SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: Blue Cross Blue Shield ASO Agreement Amendment (Staff recommends approval).
REQUESTED ACTION: **Board Approval of Agreement**

☐ Work Session (Report Only) **DATE OF MEETING:** August 28, 2012
☒ Regular Meeting ☐ Special Meeting

CONTRACT: ☐ N/A Vendor/Entity: Blue Cross Blue Shield of Florida, Inc.
Effective Date: Sept. 1, 2012 Termination Date:
Managing Division / Dept: Support Services

BUDGET IMPACT: No Budget Impact
☒ Annual **FUNDING SOURCE:** Health Fund
☐ Capital **EXPENDITURE ACCOUNT:**
☐ N/A

HISTORY/FACTS/ISSUES:
Since October 2003, Florida Blue (formally Blue Cross Blue Shield of Florida, Inc.) has provided Administrative Services (ASO) for the Sumter County Health Plan. Attached for review is the Amendment to Administrative Services Agreement which outlines the following changes to the current ASO agreement. There are no monetary changes to the current agreement.

- BlueCard Disclosure Language - The Blue Cross Blue Shield Association has enhanced clarification of disclosure for member liability calculation and Inter-Plan program fee payment practices of BCBSA Licensees.
- Florida Blue Trade Name - Our new trade name Florida Blue has been incorporated into your Administrative Services Agreement as "Blue Cross and Blue Shield of Florida, Inc., d/b/a Florida Blue."
- Trade Secret, Propriety and/or Confidential - Addition of a new section that outlines your agreement to protect information received from Florida Blue that is considered trade secret, proprietary and/or confidential.
- Pharmacy (if applicable) - Florida Blue made an update to the Pharmacy language to make the pharmacy rebates applicable to other vendors as well.
- Claims Processing and Payment related to Value Based Reimbursement and Bundled Arrangements - Florida Blue is implementing provider incentive programs that reward providers for medical cost savings and high quality patient centered coordinated care and updated language is included to support such arrangements, Likewise, Florida Blue has included updated language to support bundled payment arrangements where Florida Blue will make a single bundled payment for an entire episode of care to a primary provider and the primary provider will be responsible for payment to downstream providers who rendered services in support of the episode.

Staff recommends approval of the Amendment to Administrative Services Agreement.