

**THE SUMMIT AND MEDINA WORKFORCE AREA COUNCIL OF GOVERNMENTS  
FOR OHIO LOCAL WORKFORCE AREA 2  
RESOLUTION 2017-05**

**A Resolution authorizing the Summit and Medina Workforce Area of Governments to enter into a Political Subdivision Participation Agreement with the County of Summit to provide County of Summit-sponsored health care programs for the Summit and Medina Workforce Area Council of Governments' employees.**

**WHEREAS**, the Summit and Medina Workforce Area Council of Governments (SAMWA COG) is the entity which employs staff to carry out the responsibilities of the Summit/Medina Workforce Development Board to achieve the mandates of the Workforce Innovation and Opportunity Act of 2014 (WIOA) in Ohio Local Workforce Area 2 (Area 2);

**WHEREAS**, the County of Summit sponsors several health care programs that provide several health insurance and prescription drug programs, including an Employee Assistance Program, to its employees;

**WHEREAS**, County of Summit Council Resolution 2015-423 authorizes the County of Summit Executive to execute a Political Subdivision Participation Agreement ("Participation Agreement") with any Ohio political subdivisions that wish to participate in the County's Regionalization Program for County-sponsored health care programs ("Regionalization Program");

**WHEREAS**, the County of Summit has further determined that a Political Subdivision's participation in the Regionalization Program shall be operated on a cost-neutral basis to the County of Summit and that accordingly, the SAMWA COG shall pay the rates, fees and costs as set forth in the Participation Agreement, and;

**WHEREAS**, in order to participate in the Regionalization Program, the SAMWA COG must execute a Participation Agreement and be bound by its terms and conditions and by the terms and conditions of the County of Summit's Summary Plan Document, the County's contract with its Claims Administrator and the County's contract with its Stop Loss Insurance Provider;

**NOW, THEREFORE, BE IT RESOLVED**, by the SAMWA COG that:

**SECTION 1**

The SAMWA COG is hereby authorized to execute a Political Subdivision Participation Agreement, hereto attached as Resolution Exhibit A," with the County of Summit, thus allowing SAMWA COG employees to participate in the Regionalization Program for County of Summit-sponsored health care programs.

**SECTION 2**

Upon a SAMWA COG staff member's hire and/or start date of work, The SAMWA COG's Fiscal Agent shall pay the Regionalization Program rates, fees, and costs, as set forth in the Participation Agreement, with Area 2 WIOA Administration funds.

SECTION 3:

This Directive shall take effect immediately upon its adoption.

Ayes: 2

Nays: 0

Abstain: 0

Absent: 0

ADOPTED, this 6<sup>th</sup> day of March, 2017.



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Summit County Executive



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Medina County Commissioner

**COUNTY OF SUMMIT, OHIO  
REGIONALIZATION PROGRAM**

**POLITICAL SUBDIVISION PARTICIPATION AGREEMENT**

**THIS POLITICAL SUBDIVISION PARTICIPATION AGREEMENT** is made as of the last date of signature below between the Summit and Medina Workforce Area Council of Governments (the "Political Subdivision"), with its principal place of business located at 191 S. Main Street, Akron, OH 44308, by its Board of Directors, and the County of Summit, Ohio (the "County"), with its principal place of business at 175 S. Main Street, Akron, Ohio 44308, by its Executive, duly authorized by County Council Resolution Nos. 2009-472 and 2015-423.

**WITNESSETH:**

WHEREAS, the County sponsors several health insurance, prescription drug, dental, vision, life and worksite programs, including an Employee Assistance Program ("EAP"), which it has determined should be made available to employees of Political Subdivisions in Ohio; and

WHEREAS, the County has further determined that a "Regionalization Program" shall be created in which Political Subdivisions in Ohio may participate in order to further this purpose; and

WHEREAS, the County has further determined that a Political Subdivision's participation in the Regionalization Program shall be operated on a cost-neutral basis to the County and that accordingly, the participating Political Subdivision shall pay the rates, fees and costs as set forth in this Political Subdivision Participation Agreement; and

WHEREAS, in order to participate in the Regionalization Program, a Political Subdivision must execute this Political Subdivision Participation Agreement and be bound by its terms and conditions and by the terms and conditions of the County's Summary Plan Document, the County's contract with its Claims Administrator and the County's contract with its Stop Loss Insurance Provider;

NOW THEREFORE, in consideration of the mutual covenants, promises, conditions and terms to be kept and performed, the Political Subdivision and the County hereby 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 Section 1.1 shall have the meanings ascribed to them in Section 1.1, 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) "Administrative Fee" means the fee charged by the County to a Political Subdivision for administration of the Regionalization Program. The Administrative Fee will be set by the County for any self-funded Political Subdivision based upon the services selected.

(b) "Agreement" means this Political Subdivision Participation Agreement.

(c) "Claims Administrator" means the vendor selected by the County, which is fully-funded, to provide administrative services only related to the County-sponsored plans. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the contract between the County and its Claims Administrator, the terms and conditions of the contract between the County and its Claims Administrator shall prevail.

(d) "County" means the County of Summit, Ohio.

(e) "County-sponsored plans" means the health insurance and prescription drug programs sponsored by the County and offered to County employees.

(f) "Effective Date" means the entry date of the Political Subdivision into the Regionalization Program, on which date the employees of the Political Subdivision shall be entitled to participate in the County-sponsored plans. This date may or may not coincide with the County's effective date of coverage (January 1<sup>st</sup>), but will always renew at the County's effective date of coverage (January 1<sup>st</sup>).

(g) "Fully-funded equivalent rate" means the annual rate charged by the County to a fully-funded Political Subdivision for the County-sponsored programs that is equivalent to the rate that would be paid by the Political Subdivision as if it were self-funded and includes the Administrative Fee.

(h) "Fully-funded Political Subdivision" means a Political Subdivision that fully insures its employees for health care.

(i) "Political Subdivision" means any entity located in the State of Ohio that is authorized by the Ohio Revised Code to offer health insurance programs to its employees and to execute an inter-governmental agreement. The County retains sole determination as to whether a Political Subdivision will qualify for entry into the Regionalization Program.

(j) “Regionalization Program” means the County’s program that permits employees of Political Subdivisions in the State of Ohio to participate in County-sponsored programs.

(k) “Risk Surcharge” means a fee charged by the County to a Political Subdivision based upon its risk profile up to a maximum of 15% of the fully-funded equivalent regionalization rate.

(l) “Self-funded Political Subdivision” means a Political Subdivision that is self-funded with regard to employee health insurance, regardless of the number of employees.

(m) “Stop Loss Insurance Provider” means the vendor selected by the County, which is fully funded, to provide reinsurance to limit the amount paid by the County for each person’s health care, the individual limit, and the County’s total expenses for the insurance of all employees in the group, the group limit. Participating Political Subdivisions will be covered by this insurance and its individual and group limits. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the contract between the County and its Stop Loss Insurance Provider, the terms and conditions of the contract between the County and its Stop Loss Insurance Provider shall prevail.

(n) “Summary Plan Document” means the County of Summit’s Employee Health Benefit Plan, which is effective January 1, 2017 through December 31, 2017 and any successor plan, which will be effective January 1, 2017 and thereafter for as long as the plan is in place. The terms and conditions of the Summary Plan Document govern the County-sponsored plans. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Summary Plan Document, the terms and conditions of the Summary Plan Document shall prevail.

(o) “Patient Protection and Affordable Care Act” (“PPACA”) or the “Affordable Care Act” (“ACA”), is a United States federal statute signed into law on March 23, 2010 whose primary goal is to increase coverage and affordability for individuals.

## 2. Plan.

2.1 Plan Offerings. The Political Subdivision acknowledges that the County retains sole discretion and determination over the plan offerings the Political Subdivision may provide to its employees. The County retains sole discretion as to the offerings within the plan and reserves the right to change the plan offerings at its discretion with written notice of the change(s) to the Political Subdivision.

2.2 Plan Selection. The County authorizes the Political Subdivision to offer

its employees the same plan that is offered to County employees.

3. Term and Termination.

3.1. Effective Date. The term of this Agreement shall commence on **March 20, 2017**

3.2. Term. The term of this Agreement shall commence upon the Effective Date and terminate on **December 31, 2019**

3.3 Change in vendors. The Political Subdivision acknowledges that the County will be required to solicit proposals from time to time for vendors for the County-sponsored programs. The Political Subdivision further acknowledges that if the County changes vendors, the Political Subdivision will be required to finish out the term of the contract with the new vendor.

3.4 Early termination/penalties. The Political Subdivision may terminate this Agreement upon 6 months written notice to the County. If the Political Subdivision elects to terminate this Agreement prior to **December 31, 2019** it shall pay the County the following penalties:

- Forfeiture of any accumulated reserves that the County may hold on the Political Subdivision's behalf, if applicable.
- Payment of Incurred But Not Reported ("IBNR") claims, regardless of the date that the claims were incurred.
- Payment of any administrative charges related to processing the IBNR claims.
- Forfeiture of any stop-loss reimbursements, if applicable.
- Any other damages or costs incurred by the County due to the early termination by the Political Subdivision.

3.5 Termination by County. The County may terminate this Agreement and participation by the Political Subdivision in the Regionalization Program immediately upon written notice to the Political Subdivision for breach of any of the duties stated in Section 5. In the event of termination of this Agreement by the County, the Political Subdivision shall assume any additional liability for claims made by its employees during its participation in the Regionalization Program and in addition, shall be required to pay the County the same penalties as in the event of an early termination pursuant to Section 3.4.

4. Services to be provided by County.

- Initial Underwriting.
- Renewal Development for the Political Subdivision's rates/fees for each calendar year.
- Group Installation including:
  - Annual benefits communication and employee meetings.

- Service and support for claims.
- Reporting under the following parameters:
  - Less than 50 Employees: 1 report per year.
  - 50-100 Employees: 2 reports per year.
  - 100+ Employees: 4 reports per year.
  - Additional Reporting will be provided at a rate of \$150.00 per hour.
- Provide a 24/7 online enrollment tool.
- Employee Assistance Program (“EAP”).
- Wellness Programming Assistance.

5. Duties and responsibilities of the Political Subdivision.

The Political Subdivision shall have the following duties and responsibilities:

- Pay the first month’s rates/fees set forth in Section 6 prior to the Effective Date.
- Political Subdivision agrees to pay the County the employer and employee portion of the rates/fees through payroll deductions.
- Pay all rates/fees on an as-billed basis, subject to adjustments and reconciliation by the County on the subsequent month’s invoice.
- Comply with the terms and conditions of the County’s Summary Plan Document and any guidelines issued by the County as the Plan Administrator.
- Use the County’s 24/7 internet-based enrollment tool.
- Comply with any Federal guidelines applicable to the County-sponsored plans.
- Comply with any eligibility audits undertaken by the County of the Political Subdivision or of its employees.
- Provide any records or reports upon demand as provided in Section 10.
- Limit the offer of benefits only to full-time employees that work at least 30 hours per week. Part-time employees and retirees are not eligible. Follow lower cost methodology for its contributions. Example: The County’s lowest cost plan must be the lowest contribution plan to the Political Subdivision’s employees.
- Comply with the terms and conditions of the County’s contract with its Claims Administrator.
- Comply with the terms and conditions of the County’s contract with its Stop Loss Insurance Provider.
- Any other duties and responsibilities necessary to maintain the Political Subdivision as a member of the Regionalization Program and to comply with the County-sponsored plans.

6. Fees.

6.1 Determination of fees.

6.1.1 Initial Underwriting. Prior to entry into the Regionalization Program, a Political Subdivision is required to go through Initial Underwriting by the County in order to: (a) determine whether a self-funded Political Subdivision

or fully-funded Political Subdivision is eligible to enter the Regionalization Program; (b) in the case of a fully-funded Political Subdivision, develop a fully-funded equivalent rate based upon sound actuarial criteria that is guaranteed from the Effective Date through **December 31, 2019** and (c) in the case of a fully-funded Political Subdivision, determine whether a Risk Surcharge, not to exceed 15% of the annual fully-funded equivalent rate shall be imposed.

In the Initial Underwriting, the County has sole discretion as to the underwriting guidelines used to determine the eligibility of a Political Subdivision. The County has the right to deny entry into the Regionalization Program for any reason.

6.1.2 Annual adjustment of fully-funded equivalent rate. On an annual basis, the County shall set a fully-funded equivalent rate for the following calendar year for the County plan. Annual fully-funded equivalent rate adjustments for the Political Subdivision will be adjusted by the same percentage as the County rates for subsequent years for the term of the agreement. In an annual fully-funded rate adjustment, the County has sole discretion as to the underwriting guidelines used to determine the fully-funded rate for the following calendar year. The County will provide written notice by November 15 of each year to a fully-funded Political Subdivision of the fully-funded equivalent rate for the following calendar year.

6.1.3 Adjustment of Administrative Fee and Risk Surcharge. On an annual basis, the County shall set the Administrative Fee to be charged to self-funded Political Subdivisions. The County shall set the Risk Surcharge, if applicable, for a fully-funded Political Subdivision for any subsequent agreements. The County has the sole discretion to set the Administrative Fee, which will be a rate set by the County based upon the services selected. The County also has the sole discretion to set the Risk Surcharge, not to exceed 15% of the annual fully-funded equivalent regionalization rate. The County will provide written notice to Political Subdivisions of the Administrative Fee and Risk Surcharge, if applicable, at the time of entry into the Regionalization Program or subsequent agreements.

6.1.4. Creation of a Stop-Loss Risk Pool. The County reserves the right to set-up and to manage its own risk pool for stop-loss for self-funded Political Subdivisions. In such event, a self-funded Political Subdivision in the Regionalization Program may join the stop-loss risk pool or purchase its own stop-loss coverage. The County shall have the right to charge a member of the risk pool a pooling charge where the member has a lower stop loss threshold than the County carries.

## 6.2 Rate/fee structure.

6.2.1 Self-funded Political Subdivisions. The rates/fees structure for



self-funded Political Subdivisions shall be as follows:

- Administrative Fee to be set by the County based upon the services selected
- Pooling Charge if the County creates a Stop-Loss Risk Pool.

6.2.2 Fully-funded Political Subdivisions. The rate structure for fully-funded Political Subdivisions shall be as follows:

- Fully-funded equivalent rate set by the County pursuant to Section 6.1.
- If applicable, a Risk Surcharge not to exceed 15% of the annual fully-funded equivalent regionalization rate.
- If the fully-funded Political Subdivision imposes a monthly surcharge on employees whose spouses have enrolled in the Political Subdivision's insurance plans where other insurance coverage is available through the spouse's employer, then, upon entry into the Regionalization Program, the Political Subdivision shall continue to collect the charge for each such employee and pay it to the County.

6.3 Rates/fees to be paid by the Political Subdivision for

**Medical:**

	Plus	Advantage	MVP
Single:	\$643.01	\$593.29	\$389.35
Family:	\$1,729.98	\$1,597.80	\$1,048.55

*\*Summit County reserves the right to re-rate if the enrollment increases greater than 10% in the year 2017.*

The first month's fees shall be paid prior to the Effective Date. Fees shall be paid on a monthly basis within 10 days of the receipt of an invoice from the County.

**2017 Dental: (these rates may change annually)**

	PPO	Value
Single:	\$24.01	\$24.01
Family:	\$71.15	\$71.15

**2017 Vision: (these rates may change annually)**

Single: \$3.47  
Family: \$9.54

**All other supplemental benefits offered to Summit County employees will be available to this Sub Division at the current rates payable by Summit County employees.**

6.4 Wellness Fund Political Subdivisions will be entitled to Wellness dollars to be used for employees covered by the plan for reimbursements based on the County's Wellness Guidelines. County of Summit Wellness Guidelines are included as Addendum I.

The following chart illustrates the Wellness budget based on employee count at time of contract:

Less than 20 full-time employee lives	\$500 per year
21-100 full-time employee lives	\$1,000 per year
101-250 full-time employee lives	\$2,500 per year
250+	\$4,000 per year

Wellness dollars must be used and submitted for reimbursement to the County by October 1 each year. Any unused funds will not carry-over to future years.

## 7. Eligibility.

7.1 General eligibility. The eligibility of employees of the Political Subdivision to participate in County-sponsored plans shall be governed solely by the Summary Plan Document of the County. All employees of the Political Subdivision must submit dependent verification upon entry to the plan. Only full-time employees of fully-funded Political Subdivisions that work at least 30 hours per week shall be eligible for benefits under the fully-funded equivalent rate through the Regionalization Program. Part-time employees and retirees of fully-funded Political Subdivisions are not eligible.

7.2. Periodic eligibility audit. The County shall have the right to conduct an audit at periodic intervals of the employees of the Political Subdivision participating in County-sponsored plans to determine their eligibility. The County may demand any information from employees of the Political Subdivision that is necessary to determine their eligibility or the eligibility of their spouses or dependents. The County reserves the right to terminate coverage of employees of the Political Subdivision or their spouses or dependents that are determined to be ineligible and to pursue appropriate civil and/or criminal remedies. The Political Subdivision agrees to cooperate with the County in any such audit and to compel its employees to provide requested information. The County further reserves the right to terminate the coverage of any employee of the Political Subdivision or the employee's spouse or dependent where the employee has refused to provide requested information.

8. Patient Protection and Affordable Care Act (“PPACA”). Any fees or penalties associated with the PPACA assessed to a Political Subdivision that participates in the Regionalization Program will be the financial responsibility of the Political Subdivision.

9. Outside Brokers, Agents and Consultants. The County of Summit will not pay commissions to outside brokers, agents or consultants related to membership in the Regionalization Program or the County-sponsored plans. If the Political Subdivision wishes to utilize any outside representation, it shall do so at its own cost and the representative shall be limited to the following roles:

- Enrollment Support.
- Education Meetings.
- Plan Analysis.

No brokers, agents or consultants shall be given the ability to resolve claim issues, which shall solely be the role of the County and its representatives.

10. Reports and Records.

10.1 Maintenance of Records and Reports.

The Political Subdivision must maintain and provide to County upon demand the following records and reports:

10.1.1. Accounting and fiscal records adequate to enable County or the State of Ohio or any duly-appointed agency to audit and administer this Agreement, the Regionalization Program and the County-sponsored plans; and

10.1.2 Other records and reports as required by the County to enable the County to comply with local, state and federal statutes and regulations.

10.2 Retention of Records. The Political Subdivision must maintain all records related to this Agreement for three years after the termination of this Agreement. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the Political Subdivision must 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.

11. Equal Opportunity Employment/Non-Discrimination.

11.1 Equal Opportunity Employer. The Political Subdivision expressly represents that it is an Equal Employment Opportunity employer as defined in and is in compliance with all Equal Employment Opportunity statutes, rules, regulations, and executive orders and amendments.

11.2 Non-Discrimination. The Political Subdivision, its employees, agents,

representatives, and any other party working on its behalf shall not discriminate in any manner in its performance under this Agreement by reason of race, handicap, color, religion, sex, age or national origin, veteran status, sexual orientation or gender identity or disability, and shall comply with all federal, State of Ohio and County non-discrimination and intimidation laws, as amended, and any applicable related rules, regulations and executive orders, as amended.

## 12. General Terms and Conditions.

12.1 Governing Law. This Agreement is to be governed by and construed in accordance with the laws of the State of Ohio. Any suit brought to enforce any provision of this Agreement or arising from this Agreement must be brought in the Summit County Court of Common Pleas.

12.2 Forum. The parties agree that the forum for any claim action arbitration, mediation, or litigation arising from this Agreement will be Summit County, Ohio. The parties agree that jurisdiction and venue for any matter involving any parties to this Agreement is proper in the Akron Municipal Court and/or the County of Summit Court of Common Pleas.

12.3 Assignment. Neither party may assign rights or delegate any obligations created by this Agreement without the prior written consent of the other party. Any assignment in violation of this Agreement is void. This Agreement must be binding upon the heirs, successors, legal representatives and permitted assigns of the parties.

12.4 Force Majeure. Neither party must 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.

12.5 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 must continue in full force and effect.

12.6 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.

12.7 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.

12.8 Notices. Every notice and demand required under the terms of this Agreement must be in writing and must be 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: Deborah S. Matz  
Director, Department of Law, Insurance  
and Risk Management  
Ohio Building, 8<sup>th</sup> Floor  
175 S. Main Street  
Akron, Ohio 44308

As to the Political Subdivision: Christine Marshall  
Director  
SAMWA COG  
191 S. Main Street  
Akron, Ohio 44308

All notices are effective upon receipt. A party may change its address by giving written notice to the other party in accordance with this Article.

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

12.10 Entire Agreement. This Agreement, including the Summary Plan Document and any guidelines issued by County as Plan Administrator, states the complete, final, and exclusive agreement of the parties concerning the subject hereof and supersede all prior oral or written agreements, representations, promises, negotiations, and other communications between the parties. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Summary Plan Document, the terms and conditions of the Summary Plan Document shall prevail.

(End of text. Execution on the following page.)

The parties hereunto have caused this POLITICAL SUBDIVISION PARTICIPATION AGREEMENT to be executed in triplicate on the last date of signature below.

**Summit and Medina Workforce  
Area Council of Governments  
"POLITICAL SUBDIVISION"**

**COUNTY OF SUMMIT, OHIO  
"COUNTY"**



By: ADAM FRIEDRICK  
Title: COMMISSIONER

Date: 6 MAR 17



By: Ilene Shapiro  
Executive

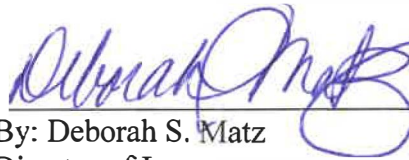
Date: 3/6/17

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By:  
Title:

Date: \_\_\_\_\_



By: Deborah S. Matz  
Director of Law,  
Insurance and Risk Management

Date: 3/6/17