



**THIRD-PARTY ADMINISTRATIVE SERVICES AGREEMENT
AMENDMENT 7/1/2025**

Effective July 1, 2025, the following replaces Exhibit A of the third-party administrative services agreement ("Agreement") dated July 1, 2024 between **Charles Taylor TPA, LLC** ("CT TPA") and **Jefferson County Board of Education, Louisville, Kentucky** ("Client"). All other Agreement terms and conditions remain the same.

Pursuant to Paragraph 6 of the Agreement, the service fees of CT TPA will be determined as follows: Client shall pay an annual service fee minimum of \$141,180 for claims first reported. The fee is estimated based upon per-claim charges as follows, including a non-adjustable administration fee of \$26,000:

- Wrongful Acts claims (ELL) \$1,650 each (41 new estimated annually)
- General Liability claims \$1,050 each (44 new estimated annually)
- Incident Only report \$38 each (35 new estimated annually)

Invoices will be sent by CT TPA to Client at the beginning of each year and will be due within 30 days of invoice date. Audits to confirm actual new claim volume in prior years will occur annually, with an invoice for fees due to higher than expected claim volume, or a refund of deposit paid in excess of the annual fee minimum.

MMSEA, Section 111 Reporting - CT TPA will serve as the Client's Account Manager on files that CT TPA administers for the Client, to assist with Section 111 MMSEA queries and reporting. Queries will be completed by CT TPA as required at \$10 each and will be charged to the claim files as allocated expense. An additional allocated expense of \$30 will be charged when file Medicare beneficiary claims to Medicare, in compliance with federal reporting requirements.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CLIENT, BY: _____

TITLE: _____

DATE: _____

FOR: Charles Taylor TPA
PO Box 436499, Louisville, KY 40253-6499

BY: Greg Sisson

TITLE: Chief Claims Officer

DATE: June 6, 2025



THIRD-PARTY ADMINISTRATIVE SERVICES AGREEMENT

This Third-Party Administrative Services Agreement ("Agreement") is made as of the 1st day of July, 2024 ("Effective Date") by and between **Charles Taylor TPA** ("CT TPA") and **Jefferson County Board of Education, Louisville, Kentucky** ("Client").

RECITAL

Client desires to engage the services of CT TPA to provide the claims administrative and other services specifically set forth in this Agreement, all on the terms and conditions set forth herein. For and in consideration of the mutual promises set forth herein, and for such other and further considerations, the parties hereby agree as follows:

1. Term of Agreement:

This term of this Agreement shall commence at 12:01 a.m. on the Effective Date above and shall remain in force until cancelled in accordance with Paragraph 7 hereof.

2. CT TPA Duties:

During the term of this Agreement, CT TPA shall provide the following services pertaining to Client's workers' compensation obligations:

- (a) Receive notice of and create a file on each reported claim and maintain each file for Client.
- (b) Investigate claims as required to determine their validity and compensability.
- (c) Determine proper benefits due on compensable claims.
- (d) In accordance with established payment procedures, make timely payment of benefits due out of the Claims Fund Account to be funded by Client.
- (e) Prepare documentation and assist in the defense of cases; represent Client at the appropriate governmental agencies of the involved state; to the extent legally permitted, represent Client at conferences; recommend legal counsel and supervise legal counsel selected by Client.
- (f) Maintain and provide to Client pertinent data on all claim payments.
- (g) Provide loss reports to Client.
- (h) Make timely written reports to Client's excess carriers to comply with the reporting requirements of Client's excess policies, and provide to Client a copy of all such reports.
- (i) Advise Client and Client's broker in writing of major developments arising in the investigation, adjustment, and settlement of significant claims.
- (j) Seek Client's approval of any proposed lump sum settlement greater than \$5,000.
- (k) Make available to Client or its authorized representative all claim files subject to this Agreement for the purpose of audit or claim review at any

time during normal business hours of CT TPA, provided that forty-eight (48) hours advance notice of intent to conduct a claim audit or review is provided to CT TPA. If more than four (4) days are required for such reviews during any annual term of this Agreement, CT TPA reserves the right to charge an additional fee of up to \$500 per day for each day in excess of four (4) days.

- (l) By virtue of Client's designation of a managed health care system as set forth in Section 14 hereof, provide Client with managed care services provided by or through Guardian Managed Care Solutions.

3. Client Duties:

In addition to any other obligations set forth in this Agreement, Client agrees:

- (a) To promptly provide all claims information to CT TPA.
- (b) To cooperate with CT TPA and its representatives in the investigation and defense of claims.
- (c) To provide witnesses as reasonably required regarding the defense and investigation of any claims.
- (d) To render decisions concerning payment of claims, and on all matters relating thereto, on a timely basis.
- (e) To be solely responsible for providing sufficient funds required for payment of benefits, fees, and expenses.
- (f) To promptly deliver funds as required to carry out this Agreement as and when requested by CT TPA.
- (g) To promptly notify CT TPA of any changes in insurance carriers or deductible amounts.

4. Claims Fund Account:

- (a) CT TPA agrees to maintain a claims fund account at a federally insured bank from which payments will be made to satisfy Client's claims and Allocated Claim Expense obligations.
- (b) Client agrees to timely provide funds for the Claims Fund Account in amounts requested by CT TPA.
- (c) At no time will CT TPA be required to extend credit or advance its own funds to satisfy Client's payment obligations and in no event will CT TPA be liable for fines, penalties, or other consequences arising from or related to Client's failure to properly and timely fund the Claims Fund Account.

5. Allocated Claim Expenses:

CT TPA will pay all Allocated Claim Expenses from the Claims Fund Account. Allocated Claim Expenses are all expenses incurred in connection with the investigation, adjustment, settlement, or defense of Client claims. Allocated Claim Expenses includes, but is not limited to, those charges incurred for:

- (a) Attorneys and experts;
- (b) Court cost, depositions, court reporter and related expenses;
- (c) Independent medical examinations of claimants;
- (d) Appraisers and Independent Adjusters;
- (e) Surveillance and private investigation;

- (f) Index Bureau (ISO) and Office of Foreign Assets Control (OFAC);
- (g) Electronic Data Interchange (EDI) if required by state law;
- (h) Managed care expenses including, but not limited to, utilization review, nurse case management, PPO networks, medical bill audits and medical bill review;
- (i) Subrogation;
- (j) Medicare set-aside allocations and related expenses;
- (k) Medical records, personnel records, and other similar documents; and
- (l) Medicare, Medicaid, SCHIP Extension Act (MMSEA) Section 111 eligibility queries and reporting required by federal law.

6. Service Fee Agreement:

Client agrees to pay CT TPA service fees as set forth in Exhibit A hereof. CT TPA will send invoices to Client at the periodic intervals specified in Exhibit A which shall be paid no later than fourteen (14) days from receipt.

7. Termination of Agreement:

- (a) This Agreement can be terminated by either party upon at least sixty (60) days written notice to the other party. If Client terminates this Agreement but fails to provide the required sixty (60) days written notice thereof, Client will pay as an agreed liquidated damage to CT TPA the sum of \$300 for each day that the required notice was not given.
- (b) At its option, CT TPA can terminate this Agreement upon at least fourteen (14) days written notice to Client if Client does not pay CT TPA's service fees when due or if Client fails to fund the Claims Fund Account as required by CT TPA.
- (c) No services will be performed by CT TPA under this Agreement after the date this Agreement is terminated, and CT TPA will turn over all Client files as set forth in Paragraph 8 hereof. However, upon Client's request and subject to written agreement by CT TPA, CT TPA will be paid a reasonable and negotiated fee to:
 - (1) Provide continued adjustment and administration of open claim files existing as of the date of termination of this Agreement;
 - (2) Cooperate with any successor administrator in the transfer of all functions, and, if requested by Client, provide a runoff listing of open claim files and other records reasonable and necessary for the successor administrator; and/or
 - (3) Provide an electronic version of the claim data.

8. Ownership of Files and Records:

- a) All claim files generated by CT TPA as a result of its activity pursuant to this Agreement shall remain the property of Client with the exception of those records identified in (b) and (c) hereof. After the termination of this Agreement and settlement of all accounts with CT TPA, upon request of Client, all claim data shall be electronically transmitted to Client or their designee.

- b) Manuals, forms, CT TPA files and reports, customer lists, computer records, financial and strategic data, information which documents CT TPA's processes, procedures and methods and information and data which CT TPA employs to administer programs, other than Client's program, shall at all times be and remain the exclusive property of CT TPA and Client shall not have any ownership, interest, right to duplicate or right to utilize such items except for documentation or information that specifically and solely relates to Client's program

9. Independent Contractor:

CT TPA is an independent contractor, and nothing contained in this Agreement shall be construed to create any relationship between CT TPA and Client. CT TPA is retained by Client as an independent contractor and solely for the purposes and to the extent set forth in this Agreement.

10. Notices:

Any notice by CT TPA to Client required or permitted to be given under the terms of this Agreement shall be given in writing and sent by registered or certified mail to Client at the last known address of Client.

Any notice by Client to CT TPA required or permitted to be given under this Agreement shall be given in writing and sent by registered or certified mail to the attention of CT TPA's Chief Claims Officer at the last known address of CT TPA.

11. Waiver:

The waiver by CT TPA or Client of the breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provision.

12. Indemnity:

- (a) CT TPA will indemnify and hold Client harmless with respect to actions commenced against Client arising out of any error or omission by CT TPA or its employees, provided the basis for such proceedings were not the direct result of direction given by Client and acted upon by CT TPA under the terms of this Agreement.
- (b) Client agrees to indemnify and hold CT TPA and its employees harmless from any loss, damage, liability, judgment, claims, and expenses arising out of Client's performance, or lack thereof, of its duties and obligations under the terms of this Agreement or actions taken by CT TPA at the direction of Client.

13. Taxes:

All prices and fees for CT TPA's services are exclusive of any and all federal, state, and local sales, use, excise, franchise, or other applicable taxes. Client agrees to pay any such taxes levied because of this Agreement and any services

performed thereunder, regardless of whether the applicable tax was in existence on the first day of this Agreement.

14. Designation of Managed Health Care System:

For the purpose of providing medical services through a managed health care system, Client designates Guardian Managed Care Solutions to provide services.

15. Non-Solicitation of Employees:

During the term of this Agreement and for two (2) years thereafter, Client and CT TPA mutually agree not to recruit, solicit, or hire, directly or indirectly, any employee of the other without written permission.

16. Governing Law:

The interpretation and validity of this Agreement shall be governed by the laws of Kentucky.

17. Entire Agreement:

This Agreement, together with any written amendments and exhibits thereto, contains the entire agreement and understanding between the parties. There are no oral understandings, terms, or conditions, and neither party has relied upon any representation, express or implied, not contained in this Agreement, or the simultaneous writings heretofore identified. All prior understandings, terms, or conditions, are deemed merged in this Agreement. This Agreement may be changed or supplemented only in writing signed by the parties. In the event that a conflict shall arise regarding the wording or interpretation of this Agreement, and that of any supplemental written agreement, amendment, or exhibit hereto, then in such event the wording and interpretation of said supplemental written agreement, amendment or exhibit shall control.

18. Binding Agreement

This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their heirs, executors, administrators, successors, and assigns. If any term, covenant, or condition of this Agreement is determined to be illegal, invalid, void, or unenforceable, such finding shall not affect the other provisions of this Agreement.

19. Arbitration

To the extent permitted by law, any dispute or controversy arising out of or relating to this Agreement, or any amendment or modification thereto, shall be determined by arbitration in the County of Jefferson, State of Kentucky pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Parties agree that the arbitrator shall have the power to award specific performance or injunctive relief to in any such arbitration. The costs of arbitration, including each Party's legal fees, shall be borne as directed by the arbitrator.

The Parties consent to the jurisdiction of the Supreme Court of the State of Kentucky for all purposes ancillary to arbitration, including the enforcement of the arbitration agreement and the proceedings, and the entry of a judgment on any award, and further consent that any process or notice of motion or other application to a court or to a judge thereof may be served by registered or certified mail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CLIENT, BY: _____

TITLE: _____

DATE: _____

FOR: Charles Taylor TPA
PO Box 436499, Louisville, KY 40253-6499

BY: _____

TITLE: _____

DATE: _____

relief to in any such arbitration. The costs of arbitration, including each Party's legal fees, shall be borne as directed by the arbitrator.

The Parties consent to the jurisdiction of the Supreme Court of the State of Kentucky for all purposes ancillary to arbitration, including the enforcement of the arbitration agreement and the proceedings, and the entry of a judgment on any award, and further consent that any process or notice of motion or other application to a court or to a judge thereof may be served by registered or certified mail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CLIENT, BY: _____

TITLE: _____

DATE: _____

FOR: Charles Taylor TPA
PO Box 436499, Louisville, KY 40253-6499

BY: Greg Sisson

TITLE: Chief Claims Officer

DATE: 6/14/2024

502-768-0749

EXHIBIT A
THIRD-PARTY ADMINISTRATIVE SERVICES AGREEMENT

Pursuant to Paragraph 6 of the Agreement, the service fees of CT TPA will be determined as follows:

Client shall pay an annual service fee of \$129,525 for claims first reported. The fee is estimated based upon per-claim charges as follows, including a non-adjustable administration fee of \$25,000:

- Wrongful Acts claims (ELL) \$1,575 each (41 new estimated annually)
- General Liability claims \$998 each (44 new estimated annually)
- Incident Only report \$37 each (35 new estimated annually)

Invoices will be sent by CT TPA to Client at the beginning of each year and will be due within 30 days of invoice date.

Audits to confirm actual new claim volume in prior years will occur annually, with an invoice for fees due to higher than expected claim volume, or a refund of deposit paid in excess of actual claim volume.

MMSEA, Section 111 Reporting - CT TPA will serve as the Client's Account Manager on files that CT TPA administers for the Client, to assist with Section 111 MMSEA queries and reporting. Queries will be completed by CT TPA as required by the MMSEA at \$7 each and will be charged to the claim files as allocated expense. An additional allocated expense of \$25 will be charged when filing Medicare beneficiary claims to Medicare, in compliance with federal reporting requirements.