

SJVIA PARTICIPATION AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 1st day of June, 2013, by and between **CITY OF WATERFORD**, a political subdivision of the State of California, hereinafter referred to as "**CITY OF WATERFORD**", and the SAN JOAQUIN VALLEY INSURANCE AUTHORITY, a joint powers agency, hereinafter referred to as "SJVIA".

WITNESSETH:

WHEREAS, the purpose of the SJVIA is to develop and provide various health insurance programs, including related administrative services for such programs to be provided by the insurance provider(s) and the SJVIA and its agents and consultants (collectively, "Medical Benefits"), for the benefit of participating entities; and

WHEREAS, CITY OF WATERFORD wishes to participate in the SJVIA Medical Benefits for the purpose of purchasing health, and/or other benefits in a cost-effective manner for its participating employees; and

WHEREAS, the CITY OF WATERFORD elects to participate in the SJVIA health insurance program (Anthem Blue Cross), and pharmacy program (US Script); and

WHEREAS, the CITY OF WATERFORD and the SJVIA now desire to enter into this Agreement to secure the CITY OF WATERFORD commitment to remit premium payments to the SJVIA for the Medical Benefits to be provided under the Insurance Contract and by the SJVIA and its agents and consultants, as provided herein.

WHEREAS, a true and correct copy of a summary of applicable SJVIA insurance programs is attached hereto and incorporated herein by reference as Exhibit "A"; and

WHEREAS, the SJVIA represents that it will contract with Insurance Providers which will provide its Medical Benefits under the terms and conditions of a written contract between the SJVIA and the Insurance Provider (the "Insurance Contract") for each of CITY OF WATERFORD' participating employees; and

WHEREAS, the SJVIA represents that the rates for the health benefits to be provided under the Insurance Contract and by the SJVIA, including the costs of its agents and consultants, are set forth in Exhibit "B" which is attached hereto and incorporated herein by reference; and

WHEREAS, the CITY OF WATERFORD and the SJVIA now desire to enter into this Agreement to secure the CITY OF WATERFORD' commitment to remit premium payments to the SJVIA for the health benefits to be provided under the Insurance Contract, and the CITY OF WATERFORD' portion of the costs of the SJVIA's agents and consultants, as provided herein.

NOW THEREFORE, in consideration of their mutual promises, covenants and conditions, hereinafter set forth, the sufficiency of which is acknowledged, the Parties agree as follows:

1. CITY OF WATERFORD' OBLIGATIONS: Within ten business days of the date that SJVIA is required under the Insurance Contract to pay any insurance premium and/or similar charge to the Insurance Provider, the CITY OF WATERFORD shall remit to SJVIA the amount necessary to pay the required premium payment based on the intervals of such payments under the Insurance Contract. CITY OF WATERFORD acknowledges that this agreement requires a commitment to participate in said SJVIA health benefits effective June 1, 2013 through December 31, 2016.

2. SJVIA'S OBLIGATIONS: The SJVIA shall approve and execute related Insurance Contracts. Following execution of the Insurance Contracts, (i) SJVIA shall make available the fully-executed copy of the Insurance Contract to CITY OF WATERFORD, (ii) SJVIA shall enforce SJVIA's rights under the Insurance Contract for the benefit of CITY OF WATERFORD, and (iii) SJVIA shall perform SJVIA's obligations under the terms and conditions of the Insurance Contracts, including making timely payment of premium payments,

and/or any similar charges, necessary to keep the Insurance Contracts in full force and effect.

3. **MODIFICATION:** Any matters of this Agreement may be modified from time to time but only by the written consent of all the parties hereto without, in any way, affecting the remainder hereof.

4. **NON-ASSIGNMENT:** Neither party hereto shall assign, transfer, or subcontract this Agreement nor their rights or duties under this Agreement without the prior written consent of the other party hereto.

5. **AUDITS AND INSPECTIONS:** The SJVIA shall at any time during business hours, and as often as the CITY OF WATERFORD may deem necessary, make available to the CITY OF WATERFORD for examination all of its records and data with respect to the matters covered by this Agreement. The SJVIA shall, upon request by the CITY OF WATERFORD, permit the CITY OF WATERFORD to audit and inspect all such records and data necessary to ensure SJVIA's compliance with the terms of this Agreement. SJVIA shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under contract (Government Code section 8546.7).

6. **NOTICES:** The persons having authority to give and receive notices under this Agreement and their addresses include the following:

CITY OF WATERFORD

Lori Martin
City Clerk
101 E Street
Waterford, CA 95386
cityclerk@cityofwaterford.org

SJVIA

Jeffrey Cardell
SJVIA Manager
2900 West Burrell
Visalia, CA 93291
jcardell@co.tulare.ca.us

Any and all notices between the CITY OF WATERFORD and the SJVIA provided for or permitted under this Agreement or by law shall be in writing and shall be deemed duly served when personally delivered to one of the parties, or in lieu of such personal service, when deposited in the United States Mail, postage prepaid, addressed to such party.

7. **GOVERNING LAW:** The parties agree, that for the purposes of venue, performance under this Agreement is to be in Fresno County, California. The rights and obligations of the parties and all interpretation and performance of this Agreement shall be governed in all respects by the laws of the State of California.

8. **TERM:** This Agreement shall become effective on June 1, 2013 and shall terminate on December 31, 2016.

9. **TERMINATION:**

- a. The terms of this Agreement, and the health benefits, Administrative Services, and/or SJVIA Staff Costs to be provided hereunder, are contingent on the approval of funds by the CITY OF WATERFORD. Should sufficient funds not be allocated, the services provided may be modified, or this Agreement terminated at any time by giving SJVIA 120 days advance written notice.
- b. Notwithstanding any other provision of this Article, if the CITY OF WATERFORD fails to make in full any payment when due pursuant to Article 1, the SJVIA shall have the right, in its sole discretion, to terminate this Agreement, without notice, effective at the expiration of the last period for which full premium payment was made. Notwithstanding such termination or suspension, the SJVIA, in its sole discretion, may accept late payment or delinquent amounts and, upon acceptance, this Agreement may be reinstated retroactively to the last date for which full premium payment was made. Any such acceptance of a delinquent payment by the SJVIA shall not be deemed a waiver of this provision for termination of this Agreement in the event of any future failure of the CITY OF WATERFORD to make timely payments of any amounts due under this Agreement.

9. **SEVERABILITY:** In the event any provisions of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the Parties will use their best efforts to meet and confer to determine how to mutually amend such provisions with valid and enforceable provisions, and the remaining provisions of this Agreement will nevertheless continue in full force and effect without being impaired or invalidated in any way.

10. **DISPUTE RESOLUTION:** Any controversy or dispute between the parties arising out of this agreement shall be submitted to mediation. The mediator will be selected by mutual agreement. If the matter cannot be resolved through mediation or if the parties cannot agree upon a mediator the matter shall be submitted to arbitration and such arbitration shall comply with and be governed by the provisions of the California Arbitration Act, of the California Code of Civil Procedure.

11. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the SJVIA and CITY OF WATERFORD with respect to the subject matter hereof and supersedes all previous agreement negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement.

12. **COUNTERPARTS:** This Agreement may be executed in one or more original counterparts, all of which together will constitute one and the same agreement.

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**AGREEMENT BETWEEN CITY OF WATERFORD AND THE
SAN JOAQUIN VALLEY INSURANCE AUTHORITY**

**SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

By 
Pete Vander Poel
SJVIA Board President

Date: 5/7/13

CITY OF WATERFORD

By 
Tim Ogden, City Manager

Date: April 29, 2013

REVIEWED & RECOMMENDED FOR APPROVAL

By 
Jeffrey Cardell
SJVIA Manager

EXHIBIT "A"



SJVIA Custom Classic HMO 15

HMO Benefits

This summary of benefits has been updated to comply with federal and state requirements, including applicable provisions of the recently enacted federal health care reform laws. As we receive additional guidance and clarification on the new health care reform laws from the U.S. Department of Health and Human Services, Department of Labor and Internal Revenue Service, we may be required to make additional changes to this summary of benefits. This proposed benefit summary is subject to the approval of the California Department of Insurance and the California Department of Managed Health Care.

Anthem Blue Cross HMO benefits are covered only when services are provided or coordinated by the primary care physician and authorized by the participating medical group or independent practice association (IPA), except services provided under the "ReadyAccess" program, OB/GYN services received within the member's medical group/IPA, and services for all mental and nervous disorders and substance abuse. Benefits are subject to all terms, conditions, limitations, and exclusions of the Policy.

Annual copay maximum: Individual \$1,000; Family \$2,000

Covered Services	Per Member Copay
Inpatient Medical Services	
➤ Semi-private room or private room if medically necessary; meals & special diets; services & supplies including: <ul style="list-style-type: none"> — Special care units — Operating room & special treatment rooms — Nursing care — Drugs, medications & oxygen administered in the hospital 	No copay
➤ Blood & blood products	No copay
Outpatient Medical Services <i>(Services received in a hospital, other than emergency room services, or in any facility that is affiliated with a hospital)</i>	
➤ Outpatient surgery & supplies	No copay
➤ Diagnostic X-ray & laboratory procedures <ul style="list-style-type: none"> — CT or CAT scan, MRI or nuclear cardiac scan — PET scan — All other X-ray & laboratory tests <i>(including mammograms and ultrasounds)</i> 	No copay No copay No copay
➤ Radiation therapy, chemotherapy & hemodialysis treatment	No copay
➤ Short-term Physical, Occupational, or Speech Therapy <i>(limited to a 60-day period of care after an illness or injury; additional visits available when approved by the medical group)</i>	No copay
Ambulatory Surgical Center	
➤ Outpatient surgery & supplies	No copay
Skilled Nursing Facility <i>(limited to 100 days/calendar year)</i>	
➤ All necessary services & supplies <i>(excluding take-home drugs)</i>	No copay
Hospice Care <i>(Inpatient or outpatient services for members; family bereavement services)</i>	
No copay	
Home Health Care	
➤ Home visits when ordered by primary care physician <i>(limited to 100 visits/calendar year; one visit by a home health aide equals four hours or less)</i>	\$15/visit
Physician Medical Services	
➤ Office & home visits	\$15/visit
➤ Hospital visits	No copay
➤ Skilled nursing facility visits	No copay
➤ Specialists & consultants	\$15/visit

Covered Services	Per Member Copay
Short-Term Physical, Occupational, or Speech Therapy, or Chiropractic Care when Ordered by the Primary Care Physician <i>(limited to a 60-day period of care after an illness or injury; additional visits available when approved by the medical group)</i>	\$15/visit
Acupuncture	\$15/visit
Surgical Services	
➤ Surgeon & surgical assistant	No copay
➤ Anesthesiologist or anesthetist	No copay
General Medical Services <i>(when performed in non-hospital-based facility)</i>	
➤ Diagnostic X-ray & laboratory procedures	
— CT or CAT scan, MRI or nuclear cardiac scan	No copay
— PET scan	No copay
— All other X-ray & laboratory tests (including mammograms, pap smears, & prostate cancer screening)	No copay
➤ Radiation therapy, chemotherapy & hemodialysis treatment	No copay
Other Medical Services	
➤ Prosthetic devices	No copay
➤ Durable medical equipment including hearing aids <i>(hearing aids benefit available for one hearing aid per ear every three years)</i>	No copay
Preventive Care Services <i>Preventive Care Services that meet the requirements of federal and state law, including certain screenings, immunizations and physician visits</i>	
➤ Complete physical exams & periodic routine checkups when ordered by the primary care physician	No copay
➤ Well-baby & well-child care	No copay
➤ Well-woman exams	No copay
➤ Hearing exams	No copay
➤ Vision exams <i>(vision screening from primary care physician covers evaluation only; diagnostic & treatment programs, including refractions, from an optometrist or ophthalmologist must be authorized by the primary care physician)</i>	\$15/exam
Health Education and Wellness Programs	
➤ Specified immunizations	No copay
➤ Allergy testing & treatment <i>(including serums)</i>	No copay
➤ Medical social services	No copay
➤ Selected health education programs	No copay
Emergency Care	
In Area <i>(within 20 miles of medical group)</i> and Out of Area	
➤ Physician & medical services	No copay
➤ Outpatient hospital emergency room services	\$100 /visit <i>(waived if admitted)</i>
➤ Inpatient hospital services	No copay
Ambulance Services	
➤ Ground or air ambulance transportation when medically necessary, including medical services & supplies	No copay

Covered Services	Per Member Copay
Pregnancy and Maternity Care	
Office Visits	
➤ Prenatal & postnatal care	No copay
➤ Complications of pregnancy or therapeutic abortions	No copay
Normal Delivery or Cesarean Section, including:	
➤ Inpatient hospital & ancillary services	No copay
➤ Routine nursery care	No copay
➤ Physician services (<i>inpatient only</i>)	No copay
Complication of Pregnancy or Therapeutic Abortion, including:	
➤ Inpatient hospital & ancillary services	No copay
➤ Outpatient hospital services	No copay
➤ Physician services (<i>inpatient only</i>)	No copay
Elective Abortions (<i>including prescription drug for abortion [mifepristone]</i>)	\$
Genetic Testing of Fetus	No copay
Family Planning Services	
➤ Infertility studies & tests, including treatment	\$15/visit
➤ Tubal ligation	\$15/visit
➤ Vasectomy	\$15/visit
➤ Counseling & consultation	\$15/visit
Organ and Tissue Transplant	
➤ Inpatient Care	No copay
➤ Physician office visits (<i>including primary care, specialty care & consultants</i>)	\$15/visit
Mental or Nervous Disorders and Substance Abuse	
Benefits are administered through Avante Behavioral Health	

This Summary of Benefits is a brief review of benefits. Once enrolled, members will receive the Combined Evidence of Coverage and Disclosure Form, which explains the exclusions and limitations, as well as the full range of covered services of the plan, in detail.

Classic HMO — Exclusions and Limitations

Care Not Approved. Care from a health care provider without the OK of primary care doctor, except for emergency services or urgent care.

Care Not Covered. Services before the member was on the plan, or after coverage ended.

Care Not Listed. Services not listed as being covered by this plan.

Care Not Needed. Any services or supplies that are not medically necessary.

Crime or Nuclear Energy. Any health problem caused: (1) while committing or trying to commit a felony, as long as any injuries are not a result of a medical condition or an act of domestic violence; or (2) by nuclear energy, when the government can pay for treatment.

Experimental or Investigative. Any experimental or investigative procedure or medication. But, if member is denied benefits because it is determined that the requested treatment is experimental or investigative, the member may ask that the denial be reviewed by an external independent medical review organization, as described in the Evidence of Coverage (EOC).

Government Treatment. Any services the member actually received that were given by a local, state or federal government agency, except when this plan's benefits, must be provided by law. We will not cover payment for these services if the member is not required to pay for them or they are given to the member for free.

Services Given by Providers Who Are Not With Anthem Blue Cross HMO. We will not cover these services unless primary care doctor refers the member, except for emergencies or urgent care.

Services Not Needing Payment. Services the member is not required to pay for or are given to the member at no charge, except services the member got at a charitable research hospital (not with the government). This hospital must:

- Be known throughout the world as devoted to medical research.
- Have at least 10% of its yearly budget spent on research not directly related to patient care.
- Have 1/3 of its income from donations or grants (not gifts or payments for patient care).
- Accept patients who are not able to pay.
- Serve patients with conditions directly related to the hospital's research (at least 2/3 of their patients).

Work-Related. Care for health problems that are work-related if such health problems are or can be covered by workers' compensation, an employer's liability law, or a similar law. We will provide care for a work-related health problem, but, we have the right to be paid back for that care. See "Third Party Liability" below.

Acupressure. Acupressure, or massage to help pain, treat illness or promote health by putting pressure to one or more areas of the body.

Air Conditioners. Air purifiers, air conditioners, or humidifiers.

Birth Control Devices. Any devices needed for birth control which can be obtained without a doctor's prescription such as condoms.

Blood. Benefits are not provided for the collection, processing and storage of self-donated blood unless it is specifically collected for a planned and covered surgical procedure.

Braces or Other Appliances or Services for straightening the teeth (orthodontic services).

Chronic Pain Treatment. Treatment of frequent recurrences of pain, over a long period of time, that is not related to an active medical condition currently being treated.

Clinical Trials. Services and supplies in connection with clinical trials, except as specified as covered in the Evidence of Coverage (EOC).

Consultations given by telephone or fax.

Commercial weight loss programs. Weight loss programs, whether or not they are pursued under medical or doctor supervision, unless specifically listed as covered in this plan.

This exclusion includes, but is not limited to, commercial weight loss programs (Weight Watchers, Jenny Craig, LA Weight Loss) and fasting programs.

This exclusion does not apply to *medically necessary* treatments for morbid obesity or for treatment of anorexia nervosa or bulimia nervosa.

Cosmetic Surgery. Surgery or other services done only to make the member: look beautiful; to improve appearance; or to change or reshape normal parts or tissues of the body. This does not apply to reconstructive surgery the member might need to: get back the use of a body part; have for breast reconstruction after a mastectomy; correct or repair a deformity caused by birth defects, abnormal development, injury or illness in order to improve function, symptomatology or create a normal appearance. Cosmetic surgery does not become reconstructive because of psychological or psychiatric reasons.

Custodial Care or Rest Cures. Room and board charges for a hospital stay mostly for a change of scene or to make the member feel good. Services given by a rest home, a home for the aged, or any place like that.

Dental Services or Supplies. Dentures, bridges, crowns, caps, or dental prostheses, dental implants, dental services, tooth extraction, or treatment to the teeth or gums. Cosmetic dental surgery or other dental services for beauty purposes.

Diabetic Supplies. Prescription and non-prescription diabetic supplies, except as specified as covered in the EOC.

Eye Exercises or Services and Supplies for Correcting Vision. Optometry services, eye exercises, and orthoptics, except for eye exams to find out if the member's vision needs to be corrected. Eyeglasses or contact lenses are not covered. Contact lens fitting is not covered.

Eye Surgery for Refractive Defects. Any eye surgery just for correcting vision (like nearsightedness and/or astigmatism). Contact lenses and eyeglasses needed after this surgery.

Growth Hormones. Growth hormone treatment.

Food or Dietary Supplements. Nutritional and/or dietary supplements, except as provided in this plan or as required by law. This exclusion includes, but is not limited to, those nutritional formulas and dietary supplements that can be purchased over the counter, which by law do not require either a written prescription or dispensing by a licensed pharmacist.

Health Club Membership. Health club memberships, exercise equipment, charges from a physical fitness instructor or personal trainer, or any other charges for activities, equipment, or facilities used for developing or maintaining physical fitness, even if ordered by a doctor. This exclusion also applies to health spas.

Hearing Aids. Hearing aids or services for fitting or making a hearing aid, except as specified as covered in the EOC.

Immunizations. Immunizations needed to travel outside the USA.

Infertility Treatment. Any infertility treatment including artificial insemination or in vitro fertilization, sperm bank, and any related laboratory tests.

Lifestyle Programs. Programs to help member change how one lives, like fitness clubs, or dieting programs. This does not apply to cardiac rehabilitation programs approved by the medical group.

Mental or nervous disorders. Academic or educational testing, counseling. Remediating an academic or education problem, except as stated as covered in the EOC.

Non-Prescription Drugs. Non-prescription, over-the-counter drugs or medicines.

Orthopedic Shoes. Orthopedic shoes (except when joined to braces) or shoe inserts (except custom molded orthotics). This does not apply to shoes and inserts designed to prevent or treat foot complications due to diabetes.

Outpatient Drugs. Outpatient prescription drugs or medications including insulin.

Personal Care and Supplies. Services for personal care, such as: help in walking, bathing, dressing, feeding, or preparing food. Any supplies for comfort, hygiene or beauty purposes.

Private Contracts. Services or supplies provided pursuant to a private contract between the member and a provider, for which reimbursement under the Medicare program is prohibited, as specified in Section 1802 (42 U.S.C. 1395a) of Title XVIII of the Social Security Act.

Routine Exams. Routine physical or psychological exams or tests asked for by a job or other group, such as a school, camp, or sports program.

Scalp hair prostheses. Scalp hair prostheses, including wigs or any form of hair replacement.

Sex Change. Sex change surgery or treatments.

Sexual Problems. Treatment of any sexual problems unless due to a medical problem, physical defect, or disease.

Sterilization Reversal. Surgery done to reverse a sterilization.

Surrogate Mother Services. For any services or supplies provided to a person not covered under the plan in connection with a surrogate pregnancy (including, but not limited to, the bearing of a child by another woman for an infertile couple).

Third Party Liability – Anthem Blue Cross is entitled to reimbursement of benefits paid if the member recovers damages from a legally liable third party.

Coordination of Benefits – The benefits of this plan may be reduced if the member has any other group health or dental coverage so that the services received from all group coverages do not exceed 100% of the covered expense.

Anthem Blue Cross is the trade name of Blue Cross of California. Independent Licensee of the Blue Cross Association. ® ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross name and symbol are registered marks of the Blue Cross Association.



SJVA Modified Chiropractic Care and Acupuncture Rider Plan 10/40

HMO Benefits

The benefits described in this Rider are provided through an agreement between Anthem Blue Cross and American Specialty Health Plans of California (ASH Plans). The services listed below are covered only if provided by an ASH Plans Chiropractor and/or ASH Plans Acupuncturist. These benefits are provided in addition to the benefits described in the Anthem Blue Cross HMO Evidence of Coverage (EOC) document. However, when expenses are incurred for treatment received from an ASH Plans Chiropractor or ASH Plans Acupuncturist, no other benefits other than the benefits described in this Rider will be paid.

Covered Services	Member's Copayment
Office Visit to a Chiropractor	\$10/visit
Office Visit to an Acupuncturist	\$10/visit
Maximum Benefits	
Office visits to a Chiropractor or Acupuncturist	40 visits per calendar year (chiropractic and acupuncture visits combined)
Chiropractic appliances	\$50 per calendar year

Covered Services

Chiropractor Services: Member has up to 40 visits, combined with visits for acupuncture services, in a calendar year for chiropractor care services that are determined by ASH PLANS to be medically/clinically necessary. All visits to an ASH Plans chiropractor or ASH Plans acupuncturist will be applied towards the maximum number of visits in a calendar year. The ASH Plans chiropractor is responsible for submitting a treatment plan to ASH Plans for prior approval.

Covered services include:

- An initial new patient exam by an ASH Plans chiropractor to determine the appropriateness of chiropractic services.
- Follow-up office visits as set forth in a treatment plan approved by ASH Plans and provided by an ASH Plans chiropractor
- An established patient exam performed by an ASH Plans chiropractor to assess the need to continue, extend or change a treatment plan approved by ASH Plans.
- Adjunctive physiotherapy modalities and procedures as set forth in a treatment plan approved by ASH Plans and provided by ASH Plans chiropractor.
- Radiological x-rays and laboratory tests when prescribed by an ASH Plans chiropractor and approved by ASH Plans. Covered services include radiological consultations when determined by ASH Plans to be medically/clinically necessary and provided by a licensed chiropractic radiologist, medical radiologist, radiology group or hospital which has contracted with ASH Plans to provide those services.
- **Chiropractic Appliances:** Up to \$50 per calendar year when prescribed by an ASH Plans chiropractor and approved by ASH Plans. Covered chiropractic appliances are limited to:
 - elbow supports, back supports (thoracic), lumbar braces and supports, rib supports, or wrist supports;
 - cervical collars or cervical pillows;
 - ankle braces, knee braces, or wrist braces;
 - heel lifts;
 - hot or cold packs;
 - lumbar cushions;
 - rib belts or orthotics; and
 - home traction units for treatment of the cervical or lumbar regions.

Acupuncture Services. Member has up to 40 visits, combined with visits for chiropractic care, in a calendar year for acupuncture services that are determined by ASH Plans to be medically/clinically necessary. All visits to an ASH Plans chiropractor or ASH Plans acupuncturist will be applied towards the maximum number of visits in a calendar year. The ASH Plans acupuncturist is responsible for submitting a treatment plan to ASH Plans for prior approval.

Covered services include:

- An initial new patient exam by an ASH Plans acupuncturist to determine the appropriateness of acupuncture services.
- Follow-up office visits as set forth in a treatment plan approved by ASH Plans and provided by an ASH Plans acupuncturist
- An established patient exam performed by an ASH Plans acupuncturist to assess the need to continue, extend or change a treatment plan approved by ASH Plans.
- Adjunctive physiotherapy modalities and procedures as set forth in a treatment plan approved by ASH Plans and provided by ASH Plans acupuncturist.

Chiropractic Care and Acupuncture Rider Exclusions & Limitations

Care Not Approved: Any services provided by an ASH Plans chiropractor or an ASH Plans acupuncturist that are not approved by ASH Plans except as specified as covered in the Evidence of Coverage (EOC). An ASH Plans chiropractor or ASH Plans acupuncturist is responsible for submitting a treatment plan to ASH Plans for prior approval.

Care Not Covered: In addition to any service or supply specifically excluded in the EOC, no benefits will be provided for chiropractic or acupuncture services or supplies in connection with:

- Diagnostic scanning, such as magnetic resonance imaging (MRI) or computerized axial tomography (CAT) scans. Diagnostic services for acupuncture.
- Thermography.
- Hypnotherapy.
- Behavior training.
- Sleep therapy.
- Weight programs.
- Any non-medical program or service.
- Pre-employment examinations, any chiropractic or acupuncture services required by an employer that are not medically/clinically necessary, or vocational rehabilitation.
- Services and/or treatments which are not documented as medically/clinically necessary.
- Massage therapy.
- Acupuncture performed with reusable needles.
- Acupuncture services benefits are not provided for magnets used for diagnostic or therapeutic use, ion cord devices, manipulation or adjustments of the joints, physical therapy services, iridology, hormone replacement products, acupuncture point or trigger-point injections (including injectable substances), laser/laser biostim, colorpuncture, NAET diagnosis and/or treatment, and direct moxibustion.
- Any service or supply for the exam and/or treatment by an ASH chiropractor for conditions other than those related to neuromusculoskeletal disorders.
- Services from an ASH Plans acupuncturist for exam and/or treatment for conditions not related to neuromusculoskeletal disorders, nausea or pain, including, without limitation, asthma or addictions such as nicotine addiction.
- Transportation costs including local ambulance charges.
- Education programs, non-medical self-care or self-help, or any self-help physical exercise training or any related diagnostic testing.
- Hospitalization, surgical procedures, anesthesia, manipulation under anesthesia, proctology, colonic irrigation, injections and injection services, or other related services;

- All auxiliary aids and services, including, but not limited to, interpreters, transcription services, written materials, telecommunications devices, telephone handset amplifiers, television decoders and telephone compatible with hearing aids;
- Adjunctive therapy not associated with spinal, muscle or joint manipulation.
- Laboratory and diagnostic x-ray studies, except as specified as covered in the EOC.

Non-ASH Plans Chiropractors or non-ASH Plans Acupuncturists: Services and supplies provided by a chiropractor or an acupuncturist who does not have an agreement with ASH Plans to provide covered services under this plan.

Work Related: Care for health problems that are work-related if such health problems are covered by workers' compensation, an employer's liability law or similar law. We will provide care for a work-related health problem, but we have the right to be paid back for that care as described in the EOC.

Government Treatment: Any services actually given to the member by a local, state or federal government agency, except when this plan's benefits, must be provided by law. We will not cover payment for these services if the member is not required to pay for them or they are given to the member for free.

Drugs: Prescription drugs or medicines, including a non-legend or proprietary medicine or medication not requiring a prescription.

Supplement. Vitamins, minerals, dietary and nutritional supplements or other similar products and any herbal supplements.

Air Conditioners: Air purifiers, air conditioners, humidifiers, supplies or any other similar devices or appliances. All appliances or durable medical equipment, except as specified as covered in the EOC.

Personal Items: Any supplies for comfort, hygiene or beauty purposes, including therapeutic mattresses.

Out-Of-Area and Emergency Care: Out-of-area care is not covered under this Chiropractic and Acupuncture Care benefit, except for emergency services. The member should follow the procedures specified by their Anthem Blue Cross HMO plan to obtain emergency or out-of-area care.

Third Party Liability

Anthem Blue Cross is entitled to reimbursement of benefits paid if the member recovers damages from a legally liable third party.

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Prescription Drug Copays

30 Day Supply:		Mail	
Generic	\$10	Generic	\$20
Formulary	\$20	Formulary	\$40
Non-Formulary	\$35	Non-Formulary	\$60
Retail 90 Day Supply:		Specialty Medication copays:	
Generic	\$20	30% (\$100.00 max.)	
Formulary	\$40	** Specialty medications are covered at a 30-day supply only.**	
Non-Formulary	\$60		

Exclusions

Hair Treatments Pigmenting/Depigmenting Anti-wrinkle OTC Medications Fertility Drugs Miscellaneous Injectables

US Script Helpdesk: 1(866)264-4161

This is not a complete summary of benefits further limitations and exclusions may apply.



Illustrative Medical/Rx Proposal

for

City of Waterford

June 1, 2013 Effective Date

Proposal Date
February 26, 2013

This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

Contact Information for SJVIA

Manager:

Jeff Cardell

Human Resources Director, County of Tulare
2900 W Burrel
Visalia CA 93291
(559) 636-4900

Assistant Manager:

Paul Nerland

Employee Benefits Manager, County of Fresno
2220 Tulare St, Suite 1400
Fresno CA 93721
(559) 600-1810

Consultant:

LeRoy Tucker

Area President, Gallagher Benefit Services
45 E River Park Place West, Suite 408
Fresno CA 93720
(559) 436-0833

Illustrative Proposal Assumptions

- 1 Effective June 1, 2013
- 2 Rating period 19 months from 6/1/2013 through 12/31/2014
- 3 First renewal will be January 1, 2015
- 4 Plan Administration: Anthem Blue Cross
- 5 Provider Network: Anthem Blue Cross and Blue Card National
- 6 PBM for Rx is U.S. Scripts
- 7 Requires 3 year 7 month commitment to SJVIA by City of Waterford
- 8 Plan is Minimum Premium HMO and Self Insured PPO with Stop Loss Coverage
- 9 Specific Stop Loss PPO deductible within SJVIA is \$450,000 12/15 deductible currently provided by HM Life
- 10 PPO Pooling point (specific stop loss) for City of Waterford is \$75,000 within the SJVIA pool
- 11 SJVIA Plan is a shared risk model
- 12 City of Waterford will receive pooled rating action based upon entire pool at the 1st renewal referred to as the Initial Entry Period (IEP)
- 13 2nd PPO renewal for groups <100 ees will be 25% credible and will use weighted experience at 50% for the first year IEP and 50% for the most recent year
- 14 3rd renewal for groups under 500 employees will be 50% credible and will use weighted experience at 33.33% per year
- 15 Plan is net of brokerage fees/commissions
- 16 Plan rates include reserve projections for IBNR
- 17 No run out payment for IBNR is expected at this time if terminating from SJVIA
- 18 SJVIA plan quote does not include post-65 retirees
- 19 SJVIA plan quote includes active members and pre-65 retirees
- 20 This proposal is illustrative only and is subject to SJVIA Board of Directors approval
- 21 HMO will become part of the MPP Anthem plan
- 22 HMO pooling is \$400k

San Joaquin Valley Insurance Authority
City of Waterford
Illustrative Renewal Rates - Shared Risk Rating

Enrollment:

	<u>EE</u>	<u>ES</u>	<u>EC</u>	<u>FAM</u>	<u>Total</u>
Aetna	1	1	1	9	12
Total	1	1	1	9	12

Current Plan Rates:

	<u>EE</u>	<u>ES</u>	<u>EC</u>	<u>FAM</u>	<u>Annual</u>
ASI/Trustmark			Age Rated		\$ 165,240
Total					\$ 165,240

Anthem SJVIA Plan Rates:

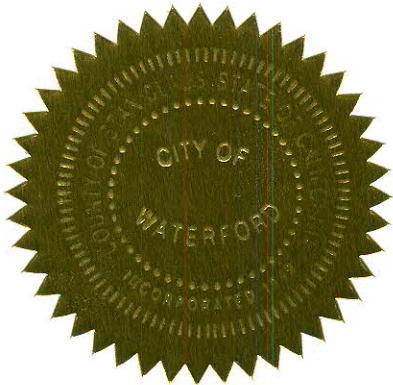
	<u>EE</u>	<u>ES</u>	<u>EC</u>	<u>FAM</u>	<u>Annual</u>
SJVIA HMO	\$485.10	\$857.72	\$757.04	\$1,128.67	\$ 147,094
SJVIA PPO \$0 Ded	\$486.76	\$860.65	\$759.63	\$1,132.53	\$ 147,598
SJVIA PPO \$1000 Ded	\$453.73	\$802.24	\$708.08	\$1,055.67	\$ 137,581

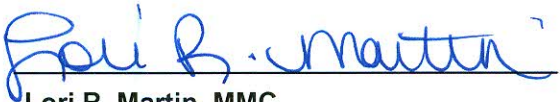


CERTIFICATION:

I, Lori R. Martin, City Clerk of the City of Waterford, County of Stanislaus, State of California, do hereby certify, that the foregoing is a true and correct copy of the Waterford City Council Resolution 2013-07. A Resolution of the City Council of the City of Waterford Approving a Participation Agreement with the San Joaquin Valley Insurance Authority "SJVIA", a Joint Powers Agency, passed and adopted on the 21st day of March, 2013.

DATED: March 22, 2013




Lori R. Martin, MMC
City Clerk

**WATERFORD CITY COUNCIL
RESOLUTION # 2013-07**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATERFORD APPROVING A
PARTICIPATION AGREEMENT WITH THE SAN JOAQUIN VALLEY INSURANCE AUTHORITY
"SJVIA", A JOINT POWERS AGENCY**

WHEREAS, the City of Waterford, (hereinafter "CITY") and the San Joaquin Valley Insurance Authority, a joint powers agency, (hereinafter, "SJVIA"), are desirous of entering into a participation agreement for the purpose of purchasing health, and/or other benefits in a cost-effective manner for its participating employees; and

WHEREAS, SJVIA and CITY agree to the terms contained in the attached Participation Agreement, attached hereto; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WATERFORD DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council approves the attached Agreement with SJVIA, and authorizes the City Manager of the City of Waterford to execute same on their behalf.

The foregoing Resolution was passed and adopted by the City Council of the City of Waterford, County of Stanislaus, State of California, at a regular meeting thereof held on the 21st day of March, 2013, by the following vote:

AYES: 5
NOES: 0
ABSENT: 0
ABSTAIN: 0
Goeken, Adaco, VanWinkle, Krause, Day

City of Waterford,


Charlie Goeken, Mayor

ATTEST:


Lori Martin, City Clerk

APPROVED AS TO FORM:


Corbett J. Browning
City Attorney

