

**SECOND AMENDMENT TO THE AGREEMENT BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
P&A ADMINISTRATIVE SERVICES, INC.**

January 1, 2017

[COBRA AND FLEXIBLE SPENDING ACCOUNT SERVICES]

**City and County of San Francisco
1145 Market Street, Suite 300
San Francisco, California 94103**

**SECOND AMENDMENT TO THE AGREEMENT
BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
P&A ADMINISTRATIVE SERVICES, INC.**

THIS SECOND AMENDMENT (“Amendment”) is made as of January 1, 2017, in San Francisco, California, by and between P&A Administrative Services, Inc., hereinafter referred to as “Contractor,” and the City and County of San Francisco, a municipal corporation, hereinafter referred to as “City” or “CCSF.”

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to provide additional services to the City;

NOW, THEREFORE, Contractor and the City agree as follows:

1. **Definitions.** The following definitions shall apply to this Amendment:
 - a. **Agreement.** The term “Agreement” shall mean the Agreement dated March 1, 2015 between Contractor and City, and the First Amendment dated July 5, 2015.
 - b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.
 - c. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.
2. **Modifications to the Agreement.** The Agreement is hereby modified as follows:
 - a. **Appendix A1 (COBRA/AB528 Services to be Provided by Contractor), Section II (Services and Deliverables to be provided by Contractor), Subsection F (COBRA/AB528 Premium Reporting, Remitting, Reconciliation, and Invoicing) is hereby replaced in its entirety to read as follows:**

F. COBRA/AB528 Premium Reporting, Remitting, Reconciliation, and Invoicing

Contractor shall remit 100% of the applicable premium to the applicable Coverage Provider, accompanied by information that identifies the COBRA/AB528 Continuant, the amount of his or her premium and the coverage period to which the premium payment relates. For Fully-Insured plans that contain a City administrative fee, the contractor shall remit the applicable City administrative fee to the City. The amount by which a premium payment exceeds the

applicable premium (typically, 2 percent of the applicable premium) shall be retained by Contractor as additional compensation for its services.

For Self-Funded plans, Contractor shall send a monthly premium payment report by member, plan, tier (EE, E+1, E+2), and coverage months which separates the City's administrative fee and applicable plan premium. For the Fully-Insured plans, which have a City administrative fee, Contractor shall send a monthly premium payment report by member, plan, tier (EE, E+1, E+2), and coverage months, on just the applicable City administrative fee. The total payment amount contained in the premium payment report should match the check amount sent to the City.

Self-Funded plans¹ include:

- City Health PPO (United Healthcare) Medical (City's administrative fee applicable)
- Delta Dental PPO
- Blue Shield HMO Access Plus (City's administrative fee applicable)

Fully-Insured plans¹ include:

- Kaiser Permanente (City's administrative fee applicable)
- Pacific Union DMO
- Deltacare DMO
- Blue Shield MAPD (65+) (City's administrative fee applicable)
- VSP
- Best Doctors

¹Subject to change, at the City's option; changes will be done by Amendment. Contractor shall agree to the Amendment to account for the City's Coverage Providers.

Contractor shall reconcile premium/eligibility discrepancies with the applicable Coverage Provider.

The Contractor shall invoice the City for the fees (Appendix B-Calculation of Charges) associated with the services in this Appendix A1, once monthly for the prior month's services.

Invoices, financial reports and checks shall be directed by Contractor to City to the following address:

Health Service System
Attn: Alan Zhang, Ivan Ha, and Yuriy Gologorskiy
1145 Market Street, Suite 300
San Francisco, CA 94103
allen.zhang@sfgov.org, ivan.ha@sfgov.org, Yuriy.Gologorskiy@sfgov.org

b. Appendix A1 (COBRA/AB528 Services to be Provided by Contractor), Section III (City Responsibilities), Subsection E (Coverage Providers) is hereby replaced in its entirety to read as follows:

E. Coverage Providers

The City warrants and represents to Contractor that the list of group health plans and of the coverage providers under each such plan is complete and accurate as of the date of this Agreement. Should the City, during the term of this Agreement, establish any new group health

plan or add any coverage provider to any of its current group health plans, the City agrees to notify Contractor in writing of same within seven (7) days thereafter.

The City hereby acknowledges its understanding that Contractor cannot assure the City's compliance with COBRA without having, at all times, complete and accurate information as to the group health plans and coverage options of the City.

City and County of San Francisco ("City") is the Coverage Provider for the following Self-Funded plans¹:

- City Health Plan PPO (United Healthcare) Medical
- Delta Dental PPO
- Blue Shield of California HMO Access Plus

Fully Insured Coverage Providers¹:

- Kaiser Permanente
- Pacific Union Dental DMO
- Deltacare DMO
- Blue Shield of California MAPD (65+)
- VSP
- Best Doctors

¹Subject to change, at the City's option; changes will be done by Amendment. Contractor shall agree to the Amendment to account for the City's Coverage Providers.

3. Effective Date. Each of the modifications set forth in Section 2 shall be effective on and after January 1, 2017.

4. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

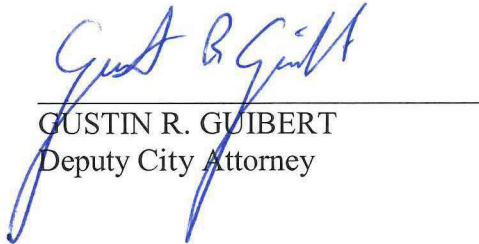
IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective January 1, 2017.

HEALTH SERVICE SYSTEM


CATHERINE J. DODD PhD, RN.
Director, Health Service System

APPROVED AS TO FORM:

Dennis J. Herrera
City Attorney


GUSTIN R. GUIBERT
Deputy City Attorney

CONTRACTOR

P&A Administrative Services, Inc.

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.


MICHAEL RIZZO, PRESIDENT
P&A Administrative Services, Inc.
17 Court Street, Suite 500
Buffalo, NY 14202

City vendor number: **94982**