



## CONTRACT AMENDMENT COVER SHEET

<b>Agency Tracking #</b> 31786-00130	<b>Edison ID</b> 48012	<b>Contract #</b> n/a	<b>Amendment #</b> 2		
<b>Contractor Legal Entity Name</b> PayFlex Systems USA, Inc.			<b>Edison Vendor ID</b> 191072		
<b>Amendment Purpose &amp; Effect(s)</b> Two-year extension for program runout activities					
<b>Amendment Changes Contract End Date:</b> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		<b>End Date:</b> 12/31/2022			
<b>TOTAL Contract Amount INCREASE or DECREASE per this Amendment</b> (zero if N/A):			<b>-\$4,300,000.00</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2016			\$70,000.00		\$70,000.00
2017			\$270,000.00		\$270,000.00
2018			\$390,000.00		\$390,000.00
2019			\$420,000.00		\$420,000.00
2020			\$420,000.00		\$420,000.00
2021			\$330,000.00		\$330,000.00
<b>TOTAL:</b>			<b>\$1,900,000.00</b>		<b>\$1,900,000.00</b>
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.			<i>CPO USE</i>		
			<i>CM</i>		
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)			

## **AMENDMENT TWO OF CONTRACT EDISON #48012**

This Amendment is made and entered by and between the State of Tennessee, Department of Finance and Administration, State Insurance Committee, hereinafter referred to as the "State" and PayFlex Systems USA, Inc., hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

**1. Contract Section A.6.m.:**

Contractor shall keep the employer portal open, active, fully operational along with all report querying ability and continuously available for State, University of Tennessee or Tennessee Board of Regents ongoing use through at least December 31, 2022.

**2. Contract Section A.6.n.:**

Contractor shall keep the employee portal open and active for employee usage through at least December 31, 2022.

**3. Contract Section A.6.o.:**

The Contractor shall provide the 'Overpayment Debt Resolution Report' for Plan years 2019 and 2020 upon request, as well as the detailed claims information to support the ineligible overpayment, cash overpayment, and total overpayment amounts included in the 'Overpayment Debt Resolution Report'.

**4. Contract Section A.6.p.:**

Upon request In Writing from any of the following, the State, University of Tennessee or Tennessee Board of Regents, the Contractor will prepare that group's Plan year 2020 debt substantiation report within thirty (30) days. Each entity (the State, University of Tennessee or the Tennessee Board of Regents) shall have the ability to select the end date for the Plan year 2020 debt substantiation report.

**5. Contract Section A.6.q.:**

Upon request, the Contractor will prepare an Overpaid Employees Report and provide in electronic format approved by the State.

**6. Contract Section A.7.y.:**

Contractor's call center staff shall continue to assist Members with outstanding claims issues or requests associated with the Plan year 2019 and 2020 debt collection requests by reviewing Member accounts, reviewing claim documentation and answering questions such as the date of service, provider name, and amount that was not substantiated as well as contacting Members with the results of the Contractor's review and also providing the State with a report of this activity.

**7. Contract Section A.21 Definitions:**

ee. In Writing: Written communication between the Parties, which may be in the form of an official memo, or documents sent via postal mail, fax, or email communications.

ff. Public Sector Plans (“Plan”): Refers to all benefit options sponsored by the State, Local Government, and Local Education Insurance Committees (e.g. health plan options, life insurance, other voluntary benefits). The Plan is available to eligible employees and dependents of participating State (Central State and Higher Education), Local Government, and Local Education agencies.

**8. Contract Section B:**

**TERM OF CONTRACT:**

This Contract shall be effective on September 1, 2015 (“Effective Date”), and extend for a period of eighty-eight (88) months after the Effective Date (“Term”). This includes four (4) months for implementation (September 1, 2015-December 31, 2015), sixty (60) months for service delivery (January 1, 2016-December 31, 2020), and twenty-four (24) months for program runout activities (January 1, 2021-December 31, 2022). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**9. Contract Section C.1. Maximum Liability:**

In no event shall the maximum liability of the State under this Contract exceed One Million Nine Hundred Thousand Dollars (\$1,900,000.00) (“Maximum Liability”). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

**10. Contract C.3.b.ii, Table A and B:**

Table A - FSA Enrollment Level Account Fee:

Total FSA Participants*	Monthly FSA Administration Fee per Participant To be paid by the State Group Insurance Plans				
	1/1/17 – 12/31/17	1/1/18 – 12/31/18	1/1/19 – 12/31/19	1/1/20 – 12/31/20	1/1/21 – 5/31/21
Below 3,000	\$3.25	\$3.25	\$3.25	\$3.25	\$2.93
3,000 – 4,999	\$3.10	\$3.10	\$3.10	\$3.10	\$2.93
5,000 – 7,499	\$3.00	\$3.00	\$3.00	\$3.00	\$2.93
7,500 – 9,999	\$2.93	\$2.93	\$2.93	\$2.93	\$2.93
10,000 – 14,999	\$2.85	\$2.85	\$2.85	\$2.85	N/A
15,000 and above	\$2.70	\$2.70	\$2.70	\$2.70	N/A

Table B – Monthly Limited Purpose FSA (LPFSA) Administration Fee per Participant

Monthly Limited Purpose FSA (LPFSA) Administration Fee per Participant
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	To be paid by the State Group Insurance Plans				
	1/1/17 – 12/31/17	1/1/18 – 12/31/18	1/1/19 – 12/31/19	1/1/20 – 12/31/20	1/1/21 – 5/31/21
<b>All LPFSA Participants*</b>	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75

\*January enrollment will be used to determine the FSA and LPFSA enrollment-based fee level during years 2017 through 2020, and the fee level set in January of each year shall remain constant for the remainder of the calendar year. The product of the monthly fee and the number of participants, not total enrollment levels, will generate the Contractor's total payment. FSA and LPFSA enrollment for 2021 will be determined each month based on the number of flex accounts with an annual election remaining balance above zero, plus those accounts requiring debt substantiation. There will be five monthly payments during 2021 starting with January and ending with May.

**Required Approvals.** The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

**Amendment Effective Date.** The revisions set forth herein shall be effective January 1, 2021. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**PAYFLEX SYSTEMS USA, INC:**

*Michael Di Simone*

07/27/2020

**SIGNATURE**

**DATE**

Michael DiSimone - President

**PRINTED NAME AND TITLE OF SIGNATORY (above)**

**DEPARTMENT OF FINANCE AND ADMINISTRATION:  
STATE INSURANCE COMMITTEE:**

**HOWARD H. ELEY, COMMISSIONER**

**DATE**