

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
Net Fiscal Impact	<u>\$0*</u>	_____	_____	_____	_____

ADDITIONAL FTE POSITIONS (Cumulative) _____

Is Item Included In Current Budget?	Yes	_____	No	<u>X</u>	
Does this item include the use of Federal funds?	Yes	_____	No	<u>X</u>	
Does this item include the use of State funds?	Yes	_____	No	<u>X</u>	
Budget Account	Exp No.:	Fund <u>5012</u>	Dept <u>700</u>	Unit <u>7312</u>	Obj <u>3401</u>
	Rev No.:	Fund _____	Dept _____	Unit _____	Obj _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

*\$367,764 of funds received will be passed to employees via a premium credit. The remaining \$68,788 is a credit to claims expense.

C. Departmental Fiscal Review: [Signature]

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

ASD 11/9/23
QA 11/9 OFMB DA 11/9

[Signature] 11/9/23
 Contract Dev. and Control
 11/9/23

B. Legal Sufficiency:

[Signature] 11-14-23
 Assistant County Attorney

C. Other Department Review:

 Department Director

SETTLEMENT AGREEMENT

This Settlement Agreement is made as of the __ day of _____, 2023, by and between Palm Beach County, a Political Subdivision of the State of Florida, by and through its Board of Commissioners, hereinafter referred to as the COUNTY, and United HealthCare Services, Inc., located at 9900 Bren Road East, Minnetonka, MN 55343, a Minnesota Corporation authorized to do business in the State of Florida, hereinafter referred to as the CONTRACTOR.

WHEREAS, the COUNTY offers medical benefits to its employees, its employees' dependents, and certain retirees through a self-funded, non-Federal governmental group health plan (hereafter referred to as the "Plan"); and

WHEREAS, CONTRACTOR provides certain administrative services for the Plan pursuant to the Contract for Employee Self-Funded Medical Benefits Plan ("Contract No. 22-076/MD") between CONTRACTOR and the COUNTY; and

WHEREAS, an issue has arisen between the COUNTY and CONTRACTOR ("Party" or "Parties") related to CONTRACTOR'S performance of its administrative services under Contract No. 22-076/MD as amended (the "Issue"); and

WHEREAS, this Issue relates to an implementation error that occurred related to members who elected the United Open Access CHOICE Plan (CHOICE). As a result, the Parties agree that the COUNTY incurred costs totaling \$436,552 ("Settlement Amount"); and

WHEREAS, said Settlement Amount consists of the following allocation:

- Premium difference for the 2023 calendar year of \$367,764 (difference between premium for Neighborhood Health Partnership Plan (NHP or HMO) and CHOICE Plan;
- Six (6) months of claims calculated in accordance with CONTRACTOR'S methodology of \$68,788;
- Total = \$436,552.

NOW, THEREFORE, the Parties agree that:

1. For and in consideration of a credit of the Settlement Amount applied toward any and all fees owed by the COUNTY to CONTRACTOR, the COUNTY unconditionally releases and forever discharges CONTRACTOR, United HealthCare Services, Inc., its principals, agents, affiliates and representatives from any and all rights, claims, demands, and damages of any kind, known or unknown, existing or arising in the future, resulting from or related to the Issue.
2. The COUNTY acknowledges that the Settlement Amount shall constitute a full and final release and discharge regarding all issues arising out of the Issue.
3. The COUNTY acknowledges that CONTRACTOR'S obligations to credit the COUNTY the Settlement Amount as set forth herein will not take effect until this Settlement Agreement has been executed by CONTRACTOR and the COUNTY, and a fully executed copy provided by the COUNTY to the CONTRACTOR'S representative, Mr. Brian Garrison.

4. Any ambiguity in or dispute regarding the interpretation of this Settlement Agreement shall not be resolved by any rule of interpretation providing for interpretation against the Party that causes the uncertainty to exist or against the drafting Party.
5. This Settlement Agreement contains all of the terms and conditions of and is the entire understanding of the Parties with regard to the settlement of the Issue. No change or modification to this Settlement Agreement shall be binding on any Party unless it is in writing and executed by all Parties.
6. Each Party acknowledges that it has chosen to enter into this Settlement Agreement without relying on any representation of any other Party, other than those representations explicitly set forth in this Settlement Agreement.
7. This Settlement Agreement is a compromise of the Issue. The terms and conditions of this Settlement Agreement are not to be construed as an admission of liability or wrongdoing by any of the Parties, or as concession by either Party as to the correctness or incorrectness of either Party's position concerning the Issue. Furthermore, the terms and conditions of this Agreement are not to be construed as precedent setting but relate solely to the specific facts and circumstances surrounding this issue. The Parties acknowledge that they enter into this Settlement Agreement in good faith and for no collusive purpose.
8. This Settlement Agreement shall be governed by the laws of the State of Florida, and any action to enforce this Settlement Agreement shall be brought in a court of competent jurisdiction in Palm Beach County, Florida.
9. The undersigned warrant that they have full authority to sign this Settlement Agreement and bind the COUNTY and CONTRACTOR to the terms and conditions contained herein. The undersigned acknowledge that they have read this document, had the opportunity to discuss its contents with legal counsel, and that they understand its meaning. The COUNTY and CONTRACTOR agree to the terms of this Settlement Agreement voluntarily and with knowledge of its implications.
10. This Settlement Agreement may be executed in counter parts, which together shall be deemed one original, and delivery of copies of signatures, facsimile or electronic signatures shall be deemed of equal force as delivery of original signatures.

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Contract on behalf of the COUNTY and CONTRACTOR has hereunto set its hand the day and year above written.

ATTEST:
JOSEPH ABRUZZO
CLERK AND COMPROLLER

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS:

By: _____
Deputy Clerk

By: _____
Mayor

WITNESS:
Karen Bombard Karen Bombard
Digitally signed by Karen Bombard
Date: 2023.11.08 12:31:37 -05'00'

Signature

Karen Bombard

Name (type or print)

CONTRACTOR:
United HealthCare Services, Inc.

Company Name

John S. Aissis John Aissis
Digitally signed by John Aissis
Date: 2023.11.08 12:32:01 -05'00'

Signature

John S. Aissis

Typed Name

Assistant Secretary – General Counsel

Title

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

Helene Hvizd
Digitally signed by Helene Hvizd
DN: cn=Helene Hvizd, o=United HealthCare Services, Inc., ou=Legal, email=hhvzd@uhcs.com
By: _____
County Attorney

APPROVED AS TO TERMS AND CONDITIONS

Scott Martin
Digitally signed by Scott Martin
DN: cn=Scott Martin, o=United HealthCare Services, Inc., ou=Legal, email=smartin@uhcs.com
By: _____
Department Director