- 1. Group Name: CITY OF ANN ARBOR
- 2. Group Number: 007000981
- 3 . Contract Effective Date: July 01, 1983
- 4 . ASC Funding Arrangement: Quarterly Settled Monthly Wire
- 5 . Line(s) of Business:

[X]	Facility	[X] Professional	[] Dental
[]	Facility Foreign	[] Prescription Drugs	[] Vision

[] Facility Domestic

[] Vision [] Prescription Drugs

*Domestic Facility Code(s):

6. Administrative Fees: The below administrative fees cover the Lines of Business checked in Section 5 above, unless otherwise indicated. Detter at a d Estimated

			Estimated	Estimated
		Administrative Fee	Monthly	Monthly
		<u>Per Contract Per Month</u>	<u>Contracts</u>	<u>Administrative Fee</u>
А.	Administrative Fee (Full Fixed)	\$55.73	1,451	\$80,864
B.	Additional Wellness Fees	not applicable	not applicable	not applicable
C.	Prescription Drug Accumulator Fee	not applicable	not applicable	not applicable
D.	Third-Party Stop Loss Vendor Fee	not applicable	<u>not applicable</u>	<u>not applicable</u>
	Total Administrative Fee	\$55.73	1,451	\$80,864

7. This Schedule A does not include any fees payable by Group to an Agent. If Group has an Agent Fee Processing Agreement on file with BCBSM, please refer to that agreement for fees and details.

8 . Late Payment Charges/Interest:	
A. Late Payment Charge	2%
B. Yearly Statutory Interest Charge (Simple Interest)	12%
C. Provider Contractual Interest	

9 . BCBSM Account:	<u>1840-09397-3</u>	<u>Comerica</u>	<u>0720-00096</u>
	Wire Number	Bank	American Bank Assoc

10 . Amounts billed may include BlueCard access fees.

11 . If your group contains Medicare contracts and they are being separated from the current funding arrangement, all figures within the current funding arrangement will be adjusted.

- 12 . The Group acknowledges that BCBSM or a Blue Cross and Blue Shield Plan may have compensation arrangements with providers in which the provider is subject to performance or risk-based compensation, including but not limited to withholds, bonuses, incentive payments, provider provider credits and member management fees. Often the compensation amount is determined after the medical service has been performed and after the Group has been invoiced. The Claims billed to Group include both service-based and value-based reimbursement to health care providers. Group acknowledges that BCBSM's negotiated reimbursement rates include all reimbursement obligations to providers including provider obligations and entitlements under BCBSM Quality Programs. Service-based reimbursement means the portion of the negotiated rate attributed to a particular health care service. Value-based reimbursement is the portion of the negotiated reimbursement rates and settles provider obligations on its own behalf, not Group. Group receives the benefit of BCBSM provider rates, but it has no entitlement to a particular rate or to unbundle the service-based or value-based components of Claims. See Exhibit 1 for additional information.
- 13 . BCBSM will charge an additional administrative fee if an ASC customer obtains stop-loss coverage from a third-party stoploss vendor. The additional fee will be \$6.00 per contract per month.
- 14 . If you have a Consumer-Directed Health (CDH) spending account, you may be billed a separate fee for the applicable contracts.
- 15 . Prescription drug rebate administration fees are \$0.25 per BCBSM Clinical Formulary claims that are administered by Express Scripts and up to 5.5% of gross rebates for BCBSM's Custom Formulary, Custom Select Formulary, Part D formularies, specialty drugs and other medical benefit drugs that are administered by Highmark. The administrative fee is withheld from the rebate payments received from BCBSM's rebate administrators.
- 16 . If the number of monthly contracts varies by +/- 10% from the estimate stated in 6(A), BCBSM reserves the right to change the administrative fee.

BCBSM:		THE GR	OUP:
BY:		BY:	
	(Signature)		(Signature)
NAME:		_ NAME:	
	(Print)		(Print)
TITLE:		TITLE:	
DATE:		DATE: _	
BY:		BY:	
	(Signature)		(Signature)
NAME:		_ NAME:	
	(Print)		(Print)
TITLE:		_ TITLE:	
DATE:		DATE: _	

Blue Cross Blue Shield of Michigan is an independent licensee of the Blue Cross and Blue Shield Association.

CITY	OF	ANN	ARBOR
CITY	OF	AININ	ARBUR

Group Number - 007000981