

RESOLUTION NUMBER 7753

WHEREAS, the City of Beatrice has a self-funded employee health plan for which it retained Allegiance Benefit Plan Management, Inc., (“Allegiance”) to provide certain administrative services to the plan pursuant to the Administrative Services Agreement dated May 15, 2023 (the “Agreement”); and

WHEREAS, the City of Beatrice and Allegiance desire to amend the Agreement to reflect the increase in administrative fees paid by the City to Allegiance pursuant to said Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BEATRICE, NEBRASKA:

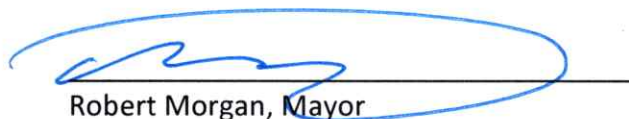
SECTION 1. That the Mayor, City Administrator, and City Clerk are hereby authorized to execute the Amendment to Administrative Service Agreement with Allegiance, and any and all other documents necessary to effectuate said Amendment. A copy of said Amendment marked as “Exhibit A”, is attached hereto, incorporated by reference.

SECTION 2. That all resolutions or parts of resolutions in conflict herewith are hereby repealed.

RESOLUTION PASSED AND ADOPTED this 6th day of April, 2026.

Attest:


Erin Saathoff, MMC, City Clerk


Robert Morgan, Mayor

**AMENDMENT to ADMINISTRATIVE SERVICES AGREEMENT
and APPENDIX A
to the ADMINISTRATIVE SERVICES AGREEMENT
Between
CITY OF BEARTICE/BOARD OF PUBLIC WORKS and ALLEGIANCE BENEFIT PLAN MANAGEMENT, INC.**

Effective January 1, 2026, the Plan Sponsor, **CITY OF BEATRICE/BOARD OF PUBLIC WORKS**, and the TPA, **ALLEGIANCE BENEFIT PLAN MANAGEMENT, INC.**, hereby agree that the Administrative Services Agreement and Appendix A to the Administrative Services Agreement (“Agreement”) between the parties for the period January 1, 2025 through December 31, 2026, are hereby amended and made a part of that Agreement as set out below:

Administrative Services Agreement: Article III: The TPA’s Responsibilities:

Relacing section 3.13 with the language below:

3.13 Provide all reports available through Cedar Gate Technologies (Deerwalk) reporting.

Replacing the 2nd paragraph of section 3.16 with the language below:

Specific to these services, the Plan Sponsor adopts for the Plan all screening criteria used by TPA and its affiliated companies including, but not limited to:

- Most recent edition of the Milliman USA Optimal Recovery Guidelines for medical/surgical, behavioral health, and post-acute care admission reviews, and all Addenda
- American Society of Addiction Medicine (ASAM), 4th Edition, Patient Placement Criteria-2R or its most current version.

Administrative Services Agreement: Appendix A: Fee Schedule and Financial Arrangement:

Replacing Appendix A with the following Appendix A:

**I
Fee Schedule**

The Plan Sponsor and the TPA hereby agree to the compensation schedules set forth below as being the sole compensation to the TPA for the performance of its obligations under this Agreement. Monthly fees are based upon Plan Participant enrollment as of the beginning of each month.

- A. Administration fee of \$28.90 per Plan Participant per month, which fee shall include services for production and maintenance of Plan Documents/Summary Plan Description, plan building, amendment production, plan document compliance, applicable state and federal regulatory compliance and production and mailing via bulk mail to the Plan Sponsor of health plan identification cards, and all of the following services that are checked:
- Medical Claims
 - Rx Coordination
 - Case Management Fee
 - Cedar Gate Technologies (Deerwalk)
 - Consolidated Billing
 - COBRA services provided by Allegiance COBRA Services, Inc., pursuant to the COBRA Administrative Services Agreement attached hereto. (In addition to this fee, the TPA will also retain two (2) percent of all COBRA premiums as fees for COBRA services.)
 - pre-certification, continued stay review, concurrent utilization review, or coordination of large case management referrals.
 - PBM management fee for regular eligibility maintenance, file maintenance, ID card production, reporting customer service assistance and other services performed by the TPA in connection with the PBM agreement for and on behalf of the participating Plan. Any administrative fees charged by the Pharmacy Benefit Management (PBM) company that is utilized by the Plan pursuant to written agreement with the Plan, the PBM and the TPA, will be paid by Plan Sponsor

Plan materials will be delivered to the Plan Sponsor. An additional postage and handling fee will be paid to the TPA for mailing materials to individual Plan Participants.

B. Allegiance Care Management Medical Review fees:

Doctors: \$275.00/hour
Nurses: \$100.00/hour

C. Hourly fee of \$175.00 for Ad-Hoc Reporting (customized reports, changes to standard reports, correspondence, documents or other materials).

D. Hourly fee of \$175.00 for welfare plan consulting. Such services must be agreed to in advance by the Plan Sponsor.

E. Hourly fee of \$175.00 for audit assistance services as described in Article III of this Agreement. This Hourly fee of \$175.00 also applies to audit assistance services and any other services provided by the TPA after termination of this Agreement and in the absence of a separate Run Out Services Agreement or for services not fully described in a separate Run Out Services Agreement. Services must be agreed to in advance by the parties.

F. Hourly fee of \$175.00 for non-standard stop loss services during the term of this Agreement. Hourly fee of \$175.00 for any stop loss reimbursement services provided by the TPA after termination of this Agreement in the absence of a separate Run Out Services Agreement or for services not fully described in a separate Run Out Agreement. Services must be agreed to in advance by the parties.

G. Hourly fee of \$175.00 for special programming requests or research including production of any special claims history reports. Such services must be agreed to in advance by the Plan Sponsor.

H. Special Reports requested by the Plan Sponsor and produced by the TPA upon prior agreement as to report(s) and fee(s).

I. Final fee of \$500.00 for providing eligibility/enrollment files in electronic format acceptable to TPA without special programming to the Plan Sponsor (if requested in writing).

J. Final fee of \$1,500.00 for providing Claims history file in electronic format acceptable to TPA without special programming to the Plan Sponsor (if requested in writing).

K. A fee equal to the actual costs for printing a Summary Plan Description Booklet, together with costs of shipping for each booklet.

L. Check customization, customized printed material, special statistical reports other than those enumerated in this contract, special medical underwriting, calculation of or completion of any documentation necessary for new taxes assessed against the Plan, or other services mutually agreed upon will be billed separately at the rate of \$175.00 per hour for such services. Such services must be agreed to in advance by the Plan Sponsor.

M. A fee of \$175.00 per hour for time expended producing and providing information to agents, consultants or brokers for whom the Plan Sponsor requests Plan information be provided, together with any postage, shipping and copying costs. Paper copies will be billed at fifteen (\$0.15) cents per copy and electronic copies shall be billed at \$500.00 per disk in DBC or ASCII format only.

N. The amount charged for PPO access fees and all other cost containment fees for any Preferred Provider Organization, claim negotiation company or cost containment vendor shall be equal to the amount charged by the PPO or Claims Negotiation Company. The Plan Sponsor will receive a report that outlines the total billed charges, the total discounts obtained, the net claims cost and the total claim savings to the Plan. The TPA may be paid a fee or a percentage of net savings payable to TPA, its parent or its affiliates, realized as a result of any negotiation or reduction in the amount of claims paid or any recovered funds obtained by TPA through employment of cost containment companies or outsourced claims editing service for unbundling and other erroneous or unacceptable medical billing practices. Specific fees at the inception of this contract for which a per Participant per month rate is charged are:

\$ 7.09 per Plan Participant per month for Cigna OAP

O. Any mandatory fees charged by Network or Preferred Provider organizations based upon pay for performance criteria required of network providers, which fees will be paid upon receipt of billing statement from the Network or Preferred Provider organization.

P. Funds held in accounts by TPA, until paid out for benefits, may accrue interest. The interest accrued will be retained by TPA as reasonable compensation and fees for fees assessed on the accounts, for paper, printing and postage, record keeping and account reconciliation, bank service fees, trust tax return preparation; and SSAE-18 and related trust activities audit fees.

Q. Pursuant to Section 2.7 of the Agreement, TPA has secured services of Cigna Health and Life Insurance Company (CHLIC) in order to assist TPA with TPA's performance of various services. CHLIC is not a party to the Agreement or this Amendment. CHLIC may directly or indirectly contract with pharmaceutical manufacturers, or other third parties, for payments, including rebates, service fees, and other remuneration, on CHLIC's own behalf and for its own benefit, as part of its global business efforts. CHLIC negotiates, contracts, and receives such payments not as part of CHLIC's compensation for any services it provides to the Employer or the Plan. Accordingly, CHLIC retains all right, title and interest to any and all such rebates, services fees, or other remuneration that CHLIC receives pursuant to its contracts with pharmaceutical manufacturers; neither Employer, its Members, nor the Plan retains any beneficial or property interest in any such contract remuneration, which shall be considered part of the general assets of CHLIC, and are not assets of any other party, including without limitation the Plan.

TPA will provide payments to Plan that shall be calculated based on the rebates from pharmaceutical manufacturers that CHLIC receives, pursuant to its contracts with pharmaceutical manufacturers, for certain drugs billed through the medical benefits, with respect to the Plan. TPA will provide programming, filing, reporting, accounting, processing, and maintenance services in order to process and account for such payments with respect to the Plan's utilization. TPA shall remit payments to the Plan that are calculated based on 75% of rebates that CHLIC receives from pharmaceutical manufacturers, pursuant to CHLIC's contracts with the manufacturers, for certain drugs billed through medical benefits for the Plan. TPA will be compensated for the services identified in this Agreement in an amount based on 25% of the aforementioned rebates that CHLIC receives. TPA shall remit the payments to Plan on a quarterly basis.

CHLIC retains all right, title and interest in its proprietary contracts, and to any and all such rebates or other remuneration received from pharmaceutical manufacturers or other third parties. CHLIC is not and shall not be deemed to be a party to this Agreement for any purpose.

Payments under this section are not guaranteed.

R. **Regulatory Compliance Fees (subject to change with additional CAA requirements/regulations or other federal regulatory requirements):**

Transparency machine readable file maintenance fee of \$100.00 per month.

QPA/Mediation fees of 13% of savings, and as applicable federal mediator's fee set by law.

ID Card reprint: Pass through of Allegiance's costs.

Continuity of Care fee of \$12.00 per COC letter sent and up to \$275.00 per case for case review.

NQTL analysis:

- A fee of \$450.00 per hour for preparation of an NQTL analysis report by the TPA.
- A fee of \$450.00 per hour for time expended producing and providing information available to the TPA for the Plan Sponsor or its agent, consultant or broker to prepare an NQTL analysis report.
- The TPA assumes none of the Plan's responsibility or liability for preparing an NQTL analysis report or for assisting the Plan with preparing or providing the information related to an NQTL analysis.

A pass through fee to TPA's provider search and cost transparency tool vendor for maintenance of all shoppable procedures files website as required by the Consolidated Appropriations Act, 2021 (CAA) of \$1.00 per Plan Participant per month.

S. **Zelis:** A pass through of fees to Zelis based on Allegiance's contract with Zelis for services related to claims editing and payment integrity.

T. As applicable, fee of \$3,000.00 per year or \$350.00 per file per data feed to any external vendor with the exception of approved Pharmacy Benefit Managers (PBMs), Stop-Loss Carriers, and Eligibility/HRIS vendors.

As applicable, fee of \$1,800.00 per year per eligibility feed using Allegiance's standard 834 format to any external vendor with the exception of approved Pharmacy Benefit Managers (PBMs), Stop-Loss Carriers, and Eligibility/HRIS vendors.

U. TPA will issue Massachusetts Form 1099 HC to Covered Persons over 18 years of age residing in the state of Massachusetts for a fee of \$3.50 per form.

V. **Gag Clause Prohibition Attestation**

Plan delegates TPA to act as its authorized representative to file the gag clause prohibition attestation as required by the Consolidated Appropriations Act, 2021 (CAA) for only: (1) Cigna network contracts; (2) Montana Allegiance Direct network contracts; (3) this Agreement; and (4) (if applicable) any pharmacy arrangements where Allegiance holds the contract or maintains the contract for the Plan.

The Plan shall attest or delegate another entity to attest on the Plan's behalf annually on or before December 31st as required by the CAA for the contracts not specifically identified in the above paragraph.

II

Funding and Fee Payment Terms

Allegiance Benefit Plan Management, Inc., will establish and maintain a zero balance Claims Payment Account for payment and reimbursement of Covered Services.

TPA will notify Plan Sponsor or its designee on a weekly basis of amount required to be deposited to the Claims Payment Account to pay claims after they have been processed for payment. Notification of the amount required to be deposited will take place as follows:

On Monday of each week (Tuesday, if Monday coincides with a recognized Federal holiday), an electronic notification will be provided to Plan Sponsor that the weekly report of claims processed for payment is available on TPA's secured website.

Upon approval from Plan Sponsor, TPA will effect an electronic withdrawal of funds from an account designated by Plan Sponsor on a Debit Authorization form.

TPA will generate a monthly bill for fees. Payment of monthly billing will be as follows:

On or about the 15th of each month, TPA will provide an electronic notification to Plan Sponsor that the monthly bill is available on TPA's secured website.

Plan Sponsor will remit payment by wire transfer for the monthly bill by the 10th day of the month following the date billing notification is received.

III

Stop Loss Arrangement

The Plan Sponsor agrees to do the following:

Purchase and maintain Stop Loss insurance and provide a copy of the Stop Loss contract to the TPA prior to the effective date of this Agreement.

Excess loss insurance will be purchased with Employer contributions or funds and NOT with Employee contributions or Plan Assets.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on their behalf by their duly authorized representatives' signatures, effective as of the date first written above.

CITY OF BEATRICE/BOARD OF PUBLIC WORKS

400 Ella Street
Beatrice, NE 68310

ALLEGIANCE BENEFIT PLAN MANAGEMENT, INC.

2806 S. Garfield St.
Missoula, MT 59801

By: Tobias J Tempelmeyer City Administrator
(Name/Title)

By: **Stephen A. Tahta**
President & CEO

DocuSigned by:
By: Tobias J Tempelmeyer
E17BD69EA0204683
(Signature)

DocuSigned by:
By: 
2E60BA06857843E
(Signature)

Date: 4/7/2026

Date: 4/7/2026