

(Mayor Potter)

CITY OF KIRTLAND

ORDINANCE NO.: 23-O-68

AN ORDINANCE AUTHORIZING THE DIRECTOR OF FINANCE TO ENTER INTO THE HEALTHCARE PROGRAM PARTICIPATION AGREEMENT WITH THE LAKE COUNTY BOARD OF COMMISSIONERS TO PARTICIPATE IN ITS HEALTHCARE PROGRAM FOR THE YEARS 2024 THROUGH 2026, AND DECLARING AN EMERGENCY.

WHEREAS, Lake County sponsors a Healthcare Program which it has made available to employees of other Ohio political subdivisions, specifically employees of the City of Kirtland; and

WHEREAS, the Mayor and Council of the City of Kirtland desire for its employees to be covered under the Healthcare Program sponsored by Lake County; and

WHEREAS, in order to participate in the Healthcare Program, the Director of Finance must sign a “Healthcare Program Participation Agreement”, which is attached hereto and incorporated herein as Exhibit A, the term of which runs from 2024 through 2026.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kirtland, County of Lake, State of Ohio, that:

SECTION I: That the Director of Finance be and is hereby authorized to sign and enter into the Healthcare Program Participation Agreement, attached hereto and incorporated herein as Exhibit A, with Lake County for the years 2024 through 2026.

SECTION II:

(a) It is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were passed in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

(b) This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that it is necessary to provide medical insurance benefits to its employees; wherefor, this Ordinance

shall be in full force and effect immediately upon its passage by the affirmative vote of five (5) members of Council and approval by the Mayor, otherwise this Ordinance shall be in effect from and after its adoption at the earliest period allowed by law.

First Reading: _____

Second Reading: _____

Third Reading: _____

DATE PASSED: _____

President of Council

Submitted to the Mayor for his
Approval on this _____ day of
_____, 2023.

ATTEST:

Approved by the Mayor, this
_____ day of _____,
2023.

Clerk of Council
Healthcare Program Participation Agreement 2024-2026

Mayor Kevin F. Potter

HEALTHCARE PROGRAM PARTICIPATION AGREEMENT

This Healthcare Program Participation Agreement ("Agreement") is made as of the last date of signature between the Board Lake County Commissioners ("County"), a political subdivision, with its principal place of business located at 105 Main Street, Painesville, Ohio 44077, and the City of Kirtland ("Political Sub-Division"), a political subdivision, with its principal place of business at 9301 Chillicothe Rd. Kirtland, OH 44094, referred to collectively as "Parties" and individually as "Party."

WITNESSETH:

WHEREAS, the County sponsors a Healthcare Program ("HCP"), which it determined should be made available to employees of other Ohio political subdivisions; and

WHEREAS, in order to participate in the HCP, Political Sub-Division must execute this Healthcare Program Participation Agreement and be bound by its terms and conditions;

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, Political Sub-Division and the County agree as follows:

1. Definitions

1.1 In addition to words and terms defined elsewhere in this Agreement, the words and terms set forth in this section shall have the meanings ascribed to them herein, unless the context or use clearly indicates a different meaning or intent. Such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms therein defined.

As used in this Agreement:

- (A) "Agreement" means this Healthcare Program Participation Agreement.
- (B) "Medical Mutual" and/or "Caremark" means the administrator of the County's Healthcare Program.
- (C) "Healthcare Program" or "HCP" means the County-sponsored program for the payment of medical and prescription drugs through a self-funded healthcare program NOT governed by ERISA.
- (D) "Effective Date" means the entry date of Political Sub-Division into the HCP, on which date the employees of Political Sub-Division shall be entitled to participate in the HCP. This date may or may not coincide with the County's effective date of coverage (January 1st), but will always renew at the County's effective date of coverage (January 1st).

2. Term and Termination

2.1 Term. The term of this Agreement shall commence upon the Effective Date of January 1, 2024, and terminate on December 31, 2026. Thereafter, the County may offer Political Sub-Division a new three-year agreement at its discretion. At that time,

Political Sub-Division will be underwritten to determine a new rate for healthcare.

2.2 Termination. Political Sub-Division may withdraw from the program prior to December 31, 2026, but will be assessed penalties as outlined in the Health Insurance Guidelines. The County may cancel or terminate this Agreement for the failure of Political Sub-Division to make payment, abide by the rules in the Health Insurance Guidelines, and/or committing fraud or abuse.

3. Services to be provided by the County

The County shall provide the following services:

- (A) Pay Political Sub-Division's claims to Medical Mutual and Caremark for its employees under a fully insured billing arrangement. The County will be responsible for all risk associated with the claims cost of Political Sub-Division.
- (B) Direct access by Political Sub-Division to the full suite of reporting tools of Medical Mutual and Caremark within the standard offering of each vendor.

4. Duties and responsibilities of Political Sub-Division

Political Sub-Division shall have the following duties and responsibilities:

- (A) Provide the County with an accurate eligibility in BenXpress to be uploaded to the carriers on a timely basis, as determined mutually between Political Sub-Division, County and its vendors.
- (B) Communicate with its employees concerning the HCP benefits.

5. Fees. Political Sub-Division shall pay the County a fee as set forth by Commissioners' resolution each year for the fully insured equivalent price for their healthcare benefits, subject to the following modification:

- (A) County will provide a full premium credit for the January 2024 and February 2024 monthly bills. Political Sub-Division will owe a pro-rata share of the total amount of the premium credit per year back to the County should Political Sub-Division withdraw from the HCP before December 31, 2026. This provision shall survive termination of this Agreement.
- (B) County will examine claims data in 2024 and 2025 to determine if similar premium credits should be granted in the subsequent years of this contract. The determination of said premium credit(s) are at the sole discretion of the Commissioners.

6. Reports and Records

6.1 Maintenance of Records and Reports. The Parties shall maintain and provide to either Party upon demand the following records and reports:

- (C) Accounting and fiscal records adequate to enable either Party, the State of Ohio, or any duly-appointed agency to audit and administer this Agreement and the HCP; and

(D) Other records and reports as required by either Party to enable the requesting Party to comply with local, state and federal statutes and regulations.

6.2 Retention of Records. The Parties shall maintain all records related to this Agreement for at least three years after the termination of this Agreement. If any litigation, claim, negotiation, audit, or other action involving the records started prior to the expiration of the three-year period, then the Parties shall retain the records until completion of the action and all issues that arise from it or until the end of the three-year period, whichever is later.

7. General Terms and Conditions

7.1 Governing Law. This Agreement is to be governed by and construed in accordance with the laws of the State of Ohio.

7.2 Forum. Any lawsuit or litigation arising out of this Agreement shall be brought in a court of competent jurisdiction in Lake County, Ohio.

7.3 Assignment. Neither Party may assign rights or delegate any obligations created by this Agreement without the prior written consent of the other Party, which consent must not be unreasonably withheld. Any assignment in violation of this Agreement is void. This Agreement shall be binding upon the heirs, successors, legal representatives and permitted assigns of the Parties.

7.4 Force Majeure. Neither Party shall be considered in default in the performance of any obligation hereunder, except the obligation to make payment, to the extent that the performance of such obligation is prevented or delayed by fire, flood, explosion, strike, war, insurrection, embargo, government requirement, civil or military authority, act of God, or any other event, occurrence or condition which is not caused, in whole or in part, by that Party, and which is beyond the reasonable control of that party. The Parties must take all reasonable action to minimize the effects of any such event, occurrence or condition.

7.5 Severability. If any provision of this Agreement is found invalid or unenforceable by an arbitration panel or a court of competent jurisdiction, the remainder of this Agreement shall continue in full force and effect.

7.6 Reservation of Rights. A delay or failure in enforcing any right or remedy afforded hereunder or by law must not prejudice or operate to waive that right or remedy or any other right or remedy, including any remedy for a future breach of this Agreement, whether of a like or different character.

7.7 Review by Legal Counsel. Each party has had the opportunity to review this Agreement with the assistance of legal counsel. Accordingly, the rule of construction that any ambiguity in this Agreement is to be construed against the drafting party is not applicable.

7.8 Notices. Every notice and demand required under the terms of this Agreement must be in writing and sent by certified mail, return receipt requested, or by other means of delivery requiring a signed receipt, to the other party's address set forth below:

As to County: Joel DiMare Jr.
Director of Admin Services
105 Main Street
Painesville, Ohio 44077

As to the Political Sub-Division: Louis Slapnicker, CPA
Finance Director
9301 Chillicothe Rd
Kirtland, OH 44094

All notices are effective upon receipt. In the event that the certified mail is not accepted, such notice is deemed effective three (3) days after such notice is mailed. A Party may change its address by giving written notice to the other Party in accordance with this paragraph.

8.9 Amendment and Waiver. This Agreement may not be amended, supplemented, or waived except by a writing signed by both Parties. The waiver of any particular right or claim shall not constitute a waiver of any other right or claim. This Agreement may be extended to achieve additional goals of the County and the Authority with the written consent of both parties.

8.10 Entire Agreement. This Agreement, and any guidelines issued by the County as Plan Administrator, states the complete, final, and exclusive agreement between the Parties concerning the subject hereof and supersede all prior oral or written agreements, representations, promises, negotiations, and other communications between the Parties.

Board of Lake County Commissioners

City of Kirtland, Ohio

By: Jason W. Boyd
Title: County Administrator

By: Louis Slapnicker
Title: Finance Director

Date: _____

Date: _____