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Bartlesville, OK 74006  
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www.opehw.com

## Regular Board Meeting – Notice & Agenda

### Notice

As required by Section 311, Title 25, Oklahoma Statutes, Notice is hereby given that the Board of Review will hold a Regular Board Meeting, Thursday, January 22nd, 2026, at 10am at the ACCO Building, 429 NE 50th St, Oklahoma City, OK 73105.

### Person Filing Notice:

» Tammy Malone, Board Chairperson, Craig County Courthouse, Vinita, OK 74301, 918-256-2507.

### Remote Participation:

» Meeting Link: <https://tinyurl.com/5n97wh6v>

Meeting #: **235 953 605 546 03**

Password: **Ek6Ng3VP**

### Remote Participation Guidelines:

- » Mute your microphone or phone when not speaking.
- » All votes will be conducted by roll call.
- » Voting board members leaving the meeting early, must announce their intention to do so.
- » If a voting board member loses connection, the meeting being paused until connection is restored.

### Meeting Materials

» Visit: <http://www.opehw1.com/boardmeetingmaterials.html>.

### Agenda

Report, discussion, consideration, amendment, and appropriate action, if any, on the following:

1. Minutes of the **10/9/2025** Regular Board Meeting.
2. Minutes of the **12/22/2025** Special Board Meeting.
3. Minutes of the **1/8/2026** Special Board Meeting.
4. New Board Members.
5. Financial Position as of **11/30/2025**.
6. Results of 2024/25 Plan Year Audit.
7. Claims Position as of **12/31/2026**.
8. Woods County Lawsuit.
9. Groups Joining.
10. Insure Oklahoma Bill - SB202.
11. Script Sourcing.
12. Over 65 Active Spouses.
13. Samaritans Program.
14. By-Laws.
15. Stop Loss Contract for 2026/27 Plan Year.
16. Plan Administration Contract for 2026/27 Plan Year.
17. Medical & Dental Network Contract for 2026/27 Plan Year.
18. Actuary Study for 2026/27 Plan Year.
19. Special Assessment.
20. Benefit Changes for 2026/27 Plan Year.
21. Plan Designs with Direct Primary Care for 2026/27 Plan Year.
22. Premium Rates for 2026/27 Plan Year.
23. Open Enrollment Process for 2026/27 Plan Year.
24. New Business, unforeseen at the time of this posted Agenda.
25. Adjourn.

### Next Regular Board Meeting

» 10am - Thursday, April 9th, 2026, ACCO Building, 429 NE 50th St, Oklahoma City, OK 73105.

Posted at \_\_\_\_\_ o'clock \_\_\_\_\_ m. on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

Signed: \_\_\_\_\_



## Meeting Minutes

OPEH&W Health Plan Board of Trustees Board Meeting

ACCO Building

429 NE 50<sup>th</sup> St, Oklahoma City, OK

October 9th, 2025

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**Trustees Present:**

- Mitch Antle, Washington County
- Mike Brittingham, Pushmataha County
- Amy Gonzalez, Cimarron County
- Matt Jacobson, OMAG – Attended Virtually
- Emily Lee, Kingfisher County
- Kristie Moles, Pawnee County
- Gary Nielsen, Harper County
- CJ Rose, Beaver County
- Dolan Sledge, Texas County
- Lynn Smith, Ellis County
- Gary Starns, Pontotoc County
- Steve Stinson, Grant County

**Trustees Absent:**

- Dana Brown, Seminole County
- Tammy Malone, Craig County
- Kathy Ross, Johnston County

**Staff/Guests:**

- John Williams, McCurtain County
- Jenny Vincent, Ellis County
- Brad Burgett, Pushmataha County
- Keressa Kerr, Pontotoc County
- Donnie Head, CED 8
- Dave Slezickey, City of The Village
- Brad Raven, OSU-CTP
- Cindy Duncan, Roger Mills Hospital – Attended Virtually
- Gina Dunn, Seminole County – Attended Virtually
- Michelle Emmerson, NODA – Attended Virtually
- Sheila Rice, BlueCross BlueShield
- Ross Naylor, Plan Administration Office
- Amber Hargrove, Plan Administration Office

A quorum was established. CJ Rose called the meeting to order at 10:00 am.

### 1. Minutes of the 8/7/2025 Regular Board Meeting.

Gary Nielsen made a motion to approve the minutes. Dolan Sledge seconded. Roll call vote. All voted aye, CJ Rose abstained; and the motion carried.

**2. New Board Members.**

No new board members.

**3. Financial Position as of 8/31/2025.**

Ross Naylor presented the financial position of the Plan as of 8/31/2025. The net income and year-to-date figures are positive so far.

Mike Brittingham made a motion to approve the financials. Steve Stinson seconded. Roll call vote. All voted aye, and the motion carried.

**4. Plan Year Claims Position as of 8/31/2025.**

In comparison to the first 2 months of the last plan year, there has been a small increase in membership. Overall spending on medical claims was down by 11.7% and high-cost medical claims were down by 45.8%. On the prescriptions, claims were up by 4.1%. No action was taken.

**5. Woods County Lawsuit.**

There is nothing new to add about the lawsuit with Woods County. Depositions with the elected officials are still ongoing.

**6. Groups Joining.**

No new groups to approve today, but multiple groups are in the works. Looking to have a 10-20% growth for January. No action.

**7. PHI Disclosure Event Notifications.**

The investigation into the PHI event was completed. There were 3,242 people identified that could potentially have been put at risk. Those people will be notified by letter and will include 2 years of free credit monitoring. Approval is needed for the notifications to be sent. McElroy's data security policy is paying for all of it so there is no expense to the Plan.

Mitch Antle made the motion. Mike Brittingham seconded. Roll call vote. All voted aye; and the motion carried.

**8. SB202 & Lobbyist Contract.**

The senate bill was stalled in conference committee because the Oklahoma Healthcare Authority was interpreting the cost of the change to be higher than what was estimated. They are now concurring with our calculations and now the bill will be passed on to the representatives. The lobbyist contract needs to be reapproved at this time to keep the bill moving forward.

Gary Starns made a motion to approve the lobbyist contract. Mitch Antle seconded. Roll call vote. All voted aye; and the motion carried.

**9. Actuary Engagement.**

Oliver Wyman will be completing the actuary study again for this year. Board approval needed for the engagement contract.

Matt Jacobson made a motion to approve the actuary contract. Emily Lee seconded. Roll call vote. All voted aye; and the motion carried.

A Request was made to skip to agenda item 11. Lynn Smith made a motion to move to agenda item 11. Steve Stinson seconded. Roll call vote; motion carried.

**10. Virta – Diabetes Reversal Program.**

Ross presented the Virta diabetes reversal program and with approval would like to add it to the list of making healthy cheaper programs. Virta is designed for people with type 2 diabetes. The program, when followed, is reversing diabetes diagnosis. The company has completed peer review studies and independent studies that have proven success using the Virta program. If approved, the program would be free to members.

Steve Stinson made a motion to approve the Virta program. Mitch Antle seconded. Roll call vote. All voted aye; and the motion carried.

**11. Remedy Health Program Presentation.**

Chris Sudduth with Remedy Health gave a presentation about the direct primary care program.

The plan administrators are looking for approval from the board to include adding Remedy Health to the actuary study and see what the impact to rates would be by adding the program.

Mitch Antle made a motion to approve working on the proposal. Emily Lee seconded. Roll call vote. All voted aye; and the motion carried.

Lynn Smith made a motion to return to item 10. Steve Stinson seconded. All voted aye; and the motion carried.

**12. Air Ambulances.**

Ross provided an update on the use of air ambulances across the Plan. No action.

**13. Samaritans Program.**

A new program called Samaritans has been identified that could help remove the risk of members with certain high costing health conditions. This program will be discussed further at the next meeting.

**14. Script Sourcing Program.**

Script sourcing is a program for certain high costing brand name prescriptions, sourced internationally, with a lower cost to the plan. These medications would be a \$0 copay for the member and delivered by mail to the home. Using script sourcing could be up to a \$5 Million savings to the plan. There are 43 brand name medications available through script sourcing. It must be a voluntary program so it is proposed that a new copay tier would be put in place that would make the copay for those 43 drugs \$500 if the member doesn't get them through script sourcing. If approved, the plan administrators would like to start using Script sourcing by 1/1. Members currently on any of the 43 prescriptions will be contacted to get set up. The new higher copay tier will not start until later.

Steve Stinson made a motion to approve script sourcing and the \$500 copay tier. Mitch Antle seconded. Roll call vote. All voted aye; and the motion carried.

**15. Medicare Plan Options.**

The Medicare programs for the over 65 retirees are seeing a huge increase in cost. It's too late to come up with a solution for this year, but the Plan will come up with something for next year. No action.

**16. By-Laws.**

The requested changes to the by-laws from the previous meeting were made. There was conversation regarding the construction of the Board. Proposal is made to add 2 seats to the board for municipalities, when a current board member steps down, replacement will start from within their own organization if they're a qualified individual. If not, then the board will seek someone to fill that seat.

Mike Brittingham made a motion to approve the change. Kristy Moles seconded. Roll call vote. All voted aye; and the motion carried.

**17. New Business, unforeseen at the time of the posted agenda.**

Calls are being scheduled with board members prior to the board meeting to be better prepared for the meeting and answer any questions. Calls are being made to non-voting board members as well to keep groups informed about what's going on with the plan.

Possible changes to the vision plan designs are suggested. Options will be presented at the next board meeting.

The audit is ongoing and will need to be approved during a special meeting once it's completed.

**18. Adjournment.**

Gary Starns made a motion to adjourn the meeting. There is no opposition, and the meeting adjourned.

\_\_\_\_\_  
Tammy Malone  
Chairman/Board of Review

\_\_\_\_\_  
Attested To/ Notary

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Steve Stinson  
Secretary/Board of Review

\_\_\_\_\_  
Attested To/ Notary

\_\_\_\_\_  
My Commission Expires



## Meeting Minutes

OPEH&W Health Plan Board of Trustees Board Meeting  
ACCO Building  
429 NE 50<sup>th</sup> St, Oklahoma City, OK  
December 22<sup>nd</sup>, 2025 – Special Board Meeting (Virtual)

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**Trustees Present:** Mitch Antle, Washington County  
Emily Lee, Kingfisher County  
Tammy Malone, Craig County  
Kristie Moles, Pawnee County  
Gary Nielsen, Harper County  
Kathy Ross, Johnston County  
Dolan Sledge, Texas County  
Lynn Smith, Ellis County  
Gary Starns, Pontotoc County  
Steve Stinson, Grant County

**Trustees Absent:** Mike Brittingham, Pushmataha County  
Dana Brown, Seminole County  
Amy Gonzalez, Cimarron County  
Matt Jacobson, OMAG  
CJ Rose, Beaver County

**Staff/Guests:** Jenny Vincent, Ellis County  
Jake Winkler, CPA, Arledge & Associates  
Ross Naylor, Plan Administration Office  
Jennifer Mullally, Plan Administration Office  
January Smoot, Plan Administration Office

A quorum was established. Tammy Malone called the meeting to order at 3:34 PM.

### 1. Audit of the 2024/2025 Plan Year.

Jake Winkler with Arledge & Associates presented the findings of the 2024/2025 plan year audit.

Mitch Antle made a motion to approve the audit as presented. Gary Starns seconded. Roll call vote. All voted aye, and the motion carried.

### 2. Adjournment.

Gary Starns made a motion to adjourn the meeting. There is no opposition, and the meeting adjourned at 3:52 PM.

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Tammy Malone  
Chairman/Board of Review

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Attested To/ Notary

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My Commission Expires

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Steve Stinson  
Secretary/Board of Review

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Attested To/ Notary

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My Commission Expires

# Meeting Minutes



**Date & Time:** 10am, January 8<sup>th</sup>, 2026  
**Purpose:** Special Meeting of the OPEH&W Health Plan Board of Trustees  
**Location:** ACCO Building, 429 NE 50<sup>th</sup> St, Oklahoma City, Oklahoma

## Trustee Attendance:

CJ Rose	Beaver County	Present
Amy Gonzalez	Cimarron County	Present (Online)
Tammy Malone	Craig County	Present
Lynn Smith	Ellis County	Absent
Steve Stinson	Grady County	Present
Gary Nielsen	Harper County	Present
Kathy Ross	Johnston County	Present (Online)
Emily Lee	Kingfisher County	Present
Matt Jacobson	OMAG	Present
Kristen Moles	Pawnee County	Present
Mike Brittingham	Pushmataha County	Absent
Dana Brown	Seminole County	Absent
Dolan Sledge	Texas County	Present
Mitch Antle	Washington County	Present
Gary Starns	Pontotoc County	Present (Online)

## Guests Attending:

Ross Naylor	Plan Administration Office
Amber Hargrove	Plan Administration Office
January Smoot (Online)	Plan Administration Office
Kristy Curry (Online)	Plan Administration Office
Jenny Vincent	Ellis County
April Bortmess	BCBS OK
Sheila Rice	BCBS OK
Kerrie Cook	BCBS OK

## Minutes:

There being 8 or more Trustees in attendance a quorum was declared.

Chairwoman, Tammy Malone, called the meeting to order at 10 AM.

### Agenda Item 1:

Audit Findings & Financial Planning for January 22nd Regular Meeting

No Action

Chairwoman, Tammy Malone, thanked everyone for making the long drive to attend, and declared the meeting closed at 11:48 am.

## Attestations:

\_\_\_\_\_  
Secretary of the Board of Trustees

\_\_\_\_\_  
Notary Attesting To  
My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Chairperson of the Board of Trustees

\_\_\_\_\_  
Notary Attesting To  
My Commission Expires: \_\_\_\_\_



**O. P. E. H. & W. PLAN**Balance Sheet  
November 30, 2025

## ASSETS

Current Assets		
Cash - Reserve Account	\$	466,993.98
Cash - FSA Account		96,250.00
Arvest Equities Account 314783		1,443,954.60
Arvest Fixed Income Sec 308025		3,674,031.28
Accounts Rec.-Rebates		1,650,000.00
Accounts Rec. - Surcharge		94,214.89
Accounts Rec - Unpaid Premiums		133,617.18
Accounts Rec. Accrued Interest		30,800.00
		<hr/>
Total Current Assets		7,589,861.93
Property and Equipment		<hr/>
Total Property and Equipment		0.00
Other Assets		<hr/>
Total Other Assets		<hr/> 0.00
Total Assets	\$	<hr/> <hr/> 7,589,861.93

## LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	7,182,282.57
Bank Loan Payable		3,400,000.00
		<hr/>
Total Current Liabilities		10,582,282.57
Long-Term Liabilities		<hr/>
Total Long-Term Liabilities		<hr/> 0.00
Total Liabilities		10,582,282.57
Capital		
Beginning Balance Equity		(337,648.87)
Fund Balance		(206,003.81)
Net Income		(2,448,767.96)
		<hr/>
Total Capital		<hr/> (2,992,420.64)
Total Liabilities & Capital	\$	<hr/> <hr/> 7,589,861.93

**O. P. E. H. & W. PLAN**  
Income Statement  
For the Five Months Ending November 30, 2025

	Current Month		Year to Date	
Revenues				
Public Entity Premiums	\$ 2,429,404.31	94.10	\$ 17,965,128.60	88.19
Cobra Premiums	4,935.00	0.19	35,538.92	0.17
Retiree Premiums	127,099.10	4.92	607,965.89	2.98
FSA Premiums	14,064.91	0.54	14,064.91	0.07
Rebates	0.00	0.00	1,742,920.22	8.56
Subrogation Refunds	6,264.98	0.24	6,264.98	0.03
	<hr/>		<hr/>	
Total Revenues	2,581,768.30	100.00	20,371,883.52	100.00
	<hr/>		<hr/>	
Cost of Sales				
	<hr/>		<hr/>	
Total Cost of Sales	0.00	0.00	0.00	0.00
	<hr/>		<hr/>	
Gross Profit	2,581,768.30	100.00	20,371,883.52	100.00
	<hr/>		<hr/>	
Expenses				
Medical Claims Expense	2,006,743.67	77.73	10,884,973.14	53.43
Dental Claims Expense	155,664.42	6.03	983,005.41	4.83
Prescription Claims Expense	1,301,837.95	50.42	6,897,701.04	33.86
MASA Medical Transp. Exp	5,790.50	0.22	29,275.50	0.14
Administration Fees	163,768.73	6.34	820,656.22	4.03
Claims Supervisor Fees	326,820.71	12.66	1,596,084.27	7.83
Specific Reinsurance Expense	111,900.50	4.33	561,356.92	2.76
Group Life Insurance Expense	106,300.00	4.12	530,480.61	2.60
Fiduciary & Fidelity Insurance	13,615.00	0.53	13,615.00	0.07
Vision Insurance Expense	43,148.84	1.67	216,078.04	1.06
Bank Charges	416.39	0.02	3,628.02	0.02
Interest Expense	17,094.44	0.66	88,376.39	0.43
Legal Fees	4,000.00	0.15	9,698.42	0.05
Miscellaneous Expense	0.00	0.00	735.00	0.00
Marketing Expense	14,307.91	0.55	17,107.91	0.08
Postage Expense	0.00	0.00	5,726.41	0.03
Printing Expense	397.32	0.02	10,733.93	0.05
Professional Services	25,952.75	1.01	151,419.25	0.74
	<hr/>		<hr/>	
Total Expenses	4,297,759.13	166.47	22,820,651.48	112.02
	<hr/>		<hr/>	
Net Income	\$ (1,715,990.83)	(66.47)	\$ (2,448,767.96)	(12.02)
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**Senior Credit Facility**

**Summary of Terms and Conditions**  
*Confidential*

**BORROWER:** Oklahoma Public Employees Health & Welfare Plan

**GUARANTOR:** None

**LENDER:** Arvest Bank

**CREDIT FACILITY:** ~\$3.4MM

**MATURITY:** 12 months

**PURPOSE:** Finance claim coverage, as needed

**COLLATERAL:** AWM Accounts WAA314783 and WAA308025, LTV limited to 70%

**REPAYMENT:** Interest monthly

**INTEREST RATE:** WSJP – 1.00%, floor of 4.75% *Rate to be determined, based on approved spread, the day of closing.*

**PREPAYMENT FEE:** NA

**FINANCIAL REPORTING:** Interim financials due quarterly, audited financial statement due upon receipt and acceptance by the Board of Trustees

**Disclaimer\*:** The preceding summary of proposed terms is for discussion purposes only and is intended to summarize certain basic terms of a financing proposal. The letter does not constitute a commitment to lend or a contract to provide such a commitment, and all terms and conditions described herein remain subject to, among other things, the completion of satisfactory due diligence, the approval of all applicable committees and the extension and delivery of definitive loan documents.

Respectfully,

A handwritten signature in cursive script that reads "Rachelle Wilson".

**Rachelle Wilson**  
**Arvest Bank**  
**918-337-4362**

# Claims Position

Claims Spend	24/25 PY	25/26 PYTD	Diff. \$	Diff. %
Medical Monthly Average	\$2,598,083	\$2,317,333	\$280,750-	-10.8%
Rx Monthly Average	\$2,004,583	\$1,537,579	\$467,004-	-23.3%
Total	\$4,602,667	\$3,854,913	\$747,754-	-16.2%

Claims Spend Per Member	24/25 PY	25/26 PYTD	Diff. \$	Diff. %
Medical Monthly Average	\$1,237	\$998	\$238-	-19.3%

## New Groups

1	Depew, City of	1/1/2026
150	Purcell, City of	3/1/2026
65	Purcell Municipal Hospital	1/1/2026
75	Vinita, City of	1/1/2026
45	Wewoka, City of	12/1/2025

**336**

## Script Sourcing

- **61** Medications Initially
  - **17** Additional Medications in the Future
  - **90-Day** Supply - Home Delivered
  - **Zero** Member Cost
  - Manufacturer Originally Medications
  - Participation is Voluntary
  - Non-Participation = **\$500** per Month Co-Pay
- 
- **\$5M** Estimated Annual Savings

## Script Sourcing - Medications

### Rollout - Phase 1

	Script Count	Full Cost in K's
Actemra ACTPen	2	65
CALQUENCE	1	176
COSENTYX	1	100
Creon	2	35
Dupixent	4	48
ENBREL	7	102
ENTYVIO Pen	1	88
FASENRA	1	35
INLYTA	2	255
KESIMPTA	2	122
KEVARA	1	59
KISQALI	1	197
MAYZENT	1	121
ORENCIA	2	80
Otezla	1	64
Rinvoq	7	82
Skyrizi	6	97
SOTYKTU	1	83
Stelara	1	380
TALTZ	3	95
Tasigna	1	141
TREMFYA	1	95
Vumerity	2	110
XELJANZ	4	73
XIFAXAN	1	57
Xtandi	2	180
ZEPOSIA	1	113

**27**

**59**

## Script Sourcing - Medications

Rollout - Phase 2	Script Count	Full Cost in K's
BREXTRI	9	8
Combivent Respimat	5	6
ELMIRON	1	12
INVEGA TRINZA	1	21
Keppra	1	20
Kerenida	1	8
Linzess	13	6
NURTEC ODT	20	22
OPZELURA	1	24
Pentasa	1	8
Quilpta	10	13
Rexulti	1	17
RYBELSUS	14	11
Soliqua 100/33	3	11
Sprivia Respimat	3	6
Synjardy	4	7
TOUJEO	11	6
TOULEO Max	8	4
Trelegy Ellipta	25	7
Tresiba	9	6
Trintellix	7	6
Trulance	4	6
Trulicity	11	12
UBRELVY	15	15
VEOZAH	6	6
Vicotoza	1	8
Vraylar	8	18
Xarelto	10	7
XIGDUO	6	6
<b>29</b>	<b>209</b>	



## Script Sourcing - Medications

### Rollout - Phase 3

	Script Count	Full Cost in K's
ELIQUIS	68	6
FARXIGA	54	7
Jardiance	73	7
MOUNJARO	227	13
Ozempic	79	12
<b>5</b>	<b>501</b>	

### Delayed Rollout

	Script Count	Full Cost in K's
ADVAIR HFA	3	3
Anoro Ellipta	2	5
ASMANEX	1	1
Atrovent	1	1
Breo Ellipta	2	4
CombiPatch	2	3
Dulera	3	4
ENTRESTO	5	2
Eucrisa	1	4
JANUMET	7	4
JANUVIA	16	4
MOVANTIK	1	5
Premarin	4	5
QVAR REDIHALER	3	3
Stiolto Respimat	2	5
SYMBICORT	1	2
Synthroid	10	0.1
<b>17</b>	<b>64</b>	

# Over 65 Active Spouses

## What's the Problem?

- 43 spouses
- Ages ranging from 65 – 90
- Actual spend past 12-months:
  - \$**1.75M** – Medical
  - \$**0.40M** – Rx
  - \$**2.15M** – Total
- Ongoing potential risk is even higher

## Who else will become a Problem?

- 7 additional spouses will turn 65 during 2026
- Actual spend past 12-months:
  - \$**0.50M** – Medical
  - \$**0.10M** – Rx
  - \$**0.60M** – Total

## What's the Solution?

- Make a voluntary offer to switch to a Medicare Supplement

## Who Benefits?

- Plan removes all risk
- Member benefits by:
  - \$**6,000** Average Premium Savings Annually
  - \$**250** Medical Deductible
  - **No** Medical Co-Insurance
  - **No** Medical Co-Pays



**OPEH&W HEALTH** *Plan*  
MAKING HEALTHY CHEAPER

# PROPOSED Board of Trustees By-Laws

As Adopted: 00/00/0000

## Outstanding Items:

- a. Add ratification language.
- b. Add signature page
- c. Define grandfathering of existing trustees
- d. Rewrite B.1.b to use percentages
  - a. Percentage of members (E,R,C&S's) as of X date, by group type
    - i. Group Types: Counties, Municipalities, School Districts, Other
  - b. 1 Trustee seat, for every 6.6% of total membership
    - i. With a minimum of one (1) seat each for Counties, Municipalities & Other

## A. Powers & Duties

To manage the OPEH&W Health Plan, the Board of Trustees and may:

1. Prepare specifications, request bids and enter contracts for the purpose of underwriting, administering or providing any part or all the OPEH&W Health Plan, policies or services on behalf of and with participating agencies.
2. Determine rates, risks, benefits and terms of any coverage, policies or services, and adjust rates and benefits based on claim experience.
3. Provide for underwriting or other agreements for participating organizations, policy or service; serve as the policyholder of any group policy or coverage; determine the methods of claim administration and payment; and provide for claim experience for the participating organizations collectively or separately.
4. Determine the contribution amount or appropriation required from participating organizations for participation and as necessary to follow policy and to provide established services.
5. Establish standards of eligibility for participating organization and employees in any coverage, policy or service; including procedures for enrollment and withdrawal from any coverage, policy or service; and establish effective dates of coverage.
6. Provide for administration and manner of payment of funds for all expenses concerning the coverage, policies or services which may be established; and establish procedures for safekeeping, handling, and investing such fund(s) and any monies received or paid.
7. Establish the duties and records of the Plan Administrator to enable the correct billing of premiums and fees, enrollment of participating organizations and their employees, and payment of claims.
8. Serve as an appeal body for complaints of participating organizations and their employees and establish procedures for grievances of participating organizations and employees.
9. Study the operation of the coverage, policies or services, gross and net costs, administrative costs, benefits, utilization of benefits and claims administration.
10. Incur expenses, acquire and hold property, and enter into agreements necessary to accomplish the purposes of the Inter Local Government Agreement.
11. Exercise risk management practices pursuant to preservation of capital, protection of data and to ensure business continuity. Accordingly, the Board of Trustees authorizes the Plan Administrator to procure a Directors E&O Policy providing coverage for the Trustees.
12. Retain General Counsel who is responsible to the Board for providing advice concerning compliance with state statutes including, but not limited to, the Open Meetings Act, Open Records Act, The Interlocal Cooperation Act, current State Auditor and Inspector reports, and the State Ethics Commission.
13. At all times while acting on behalf of the OPEH&W Health Plan, the conduct of the Board shall be subject to the OPEH&W Health Plan Code of Conduct, the OPEH&W Health Plan Conflict of Interest Policy, and the OPEH&W Service Provider Bill of Rights; copies of which are incorporated respectively as Appendix 1, Appendix 2 and Appendix 3.

## B. Form

1. Size:
  - a. Fifteen (15) members of the Board of Trustees.
  - b. A minimum of X must be from participating counties.
  - c. A minimum of X must be from participating municipalities.
2. Quorum:
  - a. Eight (8) members will constitute a quorum.
  - b. All official action taken by the Board shall only be deemed valid with eight (8) or more votes in favor, regardless of the number of Trustees present.
3. Term:
  - a. Trustees are elected for a term of five (5) years.
4. Term Limits:
  - a. There are no term limits.
5. Eligibility:
  - a. Trustees from a county must be an elected official from that county.
  - b. Trustees from a municipality must be a mayor or city manager from that municipality.
  - c. Trustees from a school district must be a superintendent from that school district.
  - d. Trustees from any other participating organization must be an official from that participating organization.
6. Election:
  - a. Shall be filled by a vote of the Board of Trustees by simple majority.
7. Vacancies During Term:
  - a. Shall be filled by a vote of the Board of Trustees by simple majority for the balance of the term which has been vacated.
8. Compensation:
  - a. Trustees serve without compensation.

## C. Officers

1. Positions:
  - a. The board shall have three (3) designated officer positions, filled by Trustees:
    - i. Chair
    - ii. Vice-Chair
    - iii. Secretary
2. Term:
  - a. Officers shall serve a term of three (3) years.
3. Term Limits:
  - a. There are no term limits.
4. Election:
  - a. Shall be filled by a vote of the Board of Trustees by simple majority.
5. Vacancies During Term:
  - a. Shall be filled by a vote of the Board of Trustees by simple majority for the balance of the term which has been vacated.

## D. Meetings

### 1. All Meetings:

#### a. Attendance:

- i. Each Trustee should attend all scheduled regular and special meetings of the Board, unless otherwise excused by the Board.
- ii. The Chair of the Board will contact each member whose attendance falls below the criteria to ask them to carefully consider whether the interests of the OPEH&W Health Plan will be best served if they continue to hold the office of Trustee.

### 2. Regular Meetings:

- a. Shall conform to the requirements of the Open Meeting Act.
- b. Shall hold a minimum of four (4) regular board meetings per calendar year.

### 3. Annual Meetings:

- a. The annual meeting of the Board shall be in January.

## E. Nominations, Elections & Vacancies

### 1. Prior to March 1 of each year, the Plan Administrator shall give notice by first class mail to the designated board representative contact of each participating organization, that vacancies on the Board of Trustees will occur on July 1.

#### a. The notice shall state:

- i. The number of offices to be filled.
- ii. That the participating organization may nominate one (1) candidate for each vacancy to be filled.
- iii. That the nomination form must be signed by the Board of County Commissioners if the organization is a County, by the mayor and attested by the clerk if the organization is a Municipality, or the leading individual of any other organizational type.
- iv. That completed nomination form shall be returned no later than March 16 by: (1) Sending a facsimile of the form to the OPEH&W Health Plan; (2) sending the form to a designated OPEH&W Health Plan recipient as an attachment to an email; or (3) sending the OPEH&W Health Plan the form by certified mail.

#### b. The nomination form furnished to the participating organization shall provide:

- i. The name of the participating organization.
- ii. The name and title of the nominee.
- iii. A biographical sketch of not more than fifty (50) words.
- iv. The signature of by the Board of County Commissioners if the organization is a County, by the mayor and attested by the clerk if the organization is a Municipality, or the leading individual of any other organizational type.

#### c. At the April meeting of the Board, the Trustees shall consider the nominations and determine the eligibility of those nominees conform with the requirements of these By-Laws.

#### d. The Plan Administration shall mail a ballot containing the names of the nominees determined to be eligible to all participating organizations prior to May 1. Such ballot shall state the number of votes that are to be cast and shall list the names of the nominees with their biographical sketch(es).

#### e. The ballot, signed by the Board of County Commissioners if the organization is a County, by the mayor and attested by the clerk if the organization is a Municipality, or

the leading individual of any other organizational type, shall be returned no later than May 31 to the OPEH&W Health Plan by: (1) sending a facsimile of the ballot to the OPEH&W Health Plan; (2) sending the ballot to a designated OPEH&W Health Plan recipient as an attachment to an e-mail; or (3) sending the OPEH&W Health Plan the ballot by certified mail.

- f. During the August meeting of the Board, the Trustees shall canvass the votes cast. The nominee receiving the largest number of votes shall be considered elected to the office of Trustee, and if more than one Trustee is to be elected, the nominee with the next largest number of votes being then next elected, and so on until all vacancies have been filled.
- g. Should two or more nominees receive an equal number of votes when only one or more but less than all nominees receiving an equal number of votes can be elected, the nominee to be elected shall be determined by a drawing of lots.
- h. The results of the elections will be mailed to all participating organizations.
- i. Vacancies on the Board shall be filled by a vote of the Board of Trustees by simple majority for the balance of the term which has been vacated.

## F. Training

- 1. New Trustees: The Plan Administrator will conduct a training program for any newly elected Trustee, to occur prior to the next regular board meeting following their election.
- 2. Existing Trustees: The Plan Administrator will conduct an annual training program for all existing Trustees, to occur during the August regular board meeting.
- 3. The training program will provide each Trustee with the latest version of the OPEH&W Health Plan's – Trustees Manual, and must, at a minimum, cover the following topics:
  - a. Organizational Governance
  - b. Structure
  - c. Financial Operations
  - d. Administrative Operations
  - e. Legal & Fiduciary Responsibilities
  - f. Actuarial Studies
  - g. Audits
  - h. Investment Policy
  - i. Underwriting Policy
- 4. Registration, tuition or other fees resulting from participation required training programs shall be paid for by the OPEH&W Health Plan, if the Board has approved such training program.
- 5. All other expenses directly related to participation in a required training program, including transportation, lodging, meals and other necessary expenditures, shall be paid by the OPEH&W Health Plan according to Expenses & Travel Costs section of these By-Laws.

## H. Reporting to the Board

1. It is the duty of Plan Administrator, consultants and service providers to keep the Board of Trustees informed of all activities that impact the Board in its role as management and fiduciaries of the OPEH&W Health Plan. Board members are entitled to access all records and reports maintained by or for the benefit of the OPEH&W Health Plan.
2. Many reports are formally presented to the Board as part of its meeting deliberations. Ad hoc reports may also be presented to the Board in writing at the Plan Administrators direction.
3. An operations summary report is prepared by the Plan Administrator for consideration at regular board meeting. This report will condense and compares a wide variety of financial and participant data plus statistical detail of many facets of internal operations and OPEH&W Health Plan activity. The operations summary is intended to be a comprehensive report covering all areas of the OPEH&W Health Plan's activities to assist the Board in evaluating the implementation and status of such activities.



# Appendix 1

## Code of Conduct

This Code of Conduct shall apply to the OPEH&W Health Plan Board of Trustees (Board) and its agents, whether directly employed or under contract, to ensure that business is conducted in a manner that promotes trust. Accordingly, the Board adopts as policy the understanding that the OPEH&W Health Plan is:

1. Dedicated to the highest ideals of honor, integrity and due diligence so that our Board, employees and agents merit respect and public confidence in all its dealings.
2. Dedicated to the concepts of democratic, effective and efficient governance by responsible, knowledgeable elected and appointed officials with an understanding that decisions and actions taken are always made in the best interests of our members and participants.
3. Committed to the principle that the Board is responsible for establishing goals and objectives and in making policy decisions on behalf of the members and participants.
4. Committed to the principle that agenda items will be accompanied by information and advice relevant to the OPEH&W Health Plan policies as a basis for making decisions, and that said policies will be implemented and uphold all policies and decisions adopted by the Board.
5. Dedicated to the continual improvement of the professional abilities and expertise of the Board in matters relating to pool governance and pool management or administration.
6. Dedicated to the principle that the Board share a responsibility to communicate the OPEH&W Health Plan's objectives/activities/outcomes to its members and participants and will work to always ensure its quality and image.
7. Dedicated to the principle that all matters of procurement, personnel administration and outside contracting are administered based on merit, ensuring that fairness and impartiality govern all governance and management decisions.
8. Dedicated to the principle that matters of pool governance and/or pool management/administration cannot be bought or sold. No Board member should ever solicit a personal gift of any value from any third-party performing work on behalf of or in any way associated (or potentially associated) with the OPEH&W Health Plan.
9. Dedicated to the principle that conflicts of interest, (defined as situations in which a person has a duty to more than one person or organization and cannot do justice to the actual or potentially adverse interests of both parties) should be avoided and where present shall be fully disclosed. This includes situations when a Board member's personal interests (including those of his/her family) are contrary to their loyalty to the OPEH&W Health Plan.

## Appendix 2

# Conflict of Interest Policy

### Purpose

To insure OPEH&W Health Plan Trustees are (1) independent and impartial in their decisions regarding the choice of vendors, suppliers or service providers; (2) to prevent a Trustee from inappropriately obtaining anything of value or a private benefit; (3) to prevent the appearance of a Trustee inappropriately obtaining anything of value or a private benefit; and (4) to make financial disclosures that demonstrate fair and equitable treatment is given to all OPEH&W Health Plan decisions, the following policy guidelines shall be observed:

### Guidelines

1. Under no circumstances shall a Trustee vote for or do official business with a vendor, supplier or service provider in which the Trustee has a financial interest either directly or indirectly through a spouse or any person related within the third degree by affinity or consanguinity (i.e. parents, grandparents, great-grandparents, uncles, aunts, brothers, sisters, children, grandchildren, great-grandchildren, nephews and nieces, either of employee or their spouse) to a Trustee.
2. No OPEH&W Health Plan Trustee may accept “anything of value or private benefit.” For this policy, “anything of value or a private benefit” means any gift or participation in any activity with a fair market value more than \$50.
3. All OPEH&W Health Plan Trustees shall prepare and submit a Conflict-of-Interest Policy Report providing the following information about all gifts of \$50 or less:
  - a. Name of provider
  - b. Description of activity/gift
  - c. Date activity/gift was provided
4. However, when anything of value is provided to Trustees as a whole, nothing need be reported, although the thing of value may have been provided or sent in the name of an individual Trustee; for example, (1) when a law firm sends a seasonal fruit basket to an OPEH&W Health Plan attorney, but the fruit is placed in a common area for general consumption; or (2) when a third party administrator provides lunch for all OPEH&W Health Plan Trustees; or (3) when a service provider sends basketball tickets to an individual, but the tickets are made available to all employees through a drawing.
5. Further, “anything of value or a private benefit” does not apply to:
  - a. Modest amounts of food and refreshments, such as soft drinks, coffee and donuts, offered other than as a part of a meal.
  - b. Food and beverage consumed when participating in a charitable, civic or community event.
  - c. Rewards or prizes awarded to attendees of an event open to the public.
  - d. Any food, donation or prize provided at a meeting, conference or seminar by an exhibitor or sponsor, the cost of which is borne by the registration fee and made available to all registrants.

### Filing the Conflict-of-Interest Policy Report

1. Statements must be filed by January 31 following the previous calendar year. Statements will be filed with the Plan Administration, and the Plan Administrator will make copies available to

the Trustees by the first regular Board meeting scheduled after January 31 of the following calendar year. An OPEH&W Health Plan Conflict of Interest Policy Report form is available and is to be used to report anything of value or a private benefit, as defined.

## Frequently Asked Questions

1. **Q:** The OPEH&W Health Plan is in the process of awarding a contract and a Trustee is involved in the decision process. One of the bidders has offered to take the Trustee to a sporting event. Can the Trustee accept the invitation? **A:** Yes, if the total value of the ticket, transportation, food, etc., does not exceed \$50, and it must be reported on the OPEH&W Health Plan Conflict of Interest Policy Report form.
2. **Q:** Is it permissible for a vendor to buy a Trustee lunch? **A:** Yes, if the value of the lunch does not exceed \$50, and it must be reported on the OPEH&W Health Plan Conflict of Interest Policy Report form.
3. **Q:** Is it permissible for a Trustee to attend a training trip or a site visit at a vendor's expense? **A:** Maybe. If the training or site visit is included in the contract with the vendor and the trip was anticipated at the time the contract was advertised and awarded, then the trip is appropriate. Otherwise, only if the cost of the training or site visit does not exceed \$50, and it must be reported on the OPEH&W Health Plan Conflict of Interest Policy Report form.
4. **Q:** If a Trustee attends a conference and wins a door prize that would be for personal benefit (i.e. television, stereo, cash prize, portable electronic, etc.), is it acceptable for the Trustee to accept and keep the door prize if the Trustee's name is drawn? **A:** Yes.
5. **Q:** If a vendor offers a Trustee an event ticket (football game, concert, etc.), may the Trustee write a check to the vendor for the face value of the ticket so that the Trustee may attend the event? **A:** Yes, if the Trustee pays face value for the ticket. If the face value of the ticket is \$50 or less the Trustee does not have to pay for the ticket, and it must be reported on the OPEH&W Health Plan Conflict of Interest Policy Report form.

## Appendix 3

### Service Provider Bill of Rights

1. The Oklahoma Public Employees Health & Welfare Plan (OPEH&W Health Plan) has established standards that service providers should expect when serving the OPEH&W Health Plan and its members. The basic rights that a service provider should expect while providing services to the OPEH&W Health Plan include the following:
  - a. To be consistently treated with dignity, respect, and professionalism.
  - b. Gifts, perks or other benefits to the OPEH&W Health Plan's Board of Trustees or staff members (or any person or organization associated with them) are not a condition for doing business with the OPEH&W Health Plan.
  - c. To receive fair and equitable treatment in the procurement process. Every competitive bidding process should be open, well defined and transparent. The OPEH&W Health Plan recognizes that there is a direct cost to the service provider in preparing every service proposal.
  - d. To have a written service agreement with the OPEH&W Health Plan, specifying all terms and conditions of the contractual relationship.
  - e. To only provide services contained within the scope of the service agreement.
  - f. To be paid in a timely manner for services rendered in accordance with the provisions of the service agreement.
2. By establishing these standards, it is not the intention of the OPEH&W Health Plan to become an arbitrator for contract disputes between a service provider and the OPEH&W Health Plan members.

# Stop Loss for the 2026/27 Plan Year

	Current	Renewal
Carrier	<b>Sun Life</b>	<b>Sun Life</b>
Attachment Point	<b>\$475k</b>	<b>\$475k</b>
Aggregate Coverage	<b>120%</b>	<b>120%</b>
Per Member Rate	<b>\$25.04</b>	<b>\$27.54</b>
Increase (\$)		<b>\$ 2.50</b>
Increase (%)		<b>10%</b>

**Recommendation:**

- Give Plan Administrator leeway to continue to negotiate

# Plan Administration Agreement



This Plan Administrator Agreement ("Agreement") is made this 22th day of January 2026, by and between McElroy & Associates, Inc. ("McElroy" or "Plan Administrator"), an Oklahoma corporation, and the Trustees ("Trustees") of the Oklahoma Public Employees Health and Welfare Plan Trust ("Trust").

Whereas, certain governmental agencies ("Participating Agencies") acting under Oklahoma law, by their Inter-Local Governmental Agreement ("Inter-Local Agreement"), established the Oklahoma Public Employees Health and Welfare Plan ("Plan") for the benefit of eligible Employees of the Participating Agencies and their eligible dependents; whereas the Participating Agencies established the Trust to hold the assets of the Plan from which monies may be allocated for the payment of benefit claims from the Plan and the expenses of administering the Plan; whereas, the Trustees employed the services of McElroy, as Plan Administrator, by a contract service agreement; and whereas the Trustees and McElroy desire to amend and restate the terms and provisions of that contract service agreement. Now, therefore, in consideration of the mutual promises and covenants contained herein, it is hereby agreed, as set forth in this Agreement, as follows:

## 1: Definitions

As used in this Agreement, the following terms are defined and shall be read and understood as follows:

**1.A: COBRA:** Means the Consolidated Omnibus Reconciliation Act of 1985, as amended.

**1.B: Employee:** Employee shall have the same meaning as set forth in the Plan.

**1.C: HIPAA:** Means the Health Insurance Portability and Accountability Act of 1996, as amended.

**1.D: Inter-Local Governmental Agreement or Inter-Local Agreement:** Means that which is adopted by resolution by each of the Participating Agencies, under Title 51 O.S. §§ 167, 168, 169, and 172; Title 74 O.S. §§ 1001, et seq.; and other applicable provisions of Oklahoma law which allows the creation of the Trust Agreement and authorizes the creation of the Plan.

**1.E: Participant:** Means any Employee or former Employee who is or may become eligible to receive a benefit of any type from the Plan or whose beneficiaries may be eligible to receive any such benefit.

**1.F: Participating Agencies:** Means each governmental entity participating in the Inter-Local Agreement.

**1.G: Plan:** Means the Oklahoma Public Employees Health & Welfare Plan established and maintained by the Participating Agencies under the Inter-Local Agreement.

**1.H: Plan Administrator:** Means the person or entity contracted under the authority of the Inter-Local Agreement, pursuant to this Agreement, to control and manage the operation of the Plan.

**1.I: Plan Document:** Means the Inter-Local Agreement authorizing the Trust and the Plan which describes the benefits to be provided under the Plan; benefit book (summary plan description) which describes the benefits provided by the Plan in such language that the average employee can understand his or her rights and responsibilities in respect to the Plan; the Trust Agreement which, under the Inter-Local Agreement, creates and established the Plan itself, together with a Trust to hold the assets of the Plan in trust for the exclusive purpose of providing benefits to Participants and beneficiaries and defraying the reasonable expenses of administering the Plan; any insurance of reinsurance policy or policies written to provide for any benefit offered by the Plan; and any other written instrument which in any way affects the administration, management, or control of the Plan.

**1.J: Trust:** Means the Oklahoma Public Employees Health & Welfare Trust as set forth in the Trust Agreement.

**1.K: Trust Account or Trust Fund:** Means the funds to and from which monies are allocated for the payment of Participants' benefit claims and expenses of administering the Plan.

**1.L: Trustees:** Means the natural persons executing the Trust Agreement in their capabilities as Trustees and members of the Board of Review of the Inter-Local Agreement and their successors appointed pursuant to the Trust Agreement, having exclusive authority and discretion to manage and control the assets of the Plan.

**1.M: Trust Agreement:** Means the agreement by and among the Participating Agencies establishing the Plan and the Trust.

**1.N: Trust Year:** Means the period beginning July 1 of the first year and ending June 30, and each subsequent twelve (12) month period thereafter shall be construed to mean such a Trust Year.

## 2: Plan Administrator Services & Duties

McElroy shall act as the named fiduciary (as defined in the Trust Agreement) and, on behalf of the Participating Agencies, shall have the discretion and authority to control and manage the operation of the Plan pursuant to the terms of the Trust Agreement, including the following:

**2.A: Staff & Office:** Supply and maintain a staff, equipment, and an office necessary to satisfy the administrative duties and other duties required as Plan Administrator.

**2.B: General Services:** General services provided by McElroy as they relate to the duties of Plan Administrator, including, but not limited to:

**2.B.1:** Negotiating contracts with service providers for the Trustees, including a provider of claims administration service, and the Trustees may delegate such ministerial or other duties to McElroy as the Trustees may deem appropriate, provided, the Trustees shall themselves approve and execute any such service contracts or any Plan authorized by the Trust Agreement, make all decisions involving the investment or disposition of any assets of the Trust Fund, and McElroy shall act only in an advisory capacity with respect to all matters.

**2.B.2:** Prepare or cause to be prepared, in accordance with generally accepted accounting principles, unaudited monthly financial statements (income and expense and asset balance sheets), including a monthly reconciliation of all bank accounts.

**2.B.3:** Provide (within reason) all accounting and statistical reports to the Trustees and the Participating Agencies as needed.

**2.B.4:** Prepare or cause to be prepared all Federal and State Tax reports as required.

**2.B.5:** File or caused to be filed all proper documentation as required by Oklahoma law, including with the Secretary of State and the Participating Agency counties.

**2.B.6:** Administration and maintenance of all billing and premium payments from Participating Agencies, retirees, and COBRA qualified beneficiaries.

**2.B.7:** Respond to oral and written inquiries from Plan Participants, Participating Agencies, and providers with regards to administration of the Plan, including toll-free customer service and web-based informational services.

**2.B.8:** Assist and/or provide the necessary information and/or instructions to the third-party claims administrator as required to ensure accurate claim payments along with other duties performed by the third-party claim administrator.

**2.B.9:** Coordinate and consult with the Trust's legal counsel on matters involving claim payments, subrogation recoveries, and other Plan matters.

**2.B.10:** Assist the Trustees in determining the actuarial soundness of the Plan to the extent that funds received are sufficient to pay claims and incurred expenses. The cost of an actuary or underwriter will be paid for by the Trust.

**2.B.11:** Provide services to the Plan Participants on behalf of the Participating Agencies in connection with the operation of the Plan, including enrolling new Employees in the Plan, applications, maintaining current Plan data, billing, and assisting in the completion of any necessary forms.

**2.B.12:** Provide COBRA administration services on behalf of Participating Agencies, including the following:

**2.B.12.A:** Generate and mail initial COBRA notices to all new Plan enrollees.

**2.B.12.B:** Generate and mail specific qualifying event notices to all qualified beneficiaries.

**2.B.12.C:** Receive COBRA elections from qualified beneficiaries.

**2.B.12.D:** Receive COBRA premiums.

**2.B.12.E:** Answer qualified beneficiary premium questions.

**2.B.12.F:** Track all dates required for COBRA compliance.

**2.B.12.G:** Maintain proper documentation of COBRA activity.

**2.B.12.H:** Monitor COBRA's requirements for changes and update notices and procedures, as applicable.

**2.B.13:** Provide HIPAA administration services on behalf of the Plan, including the following:

**2.B.13.A:** McElroy will designate an employee to act as the "privacy official" and "contact person" for the Plan. The privacy official will be responsible for the development and implementation of privacy policies and procedures and development of a compliance program that meets all the administrative



requirements of HIPAA privacy rules and state laws governing the privacy of health information (referred to by HIPAA as "protected health information" or "PHI"). The privacy official will also serve as the contact person for Participants who have questions, concerns, or complaints about the privacy of their PHI.

**2.B.13.B:** Monitor HIPAA requirements for changes and update HIPAA policies and compliance program, as applicable.

**2.B.13.C:** Negotiate Business Associate Agreements with third-party vendors on behalf of the Plan, provided, the Trustees shall themselves approve and execute any such agreements.

**2.B.13.D:** Develop, maintain, and mail Plan's Notice of Privacy Practices to all Participants as required by HIPAA.

**2.B.13.E:** Provide workforce training on privacy policies and procedures.

**2.B.13.F:** Notification and management of third-party PHI authorizations for disclosure.

**2.B.13.G:** Management and tracking of access to PHI.

**2.B.13.H:** Provision of electronic hardware in providing security information.

**2.B.13.I:** Provision of accounting and disclosures of PHI to individuals.

**2.B.13.J:** Maintenance of depersonalized reports to minimize the transfer of PHI.

**2.B.14:** Provide over-65-year-old retired or retiring members and their family members with advice, guidance and assistance wherever necessary in the decisions associated with choosing a Medicare Supplement or Medicare Advantage policy.

**2.B.15:** Provide over-65-year-old retired or retiring members and their family members with advice, guidance and assistance wherever necessary in the decisions and choices associated with choosing a Medicare Part D Plan.

**2.B.16:** Production of IRS forms 1094C and 1095C.

**2.B.17:** Duties & Services relating to the Enhanced Data Group & Employee (E.D.G.E.) Support Program, as follows:

**2.B.17.A:** Member focused services include the following:

**2.B.17.A.1:** Conduct New Member Onboarding Meetings

**2.B.17.A.2:** Provide Member Advocacy

**2.B.17.A.3:** Provide Complex Case Management

**2.B.17.A.4:** Conduct Regional Health Fairs

**2.B.17.A.5:** Maintain a Wellness Incentive Program

**2.B.17.A.6:** Provide Open Enrollment Assistance

**2.B.17.A.7:** Deliver Enhanced Member Education

**2.B.17.A.8:** Deliver Enhanced Member Communication

**2.B.17.B:** Group focused services include the following:

**2.B.17.B.1:** Group Leadership Communication Program

**2.B.17.B.2:** Provide New Group Leadership Education

**2.B.17.B.3:** Maintain a Champions of Health Program

**2.B.17.B.4:** Conduct Regional Health Fairs

**2.B.17.B.5:** Manage an Annual Plan-Wide Health Seminar

**2.B.17.B.6:** Provide Group Leadership Education

**2.B.17.B.7:** Deliver Enhanced HR Interfacing & Support

**2.B.17.B.8:** Leadership Meeting Attendance

**2.B.17.C:** Data focused services include the following:

**2.B.17.C.1:** Gaps in Care Identification, Reporting & Actioning

**2.B.17.C.2:** Non-Adherence Identification, Reporting & Actioning

**2.B.17.C.3:** Population Deficiency Identification, Reporting & Actioning

**2.B.17.C.4:** Care Optimization Opportunities

**2.B.17.C.5:** Focused Employer Group Opportunities

**2.B.17.C.6:** Detailed & Customized Reporting

**2.B.17.C.7:** Benefit Optimization Opportunities

**2.B.17.C.8:** Horizon Event Planning



**2.C: Records:** Maintain, collect, manage, secure and store, either hard copy or electronic, all records and files as required by law and as directed by the Trustees.

**2.D: Reserve Bank Account:** McElroy shall establish and maintain a reserve bank account ("Reserve Account") with a banking institution designated by the Trustees as a depository for funds of the Trust (income, investment, premium income, and miscellaneous income) and on which to pay expenses of the Trust.

**2.E: Marketing:** McElroy shall be responsible for all marketing of the Plan but shall obtain the Trustees' approval for any marketing strategies and the enrollment of all new Participating Agencies in accordance with adopted policies and procedures.

**2.F: No Responsibility:** McElroy shall not be responsible for any services or duties otherwise not stated herein.

### 3: Trustees' Duties & Authority

The Trustees shall have the exclusive duty and final authority to interpret and construe the provisions of the Trust Agreement or of any Plan adopted by them; to decide any disputes which may arise with regard to the rights of Employees, Participants, dependents, or beneficiaries; and to retain such accounting, actuarial, administrative, legal, or other assistance as is deemed necessary to assist in the administration of the Trust or of any Plan adopted. Further, it is not the intent of this Agreement to delegate to McElroy discretionary authority or control with respect to any decisions involving the investment and disposition of any assets of the Trust Fund, and McElroy shall act only in an administrative capacity with respect to all matters. The Trustees shall establish and make policies, interpretations, rules, and procedures governing the Plan. McElroy agrees to provide services and perform duties pursuant to such policies, interpretations, rules, and procedures communicated to it in writing by the Trustees.

### 4: Indemnification & Hold Harmless

**4.A: Plan Administrator's Liability:** McElroy shall indemnify and hold harmless the Plan and the Trustees from any and all claims, including legal judgments, costs of litigation, and reasonable attorney fees, from any person or organization, which claims arise from or are caused by the gross negligence, fraud, or criminal conduct of McElroy, its agents, employees, officers, or directors in the course of performing its duties under this Agreement.

**4.B: Bonding:** The Trustees shall be responsible for procuring and maintaining, at the expense of the Trust Fund, any bonding coverage required by law or as Trustees deem necessary to protect the assets of the Plan.

**4.C: Fiduciary Insurance:** McElroy shall purchase and pay for all errors and omissions insurance and/or fiduciary liability insurance protecting the Plan Administrator against any loss by reason of errors or omissions which arise out of the Plan administration by McElroy under the terms and provisions of this Agreement.

### 5: Records, Documents, Supplies, & Equipment

**5.A: Property of the Plan:** McElroy agrees that all files and other recorded information and documents incidental to the administration of the Plan shall be and remain the property of the Plan and shall be delivered to the Trust upon demand. This is to include all member information in a non-proprietary electronic data format.

**5.A: Safeguard Records:** McElroy shall take reasonable measures to safeguard the Plan's records under its control.

**5.A: Copies & Access:** Notwithstanding the provisions of Sections 5.A and 5.B, McElroy shall, at the expense of the Trust, have the right to make and return copies of all records and shall have full access to all those records turned over to the Trust which are necessary for McElroy to defend itself against all claims and charges.

**5.A: Return Upon Termination:** McElroy will present to the Trust or its designees all records, documents, supplies, and equipment which are the property of the Plan as soon as reasonably possible after termination of this Agreement, but no later than thirty (30) days after termination. This is to include all Participant information in a non-proprietary electronic data format.

### 6: Compensation

#### 6.A: Administration Fee:

**6.A.1:** The Trust shall pay a monthly administrative fee as compensation for services performed by McElroy.

**6.A.2:** The administrative fee shall be calculated on a per contract per month basis, whereby a contract shall mean a Participant enrolled in the Plan on the first day of each month and includes active employees, retirees, and COBRA members.

**6.A.3:** McElroy will submit to the Trust, each month, an invoice derived from Plan data, thereby conforming to financial auditing practices.

**6.A.4:** The full amount of the administration fee is payable by the trust no later than the 20th day of each month.

**6.A.5:** McElroy shall retain, without reducing the amount due as calculated from that stipulated in 6.A.2 as additional administrative fees any commission amounts received each month from third-party vendors for Medicare Supplement, Medicare Advantage, Medicare Part D and Ancillary products; due to the increased workload required for supporting these product types.

**6.A.6:** McElroy shall reduce the administrative fee due each month by any commission amounts received from third-party vendors, which are not stipulated in 6.A.5.

**6.A.7:** McElroy will attempt to negotiate all third-party vendor contracts on behalf of the Plan at net commissions, providing evidence thereof. However, if this is not possible, then McElroy will apply the stipulations set forth in 6.A.6.

**6.A.8:** The per contract per month fee shall be as follows:

**6.A.8.A:** Contract Year 2025-2026: **\$21.07**

**6.A.8.B:** Contract Year 2026-2027: **\$21.07 +0.0%**

**6.B: E.D.G.E Support Program Fee:** The per contract per month fee shall be as follows:

**6.B.1:** Contract Year 2025-2026: **\$12.00**

**6.B.2:** Contract Year 2026-2027: **\$12.00 +0.0%**

**6.C: Fee Adjustments:** It is recognized that certain events may have an impact on the amount and/or cost of services required under this Agreement, in which event, McElroy requests that an adjustment be made in the administration fee specified in Section 6.A. Such events shall include, but not be limited to:

**6.C.1:** Changes in administrative services required by law or regulations that impose greater duties or obligations on McElroy than contemplated by this Agreement.

**6.C.2:** Administrative changes due to changes in Plan enrollment, in the program of benefits, insurance policies, eligibility rules, participation agreements, record-keeping rules, and federal and/or state regulations.

**6.C.3:** Not less than ninety (90) days prior to the end of any contract term in which this Agreement is in effect, McElroy may propose in writing a revision in the administration fee for the following contract term.

**6.D: Other Costs/Fees:** This Agreement does not cover, nor is it limited to, the following items, and McElroy shall be reimbursed by the Trust at cost or at a negotiated cost/fee for any expenditure incurred by McElroy in relation thereto:

**6.D.1:** Changes required from outside vendors, contractors, and providers to perform the administrative functions of this Agreement.

**6.D.2:** Data processing and other storage media in the event this Agreement is terminated, and McElroy is required to furnish such material to a successor.

**6.D.3:** Audits required by any local, state, federal entities or the Trustees.

**6.D.4:** Underwriting, actuarial or legal services.

**6.D.5:** Printing of any documents required by the Plan.

**6.D.6:** Expenses associated with the Trustees meetings, except travel expenses incurred by McElroy.

**6.D.7:** Expenses associated with marketing the Plan, except travel expenses incurred by McElroy.

## **7: Relationship**

**7.A: Independent Contractor:** McElroy's relationship with the Trustees shall be that of an independent contractor. Nothing contained in this Agreement shall be construed to create the relationship of employee and employer. McElroy shall have the sole power to direct its personnel in carrying out its responsibilities and obligations under this Agreement. However, McElroy will consider any suggested changes in methods and details made by the Trustees.

**7.B: Business Associate:** This Agreement and the performance of Plan Administrator services by McElroy involves "Protected Health Information" (PHI) (as defined by 45 CFR § 164.501) that is subject to the federal privacy regulations issued pursuant to HIPAA and its implementing regulations (45 CFR §§ 160 and 164, Subparts A and E). As such, McElroy is considered a "Business Associate" of the Trust and/or the Plan and shall carry out its obligations under this Agreement in conformity with the privacy rule requirements as set forth in Addendum A attached hereto and fully incorporated herein by reference.

## 8: Term of Agreement

**8.A: Initial Term:** The initial term of this Agreement shall commence **July 1, 2026**, and shall terminate, unless renewed in accordance with the terms set forth below, at the end of the fiscal year of the State of Oklahoma, which is **June 30, 2027**.

**8.B: Renewal:** Each renewal term after the initial one (1) year term is subject to the review and approval of McElroy and the Trustees. Either McElroy or the Trustees may decline to renew for an additional one (1) year term by giving written notice of their intent not to renew at least ninety (90) days prior to the last day of the then current contract term. If either party fails to give a timely written notice of their intent to not renew for an additional year, this Agreement automatically renews for an additional one (1) year term.

**8.C: Unacceptable Fee Adjustment:** Failure of the parties to agree on the change of administration fee specified in 6.A, within thirty (30) days of notice of the revised fee, shall automatically terminate this Agreement on the indicated effective date of such change.

**8.D: Appropriated Funds:** The parties acknowledge and agree that funds paid by the Trust under the terms of this Agreement will be available only as appropriated on a fiscal year basis by properly constituted legal authority. If the Trust determines that sufficient funds have not been appropriated to make the payments required under the terms of this Agreement, the obligations of the Trust shall terminate. In the event Trust determines to terminate this Agreement due to insufficient funds being appropriated to make the payments required under this Agreement, Trust shall give McElroy written notice of Trust's intent to terminate this Agreement immediately after Trust makes such determination.

**8.E: Unacceptable Performance:** If the Trustees deem that McElroy is not performing its services in an acceptable manner, the Trustees will deliver to McElroy a written "show cause" letter specifying the way the Trustees deem that McElroy has failed to perform its services. McElroy shall have sixty (60) days to cure the non-compliance in the show cause letter. If the non-compliance is not completely or substantially cured by McElroy with the sixty (60) day cure period, the Trustees may, at the Trustees' option, terminate this Agreement and negotiate a termination and transition schedule with McElroy.

**8.F: Termination Upon Default:** This Agreement can also be terminated upon the occurrence of any of the following events of default:

**8.F.1:** A material breach of any of the provisions of this Agreement by either party, which is not cured within thirty (30) days of receipt of a written notice of such breach.

**8.F.2:** In the event of or material breach of any of the provisions of this Agreement and cure is not possible, non-defaulting party, in addition to any other remedies it may have, may terminate this Agreement immediately by giving written notice to the defaulting party.

**8.F.3:** The parties acknowledge and agree that no person who has pleaded guilty to or been convicted of a felony offense (including a nolo contendere plea), in or outside the jurisdiction of the State of Oklahoma, may be employed or serve as Plan Administrator pursuant to the terms of the Inter-Local Agreement. In the event McElroy or any officer of McElroy should be so convicted, Trustees may terminate this Agreement immediately by giving written notice to McElroy.

**8.G: Mutual Agreement:** This Agreement may be terminated on any other date mutually agreeable between the parties in writing.

## 9: General Provisions

**9.A: Trust Fund Payments:** The Trustees agree to authorize the Trust Fund to pay all taxes, licenses, and fees levied, if any by a local, state, or federal authority, in connection with the operation of the Plan or in connection with the duties of McElroy hereunder.

**9.B: Applicable Law:** This Agreement shall be deemed to have been made and entered into the State of Oklahoma and shall be construed and enforced according to the laws of the State of Oklahoma.

**9.C: No Trust or Plan Liability:** This Agreement is not a contract of insurance, and McElroy is not an insurer or underwriter of Trust liability under the Plan. It is understood and agreed that liability for payments for benefits under the Plan is the liability of the Trust and that McElroy shall not have any duty to use any of its funds for the payment of such benefits.

**9.D: Arbitration:** If any dispute shall arise between the Trustees and McElroy, either before, during, or after termination of this Agreement, either party with respect to any transaction under this Agreement, the dispute shall be

referred to three arbitrators, one to be chosen by each party and the third by the two so chosen. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after both arbitrators have been named, the third arbitrator shall be selected pursuant to the commercial arbitration rules of the American Arbitration Association. The arbitration shall take place in the State of Oklahoma, and the arbitration proceedings are to be governed by the rules of the American Arbitration Association and the Oklahoma Arbitration Act. The arbitrators shall consider this Agreement an honorable engagement rather than merely a legal obligation; they are relieved of all judicial formalities and may abstain from following the strict rules of law. The decision of a majority of the arbitrators shall be final and binding on both the Board of Review and McElroy, and judgment upon the award rendered by the arbitrators may be entered into any court having jurisdiction thereof. The expense of the arbitrators and the arbitration shall be equally divided between the Trust and McElroy. Arbitration is the sole remedy for disputes arising under this Agreement.

**9.E: Prevention of Performance:** Neither party shall be liable to the other for any delay or damage or any failure to act (other than payment of money otherwise due) as a result occasioned or caused by reason of federal or state laws or rules, regulations, orders of any public body, or official purporting to exercise in authority or control, respecting the operations covered hereby, or as a result occasioned or caused by strikes, actions or elements, acts of God, or other causes beyond the control of the parties, and the delay, as a result of the above causes, shall not be deemed to be a breach or failure to perform under this Agreement.

**9.F: Notification:** Any notice, given hereunder by either party hereto the other, shall be in writing and delivered personally or sent by registered mail, postage prepaid:

**9.F.1:** If to Board of Review, addressed to: Chairperson of the Board of Review, Oklahoma Public Employees Health & Welfare Plan, 210 W Delaware Suite 106, Vinita OK 74301.

**9.F.2:** If addressed to McElroy: McElroy & Associates, Inc., 3851 C Tuxedo Blvd, Bartlesville, OK 74006.

**9.F.3:** Either party may designate another address at any time by appropriate written notice to the other.

**9.F: Entire Agreement:** This Agreement represents the entire Agreement between McElroy and the Board of Review with respect to the services described herein and supersedes all prior and contemporaneous oral or written agreement.

## 10: Execution

In witness whereof, the parties hereto have caused their duly authorized representative the date, month, and year first above written.

**Oklahoma Public Employees  
Health & Welfare Plan**

**McElroy & Associates, Inc.**

By: \_\_\_\_\_

Name: **Tammy Malone**

Title: **Chairwoman/Trustee**

Date: **1/22/2026**

By: \_\_\_\_\_

Name: **Ross Naylor**

Title: **President**

Date: **1/22/2026**

# Addendum A: Business Associate Agreement



This business associate agreement ("Agreement") is made and entered into effective as of the date provided below, by and between McElroy & Associates, Inc. ("Business Associate"), and Oklahoma Public Employees Health and Welfare Trust ("Plan Sponsor"), on behalf of the Oklahoma Public Employees Health and Welfare Plan ("Plan" or "Covered Entity"), collectively the "Parties".

## Recitals

Whereas the Plan includes one or more group health plans that are a Covered Entity within the meaning of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its Privacy, Security, Breach Notification, and Enforcement Rules at in 45 C.F.R. Parts 160 and 164, as the same may be amended from time to time ("HIPAA Rules"); whereas, Business Associate has been retained by Plan Administrator to perform certain services on behalf of Covered Entity under an underlying contract ("Contract") which qualify it as a "business associate" of Covered Entity within the meaning of 45 C.F.R. § 160.103; and whereas, the HIPAA Rules require, among other things, that Covered Entity obtain assurances from Business Associate that it will properly safeguard the confidentiality of Protected Health Information ("PHI") before Covered Entity may disclose such information to Business Associate or allow Business associate to create or receive PHI on behalf of Covered Entity.

Now, therefore, in consideration of the foregoing RECITALS and for other good and valuable consideration, including the execution or renewal of the Contract by the Parties, Covered Entity and Business Associate agree as follows:

## 1: Definitions

Capitalized terms used in this Agreement, but not otherwise defined, shall have the same meaning as those terms in the HIPAA Rules which definitions are herein incorporated by reference: Breach, Data Aggregation, Designated Record Set, Disclosure, Electronic Protected Health Information ("e-PHI"), Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information ("PHI"), Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information ("Unsecured PHI"), and Use.

## 2: Obligations & Activities of Business Associate

**2.A: Permitted Use or Disclosure:** Business Associate agrees to not Use or disclose PHI other than as permitted or required by this Agreement or as required by law.

**2.B: Safeguards:** Business Associate agrees to use appropriate safeguards to prevent Use or Disclosure of PHI other than as provided for by this Agreement. Business Associate agrees it will implement administrative, technical, and physical measures that reasonably and appropriately protect the confidentiality, integrity, and availability of e-PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity, as required at 45 C.F.R. § 164.410.

**2.C: Mitigation:** Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

**2.D: Reporting of Unauthorized Use or Disclosure:** Business Associate agrees to report to Covered Entity, without unreasonable delay, any Use or Disclosure of PHI not provided for by this Agreement of which it becomes aware, including Breaches of Unsecured PHI as required at 45 C.F.R. § 164.410, and any Security Incident of which it becomes aware. All such reports shall be made in writing and shall be directed to Covered Entity. Each such report shall contain at least the following information:

**2.D.1:** Description of the nature of the non-permitted Use or Disclosure, including date of the occurrence, date of the discovery, and affected individuals;

**2.D.2:** Description of PHI used or disclosed;

**2.D.3:** Identity of the person who made the non-permitted Disclosure or engaged in the non-permitted use;



**2.D.4:** Description of corrective action, if any, Business Associate took or will take to prevent further nonpermitted use or disclosure;

**2.D.5:** Description of what Business Associate did or will do to mitigate any deleterious effect of the nonpermitted use or Disclosure; and

**2.D.6:** Such other information as Covered Entity may reasonably request. Provided however, Business Associate shall, following the discovery of a Breach of Unsecured PHI, notify Covered Entity of such Breach in no case later than 10 calendar days after the discovery of such Breach. Business Associate shall provide such additional information necessary or appropriate for Covered Entity to notify Individuals affected by such breach (or to provide any other required notification), and shall provide such required notice directly to such affected individuals (or other required recipients) as mutually agreed by the Parties.

**2.E: Agreements With Agent or Subcontractor:** In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and § 164.308(6)(2), if applicable, Business Associate agrees to ensure that any of its agents, including a Subcontractor, to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity, agree, in writing, to the same restrictions, conditions, and requirements that apply through this Agreement to Business Associate with respect to such information.

**2.F: Access to Information:** Business Associate agrees to promptly make available, at the written request of Covered Entity and in the time and manner requested, PHI maintained by Business Associate in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual or an Individual's designee as necessary to satisfy Covered Entity's obligations under 45 C.F.R. § 164.524.

**2.G: Amendment of PHI:** Business Associate agrees to promptly make any amendment(s) to PHI maintained by Business Associate in a Designated Record Set that the Covered Entity directs, or agrees to, pursuant to 45 C.F.R. § 164.526, at the written request of Covered Entity or an Individual, and in the time and manner requested, or to take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. § 164.526.

**2.H: Document Disclosures:** Business Associate agrees to document such Disclosures of PHI and information related to such Disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 C.F.R. § 164.528.

**2.I: Accounting of Disclosures:** Business Associate agrees to provide to Covered Entity or an Individual, in time and manner requested, information collected in accordance with Section 2(h) of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 C.F.R. § 164.528.

**2.J: Inspection of Practices, Books and Records:** Business Associate agrees to make its internal practices, books, and records available to the Secretary, in a time and manner requested or designated by the Secretary, for purposes of the Secretary determining compliance with the HIPAA Rules.

**2.K: Standard Transactions and Data Code Sets:** To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate agrees to comply with the requirements of Subpart E that apply to Covered Entity in performance of such obligation(s).

### **3: Permitted Uses & Disclosures by Business Associate**

**3.A: General Use & Disclosure:** Except as otherwise limited in this Agreement, Business Associate may Use or disclose PHI to perform functions, activities or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such Use or Disclosure would not violate the HIPAA Rules if done by Covered Entity.

**3.B: Use for Management & Administration:** Except as otherwise limited in this Agreement, Business Associate may Use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

**3.C: Disclosure for Management & Administration:** Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided the Disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached.

**3.D: Data Aggregation:** Except as otherwise limited in this Agreement, Business Associate may Use PHI to provide

Data Aggregation services relating to the Health Care Operations of Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

## 4: Obligation of Covered Entity

**4.A: Privacy Practices:** Covered Entity shall notify Business Associate in writing of any limitation(s) in the Notice of Privacy Practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's Use or Disclosure of PHI.

**4.B: Changes:** Covered Entity shall notify Business Associate in writing of any changes in, or revocation of, permission by Individual to Use or disclose PHI, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI.

**4.C: Restrictions:** Covered Entity shall notify Business Associate in writing of any restriction to the Use or Disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI. Provided however, Covered Entity agrees that it will not commit Business Associate to any restrictions on the Use or Disclosure of such PHI without Business Associate's written approval.

**4.O: Permissible Requests by Covered Entity:** Covered Entity shall not request Business Associate to Use or disclose PHI in any manner that would not be permissible under the HIPAA Rules if done by Covered Entity.

## 5: Term & Termination

**5.A: Term:** The Term of this Agreement shall begin as of the effective date of this Agreement and continue until the Contract is terminated or expires, or the date Covered Entity terminates for cause as provided in paragraph (B) of this Section 5, whichever is sooner.

**5.B: Termination for Cause:** Upon Covered Entity's knowledge that Business Associate has violated a material term of this Agreement, Covered Entity shall either:

**5.B.1:** Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Contract if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

**5.B.2:** Immediately terminate this Agreement and the Contract if Business Associate has violated a material term of this Agreement and cure is not possible; or

**5.B.3:** If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**5.C: Effect of Termination:** Upon termination of this Agreement for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

**5.C.1:** Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

**5.C.2:** Return to Covered Entity (or, if agreed to by Covered Entity, destroy) the remaining PHI that the Business Associate still maintains in any form;

**5.C.3:** Continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to PHI to prevent Use or Disclosure of the PHI, other than as provided for in this Section 6(c), for as long as Business Associate retains the PHI;

**5.C.4:** Not Use or Disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Section 3 (b) and (c) of this Agreement which applied prior to termination; and

**5.C.5:** Return to Covered Entity (or, if agreed to by Covered Entity, destroy) the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

**5.O: Cure of Non-Material Violation:** Covered Entity shall provide an opportunity to Business Associate to cure a nonmaterial breach or violation within the time specified by Covered Entity.

## 6: Miscellaneous

**6.A: Regulatory References:** A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

**6.B: Amendment:** This Agreement may be amended only by the mutual written agreement by the Parties. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity and/or Business Associate to comply with the requirements of the HIPAA Rules.

**6.C: Survival:** The respective rights and obligations of Business Associate under Section 6(c) of this Agreement shall survive the termination of this Agreement so long as Business Associate or any agent or Subcontractor of Business Associate remains in possession of any PHI and shall expire thereafter.

**6.D: Interpretation:** Any ambiguity in this Agreement shall be resolved to permit Covered Entity and/or Business Associate to comply with the HIPAA Rules. In the event of a conflict between this Agreement and the Contract, this Agreement shall control.

**6.E: No Third-party Beneficiary:** This Agreement applies solely for the purposes set forth herein and is not intended for the benefit of any person not a Party to this Agreement.

**6.F: Governing Law:** This Agreement shall be construed and enforced in accordance with the laws of the State of Oklahoma to the extent not preempted HIPAA, the HIPAA Rules, or other applicable federal law.

**6.G: Assignment:** Neither this Agreement nor any of the rights, benefits, duties or obligations provided herein may be assigned by any Party to this Agreement without the prior written consent of the other Party.

**6.H: Notices:** Any notice given under this Agreement must be in writing and delivered via first class mail, via reputable overnight courier service, or in person to the Parties respective address provided below or to such other address as the Parties may from time to time designate in writing:

**6.H.1:** To: Business Associate: McElroy & Associates, Inc., 3851 C Tuxedo Blvd., Bartlesville, OK 74006, ATTN: Privacy Officer.

**6.H.2:** To: Covered Entity: Oklahoma Public Employee's Health & Welfare Plan, 3851 C Tuxedo Blvd., Bartlesville, OK 74006, ATTN: Privacy Officer.

**6.I: Indemnification:** To the extent allowed by law, each Party shall indemnify and hold the other Party harmless from all claims, suits, judgments, or penalties, including reasonable attorneys' fees, incurred by the other Party resulting from the indemnifying Party's or any of its agents, including a Subcontractor of the indemnifying Party, negligent acts or omissions under this Agreement.

## 7: Execution in Counterparts

This Agreement may be executed in one or more counterparts, and all such counterparts together shall be deemed to be one and the same Agreement of the Parties.

## 8: Execution

In witness whereof, Business Associate and Covered Entity have entered into this Agreement to be effective on the **1<sup>st</sup> day of July 2026**.

### Covered Entity

**Plan Sponsor on behalf of:  
Oklahoma Public Employees  
Health & Welfare Plan**

By: \_\_\_\_\_  
Name: **Tammy Malone**  
Title: **Chairwoman/Trustee**  
Date: **1/22/2026**

### Business Associate

**McElroy & Associates, Inc.**

By: \_\_\_\_\_  
Name: **Ross Naylor**  
Title: **President**  
Date: **1/22/2026**



# Medical & Dental Contract for the 2026/27 Plan Year

	Current	Renewal
Carrier	<b>BlueCross</b>	<b>BlueCross</b>
Admin Fee	<b>\$39.61</b>	<b>\$40.80</b>
Wellbeing Management	<b>\$ 6.10</b>	<b>\$ 6.10</b>
Member Rewards	<b>\$ 1.38</b>	<b>\$ 1.40</b>
MDLIVE	<b>\$ 0.52</b>	<b>\$ 0.52</b>
3 <sup>rd</sup> Party Stop Loss Fee	<b>\$ 0.50</b>	<b>\$ 0.50</b>
3 <sup>rd</sup> Party Rx Fee	<b>\$ 0.42</b>	<b>\$ 0.42</b>
Medefy Data Fee	<b>\$ 0.01</b>	<b>\$ 0.01</b>
Medical Rebate Credit	<b>\$ 2.50-</b>	<b>\$ 2.50-</b>
Total	<b>\$45.66</b>	<b>\$47.25</b>
Increase (\$)		<b>\$ 1.59</b>
Increase (%)		<b>3.50%</b>

# Special Assessment

## Recent Initiatives

- Advantage Network Switch
- Advantage Plan @ Preferred Plan Rate
- Employee Premium Early Pay
- Making Healthy Cheaper Benefits
- Green Imaging

## Current Position

- **\$3.50M** – Medical Claims Due
- **\$1.50M** – Rx Due
- **\$0.30M** – Other Vendors Due
- **\$3.50M** – Line of Credit
- **\$7.80M** – Total

## Current Effects

- **Negatives:**
  - Cash Flow Cadence
  - No Grace Period Capacity
  - Maxed Line of Credit
  - = Claims Suspension Risk
- **Positives:**
  - Lower Claims Costs
  - Zero-Cost Benefits
  - Recent Growth
  - = Strong Foundation

## Current Initiatives

- **\$2.50M** – Annual Savings – Script Sourcing
- **\$2.50M** – Annual Savings – Over 65 Active Spouses

## **Future Initiatives**

- Samaritans – 2026 Rollout
- Direct Primary Care (DPC) – 2026 Rollout
- Direct Ambulatory Surgical Centers (ASC's)
- Direct Transportation (Air & Ground)

## **Future Pressures**

- Inflation
- Gene Therapies
- Provider Monopolies
- Provider Contracting
- New Medications

## **What's Needed**

- 7/1/2026 Rate Increase
- Addressing the Auditor's Findings
- Reducing the Line of Credit
- Special Assessment of \$4M - \$5M

## **Bottom Line**

- The Plan is operating well
- This is due to the changes made 12-months ago, and recent growth
- Initiatives rolling out now will have a big impact, however, won't be fully realized for 12-months
- A special assessment is needed to remove the cash flow pressure and create an operating cushion

# Group Share Percentages

As of: **12/31/2025**

ID	Name	Share
29	OMRF	0.30%
30	Medford, City of	0.36%
32	Bethany, City of	3.42%
35	Custer City, Town of	0.07%
36	Chattanooga, Town of	0.06%
37	Burns Flat, Town of	0.18%
38	Goodwell, Town of	0.07%
39	Tipton, Town of	0.10%
41	OEDA	0.10%
42	Talihina, Town of	0.26%
46	Coal County	0.57%
47	Kingfisher, City of	2.54%
48	Okay, Town of	0.05%
49	Carter, Town of	0.04%
50	Garfield County	0.60%
52	Harper County	0.94%
53	Johnston County	1.77%
55	Stroud, City of	0.71%
59	Cimarron County	1.28%
60	Buffalo, Town of	0.18%
62	Greer County	1.17%
63	OMAG	1.77%
64	Seminole County	2.28%
65	Grant County	1.59%
68	Choctaw County	1.47%
69	McCurtain County	4.52%
70	Cherokee County	2.16%
72	Grady County	5.78%
73	OMUSA	0.10%
75	Washington County	4.57%
78	SWODA	0.68%
79	Atoka County	0.91%
82	McCurtain County - E911	0.08%
84	Texas County	2.91%
87	ACCO	0.80%
88	Beaver, Town of	0.21%
90	Walters, City of	0.10%

<b>91</b>	Velma, Town of	<b>0.11%</b>
<b>92</b>	Boise City Schools	<b>1.24%</b>
<b>93</b>	Fargo Public Schools	<b>1.04%</b>
<b>94</b>	Ellis County	<b>2.98%</b>
<b>95</b>	Pushmataha County	<b>1.35%</b>
<b>96</b>	Beaver County	<b>2.52%</b>
<b>97</b>	Pontotoc County	<b>3.29%</b>
<b>98</b>	Kingfisher County	<b>3.49%</b>
<b>100</b>	Bryan County	<b>3.28%</b>
<b>101</b>	Pond Creek, City of	<b>0.26%</b>
<b>102</b>	Craig County	<b>2.04%</b>
<b>103</b>	Lincoln County	<b>3.19%</b>
<b>104</b>	Arnett Public Schools	<b>1.08%</b>
<b>105</b>	Warr Acres, City of	<b>2.88%</b>
<b>106</b>	CED 4	<b>0.35%</b>
<b>107</b>	McElroy & Associates Inc	<b>0.35%</b>
<b>108</b>	Ninnekah, Town of	<b>0.10%</b>
<b>111</b>	Roger Mills County - Hospital	<b>2.27%</b>
<b>113</b>	Rogers County - IDA	<b>0.02%</b>
<b>114</b>	NODA	<b>0.49%</b>
<b>115</b>	Duncan, City of	<b>9.69%</b>
<b>116</b>	CED 8	<b>0.52%</b>
<b>117</b>	CED 3	<b>0.21%</b>
<b>118</b>	Vici Public Schools	<b>0.96%</b>
<b>119</b>	Pawnee County	<b>1.55%</b>
<b>120</b>	CED 7	<b>0.53%</b>
<b>121</b>	McCurtain County - RWD #1	<b>0.12%</b>
<b>123</b>	McCurtain County - RWD #8	<b>0.22%</b>
<b>134</b>	CED 6	<b>0.03%</b>
<b>141</b>	NOSWDA	<b>0.24%</b>
<b>145</b>	Wilburton, City of	<b>0.45%</b>
<b>146</b>	Wilburton, City of - PW	<b>0.22%</b>
<b>149</b>	Eufaula, City of	<b>0.52%</b>
<b>151</b>	Cherokee County - Jail	<b>0.44%</b>
<b>153</b>	Dewey, City of	<b>0.54%</b>
<b>154</b>	Garfield County - Fairgrounds	<b>0.13%</b>
<b>155</b>	Seminole, City of	<b>2.01%</b>
<b>157</b>	Roger Mills County - RWD #2	<b>0.08%</b>
<b>158</b>	Carlton Landing	<b>0.05%</b>
<b>159</b>	Leedey, Town of	<b>0.05%</b>
<b>160</b>	Morris, City of	<b>0.27%</b>
<b>161</b>	Forest Park, Town of	<b>0.03%</b>

<b>162</b>	Texas County - E911	<b>0.26%</b>
<b>163</b>	OMMS	<b>0.11%</b>
<b>164</b>	Atoka County - RWD #2	<b>0.05%</b>
<b>165</b>	Grady County - Fairgrounds Trust Authority	<b>0.33%</b>
<b>166</b>	Hammon, Town of	<b>0.11%</b>
<b>167</b>	Slaughterville, Town of	<b>0.08%</b>
<b>168</b>	Johnston County - EMS	<b>0.29%</b>
<b>169</b>	The Village	<b>1.94%</b>
<b>170</b>	Maud, City of	<b>0.07%</b>
<b>171</b>	Sayre, City of	<b>0.54%</b>
<b>172</b>	McCurtain County - RWD #6	<b>0.03%</b>
<b>173</b>	Washington, Town of	<b>0.06%</b>
<b>174</b>	Goldsby, Town of	<b>0.11%</b>
<b>175</b>	Davenport, Town of	<b>0.03%</b>
<b>176</b>	Prague, City of	<b>0.11%</b>
<b>177</b>	Greer County Special Ambulance	<b>0.01%</b>
<b>178</b>	Gore, Town of	<b>0.02%</b>
		<b>100.00%</b>

# Put Your Eyes at Ease with VSP LightCare



## Why UV and blue light coverage?

Even if you don't wear prescription glasses, an annual eye exam is an easy and cost-effective way to take care of your eyes and overall health.

With VSP LightCare™, you can use your frame and lens benefit to get non-prescription eyewear from your VSP® Vision Care network doctor.


## Support your eyes indoors and out.

**Wear blue light filtering glasses indoors** for a more comfortable viewing experience during extended screen use.




**Always wear sunglasses outdoors.** Shield your eyes from the sun's ultraviolet rays that can damage your corneas and cause eye-related diseases like cataracts. 100% UVA and UVB protection is the best choice for your sunglasses.<sup>1</sup>

## Provider choices you want.

With thousands of locations—including private practice doctors, Visionworks®, and Eyemart Express retail locations nationwide, getting the most out of your benefits is easy at a VSP Premier Edge™ location.



Get more at preferred in-network doctor locations



Prefer to shop online? You can use your benefits in-network on **Eyeconic®**, the VSP in-network online eyewear store. Choose from a wide selection of ready-made sunglasses and blue light filtering glasses for everyone.

**vsp.**  
vision care

## Your VSP LightCare Coverage Includes:\*

### Eye Exam

A fully-covered WellVision Exam®.<sup>2</sup>

### Eyewear

Use your frame and lens allowance toward ready-made:

- non-prescription sunglasses *or*
- non-prescription blue light filtering glasses

\*Create an account and log in to **vsp.com** to review your benefit information. Based on applicable laws; benefits may vary by location.

Questions? Visit **vsp.com** | 800.877.7195 (TTY: 711)

1. Tips for Choosing the Best Sunglasses, American Academy of Ophthalmology, June 2021. 2. Less any applicable copay.

Blue light filtering lenses are not clinically proven to prevent or reduce digital eye strain. Use of these lenses should be based on personal preference, not medical necessity. This product is not intended to diagnose, treat, cure, or prevent any disease. Blue light filtering is a personal preference lens feature.

Premier Edge is not available to some members in Texas. Visionworks, Eyeconic, and Eyemart Express family of stores are VSP-affiliated companies.

To learn about your privacy rights and how your protected health information may be used, see the VSP Notice of Privacy Practices on **vsp.com**.

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# Plan Designs with Direct Primary Care for the 2026/27 Plan Year

## Introducing:

**Tungsten**Advantage+

**Diamond**Advantage+

**Platinum**Advantage+

- Same rates.
- Contact the administration office to see if these plans are available in your area.
- Primary care visits will only be permitted at the Remedy Health clinic.
- All family members, even if not enrolled, will receive Remedy Health coverage.

- Here's what Direct Primary Care with Remedy brings:

**Primary Care** (Included at no cost to the plan or member.)

- Unlimited Acute, Chronic, and Preventive Visits
- Annual Wellness Exams
- Telemedicine and Asynchronous Messaging
- Care Coordination & Referral Management

**Procedures** (Included at no cost to the plan or member.)

- Laceration Repair
- Abscess I&D
- Cryotherapy, Wart Treatment, Skin Tag Removal
- Foreign Body Removal
- Ingrown Toenail Removal & Nail Trephination
- Joint Injections & Trigger-Point Injections



- Splinting, Bracing, and Basic Immobilization
- Ear Irrigation
- Nebulizer Treatments
- EKG
- Spirometry
- Basic Wound Care and Dressing Changes
- Pregnancy Testing
- Vision Screening

**X-Rays** (Included at no cost to the plan or member, when X-ray equipment is onsite.)

- Chest X-Rays
- Extremity X-Rays (Hand, Wrist, Elbow, Shoulder, Knee, Ankle, Foot)
- Cervical, Thoracic, and Lumbar Spine
- Pelvis & Hip
- Abdominal KUB (limitations with large amounts of adipose tissue)

### **Limitations**

- No CT or MRI
- No Contrast Studies
- No Fluoroscopic Procedures
- Radiologist Over-Reads Included at No Member Cost

**Lab Testing** (Included at no cost to the plan or member.)

Both onsite point-of-care labs and Quest Diagnostics send-out formulary.

#### **On-Site Labs**

- Rapid Strep
- Rapid Flu
- Rapid COVID
- RSV (as applicable)
- Urinalysis
- Urine Pregnancy Test
- Fingerstick Glucose
- A1C
- Mono Test

#### **Quest Diagnostics**

- CBC
- CMP
- Lipid Panel
- Thyroid (TSH, Free T4)
- PSA
- Vitamin D
- CRP
- ESR
- A1C
- STD Panels
- Hepatitis Panel
- Basic Autoimmune & Metabolic Labs within Primary Care Scope

### **Limitations**

- No Genetic Testing
- No High-Cost Specialty Panels
- No Advanced Auto-immune Workups

## **In-House Pharmacy** (Included at no cost to the plan or member.)

Remedy Health operates an on-site pharmacy with an extensive generic formulary available at no cost to members.

### **Medication Access Model**

- 30-Day Supply Dispensed Onsite at No Cost
- Free 90-Day Home Delivery
- No PBM Involvement
- No Copays or Dispensing Fees

### **Formulary Categories**

- Antibiotics
- Antihypertensives
- Diabetes Medications (non-GLP-1)
- Statins
- Thyroid Replacement
- Mental Health Medications
- Allergy & Asthma Medications
- Pain & Anti-Inflammatory Medications
- Dermatologic Agents
- G.I. Medications
- Women's Health Medications
- Cardiovascular Medications

## **GLP-1 Program** (Optional Add-On)

Compounded GLP-1 program, which provides significant savings compared to brand-name prescriptions, with home delivery directly to the patient. With prices allowing for control of high-cost weight management and diabetes-drug spending while improving access and adherence.

### **Tirzepatide Pricing** (Twice Weekly)

- 1.5 mg - \$279
- 3.0 mg - \$349
- 4.5 mg - \$399
- 5.5 mg - \$449
- 6.6 mg - \$479
- 8.5 mg - \$499

### **Semaglutide Pricing** (Twice Weekly)

- 0.15 mg - \$179
- 0.30 mg - \$249
- 0.60 mg - \$299
- 0.90 mg - \$329
- 1.35 mg - \$349

### **Key Cost-Saving Advantages**

- Typically, 70-90% less than commercial brand pricing
- No copays, no insurance billing
- Medication ships directly to the patient's home
- Increases adherence and reduces employer medical/PBM spend
- Stable, predictable pricing for actuarial modeling

# Premium Rates for the 2026/27 Plan Year

- **9.9%**
- All Plan Designs & Coverage Tiers

ADVANTAGE								
	TUNGSTEN	DIAMOND	PLATINUM	GOLD	SILVER	BRONZE	COBALT	COPPER
Member	754.58	725.56	653.00	623.96	602.20	580.44	526.02	507.86
Child	360.50	346.62	311.96	298.12	294.64	277.30	251.30	242.64
Children	586.86	564.30	507.86	485.30	479.64	451.44	409.12	395.02
Spouse	882.26	848.32	763.48	729.56	721.08	678.66	615.02	593.82
Spouse & Child	1,242.76	1,194.94	1,075.44	1,027.68	1,015.72	955.96	866.32	836.46
Spouse & Children	1,469.12	1,412.62	1,271.34	1,214.86	1,200.72	1,130.10	1,024.14	988.84

PREFERRED								
	TUNGSTEN	DIAMOND	PLATINUM	GOLD	SILVER	BRONZE	COBALT	COPPER
Member		853.60	768.24	734.08	708.48	682.88	618.84	
Child		407.80	367.02	350.72	338.48	326.22	295.66	
Children		663.88	597.50	570.94	551.02	531.10	481.32	
Spouse		998.02	898.22	858.30	828.36	798.42	723.56	
Spouse & Child		1,405.82	1,265.24	1,209.02	1,166.84	1,124.64	1,019.22	
Spouse & Children		1,661.90	1,495.72	1,429.24	1,379.38	1,329.52	1,204.88	