefits under any workers' compensation or occupational disease policy, regardless of whether any such policy is actually in force.

F. Expenses incurred prior to the Effective Date of the Contract, except as otherwise specified herein.

G. Expenses incurred before a person became a Covered Person under this Plan, or for any person not covered under the Plan.

H. Claims paid by the Plan for any experimental and/or investigational medicine, including any equipment, drugs, devices, services, supplies, tests, treatments or procedures.

I. Out of State surcharges.

J. Claims for Compound Drugs are excluded under this Contract in the following situations:

1. Where the Plan Sponsor has prescription drug benefit coverage through Medical Mutual of Ohio's contract with a Pharmacy Benefit Manager (PBM) and the Plan Sponsor does not participate in the PBM's comprehensive compound drug management program.

2. For drugs that are compounded using bulk chemical ingredients that do not have any clinical efficacy or that would have been excluded under Medical Mutual of Ohio's compound drug management program.

5. INVOICING AND PAYMENTS

A. Payment of the initial Stop Loss premium is due on or before the Effective Date of the Contract Period.

B. Throughout the Contract Period, on a monthly basis, the Group will receive a monthly invoice from the Claims Administrator for the Stop Loss Premium(s) and for the lesser of: the combined Paid Claim Amounts for the lines of business shown on Exhibit A to Addendum I, plus the prior month's cumulative Deficit less weekly invoices for the month; OR for the combined Monthly Maximum Liability less weekly invoices for the month. The Group shall pay the invoiced amounts on the first of each month or within ten (10) days of the date of the invoice, whichever is later. If payment is not received when due, Medical Mutual of Ohio will suspend Stop Loss coverage for the Group.

6. CHANGES TO THE CONTRACT

At least thirty (30) days prior to the renewal date of the Contract, Medical Mutual of Ohio will notify the Group of any changes to the Stop Loss Premium(s) and Contract terms.

Further, Medical Mutual of Ohio reserves the right to adjust monthly Stop Loss Premium Rates, Attachment Rates, Attachment Points, thresholds or maximums and/or other terms of this Contract effective as of any of the following dates:

A. the enrollment, shown on Exhibit A, changes in aggregate or for a specific line of business by ten percent (10%) or more;

B. any provisions of the Plan change, subject to written notification to and approval by Medical Mutual of Ohio prior to the effective date of the change;

C. any information provided to Medical Mutual of Ohio by the Group regarding claims or eligibility is subsequently found to be inaccurate, incomplete, or misleading;

D. any change in any cost containment features or provider network vendors;

E. a late entrant is added to the Plan who could affect the underwriting risk assessment by Medical Mutual of Ohio;

F. any addition or deletion of a location or class of employees;

G. any buyout, acquisition or merger with another company;

H. the Group's geographical location or the nature of the Group's business changes; and

I. any governmental regulation, law, or benefit mandate becomes applicable to the Plan which could affect the underwriting risk assessment by Medical Mutual of Ohio.

The Group shall notify Medical Mutual of Ohio in writing within thirty (30) days of any of the changes listed above. Any change in rates will be effective as of the date of occurrence of any of the events listed above.

7. CANCELLATION

A. The Group may cancel this Contract only upon giving thirty (30) days written notice to Medical Mutual of Ohio. Medical Mutual of Ohio will return any unearned premium to the Group within thirty (30) days after the date the cancellation becomes effective, however Medical Mutual of Ohio will not refund any partial payments or premiums. Any income Medical Mutual of Ohio has received or may receive from such refunded amounts shall be for the sole benefit of Medical Mutual of Ohio and shall be retained by Medical Mutual of Ohio.

B. Medical Mutual of Ohio may cancel this Contract upon giving thirty (30) days written notice to the Group for the following reasons:

1. for a material misrepresentation by the Group which affects the insurability of the risk;

2. for material failure on the part of the Group to comply with the Contract terms, provisions or contractual duties;

C. Medical Mutual of Ohio may cancel this Contract at any time without notice if the Group fails to pay the required Stop Loss premiums. Medical Mutual of Ohio's negotiation of any check sent or deposited into Medical Mutual of Ohio's lockbox after the termination date does not constitute acceptance or reinstatement by Medical Mutual of Ohio.

D. Medical Mutual of Ohio may also rescind or cancel this Contract as of its Effective Date or Renewal Date if it is discovered that the coverage provided hereunder was obtained through fraudulent statements, omissions, or concealment of facts material to the acceptance of the risk or to the hazard assumed by Medical Mutual of Ohio.

8. CONTRACT TERMINATION

A. This Contract will terminate and all coverage provided by this Contract will cease on the earliest of the following dates:

1. the end of the Contract Period;

2. the date the Plan terminates, the date the Plan changes or the services of the Claims Administrator are terminated, except as provided for by this Contract or any Amendments hereto;

3. the first date of any month specified by the Group, following thirty (30) days written notice to Medical Mutual of Ohio;

4. the cancellation date under the terms of the Cancellation provision.

B. This Contract will automatically terminate in the event:

1. the Group files a petition for bankruptcy or for voluntary reorganization for the benefit of creditors, or is the subject of an involuntary petition for bankruptcy. The Contract will terminate on the date the petition is filed or when any other insolvency proceeding is formally initiated;

2. the Group does not properly pay claims or fund claims on a timely basis.

9. OTHER OBLIGATIONS OF THE GROUP

AUDITS: Should the Group perform audits of the Claims Administrator or any Provider and receive any reimbursement or refund as a result of such audits, the Group agrees that it will reimburse Medical Mutual of Ohio for amounts previously paid by Medical Mutual of Ohio for Covered Services under this or a previous Stop Loss Contract. The Group cannot apply any recovered amounts toward Stop Loss liabilities, deductibles, thresholds or maximums.

CLAIMS ADMINISTRATOR: While this Contract is in force, the Group shall employ, at its own expense, the services of the Claims Administrator. The services of the Claims Administrator cannot be terminated by the Group without the advance written notification to and consent of Medical Mutual of Ohio, or the Contract may subject to the Termination provisions set forth In Section 8 of this Contract.

ELIGIBILITY: Only claims for Covered Persons, as defined in the Plan, are eligible for payment under this Contract.

ENROLLMENT LEVELS: The Group agrees to meet or exceed a 75% enrollment level of its net eligible Participants and to enroll under this Contract at least fifty percent (50%) of all total eligible Participants. To determine the number of net eligible Participants, the Group may exclude from the total count of eligible Participants any employee who waives coverage under the Plan if such employee is enrolled in a spouse's employer-sponsored health care plan or is enrolled as an employee in another program for health care benefits.

MAJOR CASE MANAGEMENT: The Group agrees to utilize any available cost savings or case management programs and to take full advantage of any available discounts, even if such programs require the payment of access fees.

With the prior consent of an affected Covered Person, Medical Mutual of Ohio may elect to utilize the services of personnel skilled in major case management for potential high cost cases. The Group must agree to cooperate with the use of these services.

RECORDS: the Group and/or the Claims Administrator shall forward, all information required by Medical Mutual of Ohio in connection with the administration of this Contract and for the determination of premiums and payments. The Group and/or the Claims Administrator shall make available for inspection by Medical Mutual of Ohio all records that have a bearing on the reinsurance hereunder. Such records shall be maintained and open to Medical Mutual of Ohio for inspection at any time for up to three years after the termination of this Contract.

REIMBURSEMENT AND/OR SUBROGATION: The Group may be entitled to recover from third parties, such as another person, entity or insurance company, for payments made on behalf of Covered Persons by Medical Mutual of Ohio under the stop loss provisions of this Contract. If the Group recovers from a third party, it must account for and repay to Medical Mutual of Ohio any recovered amounts attributable to Medical Mutual of Ohio's stop loss coverage regardless of whether this Contract is still in effect on the date of recovery. Such recovered amounts cannot be applied to any threshold or maximum under this Contract in the year in which the subrogation recovery is made.

If the claims that gave rise to the subrogation claim were incurred in any year in which Medical Mutual of Ohio reimbursed the Group under the terms of an Aggregate Stop Loss arrangement, the Group must reimburse Medical Mutual of Ohio first, subject to the provisions below. The amount of reimbursement shall be the amount recovered up to the amount in excess of the Aggregate Stop Loss threshold in effect in the year in which the claim or claims were incurred.

If the claim or claims that gave rise to the subrogation claim were incurred under a Specific Stop Loss arrangement, the Group must repay to Medical Mutual any amounts paid by Medical Mutual under the Specific Stop Loss contract. If the subrogation recovery is less than the total amount paid by the Plan and Medical Mutual of Ohio to a provider or Covered Person, Medical Mutual of Ohio is entitled to recover a pro rata share of any amount recovered by the Plan. Medical Mutual of Ohio's pro rata share is to be based upon the percentage of medical costs paid by Medical Mutual of Ohio under Specific Stop Loss for Covered Services on behalf of the Covered Person at the time the claim was incurred, after deducting expenses of collection incurred by the party pursuing the claim.

The Group shall notify Medical Mutual of any subrogation recoveries. Should the Group fail to pursue any valid claim against third parties and Medical Mutual of Ohio was liable to reimburse the Group under Aggregate or Specific Stop Loss arrangements, then Medical Mutual of Ohio shall be subrogated to all of the Group's rights.

10. GENERAL PROVISIONS

AMENDMENTS TO THE PLAN: Notice of proposed changes to the Plan must be received by Medical Mutual of Ohio in writing at least thirty (30) days prior to the effective date of the change. Unless Medical Mutual of Ohio gives prior acceptance of any change to the Plan in the form of an Amendment, benefits will be payable under this Contract as though the Plan were not amended. Medical Mutual of Ohio may elect to exclude any changes from the provisions of this Contract or modify the Stop Loss Rates, attachments, thresholds or maximums shown on Exhibit A.

AMENDMENTS TO THE CONTRACT: The terms and conditions of this Contract may be amended at any time by mutual agreement of Medical Mutual of Ohio and the Group. It is the responsibility of the Group to notify Participants of any changes in the terms or conditions of this Contract.

APPEALS: If the Group disagrees with Medical Mutual of Ohio's decision regarding a stop loss claim, the Group may file an appeal with Medical Mutual of Ohio within sixty (60) days of the decision.

ASSIGNMENT: No assignment of the Group's interests under this Contract shall be binding upon Medical Mutual of Ohio unless Medical Mutual of Ohio agrees in writing.

CLERICAL ERROR: Clerical error, whether by the Group or by Medical Mutual of Ohio, in keeping any records pertaining to the coverage provided by this Contract, will not invalidate such coverage or continue coverage otherwise terminated, nor will such error expand Medical Mutual of Ohio's obligations under this Contract.

COUNTERPARTS: This Contract may be executed concurrently in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

ELIGIBILITY: This Contract will cover only those persons who are eligible according to the terms of the Plan.

ENTIRE CONTRACT: This Contract, the Benefit Book(s), any Applications, and any Amendments, copies of which are attached and made a part hereof, shall constitute the entire Contract between the Medical Mutual of Ohio and the Group.

GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the state of Ohio.

INTERPRETATION: While the determination of the benefits under the Plan is the sole responsibility of the Group, Medical Mutual of Ohio reserves the right to interpret the terms and conditions of the Plan as it applies to the Stop Loss Contract. Medical Mutual of Ohio has the sole authority to reimburse or deny reimbursement under this Contract.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Contract prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this Contract. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

NOTICE: Any notice required under this Contract must be in writing. Notice to the Group must be hand-delivered, or mailed by first class mail with proper postage, to the Group at the Group's address. Notice to Medical Mutual of Ohio must be hand-delivered, or mailed by first class mail with proper postage, to Medical Mutual of Ohio at Medical Mutual of Ohio's address. Notice shall be deemed effectively received on the date of delivery or three (3) days after the date of post mark, whichever is earlier. Either the Group or Medical Mutual of Ohio may, by written notice, indicate a new notice address.

OFFSET: Medical Mutual of Ohio shall be entitled to offset payments due the Group under this Contract against Stop Loss premiums due and unpaid by the Group to Medical Mutual of Ohio.

OTHER COVERAGE: The reimbursement provided by the Contract is in excess of other coverage, including but not limited to, group insurance, excess insurance, student insurance, plan benefits, including insurance or plan benefits established by any Federal, State, or Local Law.

PROOF OF LOSS: In the event of any reimbursement being claimed under this Contract, accounting records or reports and other written proof of the basis upon which reimbursement is claimed must be furnished to Medical Mutual of Ohio, in a form acceptable by Medical Mutual of Ohio, within ninety (90) days after the date any claim has been paid by the Group. Proof may be submitted later, if it was not reasonably possible to submit it within this period. In no event, except in the absence of legal capacity of the claimant, may proof be submitted later than one year from the time it was otherwise required.

REPRESENTATIONS: The Group agrees that the statements in the Application and the Benefit Book(s) are the Group's agreements and representations. This Stop Loss Contract, and any subsequent renewal Contracts, are issued based on continued reliance upon the truth and completeness of such representations, which include, but are not limited to, the underwriting and claims information provided by the Group or its authorized representatives.

This Contract together with the Application, including any medical history questions which are part of an Application, and the written statements made by the Group's authorized representatives, constitute the agreement between the parties. If there is a conflict between the provisions of the Plan and this Contract, this Contract shall prevail.

Should information become known by Medical Mutual of Ohio, which was known by the Group prior to issuance of this Contract or any renewal that would have caused Medical Mutual of Ohio:

- to set rates, premiums, attachment points and thresholds, or
- to set terms or conditions of this Contract, or
- to make payment for Covered Services that otherwise would not have been done, or
- affected Medical Mutual of Ohio's acceptance of an Application, or
- induced Medical Mutual of Ohio to enter into this Contract, then

Medical Mutual of Ohio shall have the right to revise the premiums, attachment points, thresholds, maximums or terms or conditions of the Contract retroactive to the Effective Date of issuance, including the right to rescind coverage, or to terminate this Contract as of the next premium due date, by providing written notice to the Group.

RIGHT OF RECOVERY: If Medical Mutual of Ohio has overpaid any Stop Loss benefits Medical Mutual of Ohio has the right to recover such overpayments from the Group.

SEVERABILITY: If any provision or any part of any application of this Contract is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect or impair any other provision or right or remedy of Medical Mutual of Ohio.

STATEMENTS: In the absence of fraud, all statements made by the Group or a Covered Person shall be deemed representations and not warranties. No statement will be used in contest of this Contract or in defense of a claim unless: (1) the statement is in writing; and (2) it is signed by the Group.

WAIVER OF CONTRACTUAL RIGHTS: Failure of either party to insist on or enforce any of its rights shall not constitute a waiver of those rights by that party, and nothing shall constitute a waiver of either party's right to insist on strict compliance with the provisions of this agreement.

IN WITNESS WHEREOF, Medical Mutual of Ohio and the Group have signed this Contract to be effective on the Contract Date first above written.

City of Rocky River
(The Group)

_____
Signature

_____
Title

_____
Date

Medical Mutual of Ohio

_____
Signature

_____
Title

_____
Date

Medical Mutual Services, L. L. C.
(Medical Mutual Services)

_____
Signature

_____
Title

_____
Date

RENEWAL
EXHIBIT A
to the Stop Loss Contract for
City of Rocky River
Group Number: 805934

The Contract Period is from January 1, 2018 through December 31, 2018. Eligible claims are those Paid during the Contract Period. *Prisoners Section 100 is excluded from Stop Loss Coverage.*

Minimum Premium

	Single	Two Party	Family
Medical – SM Plus A	$4.93	$9.86	$14.29
Medical – SM Plus B	$4.80	$9.62	$13.95
Rx $10/25/40	$4.20	$8.42	$12.21
Rx $10/25/45 $100/$200 ded	$3.98	$7.96	$11.55

Deposit Liability

Medical – SM Plus A	$524.89	$1,049.81	$1,522.22
Medical – SM Plus B	$455.43	$910.88	$1,320.78
Rx $10/25/40	$155.04	$310.09	$449.64
Rx $10/25/45 $100/$200 ded	$146.76	$293.52	$425.61

Terminal Liability

Medical – SM Plus A	$58.89	$117.79	$170.79
Medical – SM Plus B	$49.05	$98.08	$142.22
Rx $10/25/40	$4.84	$9.66	$14.01
Rx $10/25/45 $100/$200 ded	$4.57	$9.15	$13.27

Minimum Threshold: $2,685,054
Aggregate Maximum Limit of Reimbursement Liability: $1,000,000

SPECIFIC STOP LOSS

Specific Stop Loss Threshold per Covered Person: $120,000
Annual Maximum per Covered Person: Unlimited

Line(s) of Business: Medical and Prescription Drug Card

Specific Stop Loss Premium(s):	Single	Two Party	Family
SM Plus A w/Rx $10/25/40	$70.12	$140.24	$203.34
SM Plus B w/Rx $10/25/45 $100/$200 ded	$59.90	$119.81	$173.72

ENROLLMENT: 175

PROXY

City of Rocky River
Group Number: 805934

The Group hereby appoints as its proxy, to act for and on its behalf at any and every annual meeting and special meeting of the members of Medical Mutual of Ohio, the person who is Secretary of such corporation at the time of such annual or special meetings, as the case may be, with power of substitution, and empowers such proxy to vote and act for and on behalf of the Group at each such meeting as fully and to the same extent as the Group could do if personally represented thereat. This proxy shall continue in force until ten years from the date hereof unless sooner revoked by a writing signed by the Group and delivered to Medical Mutual of Ohio.

By: _____

Title: _____

Date: _____

RENEWAL
ADDENDUM I
WEEKLY INVOICING
with Minimum Premium Stop Loss Arrangement

This Addendum to the Agreement between **City of Rocky River #805934** (the "Group") and Medical Mutual Services, L. L. C. ("Medical Mutual Services") is an amendment to the Agreement and supersedes any prior invoicing Addendum and has been adopted pursuant to the section of the Agreement entitled "Amendments".

Section 1: Definitions

A. Agreement Period: The period beginning **January 1, 2018** through December 31, 2018.

B. Incurred Claim: A claim for Covered Services, as defined in the applicable Benefit Book(s), that has beginning service dates on or after the effective date of the Agreement and prior to the Termination Effective Date of the Agreement.

C. Adjudicated Claim: An Incurred Claim which has been processed and approved for payment but has not been released for payment by Medical Mutual Services.

D. Paid Claim: An Adjudicated Claim for which Medical Mutual Services has reimbursed the Provider or Participant on behalf of the Group. A claim is considered a Paid Claim as of the date shown on the check written by Medical Mutual Services. Claim Amounts will be paid in accordance with Medical Mutual Service's claims disbursement schedule.

E. Paid Claim Amount: The amount Medical Mutual Services pays to the Provider or the Participant for the individual claim after the claim has been adjudicated and released for payment.

i. For claims at hospitals and other institutions, the Paid Claim Amount shall not include adjustments or settlements due to maximum charge increase limitation violations, prompt payment discounts, or any settlement, incentive, allowance or adjustment that does not accrue to a specific claim at the time of adjudication.

ii. For claims involving physicians or other professional providers, the Paid Claim Amount is not reduced by performance withholds.

iii. For claims involving prescription drugs dispensed for use, the Paid Claim Amount does not include any formulary reimbursement savings (pharmacy rebates), volume-based credits or refunds or discount guarantees.

iv. In certain circumstances, Medical Mutual Services, through an affiliated company, may have an agreement or arrangement with a vendor which purchases services, supplies or products from Providers instead of Medical Mutual Services contracting directly with Providers themselves. Medical Mutual Services' agreement or arrangement with that vendor may not include the vendor's purchase price from the Provider, but may be based on some other financial arrangement such as a guaranteed discount.

The Paid Claim Amounts, in these circumstances, will be based on the network's re-pricing agreement with the vendor and not upon the vendor's actual purchase price with the Provider, subject to any further conditions or limitations set forth herein. Vendors include, but are not limited to, pharmacy providers, other managed care providers, home health providers and other provider networks.

v. When the Covered Person receives services outside of the State of Ohio the claims for Covered Services will be processed whenever possible through a vendor relationship with another provider network with which Medical Mutual Services has contracted. The Paid Claim Amount for a claim submitted by an out of state provider will be based on the contractual arrangement the provider has with the network program. If the Plan's primary network does not have an arrangement with the provider, Medical Mutual Services will attempt to arrange for a discount through a secondary network. In such cases, any fees to obtain the discount will be included in the Paid Claim Amount. If there is no Agreement with a network provider, the Paid Claim Amount will be based on Net Covered Charges. The Group shall not be entitled to any further reduction or adjustment in the price of the claim other than what Medical Mutual Services receives from the network program.

vi. The Group acknowledges that Medical Mutual Services and/or affiliated companies have entered into value-based contracts to reimburse and/or pay incentives to Providers based on performance targets or other contractual obligations designated by Medical Mutual Services. Amounts paid by Medical Mutual Services to Providers attributable to Participants pursuant to such value-based contracts are designated as Paid Claim Amounts but are not subject to Participant cost sharing (e.g., deductibles, coinsurance or copays).

F. Covered Charges: the charges for Covered Services, as defined in the applicable Benefits Book(s) or Certificate(s).

G. Net Covered Charges: Covered Charges less any deductibles, copayments, coinsurance or other patient liabilities and any amounts paid by other parties resulting from coordination of benefits, subrogation, workers' compensation and other party liability.

H. Administrative Fee: The monthly amount paid to Medical Mutual Services by the Group to cover administrative and other expenses per Participant per month. The Administrative Fee is specified in Exhibit A.

I. Provider Discount: Covered Charges minus the Allowed Amount.

J. Allowed Amount: For Network Providers and contracting Providers, the Allowed Amount is the lesser of Medical Mutual Services' negotiated amount with the Provider or the Provider's billed charges. For non-contracting Providers, the Allowed Amount is Medical Mutual Services' non-contracting rate, which is the maximum amount allowed by Medical Mutual Services for Covered Services provided by a non-contracting Provider. The non-contracting rate is based on various factors, including, but not limited to, market rates for that service, negotiated amounts with Network Providers for that service, and Medicare reimbursement rates for that service.

K. Taxes and Out of State Surcharges: The States of New York, Massachusetts and Michigan have enacted legislation which imposes surcharges on certain health care costs incurred by Covered Persons receiving services in those states. Medical Mutual Services will pay the Out of State Surcharges directly to each state for the Group. The Group will be invoiced for actual Out of State Surcharges paid by Medical Mutual Services. Payment is due in accordance with the terms of the invoice. No additional Administrative Fee will be charged for this service. The same procedure will apply if other states pass similar legislation.

If any other tax (other than state or federal income taxes) or any other assessment or fee is assessed against the Plan, the claims administrator shall have no obligation to pay such tax, assessment or fee. The Group shall pay such tax, assessment or fee, once it determines it is subject to it. If Medical Mutual Services pays any such taxes, assessments or fees on behalf of Group, Group agrees to reimburse Medical Mutual Services for the full amount of such taxes, assessments or fees.

L. Termination Effective Date: 12:01 a.m. on the date the Agreement terminates for the Group, any line(s) of business or any section(s) thereof, as specified pursuant to a written termination notice from one party to the other.

M. Access Fees: Amounts paid to Medical Mutual Services and/or the provider network(s) by the Group for use of the provider network(s).

Section 2: Invoicing

A. Weekly Invoices: Throughout the Agreement Period Medical Mutual Services shall invoice the Group each week for claims paid by Medical Mutual Services during the preceding week and for Stop Loss credits as notified by the Stop Loss carrier. The Group will pay the invoiced amounts on the second business day following the date of the invoice. If payment of the invoice is not received when due, Medical Mutual Services will suspend processing of the Group's claims and will not release future claim payments until payment is received from the Group.

B. Monthly Invoices: Throughout the Agreement Period Medical Mutual Services shall issue on a monthly basis an invoice for the Administrative Fee and for Stop Loss Premiums, on behalf of the Stop Loss Carrier.

In addition, Medical Mutual Services shall issue a separate invoice on a monthly basis for the lesser of the monthly Paid Claim Amounts plus the prior month's cumulative Deficit OR the Monthly Maximum Liability, less amounts paid for Weekly Invoices for the month, in accordance with the Stop Loss Contract entered into by the Group, Medical Mutual Services, L.L.C. and Medical Mutual of Ohio. Medical Mutual of Ohio will fund any monthly Deficit during the period this Addendum I is in effect.

The Group shall pay the invoiced amounts due on the first of each month or within ten (10) days of the date of the invoice, whichever is later. If the invoice is not paid when due, Medical Mutual Services will suspend payment of the Group's claims and will not release future claim payments until payment is received from the Group.

C. Without waiving any other remedies Medical Mutual Services may have for non-payment or late payment by the Group of any amounts billed by Medical Mutual Services, including, but not limited to, Claims, Monthly Invoices and Out of State Surcharges, Medical Mutual Services reserves the right to change the Plan's claims invoicing method, described in 2A above, and will bill for claims adjudicated rather than claims paid. This means that Medical Mutual Services will invoice the Group for claims that are ready to be paid, but will not release those payments until funds for such claims are received from the Group. The change to an adjudicated invoicing method will commence immediately upon notification to the Group.

D. Medical Mutual Services, through an affiliated company, has Agreements with Providers, including hospitals. Some of these Agreements with Providers allow discounts, allowances, incentives, adjustments and settlements. These amounts are for the sole benefit of Medical Mutual Services and Medical Mutual Services will retain certain of the payments resulting therefrom as more fully set forth in Section 1E hereof. In any event, however, Paid Claim Amounts shall be calculated as provided herein, and deductibles, copayments, coinsurance and benefit accumulations shall be calculated as set forth in Addendum III or the Benefit Book(s).

E. The Group acknowledges and understands that the Paid Claim Amount may exceed the amount of Net Covered Charges for the Covered Services and that some of its payment responsibilities are nevertheless based on the Paid Claim Amounts and not upon the lesser of Net Covered Charges or the Paid Claim Amounts.

Section 3: Management Reports

Medical Mutual Services shall prepare the following standard management reports for the Group:

Monthly Claims Detail
Annual Renewal Package
Quarterly Reporting Package

Reports or analyses not listed herein may be provided by Medical Mutual Services for a reasonable fee upon request of the Group.

Section 4: Changes to the Funding Arrangement

A. At least thirty (30) days prior to the renewal date of the Agreement, Medical Mutual Services will notify the Group of any changes in the Administrative Fees, Access Fees other fee(s) and Agreement terms.

B. Medical Mutual Services reserves the right to adjust the Administrative Fees for the Agreement Period if the Group's monthly enrollment changes, either in aggregate or for a specific line of business, by ten percent (10%) from the expected monthly enrollment specified in Exhibit A. Any adjustment in Administrative Fees will be effective as of the date of the change in enrollment.

Section 5: Termination

If the Agreement terminates for the Group, line(s) of business or any section(s) thereof:

A. Within 90 days after the last invoice to the Group for the Monthly Maximum Liability or Paid Claim Amounts incurred prior to the Termination Effective Date, the Maximum Liability At Termination will be determined.

B. Medical Mutual Services will continue to process Incurred Claims where the incurred date(s) preceded the Termination Effective Date and which were received by Medical Mutual Services in accordance with the Group's applicable Benefit Book(s) and this Addendum I.

C. For the first twelve (12) weeks following the Termination Effective Date, Medical Mutual Services shall continue to invoice the Group as described in Section 2A of this Addendum.

D. After the first twelve weeks following the Termination Effective Date, Medical Mutual Services will invoice the Group for Paid Claims and any Deficit remaining as of the Termination Effective Date, monthly or less frequently through the twelfth (12th) month after the Termination Effective Date or until the Maximum Liability At Termination is reached, whichever occurs first. Payment of each invoice is due within ten (10) days of the date of the invoice.

E. Following the Termination Effective Date, Medical Mutual Services will continue to invoice the Group for Out of State Surcharges and Access Fees.

F. Medical Mutual Services will not process, pay or adjust any claims after the twelfth (12th) month following the Termination Effective Date and any claims submitted thereafter, if payable, in whole or in part, under the applicable Benefit Book(s) shall be the Group's payment responsibility solely and shall not be a liability of Medical Mutual Services.

G. Following the Termination Effective Date, if Medical Mutual Services receives any checks for payment of subrogation claims, Medical Mutual Services will forward those amounts to the Group, less any amounts related to the third party claim paid under applicable stop loss insurance for the Covered Person.

H. For three consecutive months following the Termination Effective Date, Medical Mutual Services will invoice the Group for the Administrative Fee per Participant times the greater of the number of Participants in effect in each applicable section at the Termination Effective Date or the average number of Participants in effect in each applicable section for the 3 months immediately prior to the Termination Effective Date. The Group shall pay the invoiced amounts within ten (10) days of the date of each invoice.

I. If the Group does not pay any invoiced amount due on the date specified for payment, Medical Mutual Services may suspend processing of claims and any other responsibilities it may have after the Termination Effective Date until payment is received.

IN WITNESS WHEREOF, the Group and Medical Mutual Services have signed this Addendum I:

City of Rocky River
(the Group)

_____
Signature

_____
Title

_____
Date

Medical Mutual Services, L.L.C.
(Medical Mutual Services)

_____
Signature

_____
Title

_____
Date

MEDICAL MUTUAL SERVICES, L.L.C.

EXHIBIT A
to
Addendum I
for
City of Rocky River
Group Number: 805934
January 1, 2018 through December 31, 2018

Administrative Fees (per Participant per month):	
Medical	
Single	$48.56
Two Party	$48.56
Family	$48.56
Section 100 Prisoners:	25% of the Provider Discount for medical claims
Prescription Drug	
Single	$1.60
Two Party	$1.60
Family	$1.60
Section 100 Prisoners:	$.80 per script
Disease Management Fee:	$2.50 per Participant per month
Enrollment:	175

AMENDMENT
to
the Administrative Services Agreement
for
City of Rocky River

This Amendment modifies the Administrative Services Agreement (the "Agreement") entered into between **City of Rocky River #805934** (the "Group") and Medical Mutual Services, L.L.C. ("Medical Mutual Services"). All of the terms, conditions, and provisions of the Agreement remain unchanged unless specifically modified herein. The effective date of this Amendment is **January 1, 2018**, regardless of the date signed below.

The following is added to Article II, "Administrative Obligations of Medical Mutual Services:"

> Upon request of the Group, provide Covered Persons with access to disease management programs that are offered generally by Medical Mutual Services to its groups. The costs for disease management programs will be billed to the Group as set forth on Exhibit A.

IN WITNESS WHEREOF, the Group and Medical Mutual Services have signed this Amendment:

City of Rocky River (Group)	**Medical Mutual Services, L.L.C.** (Medical Mutual Services)
_____ Signature	_____ Signature
_____ Title	_____ Title
_____ Date	_____ Date