

Interlocal Agreement CWCOG Medical Insurance Rate Stabilization Pool

WHEREAS, the Interlocal Cooperation Act, Chapter 39.34, Revised Code of Washington (RCW), permits local governments in Washington State to develop and implement interlocal agreements regarding issues of common interest and concern;

WHEREAS, the CWCOG is an association of local governments and other agencies formed pursuant to Chapter 36.64.080 RCW, for the purposes of addressing issues of interest and concern that cross jurisdictional boundaries; it's membership includes county, city and special purpose district governments, a public community college, and a variety of non-profit agencies;

WHEREAS, the CWCOG's functions are to serve its members by providing a regional forum to address issues of mutual interest and concern, develop recommendations and provide a wide variety of technical and contractual services. The CWCOG's mission is to efficiently utilize resources so as to yield long-term benefits that enhance the quality of life for our communities and region;

WHEREAS, the CWCOG membership are experiencing unprecedented demands to provide services to their citizens and constituents with financial resources that are severely constrained if not reduced;

WHEREAS, the CWCOG members individually participate in a variety of medical insurance programs and each participates by varying degrees in wellness programs and all share experience and significant concerns for the impact medical insurance premiums are having on highly constrained financial resources;

WHEREAS, the CWCOG members recognize that, in order to provide health insurance for employees as economically as possible, jointly participating in a risk pool based on the combined size of all groups would achieve improved economies of scale while improving opportunities for broader based wellness initiatives and improved health behaviors resulting in significant benefits for both the employers and employees;

WHEREAS, to accomplish this requires CWCOG members to jointly participate in a health risk management program designed to manage risk and promote wellness;

WHEREAS, pooling will be for the purpose of setting future rate actions (be they increases, no change, or decreases), not for establishing specific rates on specific groups. The CWCOG agrees it would not be purchasing or entering into insurance contracts on behalf of participating entities;

WHEREAS, the pooling concept would not require that members change current levels of benefits offered or plan designs available to employees through carriers underwriting plans for the Pool and group agreements with participating carriers will be entered into by and between participating members and carriers just as they would outside of the Pool;

WHEREAS, the two most significant advantages of having smaller sized groups pool together as one large group is in the resulting lower administrative costs which are characterized as retention charges and having greater stability in the rating.

NOW, THEREFORE, the below signatories agree to participate in the Cowlitz-Wahkiakum Council of Governments Medical Insurance Rate Stabilization Pool, with the following provisions:

1. Pooling will be for the purpose of setting future rate actions (increases, no change, decreases), not for establishing specific rates on specific groups or negotiating any specific plan offerings. The CWCOG would not be purchasing or entering into insurance contracts on behalf of participating entities.
2. Any plan changes must be coordinated with the renewal(s) of the pool and incorporated into the underwritten rate action. There will be no more than three set renewal periods, to fall on or about January, July and/or October of each year.
3. The signatories to this agreement may have special districts and other organizations for which health care benefits are administered according to other agreements; as such, these jurisdictions and organizations are included in this agreement and likewise agree to participate.
4. Going into the pool, groups will be evaluated to ensure their plan rates are adequate for their risk; individual adjustments to the pooled adjustments may be necessary to get groups to an adequate level of funding in the initial year(s) of the program.
5. Each individual group entering the Risk Pool will be rated upon their own merit (i.e. experience, demographics and risk as appropriate for their currently enrolled size).
6. Calculations for the first and subsequent CWCOG Risk Pool renewals will be based upon the combined size, experience, demographics and risk of the entire pool.
7. Participating entities will be responsible for providing demographic/census information on a timely basis as may be required by the Pool and or insurance carriers.
8. Eligible entities agree to promote and administer at least the "core set" of Health and Wellness programs established by the CWCOG Risk Pool participants. The CWCOG will be responsible for a good faith effort to ensure these entities follow through on this commitment.
9. In the initial years of the program, concentration will be given by participating entities to promote employee participation in health risk assessments and biometric testing. Results will be used by CWCOG Risk Pool participants to help guide communication strategies that address areas of risk within the respective populations and establish the aforementioned "core set" of Health and Wellness programs.

10. A standing committee will be established to address health trends and wellness programs, review experience and related common interests, address other human resource topics related to health care and wellness, and address any responsibilities for administration of this Agreement. Each party will have one voting member on such committee. There is no separate legal or administrative entity created by this Agreement.
11. Participating entities agree to provide 180 days written notice to the CWCOG prior to withdrawal from the Agreement. Entities that decide to withdraw from the pool cannot rejoin any sooner than two years from the date of withdrawal.
12. It is not contemplated that there will be any jointly-owned property in the administration of this Agreement and thus no method is necessary to dispose of property upon partial or complete termination of this Agreement.
13. Interwest Benefit Consultants, Inc. located in Longview, Washington, shall be appointed as broker of record by participating CWCOG members, individually or collectively, for all associated lines of insurance coverage that utilize the CWCOG Risk Pool for underwriting purposes. Said appointment will be effective on the first day of coverage of the respective plan year or written policy and will continue throughout participation in the pool. Interwest Benefits Consultants, Inc. will provide services to pool participants that include but are not limited to assisting in the development and management of employee benefit programs, facilitate the renewal process and work as a liaison with the insurance carriers regarding plan design, underwriting, and pricing. Interwest Benefit Consultants will serve as the Pool's advocate and advisor in dealing with insurance companies and administrators to resolve issues involving claims, service, and regulations as well as assisting employers in communicating benefit packages to their employees.
14. Each party shall be liable and responsible for the consequences of any negligent or wrongful act or failure to act on the part of itself and its officers, employees and agents. No parties assume responsibility to any other party for the consequences of any act or omission of any person, firm or corporation not a part of this Agreement. Each party agrees to indemnify and hold harmless the other parties, its officers, employees and agents from any and all claims, actions, costs, damages and expenses of any nature arising out of or in conjunction with any act authorized by this Agreement.
15. Funding for the provisions herein shall be as provided each year in the respective budgets of each party to this Agreement.
16. Neither the parties to this Agreement nor the CWCOG shall assign, transfer, or encumber any rights, obligations, duties, or interests accruing or arising from this Agreement without the express prior written consent of the other. Subject to the foregoing, the Agreement will be binding upon, enforceable by, and inure to the benefit of, the parties and their successors and assigns.
17. Executed copies of this Agreement shall be filed by CWCOG as required by section 39.34.040 Revised Code of Washington prior to this Agreement becoming effective.

GENERAL PROVISIONS

1. **Governing Law.** The Agreement will be governed by the laws of the State of Washington and its choice of law rules. The parties irrevocably consents to the exclusive personal jurisdiction and venue of the federal and state courts located in Cowlitz County, Washington or the applicable federal court for such County, with respect to any dispute arising out of or in connection with the Agreement, and agrees not to commence or prosecute any action or proceeding arising out of or in connection with the Agreement other than in the aforementioned courts.
2. **Severability.** If any provision of the Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.
3. **Non-waiver.** Any failure by the parties to enforce strict performance of any provision of the Agreement will not constitute a waiver of the parties' right to subsequently enforce such provision or any other provision of the Agreement.
4. **Notices.** All notices and other communications required under the Agreement must be in writing, and must be given by registered or certified mail, postage prepaid, or delivered by hand to the party to whom the communication is to be given, at its address as follows: CWCOG, 207 Fourth Avenue No., Kelso, WA 98626.
5. **Legal Fees.** In any lawsuit between the parties with respect to the matters covered by the Agreement, the prevailing party will be entitled to receive its reasonable attorney's fees and costs incurred in the lawsuit, in addition to any other relief it may be awarded.
6. **Counterparts.** The Agreement may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document.
7. **Captions.** The captions in this Agreement are for convenience only and do not in any way limit or amplify particular provisions.
8. **Modifications or Amendments.** This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by written instrument properly signed by all parties hereto.

This Agreement shall commence on January 1, 2013, and continue until December 31, 2013, and automatically renew on a year-to-year basis thereafter unless terminated by each and any parties to this Agreement by giving notice to CWCOG as provided herein.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this 19th day of November, 2012.

CITY OF CAMAS:

By _____

Mayor

ATTEST:

By _____

City Clerk

APPROVED AS TO FORM:

By _____

City Attorney