



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement (the "Agreement") is made by and between Johnson County, a political subdivision of the State of Texas (the "Member"), acting through its [COMMISSIONERS' COURT OR OTHER GOVERNING BODY], and the Texas Association of Counties Health and Employee Benefits Pool ("HEBP"), as authorized by the Texas Interlocal Cooperation Act (TEX. GOV'T CODE, Chapter 791), acting on its own behalf and on behalf of each other political subdivision having membership in the HEBP.

### 1. RECITALS

- 1.1 The Member is a political subdivision of the State of Texas as "political subdivision" is defined in Chapter 172 of the Texas Local Government Code.
- 1.2 As a political subdivision of the State of Texas, the Member performs certain governmental functions and services as those terms are defined under Section 791.003 of the Texas Government Code.
- 1.3 The Member desires to contract with HEBP in order to obtain one or more of the following, as indicated by Member on Attachment A to this Agreement: 1) health and employee benefit plans and administrative services relating to health and employee benefit plans for its officials, employees, and retirees, and their eligible dependents, including accident, health, dental, life, disability and other appropriate coverages; 2) administrative services and/or stop-loss coverage in support of Member's self-funded health and employee benefits plan; 3) the benefits available to retirees of the Member through the County Choice Silver Program or other similar programs; and/or 4) such other related programs as HEBP's board of trustees determines to make available to members of HEBP.
- 1.4 The Member acknowledges that this Agreement is a contract with HEBP and each political subdivision that is a member of HEBP and that HEBP may contract with other political subdivisions wishing to participate, at the discretion of HEBP.

- 1.5 The Member's governing body has agreed to the terms and conditions of this Agreement and has acted by majority vote, at a duly called and posted public meeting, to authorize the execution of this Agreement and participation in HEBP

## 2. AGREEMENT

- 2.1 Entry Into HEBP. For and in consideration of the premises and the mutual agreements set forth in this Agreement, and other good and valuable consideration, the Member enters into this Agreement for the purpose of joining HEBP, thereby achieving efficiencies and economies of scale in connection with the provision of one or more of the Programs or services listed in paragraph 1.3, above.
- 2.2 HEBP Not an Insurer. HEBP is not an insurer. All benefits and related services provided by HEBP are authorized pursuant to the Texas Political Subdivision Uniform Group Benefits Program (Chapter 172, Local Government Code), the Interlocal Cooperation Act (Chapter 791, Government Code) and other applicable provisions of Texas law.
- 2.3 Administrative Contract with the Texas Association of Counties. HEBP has contracted with the Texas Association of Counties ("TAC") to administer the business and supervise the performance of the Agreement and the operation of HEBP.
- 2.4 Transfer of Assets. Each political subdivision that is or was a participant in the Texas Association of Counties Insurance Trust Fund (the "Fund") hereby acknowledges that Fund will expire under the terms of the Restated Agreement and Declaration of Trust on October 1, 2001 and acknowledges, consents to and ratifies in full the transfer of the assets of the Fund to HEBP
- 2.5 Merger. Each Member that is or was a participant in the Texas Association of Counties Employee Benefits Pool hereby acknowledges, consents to and ratifies in full the merger of the Employee Benefits Pool into HEBP, which will be effective on September 30, 2001.

## 3. TERMS AND CONDITIONS

- 3.1 Term and Termination. This term of this Agreement shall be for one year, commencing as of the date of execution by the second party to sign the Agreement. This Agreement shall be automatically renewed annually for an additional one-year term without the necessity of any action by the parties other than payment of the appropriate premium or contribution.

Either party may elect not to renew this Agreement by giving written notice at least thirty (30) days prior to the end of the original term or any renewal term.

3.2 Agreement Binds Members. Each Member agrees to be bound by this Agreement and the Bylaws, policies and procedures of HEBP, which collectively establish the conditions for membership in HEBP. The Bylaws, of HEBP are incorporated by reference and made a part of this Agreement for all purposes as if fully set out herein, provided that Articles III(E), IX(B), and XV(B) of the Bylaws apply to members that obtain only administrative services or County Choice Silver benefits from the Pool only to the extent the Member's contributions contribute to any surplus that may be distributed. Any amendment to the Bylaws shall become binding on the Member immediately upon its adoption.

3.3 Benefit Plans. For the members that participate in the pooled HEBP's health and employee benefits plan, HEBP shall make available health and employee benefit plans for the officials, employees, retirees, and eligible dependents of the Member, including accident, health, dental, life, disability and other appropriate coverages (the "Benefit Plans"). Such benefits will be provided under the authority of the laws of the State of Texas, including the Texas Political Subdivision Uniform Group Benefits Program (Chapter 172, Local Government Code), the Interlocal Cooperation Act (Chapter 791, Government Code) and other applicable provisions of Texas law. Each Member will adopt its own Schedule of Benefits from those made available by HEBP. The Benefit Plans may be insured, self-insured, pooled liabilities, or any combination thereof.

For those Members that do not participate in HEBP's pooled health and employee benefits plan, HEBP shall make available administrative services, stop-loss coverage, County Choice Silver benefits and/or such other benefits and services as the board of trustees determines to make available to members.

3.4 HEBP Procedures and Bylaws. Every Member shall furnish all the information that HEBP deems necessary and useful for the purposes of this Agreement and shall abide by the procedures and Bylaws adopted for the administration of the Benefit Plans.

3.5 Third-Party Administrator. HEBP may contract with one or more third-party administrators.

- 3.6 Payments and Conditions. Payments and contributions shall be made by the Member to HEBP at Austin, Travis County, Texas on the dates and in such amounts as HEBP requires. Interest, beginning the first day after the due date and continuing until paid, shall accrue at the maximum rate allowed by law on the balance of any payment or contribution not paid when due. Contributions and other payments received by HEBP from its Members will be held and managed for the benefit of the Members of the Pool, not the individual officials, employees, retirees of the Member, or the dependents of these officials, employees or retirees.
- 3.7 Insurance and Reinsurance. HEBP may purchase insurance, stop loss or excess loss coverage, and/or reinsurance as provided by law, and each Member is subject to the terms and conditions of any such insurance, stop loss or excess loss coverage, or reinsurance. Self-insured Members that obtain administrative services only will obtain stop-loss coverage from or through HEBP. Should HEBP be unable to provide such coverage, the Member will obtain other stop-loss coverage that is satisfactory to HEBP.
- 3.8 Coordinators. Each Member hereby designates and appoints, as indicated in the space provided below, a Pool Coordinator of department head rank or above and agrees that HEBP shall not be required to contact or provide notices to any other person. Further, any notice to, or agreement by, a Member's Pool Coordinator, with respect to service or claims hereunder, shall be binding on the Member. Each Member reserves the right to change its Pool Coordinator from time to time by giving written notice to HEBP.
- 3.9 Audits. HEBP shall be audited annually by an independent certified public accountant, and the audit shall be filed as required by the laws of the State of Texas including, but not limited to, Chapter 172 of the Local Government Code.
- 3.10 Plan Administrator. HEBP will serve as the Plan Administrator for those Members participating in the pooled health and employee benefits plan. Each self-insured Member will serve as its own Plan Administrator, and retains the right, duties and privileges of the Plan Administrator and acknowledges it has responsibility for compliance with all state and federal laws applicable to employee benefits for its employees and plan participants.
- 3.11 Self-Insured Member Responsible. Each Member acknowledges that to the extent its Benefit Plan is self-insured, it remains responsible for the

payment of benefits under the Benefit Plan in the event HEBP fails to make such payments.

#### 4. ADMINISTRATIVE PROVISIONS

4.1 Amendment. This Agreement shall not be amended or modified other than in a written agreement signed by the parties, or as otherwise provided under this Agreement.

4.2 Applicable Law. This Agreement is entered into, is executed and is totally performable in the State of Texas, County of Travis, and all questions pertaining to its validity or construction shall be determined in accordance with the laws of the State of Texas.

4.3 Acts of Forbearance. No act of forbearance on the part of either party to enforce any of the provisions of this Agreement shall be construed as a modification of this Agreement, nor shall the failure of any party to exercise any right or privilege herein granted be considered as a waiver of such right or privilege.

4.4 Notices. Any notice required to be given or payment required to be made to HEBP shall be deemed properly sent if addressed to:

Texas Association of Counties  
Health and Employee Benefits Pool  
Attention: HEBP Manager  
1210 San Antonio  
Austin, Texas 78701

and deposited in the United States mail with proper postage. HEBP may change its address by giving notice to the Members. However, with respect to any notices regarding claims under a Member's coverages, any particular provisions in the applicable Benefit Plan obtained by the Member prevail and govern the matter of such notices.

4.5 Effect of Partial Invalidity; Venue. If any part of this Agreement is declared invalid, void or unenforceable, the remaining parts and provisions shall continue in full force and effect. It is further agreed that venue for any dispute arising under the terms of this Agreement shall be in Austin, Travis County, Texas.

4.6 Exclusive Right to Enforce. HEBP and the Member have the exclusive right to bring suit to enforce this Agreement, and no other party may


bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

### EXECUTION

IN WITNESS WHEREOF, we hereunto affix our signatures as of the date indicated below.

TEXAS ASSOCIATION OF COUNTIES  
HEALTH AND EMPLOYEE BENEFITS  
POOL

\_\_\_\_\_ COUNTY  
MEMBER



Executive Director, or  
Authorized designee for  
Texas Association of Counties

Title County Judge

Date: August 18, 2014

Date: 2-9-15

MEMBER'S POOL COORDINATOR

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone Number: \_\_\_\_\_

## ATTACHMENT A

The purpose of this Attachment is to allow the Member to select the services that the Member will obtain through its membership in HEBP. Please indicate your choices by checking the appropriate box.

  X       **A. Full Participation**

Member will participate in the pooled HEBP health and employee benefits plan. HEBP shall provide health and employee benefit plans for the eligible officials, employees, retirees, and eligible dependents of the Member, including accident, health, dental, disability and other appropriate coverages. Member will adopt its own Schedule of Benefits from those made available by HEBP. HEBP will provide administrative and other necessary services in support of the Plan.

           **B. Administrative Services**

**[Do not select this box if you selected option A, above. If you are a participant in HEBP's health and employee benefits plan, you will receive administrative services from HEBP.]**

Member has established its own health and employee benefits plan for its officials, employees and retirees and their eligible dependents. Therefore, Member does not desire to participate in the pooled HEBP health and employee benefits plan, but will obtain from HEBP Administrative Services in support of Member's self-funded Plan. HEBP will provide these administrative services pursuant to the terms of the Administrative Services Agreement between HEBP and Member, which is attached hereto as Exhibit 1.

           **C. Stop-Loss Coverage**

**[Do not select this box if selected option A, above, but you may select it in addition to options B and/or D. If you select option C, you must also select option B]**

MEMBER has established a Fund to provide its own health and employee benefits plan for its officials, employees and retirees and their eligible dependents. Therefore, Member does not desire to participate in the HEBP health and employee benefits plan, but does desire to obtain from HEBP stop-loss coverage in support of its self-funded Plan. HEBP will provide stop-loss coverage to Member pursuant to the terms of the Stop-Loss Coverage Agreement between Member and HEBP, which is attached hereto as Exhibit 2 to this Agreement.

  X   D.    **County Choice Silver**

**[You may select this option in addition to any other option.]**

Member will participate in the County Choice Silver Program, which is a retiree medical program for Medicare eligible retirees of a Member, according to the terms agreed to by Member and HEBP.





# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Johnson County Final Plan Selection Form Effective Date: 3/1/2015

Please indicate the medical, prescription, dental and/or life plan your Commissioners' Court or Board of Directors has chosen for the coming plan year. Email or fax selection form and initialed rate sheet to (512) 481-8481, no later than 30 days prior to your effective date. Call or email your Employee Benefit Specialist at 1-800-456-5974 with any questions.

Medical Plan					
<input type="checkbox"/> 100	<input type="checkbox"/> 610	<input type="checkbox"/> 1100	<input type="checkbox"/> 1300	<input type="checkbox"/> 1510	<input type="checkbox"/> Grandfathered
<input type="checkbox"/> 200	<input type="checkbox"/> 700	<input type="checkbox"/> 1110	<input type="checkbox"/> 1400	<input type="checkbox"/> Private Exchange	<input checked="" type="checkbox"/> Non-Grandfathered
<input type="checkbox"/> 300	<input type="checkbox"/> 800	<input type="checkbox"/> 1200	<input type="checkbox"/> 1410	<input checked="" type="checkbox"/> Custom Plan	<input type="checkbox"/> Dual Option
<input type="checkbox"/> 600	<input type="checkbox"/> 810	<input type="checkbox"/> 1210	<input type="checkbox"/> 1500		

Prescription Drug Plan			
<input type="checkbox"/> \$5/15/30 Option 1	<input type="checkbox"/> \$10/25/40 Option 4	<input type="checkbox"/> No Drug Deductible - A	
<input type="checkbox"/> \$5/20/35 Option 2	<input type="checkbox"/> \$10/30/50 Option 5	<input type="checkbox"/> \$100 Drug Deductible - B	
<input type="checkbox"/> \$10/20/35 Option 3	<input type="checkbox"/> 50%/50% Option 6	<input type="checkbox"/> \$250 Drug Deductible - C	<input checked="" type="checkbox"/> Custom Rx - \$15/40/75

Dental Plan			
<input type="checkbox"/> Plan I (\$2000 Annual Max)	<input type="checkbox"/> Plan II (\$1500 Annual Max)	<input type="checkbox"/> Plan III (\$1000 Annual Max)	<input type="checkbox"/> Plan IV (\$750 Annual Max)
<input type="checkbox"/> With Orthodontics	<input type="checkbox"/> With Orthodontics	<input type="checkbox"/> With Orthodontics	<input type="checkbox"/> Orthodontics Not Available
<input checked="" type="checkbox"/> Not Applicable - Did Not Elect Dental Coverage			

Life Insurance		
<input type="checkbox"/> Basic Life and AD&D	<input type="checkbox"/> Retiree Life	<input type="checkbox"/> Voluntary Life
Volume: <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$30,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$35,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> \$40,000 <input type="checkbox"/> \$20,000 <input type="checkbox"/> \$45,000 <input type="checkbox"/> \$25,000 <input type="checkbox"/> \$50,000	Volume: <input type="checkbox"/> \$2,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> Other _____	<input type="checkbox"/> Voluntary Accident <input type="checkbox"/> Short Term Disability <input type="checkbox"/> Long Term Disability
<input type="checkbox"/> Other _____ OR Times Annual Salary: <input type="checkbox"/> 1Times OR <input type="checkbox"/> 2 Times	<input type="checkbox"/> Dependent Life: <input type="checkbox"/> \$5,000 OR <input type="checkbox"/> \$10,000	
<input checked="" type="checkbox"/> Not Applicable - Did Not Elect Life Coverage		

Waiting Period		
Please indicate your current personnel policy for waiting period (ex. Date of Hire (DOH), or # days from DOH, or 1 <sup>st</sup> of month following DOH, etc.) where applicable		
	<b>Employees</b>	<b>Elected Officials</b>
<b>Health</b>		
<b>Dental</b>	<i>Not Applicable</i>	<i>Not Applicable</i>
<b>Life</b>	<i>Not Applicable</i>	<i>Not Applicable</i>

Indicate your broker/agent's name, if applicable: \_\_\_\_\_

  
Signature (County Judge or Contracting Authority) 2-9-15

Roger Harrison, Johnson County Judge  
Print Name and Title

**The Texas Association of Counties would like to thank you for your membership in the only county-owned and county directed Health and Employee Benefits Pool in Texas.**



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## JOHNSON COUNTY CUSTOM BENEFIT HIGHLIGHTS (Non-Grandfathered ACA)

## BlueChoice Network

This is a general summary of your benefits. Please refer to your benefit booklet for additional details and a description of the plan requirements and benefit design. This plan does not cover all health care expenses. Upon receipt of your benefit booklet, carefully review the plan's limitations and exclusions.

### Overall Payment Provisions

#### Deductibles

Per-admission Deductible  
Deductible

Applies to all Eligible Expenses except Inpatient Hospital Expenses (unless otherwise indicated)

\$0  
\$1,000 Individual /  
\$2,000 Family

\$0  
\$5,000 Individual /  
\$10,000 Family

#### CoShare Stoploss Maximum

Deductibles and Copayment Amounts apply to the CoShare Stoploss Maximum. Deductible and Copayment Amounts will not be required after CoShare Stoploss Maximum has been satisfied. Your benefit booklet will provide more details.

\$5,000 Individual /  
\$10,000 Family

\$10,000 Individual /  
\$20,000 Family

Network Deductible & CoShare Stoploss Maximum will only apply toward Network Deductible & CoShare Stoploss Maximum

Out-of-Network Deductible & CoShare Stoploss Maximum do not apply toward Network Deductible & CoShare Stoploss Maximum

#### Copayment Amounts Required

Primary Care Physician office visit/consultation

\$30 Copayment Amount

50% of Allowable Amount after Plan Year Deductible

Specialty Care Copayment Amount for office visit/consultation when services rendered by a Specialty Care Provider

\$45 Copayment Amount

50% of Allowable Amount after Plan Year Deductible

Outpatient Hospital Emergency Room/Treatment Room  
Refer to Emergency Room/Treatment Room section for more information

80% of Allowable Amount after \$300 Copayment

80% of Allowable Amount after \$300 Copayment

#### Maximum Lifetime Benefits

Per Participant

Unlimited

### Inpatient Hospital Expenses

#### Inpatient Hospital Expenses

All services must be preauthorized

All usual Hospital services and supplies, including semiprivate room, intensive care, and coronary care units

80% of Allowable Amount

50% of Allowable Amount

Penalty for failure to preauthorize services

None

\$250



BlueCross BlueShield  
of Texas

Initials RA Date 2-9-15



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

**Medical/Surgical Expenses**      **In-Network Benefits**      **Out-of-Network Benefits**

### Medical / Surgical Expenses

Services performed during the Primary Care Physician or Specialty Care Physician office visit/consultation, including lab & x-ray (does not include Certain Diagnostic Procedures and surgical services)

100% of Allowable Amount after \$30 Copayment Primary Care Physician  
\$45 Copayment Specialist

50% of Allowable Amount after Plan Year Deductible

Lab & x-ray in other outpatient facilities (excluding Certain Diagnostic Procedures)

100% of Allowable Amount

50% of Allowable Amount after Plan Year Deductible

Allergy Injections

100% of Allowable Amount

50% of Allowable Amount after Plan Year Deductible

Colonoscopy (All places of treatment and diagnoses)

100% of Allowable Amount

50% of Allowable Amount after Plan Year Deductible

Physician surgical services performed in any setting

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT -Scan (with or without contrast), Ultrasound, MRI, Myelogram, PET Scan.

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

Home Infusion Therapy (Services must be preauthorized)

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

Organ Transplants

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

All other outpatient services and supplies

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

In Vitro Fertilization Services

Not Covered

### Extended Care Expenses

All services must be preauthorized

Skilled Nursing Facility  
Home Health Care  
Hospice Care

100% of Allowable Amount

50% of Allowable Amount after Plan Year Deductible

25 day maximum each Plan Year\*  
60 visit maximum each Plan Year\*  
Unlimited

### Serious Mental Illness Expenses

#### Serious Mental Illness

All services must be preauthorized

#### Inpatient Services

-Hospital services (facility)

80% of Allowable Amount

50% of Allowable Amount

-Physician services

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

#### Outpatient Services

-Services performed during Physician office visit/consultation (does not include psychological testing)

100% of Allowable Amount after \$30 Copayment

50% of Allowable Amount after Plan Year Deductible

-All outpatient services and psychological testing

80% of Allowable Amount after Plan Year Deductible

50% of Allowable Amount after Plan Year Deductible

\* Benefits used In-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum, series of treatments benefits indicated

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# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

Special Provisions Expenses Limit	In-Network Benefits	Out-of-Network Benefits
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## Mental Health Care/Chemical Dependency

All services must be preauthorized

### Inpatient Services

-Hospital services (facility)

80% of Allowable Amount

50% of Allowable Amount

-Physician services

80% of Allowable Amount after  
Plan Year Deductible

50% of Allowable Amount after  
Plan Year Deductible

### Plan Year Maximum

30 inpatient days/30 inpatient  
Physician visits each Plan Year\*

30 inpatient days/30 inpatient  
Physician visits each Plan Year\*

### Outpatient Services

-Services performed during Physician office visit/consultation  
(does not include psychological testing)

100% of Allowable Amount after  
\$30 Copayment Amount

50% of Allowable Amount after  
Plan Year Deductible

-Emergency Room/Treatment Room

80% of Allowable Amount after  
\$300 Copayment Amount  
(Copayment Amount waived if admitted,  
Inpatient Hospital Expenses will apply)

50% of Allowable Amount after  
Plan Year Deductible

-Other Outpatient Services and psychological testing

80% of Allowable Amount after  
Plan Year Deductible

50% of Allowable Amount after  
Plan Year Deductible

### Plan Year Maximum

30 outpatient visits each Plan Year\*

### Chemical Dependency Maximum

(Inpatient treatment must be provided in a Chemical Dependency  
Treatment Center)

Limited to three separate series of treatments for  
each covered individual per lifetime \*

## Emergency Room/Treatment Room

### Accidental Injury & Emergency Care

-Facility charges (outpatient Hospital emergency treatment room  
charges)

80% of Allowable Amount after \$300 Copayment  
(Copayment Amount waived if admitted, Inpatient Hospital Expenses will apply)

-Physician charges

80% of Allowable Amount after Plan Year Deductible

### Non-Emergency Care

-Facility charges (outpatient Hospital emergency treatment room  
charges)

80% of Allowable Amount after  
\$300 Copayment Amount  
(Copayment Amount waived if admitted,  
Inpatient Hospital Expenses will apply)

50% of Allowable Amount after  
Plan Year Deductible

-Physician charges

80% of Allowable Amount after  
Plan Year Deductible

50% of Allowable Amount after Plan  
Year Deductible

## Ground and Air Ambulance Services

80% of Allowable Amount after Plan Year Deductible

\* Benefits used In-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum and series of treatments

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# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

Special Provisions Expenses (a)(1)	In-Network Benefits	Out-of-Network Benefits
<b>Preventive Care</b>		
Routine annual physical examinations, well-baby care exams, immunizations 6 years of age & over, vision exams, hearing exams, and any other preventive health services as determined by USPSTF	100% of Allowable Amount	50% of Allowable Amount after Plan Year Deductible
Immunizations for Dependent children through the date of the child's 6 <sup>th</sup> birthday	100% of Allowable Amount	100% of Allowable Amount
<b>Speech and Hearing Services</b>		
Speech services to restore loss of or correct an impaired speech	80% of Allowable Amount after Plan Year Deductible	50% of Allowable Amount after Plan Year Deductible
Hearing Aids – Single purchase per hearing impaired ear every three years (Does not include hearing aid batteries)	80% of Allowable Amount after Plan Year Deductible	50% of Allowable Amount after Plan Year Deductible
<b>Physical Medicine Services</b>		
Chiropractic Care-Office Services	80% of Allowable Amount after Plan Year Deductible	50% of Allowable Amount after Plan Year Deductible
<b>Plan Year Maximum</b>	35 visit maximum each Plan Year*	
	All other Physical Medicine Services rendered by any other eligible Provider will be allowed on the same basis as any other sickness.	

\* Benefits used In-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum and series of treatments

## EMPLOYEE INFORMATION

This is a general Summary of your benefit design. Please refer to your benefit booklet for other details and for limitations and exclusions.

The following benefits apply to dependent coverage:

- Dependent children are covered to age 26.
- Automatic coverage for newborns for the first 31 days following birth. Infants not enrolled for coverage within the first 31 days after birth will not be eligible for coverage until the following open enrollment period or special enrollment event.

**Payments:** Network providers agree to accept amounts negotiated with BCBSTX and are paid according to this BCBSTX-determined Allowable Amount. Covered individuals are responsible for any required Deductibles, Coinsurance Amounts, and Copayments. Plan benefits paid to Out-of-Network providers are based on the BCBSTX-determined Allowable Amount, except in the event of Emergency Care received in an outpatient hospital emergency treatment room within 48 hours of the incident. For all other services received by an Out-of-Network Provider, the covered individual will be responsible for charges in excess of the Allowable Amount in addition to any applicable Deductibles, Coinsurance Amounts, and Copayments. For cost savings information, refer to the section on ParPlan Providers and the definition of Allowable Amount in the benefit booklet.

**Replacement of Medical Coverage:** In compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the following provisions apply to each eligible participant who has health coverage under the employer's plan immediately prior to the effective date of the health contract between the employer and BCBSTX (the contract date):

- Benefits for eligible expenses incurred for any service or supplies prior to the contract date, are not covered under the contract.
- Eligible expenses for services or supplies incurred on or after the effective date will be considered for benefits subject to all applicable contract provisions.

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# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Johnson County Prescription Drug Program Custom Plan - No Deductible



### Retail Pharmacy

Deductible

Non-Preferred Brand Name Drug

Brand Name Drug

Generic Drug

### Participating CVS Caremark Retail Pharmacy

\$0 Individual /  
\$0 Family

\$75 Copayment Amount  
(When no generic is available or Rx is prescribed  
Dispense as Written-DAW)

\$40 Copayment Amount  
(When no generic is available or Rx is prescribed  
Dispense as Written-DAW)

Lesser of \$15 Copayment Amount  
OR  
Actual Cost

**Note:** Members electing to purchase brand name drugs when "Dispense as Written" (DAW) is not indicated will be required to pay the difference between the cost of the Generic drug and Brand Name drug, plus the Brand Name Copayment.

Specialty and biotech medications are available only through mail order unless purchased and administered through the doctor's office.

### Mail Service Pharmacy-up to a 90-day supply

Non-Preferred Brand Name Drug

\$187.50 Copayment Amount

Brand Name Drug

\$100.00 Copayment Amount

Generic Drug

\$37.50 Copayment Amount

**Note:** Prescription Drug Benefits are provided by CVS Caremark through a master contract with the Texas Association of Counties Health and Employee Benefits Pool. Prescription Drugs are not administered by Blue Cross and Blue Shield of Texas

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TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

## Employer Contribution Schedule & Benefit Confirmation

Group: 161134 - Johnson County

Anniversary Date: 03/01/2015

Return to TAC by: 02/04/15

Thank you for choosing the Texas Association of Counties Health and Employee Benefits Pool for your group health coverage. Upon initial enrollment; confirmation statements are sent to each of your employees confirming benefits they have enrolled in. Please help us provide accurate confirmation statements for your employees by providing us with up-to-date information about the employer contribution for your coverage. Confirm your group's benefits and fill out the contribution schedule according to your group's funding levels. Please return this with all other contract information so that we are able to initiate your benefits. Email to [maria@county.org](mailto:maria@county.org) or fax to 1-512-481-8481.

### MEDICAL

Medical: Custom Plan \$30 Copay, Specialist \$45, \$1000 Ded, 80%, RX Plan: Custom Option \$15/40/75  
\$5000 OOP Max

Tier	New Rates Effective 03/1/2015	New Amount Employer Pays	New Amount Employee Pays	Tenured New Amount Retiree Pays (if applicable)	Vested under 20 yrs Retiree pays all
Employee Only	\$733.02	<u>\$733.02</u>	<u>\$ 0</u>	<u>\$ 0 *</u>	733.02
Employee + Child	\$913.02	<u>\$733.02</u>	<u>\$180.00</u>	<u>\$180.00</u> Employee Pays	413.02
Employee + Children	\$1,129.02	<u>\$733.02</u>	<u>\$396.00</u>	<u>\$396.00</u> Pays	1129.02
Employee + Spouse	\$1,539.34	<u>\$733.02</u>	<u>\$806.32</u>	<u>\$806.32</u>	1539.34
Employee + Family	\$1,719.34	<u>\$733.02</u>	<u>\$986.32</u>	<u>\$986.32</u>	1719.34

RA  
2-9-15 Initial to accept Medical Plan and New Rates.

Paid for 3 yrs or to age 65 whichever comes first.  
\* County pays if 20 yrs or more of Johnson County Service

### RETIREE

Please circle one for each benefit that applies.

Your group allows retiree coverage for:

Medical:  Pre 65  Post 65  Both

## WAITING PERIOD

Waiting period applies to all benefits.

### Employees

60 days – 1<sup>st</sup> of the month following date of  
hire but first of the month

### Elected Officials

60 days – 1<sup>st</sup> of the month following date of  
hire but first of the month

## COBRA ADMINISTRATION

Please indicate how your group manages COBRA administration:

County/Group processes COBRA on OASYS  
*\*County/Group is responsible for fulfilling COBRA notification process and requirements.*

BCBS COBRA Department processes COBRA  
*\*BCBS COBRA Department administers via COBRA contract with the County/Group*

## PLAN INFORMATION

Please indicate your broker / agent's name, if applicable Holmes Murphy

- Retirees pay the same premium as active employees regardless of age for medical and dental.
- Rates based upon current benefits and enrollment. A substantial change in enrollment (10% over 30 days or 30% over 90 days) may result in a change in rates.
- Form must be received by **2/4/2015** in order to avoid additional administrative fees.
- Signature on the following page is required to confirm and accept your group's rates.



**TAC HEBP Member Contact Designation  
Johnson County**

**CONTRACTING AUTHORITY**

As specified in the Interlocal Participation Agreement, each Member Group hereby designates and appoints, as indicated in the space provided below, a Contracting Authority of department head rank or above and agrees that TAC HEBP shall NOT be required to contact or provide notices to ANY OTHER person. Further, any notice to, or agreement by, a Member Group's Contracting Authority, with respect to service or claims hereunder, shall be binding on the Member Group. Each Member Group reserves the right to change its Contracting Authority from time to time by giving written notice to TAC HEBP.

Name / Title Randy Gillespie, Personnel Director  
Address 2 N. Main Street, Rm 215  
Cleburne, TX 76033  
Phone (817) 556-6194  
Fax (817) 556-6899  
Email randyg@johnsoncountytx.org

**BILLING CONTACT**

Responsible for receiving all invoices relating to HEBP products and services.

Name / Title Laura Baxter, Payroll Administrator  
Address 2 N. Main Street, Rm 215  
Cleburne, TX 76033  
Phone (817) 556-6162  
Fax (817) 556-6899  
Email laurab@johnsoncountytx.org  
HIPAA \_\_\_\_\_  
Secured Fax \_\_\_\_\_

**PRIMARY CONTACT**

HEBP's main contact for daily matters pertaining to the health benefits.

Name / Title Brenda Slauson, Personnel Assistant  
Address 2 N Main Street, Rm 215  
Cleburne, TX 76033  
Phone (817) 556-6349  
Fax (817) 556-6899  
Email brendas@johnsoncountytx.org

  
Signature of County Judge or Contracting Authority

Date: 2-9-15

Roger Harmon, Johnson County Judge  
Please PRINT Name and Title

*The Texas Association of Counties would like to thank you for your membership in the only all county-owned and county directed Health and Employee Benefits Pool in Texas.*



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## ELIGIBILITY POLICIES AND PROCEDURES ACKNOWLEDGMENT FORM

Johnson County acknowledges the attached document has been read and agrees to comply with the TAC HEBP Eligibility Policies and Procedures.

Signature of County Judge  
or Contracting Authority:

Roger Harmon

Date:

2/9/15

Name and Title:

Roger Harmon, County Judge

Please copy these documents for your records and mail the original signature page back to TAC HEBP, P.O. Box 2131, Austin, TX 78768. If there are questions about policies and procedures please contact your Employee Benefits Specialist at 800-456-5974.

**PLEASE PROVIDE A COPY OF THIS NOTICE TO YOUR  
PRIMARY CONTACT AND BILLING CONTACT**



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## ELIGIBILITY POLICIES AND PROCEDURES

### Coverage Termination Policy

Senate Bill 51 (SB 51) came into effect in 2005 for all employers with fully insured health plans and affects the way coverage is extended and invoiced when employees and dependents terminate coverage. SB 51 requires health insurance carriers to maintain coverage for participants through the end of the month in which the termination is reported. The employer is responsible for all premiums through the end of the month in which the termination is reported to the carrier.

This legislation is designed to reduce retroactive terminations. When a termination is not reported in a timely manner, the member still has access to benefits and services. Claims paid on members who are no longer eligible drive up the cost of health care and the providers do not get paid for services. SB 51 was passed to reduce these situations. Although Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) is not an insurance carrier and is not required to comply, the Board of Directors voted in 2006 to adopt billing practices that mirror the provisions of SB 51. These practices are standard in the industry and reinforce "best practices" at the employer level.

### Spouse Eligibility Verification Policy

All dependent spouses who are eligible for group health coverage through his/her own employer must provide proof of that coverage and complete a Spouse Eligibility Verification form in order to enroll in the TAC HEBP plan.

This rule applies to all employees hired after the group's effective date. The spouse eligibility verification policy protects the members of TAC HEBP and their taxpayers from private employers transferring liability (inadvertently or not) onto the County plan. Therefore, this liability which ultimately increases costs for both the taxpayers and county employees is limited.

### Billing

A pre-invoice is provided for the opportunity to review entries and make corrections prior to the final invoice. These are prepared on or near the 13<sup>th</sup>



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

of each month and there are 7 days to make corrections to ensure the accuracy of final invoice.

The final invoice is sent on or about the 20<sup>th</sup> of each month. All invoices are to be paid by the 1<sup>st</sup> of the month. Payments **must include** a copy of the Remittance page and be sent to the lock box address provided. Payment is applied by an outside vendor and cannot determine how to apply payment if it is not submitted correctly. If the Remittance page is not included, the payment could be improperly applied and will be delayed. Pre-addressed envelopes are provided to each group. Payments are due, in full, the 1<sup>st</sup> of each month. Any changes or corrections made in the system will be reflected as a credit or debit on the invoice in the following month.

## **Termination Reporting**

**TAC HEBP does not accept retroactive terminations.** Employers are responsible for all contributions through the end of the month in which the termination is reported, as per SB 51. The information is entered, by the group, in OASys the online administration system.

In the event that OASys is not available, a mailed or faxed copy of the termination form will be accepted.

- Mailed termination forms - the receipt date of notice is the date stamp of receipt by TAC HEBP (not the postmarked date)

**OR**

- Faxed termination forms - the receipt date of notice is the date stamp applied by TAC HEBP facsimile machine.

Please keep the fax confirmation sheets with a time/date stamp to verify the notification date. Neither e-mailed terminations nor notifications submitted to a broker's office will be considered as submission to TAC HEBP.

The coverage end date (after an employee termination) is based on the date the termination is reported.



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

Example:

Termination Date	Reported Date	Last Day of Coverage	Invoiced Through
October 13	October 17	October 31	October 31
October 13	November 5	November 30	November 30
October 13	January 3	January 31	January 31

There is a 5 day grace period for processing terminations which occur during the **last week of the month**. When a termination occurs during the last week of a month it **MUST** be entered/reported by the 5th of the next month; otherwise, coverage will be extended an additional month, to the end of the following month, and the employer is responsible for these contributions.

Example:

Termination Date	Reported Date	Last Day of Coverage	Invoiced Through
October 30	November 3	October 31	October 31
October 30	November 7	November 30	November 30

NOTE: To avoid the liability for all contributions through the end of the month in which the termination is reported, **disclosing terminations in a timely manner will minimize the cost to the group**. A pre-invoice is provided each month for review to ensure accuracy of the final invoice. Failure to utilize this important tool may result in unnecessary expenses.

This policy applies to both employee and dependent terminations. However, it does not change the enrollment rules for qualifying events. *Employees* are still required to report changes such as marriage, divorce, etc. within 31 days. *Employees* will be liable for the appropriate dependent costs through the month in which he/she notifies the employer.



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## **New Enrollees**

All employees and dependents must have social security numbers entered in the eligibility system.

Effective dates determine the billing:

- New enrollees who become effective during the 1<sup>st</sup> through the 15<sup>th</sup> of the month will be billed for the full month
- Enrollees who become effective the 16<sup>th</sup> through the end of the month will not be billed

## **Payroll Changes**

Salary Based Life Products must reflect the appropriate payroll amounts and effective dates. Payroll changes may be entered into OASys in advance provided the correct upcoming payroll effective date is entered in the system. An error in the effective date year will cause the system to retro to the effective date in the prior year and the system will calculate the invoice according to the old payroll effective date.

## **Open Enrollment Entries**

Open Enrollment (OE) may be entered in advance; however the correct effective date must be entered. All OE entries must be made by the *deadline designated* in each renewal packet. Pre-invoices will not be generated until after OE entries are made.

**NOTE:** The first invoice after the renewal effective date will always be delayed to accommodate the eligibility and testing of each group. Efforts are made to minimize the delay; however, invoices cannot be generated until all security measures have been taken.



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Johnson County OASys Access Agreement

The Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) uses an online administrative system known as OASys. OASys allows county administrators to enroll, change and terminate employee and dependent coverage in the health plan in a secure internet environment. They may also obtain their monthly bills from this site.

The Contracting Authority must designate the person(s) that will have access to OASys and set their access privileges. If the User is also the Billing Contact, please tell us if they prefer to download the monthly bills online or by fax.

The User Name and Password will be emailed to the User. Please have each user sign the agreement below. If you have any questions, please call your Employee Benefits Specialist at 800-456-5974.

Name of User/Title	Access Privileges (Circle one)	If User is Billing Contact, do you wish them to pick up the Group's bills online or by fax?	Email Address (required)
User 1 <i>Randy Gillegie</i> <i>Personnel Director</i>	Admin or View Only		<i>randyg@johnsoncountytx.org</i>
User 2 <i>Laura Baxter</i> <i>Payroll Administrator</i>	Admin or View Only		<i>laurab@johnsoncountytx.org</i>
User 3 <i>Brenda Clauson</i> <i>Benefits Administrator</i>	Admin or View Only		<i>brendac@johnsoncountytx.org</i>

As a User of OASys, I understand that I am responsible for maintaining the confidentiality of my password. I understand and agree that TAC HEBP is not responsible for any damages resulting from the unauthorized use of my password or account. I further understand that I must notify TAC HEBP immediately of any unauthorized use of my password or account or any other breach of security.

User 1 Signature *Randy Gillegie*

User 2 Signature *Laura Baxter*

User 3 Signature *Brenda Clauson*

Signature of County Judge or Contracting Authority:

*Roger Harmon*

Print name and title: Roger Harmon, County Judge Date: 2-9-15