



**BOARD OF SUPERVISORS AGENDA ITEM REPORT**  
**CONTRACTS / AWARDS / GRANTS**

Award  Contract  Grant

Requested Board Meeting Date: 01/05/2021

\* = Mandatory, information must be provided

or Procurement Director Award

**\*Contractor/Vendor Name/Grantor (DBA):**

Davis Vision, Inc. (Headquarters: Linthicum, MD)

**\*Project Title/Description:**

Employee Prepaid Vision Plan

**\*Purpose:**

Award: Master Agreement No. MA-PO-21-103. This Master Agreement is for an initial term of one (1) year in the annual award amount of \$470,000.00 and includes four (4) one-year renewal options.  
Administering Department: Human Resources.

**\*Procurement Method:**

Pursuant to Pima County Procurement Code 11.12.020, Competitive sealed proposals, Solicitation No. RFP-PO-2100006 was conducted. Four (4) responses were received. Award is to the responsive and responsible respondent submitting the highest scoring proposal.

PRCUID: 383502

Attachments: Notice of Recommendation for Award and Professional Services Contract.

**\*Program Goals/Predicted Outcomes:**

To provide affordable vision benefits to Pima County employees.

**\*Public Benefit:**

To be able to attract qualified candidates with an attractive benefit package.

**\*Metrics Available to Measure Performance:**

Ensure the network of service providers is adequate to provide thorough and timely support to Pima County employees.

**\*Retroactive:**

No.

To: COB 12/29/20 (1)  
Vers: 1  
Pgs: 14

**Contract / Award Information**

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 21-103  
Commencement Date: 07/01/2021 Termination Date: 06/30/2022 Prior Contract Number (Synergen/CMS): \_\_\_\_\_  
 Expense Amount: \$\* 470,000.00  Revenue Amount: \$ \_\_\_\_\_

\*Funding Source(s) required: Employee Contributions

Funding from General Fund?  Yes  No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

Contract is fully or partially funded with Federal Funds?  Yes  No

If Yes, is the Contract to a vendor or subrecipient? \_\_\_\_\_

Were insurance or indemnity clauses modified?  Yes  No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number?  Yes  No

If Yes, attach the required form per Administrative Procedure 22-10.

**Amendment / Revised Award Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e., 15-123): \_\_\_\_\_  
Amendment No.: \_\_\_\_\_ AMS Version No.: \_\_\_\_\_  
Commencement Date: \_\_\_\_\_ New Termination Date: \_\_\_\_\_  
Prior Contract No. (Synergen/CMS): \_\_\_\_\_  
 Expense or  Revenue  Increase  Decrease Amount This Amendment: \$ \_\_\_\_\_

Is there revenue included?  Yes  No If Yes \$ \_\_\_\_\_

\*Funding Source(s) required: \_\_\_\_\_

Funding from General Fund?  Yes  No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

**Grant/Amendment Information** (for grants acceptance and awards)  Award  Amendment

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Grant Number (i.e., 15-123): \_\_\_\_\_  
Commencement Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Amendment Number: \_\_\_\_\_  
 Match Amount: \$ \_\_\_\_\_  Revenue Amount: \$ \_\_\_\_\_

\*All Funding Source(s) required: \_\_\_\_\_

\*Match funding from General Fund?  Yes  No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

\*Match funding from other sources?  Yes  No If Yes \$ \_\_\_\_\_ % \_\_\_\_\_

\*Funding Source: \_\_\_\_\_

\*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)? \_\_\_\_\_

Contact: Kelsey Braun-Shirley, Procurement Officer Digitally signed by Kelsey Braun-Shirley Date: 2020.12.23 14:22:07 -0700 Denise Waldo Digitally signed by Denise Waldo Date: 2020.12.24 08:32:28 -0700

Department: Procurement Terri Spencer Digitally signed by Terri Spencer Date: 2020.12.24 09:25:56 -0700 Telephone: (520)724-7466

Department Director Signature/Date: [Signature] 12/28/2020

Deputy County Administrator Signature/Date: [Signature] 12/28/2020

County Administrator Signature/Date: [Signature] 12/28/20  
(Required for Board Agenda/Addendum Items)



**NOTICE OF RECOMMENDATION FOR AWARD**

Date of Issue: December 24, 2020

The Procurement Department hereby issues formal notice to respondents to Solicitation No. RFP-PO-2100006 for Employee Prepaid Vision Plan that the following listed respondent will be recommended for award as indicated below. The award action is scheduled to be performed by the Board of Supervisors on or after January 5, 2021.

Award is recommended to the highest scoring proposal.

<u>AWARDEE NAME</u>	<u>ANNUAL AWARD AMOUNT</u>
Davis Vision, Inc.	\$470,000.00

**OTHER RESPONDENT NAMES**

Avēsis Third Party Administrators, Inc. dba Avēsis  
EyeMed Vision Care, LLC. dba EyeMed  
National Vision Administrators, LLC. dba NVA

Issued by: Kelsey Braun-Shirley, Procurement Officer

Telephone Number: (520)724-7466

This notice is in compliance with Pima County Procurement Code §11.12.010(C) and §11.20.010(C).

Copy to: Pima County SBE via e-mail at [SBE@pima.gov](mailto:SBE@pima.gov).

**Pima County Department of Human Resources**

**Project: Employee Prepaid Vision Plan**

**Contractor: Davis Vision, Inc.  
881 Elkridge Landing Road Suite 300  
Linthicum, MD 21090**

**Amount: \$470,000.00**

**Contract No.: MA-PO-21-103**

**Funding: Employee Contributions**

**PROFESSIONAL SERVICES CONTRACT**

**1. Parties, Background and Purpose.**

- 1.1. Parties. This Contract is between Pima County, a body politic and corporate of the State of Arizona (“County”), and Davis Vision, Inc. (“Contractor”).
- 1.2. Purpose. The Pima County Human Resources department requires an employee prepaid vision plan to offer a comprehensive benefits package and attract qualified employees.
- 1.3. Authority. County selected Contractor pursuant to and consistent with County’s Procurement Code 11.12.020 Competitive Sealed Proposals;
- 1.4. Solicitation and Other Documents. County previously issued Solicitation No. RFP-PO-2100006 for employee prepaid vision plan (the “Solicitation”). Requirements and specifications contained in the Solicitation, all documents included in the Solicitation, and any information and documentation submitted by Contractor in response to the Solicitation, are incorporated into this Contract by reference.
- 1.5. Contractor’s Response. Contractor submitted the most advantageous response to the Solicitation.

**2. Term.**

- 2.1. Initial Term. The term of this Contract commences on July 1, 2021 and will terminate on June 30, 2022 (“Initial Term”). “Term,” when used in this Contract, means the Initial Term plus any exercised extension options under Section 2.2. If the commencement date of the Initial Term is before the signature date of the last party to execute this Contract, the parties will, for all purposes, deem the Contract to have been in effect as of the commencement date.
- 2.2. Extension Options. County may renew this Contract for up to four (4) additional periods of up to 1 year each (each an “Extension Option”). An Extension Option will be effective only upon execution by the Parties of a formal written amendment.

**3. Scope of Services.** Contractor will provide County with the services described in **Exhibit A: Scope of Services** (4 pages) upon demand. The County has selected a fully-insured benefit. Contractor’s relationship with a fully-insured group health plan constitutes an Organized Health Care Arrangement (“OHCA”) as defined by the Health Insurance Portability and Accountability Act of 1996 (“HIPAA Privacy and Security Rules”) (45 C.F.R. Parts 160 and 164) and, therefore, a Business Associate Agreement is not required. Both Parties are Covered Entities required to comply with HIPAA Privacy and Security Rules.

**4. Key Personnel.** Contractor will employ suitably trained and skilled professional personnel to perform all consultant services under this Contract. Prior to changing any key personnel, especially those key personnel County relied upon in making this Contract, Contractor will obtain the approval of County. The key personnel include the following staff:

Name: Robert Young

Title: Director, Client Management

Name: Tom Rosa

Title: Senior Vice President, Client Management

Name: Corinne Campbell

Title: Client Administrator

## 5. Compensation and Payment.

- 5.1. Rates; Adjustment. County will pay Contractor at the rates set forth in **Exhibit B: Prepaid Vision Fee Schedule** (1 page). Those rates will remain in effect during an Extension Option period.
- 5.2. Not-to-Exceed (NTE) Amount. County's total payments to Contractor under this Contract, including any sales taxes, may not exceed \$470,000.00 per year (the "NTE Amount"). The NTE Amount can only be changed by a formal written amendment executed by the Parties. Contractor is not required to provide any services, payment for which will cause the County's total payments under this Contract to exceed the NTE Amount; if Contractor does so, it is at the Contractor's own risk.
- 5.3. Sales Taxes. Not applicable to this Agreement.
- 5.4. Timing of Payments. County will self-bill on a monthly basis for premium fees as set forth in **Exhibit B.**
- 5.5. Payment Adjustments. County may, at any time during the Term and during the retention period set forth in Section 23 below, question any payment under this Contract. If County raises a question about the propriety of a past payment, Contractor will cooperate with County in reviewing the payment. County may set-off any overpayment against amounts due to Contractor under this or any other contract between County and Contractor. Contractor will promptly pay to County any overpayment that County cannot recover by set-off.

## 6. Insurance.

Contractor will procure and maintain at its own expense insurance policies (the "**Required Insurance**") satisfying the below requirements (the "**Insurance Requirements**") until all of its obligations under this Contract have been met. The below Insurance Requirements are minimum requirements for this Contract and in no way limit Contractor's indemnity obligations under this Contract. The County in no way warrants that the required insurance is sufficient to protect the Contractor for liabilities that may arise from or relate to this Contract. If necessary, Contractor may obtain commercial umbrella or excess insurance to satisfy the Insurance Requirements.

- 6.1. Insurance Coverages and Limits. Contractor will procure and maintain, until all of its obligations have been discharged, coverage with limits of liability not less than those stated below. Coverage must be placed with insurers acceptable to the County with A.M. Best rating of not less than A-VII, unless otherwise approved by the County.
  - 6.1.1. Commercial General Liability (CGL). Occurrence Form with limits not less than \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy shall include coverage for liability arising from premises, operations, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations. Any standard coverages excluded from the CGL policy, such as products/completed operations, etc. shall be covered by endorsement or separate policy and documented on the Certificates of Insurance.
  - 6.1.2. Business Automobile Liability. Coverage for bodily injury and property damage on any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Contract with minimum limits not less than \$1,000,000 Each Accident.
  - 6.1.3. Workers' Compensation and Employers' Liability. Statutory coverage for Workers' Compensation. Workers' Compensation statutory coverage is compulsory for employers of one or more employees. Employers Liability coverage with limits of \$1,000,000 each accident and \$1,000,000 each employee – disease.
  - 6.1.4. Professional Liability (E&O Insurance). This insurance is required for work from professionals whose coverage is excluded from the above CGL policy. The policy limits shall be not less than

\$2,000,000 Each Claim and \$2,000,000 Annual Aggregate. The insurance shall cover professional misconduct or negligent acts of anyone performing any services under this contract.

6.1.5. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor shall warrant that continuous coverage will be maintained as outlined under "Additional Insurance Requirements – Claims-Made Coverage" located in the next section.

6.2. Additional Insurance Requirements. The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions.

6.2.1. Claims Made Coverage. If any part of the Required Insurance is written on a claims-made basis, any policy retroactive date must precede the effective date of this Contract, and Contractor must maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

6.2.2. Additional Insured Endorsement. The General Liability and Business Automobile Liability Policies shall each be endorsed to include County, its departments, districts, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

6.2.3. Subrogation Endorsement. The General Liability, Business Automobile Liability and Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of County, and its departments, districts, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

6.2.4. Primary Insurance Endorsement. The Required Insurance policies must stipulate that they are primary and that any insurance carried by County, or its agents, officials, or employees, is excess and not contributory insurance.

6.2.5. The Required Insurance policies may not obligate the County to pay any portion of a Contractor's deductible or Self Insurance Retention (SIR). Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

6.2.6. Subcontractors. Contractor must either (a) include all subcontractors as additional insureds under its Required Insurance policies, or (b) require each subcontractor to separately meet all Insurance Requirements and verify that each subcontractor has done so, Contractor must furnish, if requested by County, appropriate insurance certificates for each subcontractor.

6.3. Notice of Cancellation. For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to County, within two (2) business days of receipt of notice, if a policy is suspended, voided, or cancelled for any reason. Such notice shall be mailed, emailed, hand-delivered or sent by facsimile transmission to the County Contracting Representative. Notice shall include County's project or contract number and project description.

6.4. Verification of Coverage.

6.4.1. Contractor must furnish County with a certificate of insurance (valid ACORD form or equivalent approved by County) for each Required Insurance policy, which must specify that the policy has all the required endorsements, and must include County's project or contract number and project description. Each certificate must be signed by an authorized representative of the insurer.

6.4.2. Contractor must provide the certificates to County before work commences. Each Required Insurance policy must be in effect at least 10 days before work under this Contract commences. Contractor must provide County a renewal certificate not less than 15 days prior to a Required

Insurance policy's expiration date. Failure to maintain the Required Insurance policies, or to provide evidence of renewal, is a material breach of this Contract.

6.4.3. County may at any time require Contractor to provide a complete copy of any Required Insurance policy or endorsement. Note: Contractors for larger projects must provide actual copies of the additional insured and subrogation endorsements.

6.4.4. All insurance certificates must be sent directly to the appropriate County Department.

6.5. Approval and Modifications. County's Risk Manager may modify the Insurance Requirements at any point during the Term of this Contract. This can be done administratively, with written notice from the Risk Manager and does not require a formal Contract amendment. Neither the County's failure to obtain a required insurance certificate or endorsement, the County's failure to object to a non-complying insurance certificate or endorsement, nor the County's receipt of any other information from the Contractor, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

**7. Indemnification.** To the fullest extent permitted by law, Contractor will defend, indemnify, and hold harmless County and any related taxing district, and the officials and employees of each of them (collectively, "Indemnitee") from and against any and all claims, actions, liabilities, losses, and expenses (including reasonable attorney fees) (collectively, "Claims") arising out of actual or alleged injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by any act or omission of Contractor or any of Contractor's directors, officers, agents, employees, volunteers, or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Indemnitee will, in all instances, except for Claims arising solely from the acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all Claims. Contractor is responsible for primary loss investigation, defense and judgment costs for any Claim to which this indemnity applies. This indemnity will survive the expiration or termination of this Contract.

## **8. Laws and Regulations.**

8.1. Compliance with Laws. Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders.

8.2. Licensing. Contractor warrants that it is appropriately licensed to provide the services under this Contract and that its subcontractors will be appropriately licensed.

8.3. Choice of Law; Venue. The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Contract. Any action relating to this Contract must be filed and maintained in the appropriate court of the State of Arizona in Pima County.

**9. Independent Contractor.** Contractor is an independent contractor. Neither Contractor, nor any of Contractor's officers, agents or employees will be considered an employee of County for any purpose or be entitled to receive any employment-related benefits, or assert any protections, under County's Merit System. Contractor is responsible for paying all federal, state and local taxes on the compensation received by Contractor under this Contract and will indemnify and hold County harmless from any and all liability that County may incur because of Contractor's failure to pay such taxes.

**10. Subcontractors.** Contractor is fully responsible for all acts and omissions of any subcontractor, and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts any of them may be liable, to the same extent that the Contractor is responsible for the acts and omissions of its own employees. Nothing in this Contract creates any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law. For clarity and avoidance of doubt, Contractor's network providers are not Subcontractors as defined herein.

- 11. Assignment.** Contractor may not assign its rights or obligations under this Contract, in whole or in part, without the County's prior written approval. County may withhold approval at its sole reasonable discretion. A change in control of the Contractor is not an assignment under this Contract.
- 12. Non-Discrimination.** Contractor will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this contract, including flow-down of all provisions and requirements to any subcontractors. During the performance of this Contract, Contractor will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.
- 13. Americans with Disabilities Act.** Contractor will comply with Title II of the Americans with Disabilities Act (Public Law 110-325, 42 U.S.C.§§ 12101-12213) and the federal regulations for Title II (28 CFR Part 35).
- 14. Authority to Contract.** Contractor warrants its right and power to enter into this Contract. If any court or administrative agency determines that County does not have authority to enter into this Contract, County will not be liable to Contractor or any third party by reason of such determination or by reason of this Contract.
- 15. Full and Complete Performance.** The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Contract, or to take any action based on the other party's failure to completely and satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this Contract, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.
- 16. Cancellation for Conflict of Interest.** This Contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.
- 17. Termination by County.**
- 17.1. Without Cause. County may terminate this Contract at any time without cause by notifying Contractor, in writing, at least 30 days before the effective date of the termination. In the event of such termination, County's only obligation to Contractor will be payment for services rendered prior to the date of termination.
- 17.2. With Cause. County may terminate this Contract at any time without advance notice and without further obligation to County when County finds Contractor to be in default of any provision of this Contract.
- 17.3. Non-Appropriation. Notwithstanding any other provision in this Contract, County may terminate this Contract if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than to pay for services rendered prior to termination.
- 18. Notice.** Any notice required or permitted to be given under this Contract must be in writing and be served by personal delivery or by certified mail upon the other party as follows:
- |  |  |
|--|--|
| County:  | Contractor:  |
| Mary Jo Furphy, Procurement Director   | Scott Hamey, Executive Vice President  |
| Pima County Procurement  | Strategy and Manufacturing   |
| 150 W. Congress Street 5 <sup>th</sup> Floor                                       | 881 Elkridge Landing Road, #300  |
| Tucson, AZ 85701   | Linthicum, MD 21090  |
| (520) 724-8198, <a href="mailto:Maryjo.Furphy@pima.gov">Maryjo.Furphy@pima.gov</a> | 800-328-7488, <a href="mailto:scott.hamey@versanthealth.com">scott.hamey@versanthealth.com</a> |
- 19. Non-Exclusive Contract.** Contractor understands that this Contract is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.



**20. Remedies.** Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

**21. Severability.** Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

**22. Use of County Data.** Unless it receives County's prior written consent, Contractor: (a) shall not access, process, or otherwise use County Data other than as necessary to provide contracted services or products; and (b) shall not intentionally grant any third party access to County Data, including without limitation Contractor's other customers, except subcontractors that are subject to a reasonable nondisclosure agreement. Notwithstanding the foregoing, Contractor may disclose County Data as required by applicable law or by proper legal or governmental authority. Contractor shall give County prompt notice of any such legal or governmental demand and reasonably cooperate with County in any effort to seek a protective order or otherwise to contest such required disclosure, at County's expense. Upon termination or completion of the Contract, Contractor will, within 60 calendar days, either return all County Data to County or will destroy County Data and confirm destruction to County in writing. As between the parties, County retains ownership of County Data. "County Data" means data in electronic or paper form provided to Contractor by County, including without limitation personal identifying information as defined in A.R.S. § 13-2001(10).

**23. Books and Records.** Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County. In addition, Contractor will retain all records relating to this Contract for at least five (5) years after its expiration or termination or, if later, until any related pending proceeding or litigation has concluded.

#### **24. Public Records.**

24.1. Disclosure. Pursuant to A.R.S. § 39-121 et seq., all documents submitted in response to the solicitation resulting in award of this Contract, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents, are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.

24.2. Records Marked Confidential; Notice and Protective Order. If Contractor reasonably believes that some of its records contain proprietary, trade-secret or otherwise-confidential information, Contractor must prominently mark those records "CONFIDENTIAL" before submitting them to County. In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Contractor of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Contractor has, within that period, secured an appropriate order from a court of competent jurisdiction in Arizona, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.

#### **25. Legal Arizona Workers Act Compliance.**

25.1. Compliance with Immigration Laws. Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract likewise complies with the State and Federal Immigration Laws.

25.2. Books & Records. County has the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

25.3. Remedies for Breach of Warranty. Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Contractor.

25.4. Subcontractors. Contractor will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 25 by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

**26. Counterparts.** The parties may execute the Contract that County awards pursuant to the solicitation in any number of counterparts, each counterpart is considered an original, and together such counterparts constitute one and the same instrument.

**27. Israel Boycott Certification.** Pursuant to A.R.S. § 35-393.01, if Contractor engages in for-profit activity and has 10 or more employees, and if this Contract has a value of \$100,000.00 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. The certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

**28. Amendment.** The parties may modify, amend, alter or extend this Contract only by a written amendment signed by the parties.

**29. Entire Agreement.** This document, together with the insurance certificate and any applicable insurance documents, constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Contract supersedes all prior or contemporaneous agreements and understandings, oral or written to the extent not inconsistent with the terms of the insurance certificate or any applicable insurance documents.

This Contract will become effective when all parties have signed it. The effective date of the Contract will be the date this Contract is signed by the last party (as indicated by the date associated with that party's signature).

IN WITNESS WHEREOF, the parties have approved this Professional Services Contract and agree to be bound by the terms and conditions of the Contract on the dates written below.

**PIMA COUNTY**

\_\_\_\_\_  
Chairman, Board of Supervisors

\_\_\_\_\_  
Date

**CONTRACTOR**

*Jeff Hermsillo*  
\_\_\_\_\_

Authorized Officer Signature

\_\_\_\_\_  
Jeff Hermsillo, Executive Vice President

Printed Name and Title

\_\_\_\_\_  
December 18, 2020

Date

**ATTEST**

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Date

**APPROVED AS TO FORM**

*Tiffany Tom*  
\_\_\_\_\_

Deputy County Attorney

\_\_\_\_\_  
Tiffany Tom

Print DCA Name

\_\_\_\_\_  
12/23/2020

Date

**APPROVED AS TO CONTENT**

*[Signature]*  
\_\_\_\_\_

Department Head

*12/28/2020*  
\_\_\_\_\_

Date

**1. GENERAL INFORMATION**

- 1.1. Contractor will provide County with the services below for the administration of an Employee Prepaid Vision insurance benefits (the "Plan"). This is optional and offered to benefit eligible employees as defined by Pima County Merit System Rules and Personnel Policies. All costs will be borne by the employees through payroll deductions. The County makes no guarantee regarding the actual number of employees that will choose to participate in the Plan.
- 1.2. The current plan document can be found at:  
<https://webcms.pima.gov/cms/One.aspx?portalId=169&pageId=34918>
- 1.3. Contractor agrees to render, or cause to be rendered, services under the Contract only to individuals who have been certified as eligible by County through its representative(s).
- 1.4. County will have the sole responsibility and authority to determine eligibility for group vision insurance benefits. Eligibility is defined to include; defining who is eligible, waiting periods, effective dates, etc. Such eligibility criteria will be set forth in either the approved Pima County Personnel Policies and/or the Pima County Administrative Procedures. County may at any time revise such policies and/or procedures either to conform to Federal or State laws or as it deems appropriate in order to conduct the business of County government. Any changes to either the policies and/or procedures as they relate to this Contract will be forwarded to Contractor no later than thirty (30) calendar days following their approval.
- 1.5. Definitions of employee eligibility for insurance coverage, insurability of dependents, qualifying events due to family and employment status changes and insurance while on leave of absence, can be found in Pima County Personnel Policy 8-122, Group Insurance. This policy is incorporated by reference, subject to change as amended by the Pima County Board of Supervisors and is posted on the Pima County Human Resources webpage at:  
[http://webcms.pima.gov/government/human\\_resources/](http://webcms.pima.gov/government/human_resources/)

**2. PLAN ADMINISTRATION**

- 2.1. Contractor will establish quality assurance standards, control processes and procedures for the assurance of compliance with standards.
- 2.2. Contractor must treat all information gathered, created, generated or acquired in their performance under this Contract as confidential. Contractor will notify County immediately if there are any breaches of confidential information. Any breach of information is subject to cancellation of Contract and Contractor shall be held liable for damages.
- 2.3. Contractor's plan must conform to all Federal and States laws. Contractor must maintain compliance with all applicable Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules as a covered entity or business associate, as applicable. Individuals, organizations and agencies that meet the definition of a covered entity under HIPAA shall comply with the Rules' requirements to protect the privacy and security of health information and shall provide individuals with certain rights with respect to their health information.
- 2.4. Contractor must use County's Employee Identification Numbers for all tracking of members.
- 2.5. Contractor must maintain records, or cause to be maintained records of care and services provided to each patient, consistent with professional requirements and State law. The records must indicate at least the date of each visit, charges, name of provider, the diagnosis, the treatment and any other data that the provider deems necessary for the patient's proper care and treatment.
- 2.6. Contractor will allow County or its designated third party agent to audit performance under the Contract. Any travel, room and board costs of the auditors will be at the County's expense. The County may review Contractor's SSAE 16 (SAS70) report in lieu of performing on-site audits. The SSAE 16 is an in-depth audit of processes and practices by an external auditing firm.
- 2.7. Annual Enrollment for benefits is held at least once a year and is scheduled by Human Resources. This is a specified period during which an eligible employee may enroll in, make changes to dependents, or cancel vision benefits. County reserves the right to declare no less than one Annual Enrollment period per Contract period to take place prior to the Contract effective date. While it is County's intent to have only one Annual Enrollment period during the year, County reserves the right to allow individual

employees who have had specific problems with Contractor (e.g. inadequate care or services, etc.) to change tiers or cancel during the Contract year. County will give Contractor prior notice of such enrollment changes. No late entrance penalties shall apply.

- 2.8. Contractor agrees to include in their provider agreements provisions that the provider will, upon request of the patient, release the patient's record at no cost to the patient or to anyone whom the patient gives authorization.
- 2.9. Contractor shall notify claimants of rejected services and provide the reason for rejection.
- 2.10. Contractor must provide financially based performance guarantees to assure a high level of service.

### **3. CUSTOMER SERVICE AND COMMUNICATIONS**

- 3.1. Contractor must provide well-trained, skilled service representative and convenient online services for plan members.
- 3.2. Contractor must have qualified and experienced representatives attend and present vision information (such as Plan changes for the following year, how to utilize the Plan most effectively, etc.) at Annual Enrollment Seminars and Health Fairs, if applicable. Typically there are 10-15 fairs a year from May through June held in different locations around Pima County. In addition, Contractor will provide a video, hold webinars, conference calls and/or virtual meetings, as needed, to explain Plan benefits to employees.
- 3.3. Contractor will draft, produce and mail, subject to County review and approval, all communication and marketing materials including but not limited to; brochures, certificates or coverage, ID cards, Plan summaries, provider listings, administrative forms, applications, enrollment forms, change portability forms and any other forms required for proper administration of the Plan. County shall bear no financial responsibility for the cost of printing or mailing of documents. Such documents must be produced in sufficient quantities to meet the needs of existing and future employees. Applicable documents must be available electronically for posting on the County's intranet and internet websites. ID cards, certificates of coverage and new member packets must be mailed by the Contractor to the plan members' addresses within fourteen (14) calendar days following receipt of the enrollment and change forms.
- 3.4. Contractor must assign a dedicated Senior Account Manager who has the authority to respond to County's needs and questions in a timely manner. The Senior Account Manager must be able to make decisions or report to a person who can make decisions concerning process changes as required in servicing County's account. The Senior Account Manager is expected to maintain an up-to-date understanding and knowledge of County's account and the Contractor's account management. The Senior Account Manager must be capable of answering questions regarding eligibility, enrollment, services and/or administration. Contractor must make provisions for the Senior Account Manager to attend any special meetings scheduled by County.
- 3.5. Contractor must provide customer service by trained staff through a toll-free phone number available (at a minimum) from 8:00 A.M. to 5:00 P.M. Mountain Standard Time (Arizona), Monday through Friday. The customer service staff shall be appropriately trained in the specific technical issues of the County's account and be able to handle questions about provider locations, discrepancies, disputes and copays. Contractor must have staff capacity adequate to respond to employees in a timely manner. Contractor must randomly review phone calls to ensure excellent service, including complete and accurate Plan information is provided. This customer service will be available, at the Contractor's expense, during the Annual Enrollment period preceding the effective date of the Contract.
- 3.6. Contractor must be capable of recording, investigating and resolving administrative problems, service related problems or other complaints reported by Plan members and/or representatives.
- 3.7. Contractor must have a website where Plan members may retrieve fast and secure access to specific vision benefit information including the locations of providers, benefits summary, cost estimators for procedures, other online tools, etc.

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#### **4. NETWORK OF PROVIDERS**

- 4.1. Contractor must assure that each provider under the Plan is licensed by the State of Arizona as required by law. Contractor must also assure that each provider shall render services to the best of his/her ability and shall maintain the ethical standard required in the care and treatment of his/her patients. The character and privilege of the doctor/patient relationship shall be maintained at all times, except that Contractor agrees to waive all privileges in the event of 1) any dispute concerning the adequacy of the care Contractor rendered or caused to be rendered, or 2) the conduct of a professional audit.
- 4.2. Contractor must provide County with advance written notification of change of providers. Contractor will ensure vision network of contracted providers is current, maintained and updated on a consistent basis. A directory must be available online and should be updated daily with changes.
- 4.3. Contractor must have and maintain a comprehensive credentialing process of all providers that includes:
  - 4.3.1. Primary source verification of the vision license to confirm active status and to uncover any disciplinary action.
  - 4.3.2. Verification of malpractice insurance.
  - 4.3.3. Review of any license disciplinary action or malpractice suit information discovered.
  - 4.3.4. Query of National Practitioner Data Bank (NPDB) and Healthcare Integrity and Protection Data Bank (HIPDB), if applicable.
  - 4.3.5. Re-credentialing of providers periodically to make sure they continue to perform within accepted parameters.

#### **5. REPORTS AND BILLINGS**

- 5.1. The County currently uses Automatic Data Processing, Inc. (ADP) HR Outsourced Benefits Administration (OBA) for an employee benefits administration system. Contractor must receive and process enrollment and change files from that automated system. In most cases, there are no additional charges for ADP to complete programming to Contractor specifications, however if extensive programming is required, Contractor will assume all associated costs.
- 5.2. Contractor must provide County with statistical reports which detail Plan activity. The reports shall include premiums paid, use of providers, etc. Utilization reports shall show quarter-to-date and Plan-to-date usage for employees, dependents and total members and shall differentiate between employees and COBRA enrollees.
- 5.3. Comprehensive reporting packages that track the performance of the Plan must be available at any time upon request and at no additional cost. This includes but is not limited to; in-network utilization summaries, in-network vs. out-of-network claims, average enrollment/membership counts, patient satisfaction results, member website usage, lens option utilization, member savings reports, industry benchmarking, custom development of client-specified reporting formats, GeoAccess reports and provider directories.
- 5.4. County self-bills and pays monthly, per number of members in each tier, based on ADP/OBA enrollment. Contractor agrees that the reporting provided by County's eligibility system will serve as the supporting detailed for payments submitted including enrollment counts by tier. Contractor reserves the right to audit and investigate significant discrepancies. Contractor will coordinate with benefits and COBRA administrator to ensure that electronic file transmission from on-line benefits enrollment/eligibility systems transfer properly and contain accurate and complete data. Contractor will be responsible for conducting any billing reconciliations it deems necessary and appropriate. Contractor will be required to accept from County electronic eligibility, enrollment coverage verification and premium files needed to administer the Plan. Contractor must also accept and process eligibility files in a mutually agreed upon format and timeline. Contractor must generate an electronic Exception Report for the County within five (5) working days after processing the data from each file.

#### **6. TRANSITION**

- 6.1. Contractor will educate County staff on Plan benefits and administrative procedures prior to Annual Enrollment including preceding the effective date of the Contract.

- 6.2. Contractor will coordinate with ADP to establish eligibility file transmission connectivity and complete all testing to ensure that all enrollments are activated in Contractor's system by early June to be effective July 1<sup>st</sup>.
- 6.3. Actively at work provisions shall be waived for transition of coverage, during the initial Annual Enrollment period. An employee shall be actively at work on the date Contractor's vision plan is to go into effect. Contractor shall waive the actively at work provision for any employee who was insured with the employer's prior group plan on the day before the Plan becomes effective. Contractor shall waive the actively at work requirement for plan members under COBRA continuation as well.
- 6.4. Takeover shall be on a "no-loss, no-gain" basis; that is, no individual shall lose coverage or be subject to new evidence of insurability application solely on the basis of a change in carrier.
- 6.5. At the termination of this agreement, should a different Contractor be selected to provide these services, a coordination team shall be formed. The team will plan and manage those actions required to achieve a smooth, efficient and orderly transition and provision of services from the current to the subsequent service provider. This team shall consist of competent representatives, as determined by the County, the Contractor and subsequent service provider to transition these services as required to avoid and minimize frequency and duration of any preventable service interruptions and costs.

## **7. COUNTY DUTIES**

- 7.1. County will provide Contractor with a list of eligible individuals via the County's online benefits administration system (ADP/OBA).
- 7.2. County will promote the Plan to all eligible employees during new employee orientation briefings and during Annual Enrollment.
- 7.3. County will be responsible for maintaining demographic enrollment/changes in its online benefits enrollment system, through ADP/OBA.
- 7.4. County will assist Contractor with problems relative to eligibility for the Plan. The County shall be the final determinant for all eligibility issues.
- 7.5. County will be responsible for making any necessary payroll deductions for payment of premiums earned by Contractor. Such payroll deductions shall be in the form and frequency as determined by County. For individuals who don't receive a payroll check from County, such as COBRA beneficiaries and/or employees who are on approved leaves of absence, County or its agent shall be responsible for remitting their premium payments to Contractor. Such remittance of premiums shall be on a self-billed basis.
- 7.6. County will produce monthly invoices in accordance with eligibility in the ADP/OBA system. County will forward the premium payment for active employees and COBRA enrollees (equal to the monthly premium billing for all coverage in force) once a month to Contractor.
- 7.7. County will research and resolve problems brought to the County's attention by Contractor. Types of problems include untimely premium payment, inability to obtain eligibility lists, etc.
- 7.8. County maintains the right to accept, reject or cancel the Contract at any time, if there is a significant change, in the County's opinion, in the Contractor's operation of the Plan, including but not limited to, satisfaction with customer and client service quality of the Plan.

**END OF EXHIBIT A**

**EMPLOYEE PREPAID VISION PLAN  
EXHIBIT B: PREPAID VISION FEE SCHEDULE (1 PAGE)**

All benefit premiums will only change as listed below on July 1st of each year. Each rate must include all services as listed in the Scope of Work and Plan Document. No member enrollment requirement will be allowed, enrollment is an estimate only. The County will self-administer premiums and will produce monthly invoices based on current enrollment. Premiums will be paid monthly. The Contractor must have the ability to accept electronic fund transfers. All premiums are per tier/enrollment.

Tier	Description	Estimated Enrollment	Monthly Premium Year 1 2021/2022	Year 1 Extended Cost	Monthly Premium Year 2 2022/2023	Year 2 Extended Cost	Monthly Premium Year 3 2023/2024	Year 3 Extended Cost	Monthly Premium Year 4 2024/2025	Year 4 Extended Cost	Monthly Premium Year 5 2025/2026	Year 5 Extended Cost
1	Employee Only	1766	\$ 6.07	\$ 128,635.44	\$ 6.07	\$ 128,635.44	\$ 6.07	\$ 128,635.44	\$ 6.07	\$ 128,635.44	\$ 6.07	\$ 128,635.44
2	Employee + Spouse	724	\$ 9.66	\$ 83,926.08	\$ 9.66	\$ 83,926.08	\$ 9.66	\$ 83,926.08	\$ 9.66	\$ 83,926.08	\$ 9.66	\$ 83,926.08
3	Employee + Child(ren)	492	\$ 11.60	\$ 68,486.40	\$ 11.60	\$ 68,486.40	\$ 11.60	\$ 68,486.40	\$ 11.60	\$ 68,486.40	\$ 11.60	\$ 68,486.40
4	Employee + Family	941	\$ 12.92	\$ 145,892.64	\$ 12.92	\$ 145,892.64	\$ 12.92	\$ 145,892.64	\$ 12.92	\$ 145,892.64	\$ 12.92	\$ 145,892.64
			Year 1 Total	\$ 426,940.56	Year 2 Total	\$ 426,940.56	Year 3 Total	\$ 426,940.56	Year 4 Total	\$ 426,940.56	Year 5 Total	\$ 426,940.56
											<b>Years 1-5 Total Price Proposed</b>	\$ 2,134,702.80