

KAIROS HEALTH ARIZONA, INC.

**Minutes of the Meeting of the Board of Directors
July 1, 2019**

A telephonic meeting of the board of directors of Kairos Health Arizona, Inc., was held on July 1, 2019 at 333 E Osborn Rd, #300, Phoenix, AZ 85012.

Members present: Lana Berry
Sandy Cooper
Jeffrey Gadd
Chris Knutsen
Rudy Rodriguez

All members in attendance attended telephonically.

Members absent: David Tharp
Michael Wright

Staff present: John Ashton: Ashton Tiffany, LLC
Tracy Foss: Ashton Tiffany, LLC
Tanya Edwards: Ashton Tiffany, LLC
Hannah Olson: Ashton Tiffany, LLC
Washington Coven: Blue Cross Blue Shield of Arizona
Chris Welker: Wright, Welker & Pauole

A. Opening of the Meeting

1. Call to order

Rudy Rodriguez called the meeting to order at 12:46 p.m.

B. General Business

1. A motion was made to approve the agenda for July 1, 2019.

Sandy Cooper, moved
Lana Berry, seconded
Motion passed unanimously

C. New Business

1. Discussion and approval of 2018-2019 Blue Cross Blue Shield of Arizona (BCBSAZ) contract amendment and 2019-2020 BCBSAZ contracts

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Tanya Edwards presented an overview of the 2018–2019 BCBSAZ contract amendment and 2019–2020 contracts, which were reviewed by Kairos staff and counsel. The revised agreements included the following key items:

- language improvements to provide greater clarity and less ambiguity;
- a multi-year rate guarantee;
- pharmacy language modifications due to carve-out, including language for integration fee;
- greater audit rights, with BCBS bearing the cost;
- no stop loss lasering of individuals for existing members or for incoming SRP members (BCBS retains the right to laser individuals affiliated with incoming self-insured members); and
- clarification of run-out provisions to ensure no fees upon termination.

Ms. Edwards further advised that certain additional provisions were unattainable during the negotiations. These items included the following:

- BCBSAZ will retain the right to modify the administrative fee if average contract size increases by more than 5% during the year, or if enrollment changes by more than 10%. However, the fees are now outlined in the contract.
- BCBSAZ will not share provider agreements with any client.
- BCBSAZ will retain the right to charge late fees.
- BCBSAZ will no longer offer a guarantee on BlueCard fees.

As of July 1, 2019, there are still two items being finalized: (1) a BCBSAZ carve-out for stop loss for new groups, and (2) a rate change for average contract size in plan year 2020–2021.

A motion was made to approve the 2018–2019 BCBSAZ contract amendment, subject to final review by counsel.

Sandy Cooper, moved,
Lana Berry, seconded
Motion passed unanimously

A motion was made to approve the 2019–2020 BCBSAZ contracts and contract amendments, subject to final review by counsel.

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Chris Knutsen, moved,
Jeffrey Gaff, seconded
Motion passed unanimously

D. Adjournment

Board president Rudy Rodriguez adjourned the meeting at 1:03 p.m.



Received and approved by ~~Rudy Rodriguez~~ David Tharp
~~Board President~~ Secretary / Treasurer
Kairos Health Arizona, Inc.